



CITY OF EL SEGUNDO
CALIFORNIA



ANNUAL COMPREHENSIVE
FINANCIAL REPORT

FISCAL YEAR ENDED – JUNE 30, 2022



CITY OF EL SEGUNDO, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED JUNE 30, 2022
PREPARED BY THE CITY'S FINANCE DEPARTMENT

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City of El Segundo

January 24, 2023

Honorable Mayor, Members of the City Council, City Manager, and citizens of El Segundo:

State law requires that every general-purpose local government publish each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2022.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive frame-work of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

CliftonLarsonAllen LLP (CLA), formerly White Nelson Diehl Evans LLP (WNDE), an Independent CPA Firm, has issued an unmodified (“clean”) opinion on the City of El Segundo’s financial statements for the year ending June 30, 2022. The independent auditor’s report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follow the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

City of El Segundo Profile

The City of El Segundo is located 14 miles southwest of downtown Los Angeles, adjacent to the City of Los Angeles International Airport. The City was incorporated January 18, 1917, as a General Law city, with the Standard Oil Company of California refinery as the major industrial taxpayer and employer. The substantial petroleum base of the local economy remains evident, although the defense industry emerged as a major segment during World War II. Aerospace experienced rapid growth during the early 1980’s and accounted for a significant share of El Segundo’s industrial growth during those years. A downturn in the aerospace/defense industry began in the late 1980’s, and the industry’s recovery took place through consolidation and diversification into commercial endeavors. The available commercial/industrial space has been attracting new business-to-business retail services providers, providing opportunities to diversify and enhance the revenue source of the City.

The City has operated under the Council-Manager Form of Government since 1917. Policy-making and legislative authority are vested in the City Council (governing body) consisting of the Mayor and four Councilmembers, all elected on a non-partisan basis. The Council appoints the government’s City Manager, who serves as the organization’s Chief Executive Officer (CEO) and in turn, appoints the heads of the departments. Council members serve four-year terms and are elected at-large. The

election schedule alternates with two seats open during one election cycle and three seats open the next election cycle. The Mayor is selected by the seated City Council every two years.

The City provides a full range of municipal services, including police and fire protection; highway, street and infrastructure maintenance and construction; water and wastewater operations; library services; planning, zoning and code enforcement; recreational and cultural activities; and general administration. This report includes all funds of the City and those component units controlled by, and dependent on the City. Accordingly, this report incorporates financial data for the El Segundo Senior Citizen Housing Corporation.

City Council is required to adopt a final budget by no later than the close of the previous fiscal year. This annual budget serves as the foundation for the City's financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., Police). Department Heads may transfer resources within a department. Transfers between departments, however, must be approved by the City Manager. Any transfers between funds must be approved by the City Council.

Local economy

El Segundo celebrated its centennial anniversary in 2017, commemorating 100 years of innovation, leadership, and growth. The City celebrated its 105th anniversary in 2022. In 1911, Standard Oil (Chevron) opened its second refinery in California in what is now El Segundo. The city was incorporated 1917 with its foundation as home to workers in the petroleum industry. Over the last 105 years, El Segundo has become a thriving business center, home to AT&T, Los Angeles Times, Los Angeles Lakers and Los Angeles Kings, DaVita Healthcare, and Mattel.

Los Angeles Air Force Base and the Aerospace Corporation are located in El Segundo, and the City has a longstanding tradition of innovation in Aerospace. Boeing, Northrop Grumman, Lockheed Martin and Raytheon, are among the many prestigious Fortune 500 companies with facilities in El Segundo. Over half of all satellites and vehicles in space were manufactured in El Segundo. Global Positioning Satellite Systems, Global Hawk's unmanned aerial vehicle surveillance aircraft, and the FA-18 were also developed and conceived in El Segundo.

In addition to aerospace and petroleum, the local economy is comprised of many high-growth industries, including: bioscience, emerging technology, creative services, sports, entertainment, and professional services. El Segundo is also home to inventive and growing companies that will shape our future economy, such as Beyond Meat, JustFab, Kite Pharma, Millenium Space Systems, Topgolf, and WPromote. El Segundo has been recognized as the Most Business-Friendly City in Los Angeles County three times, and offers low tax rates, convenient access to transportation, and a highly skilled workforce.

Long-term financial planning

The City's financial security is fundamental to the administration of City policies and practices. City Council has always been and continues to take a conservative approach in maintaining a strong financial position by limiting the growth of spending and acquiring additional debt. It has established a General Fund Reserve, Economic Uncertainty Reserve Fund, and Capital Improvement Fund to meet the needs of unforeseen circumstances that may occur in the future.

The City has traditionally implemented a strategy of adopting a Citywide Strategic Plan that is reviewed and updated each year by the City's management and the City Council. A new four-year Strategic Plan was developed during FY 2021-2022 and will be implemented for FY 2022-2023 through FY 2025-2026. The Strategic Plan will be used as a guideline to set priorities and in development of each subsequent budget year.

On January 19, 2021, City Council approved the issuance and sale of taxable POBs to refund the pension obligations of the City of El Segundo and authorized the execution of a Trust Agreement which then began the judicial validation proceedings relating to the issuance of the POBs. The Los Angeles Superior Court approved the validation in April 2021, setting the stage for the City to ultimately issue the POBs in June 2021.

The City's POB Finance Team (City staff, Municipal Advisor, Underwriters, Bond Counsel, Disclosure Counsel, and Trustee), met with Standard & Poor's (S&P) staff on May 10, 2021 for a bond rating presentation. The meeting was successful and resulted in a strong AA+ bond rating. This is an excellent rating, particularly in the economic environment that exists with COVID-19 still having negative impacts on the economy. S&P provided a write-up of the rating meeting with guidance on how to possibly achieve a AAA rating in the near future.

On May 18, 2021, City Council formally approved issuing the POBs at 95% of the current UAL with CalPERS. Once in the marketplace, the POBs were 4.5x over subscribed which helped to lower the POB interest rate to 2.568%. This was the second lowest rate of any POBs issued in the State of California over the last two years, including POBs with a AAA rating. This exceptional interest rate resulted in savings to the City of approximately \$82.2 million over the next 19 years.

Through the issuance of pension obligation bonds to prepay the existing UAL, along with a series of other forward-thinking actions taken by City Council over the past few years (including: Reduced "Fresh Start" Amortization Period; Past additional discretionary UAL payments; Prepaid UAL payments; Creation of a Pension Trust Fund; Requiring "Classic " employees to pay their full "employee share", Adoption of formal UAL Policies; and, the Topgolf Revenue Allocation Policy), the City is well-positioned to meet its present and future pension obligations over the next 19 years.

The annual \$9.8 million payment on the POBs represents a much lower recurring pension cost to the City than what would have been the case without the POBs. The City now has control over its pension costs through July 1, 2040. After 2040, the City's pensions will be fully funded and the recurring pension costs should drop significantly. After years of stress and uncertainty, the City now has more clarity and predictability in managing its pension obligations.

City Council is commended for taking a proactive approach to address the City's rising pension costs to reduce the City's overall pension liabilities, saving millions of dollars.

Relevant financial policies

The City's general fund reserve policy in FY 2021-22 was a range of 20%-25% of the City's current general fund expenditures for its operating reserves, as well as funding up to \$2 million in a separate Economic Uncertainty Reserve Fund. The goal is to maintain a minimum reserve for the General Fund at 20% and strategically increase the reserve up to 25% in subsequent years, as well as maintain a reserve of \$2 million in the Economic Uncertainty Fund, per current City Council policy direction.

The City takes a conservative approach in relation to incurring debt with a "pay-as-you-go" approach. It is currently funding 100% of the actuarial required contribution (ARC) for its other (than pension) post-employment benefits (OPEB).

The elected City Treasurer is charged with managing and investing cash for the City along with support from the Investment Advisory Committee.

Major initiatives

The City currently has a Capital Infrastructure Plan (CIP) that includes the following projects:

- Annual Sidewalk, ADA ramp installation, Curb and Gutter Restoration Program
- Brett Field Restrooms
- City Hall improvements
- City-wide HVAC Replacement
- El Segundo Blvd. Improvements
- Gateway beautification project
- Library Improvements (Elevator & HVAC)
- Local street rehabilitation and slurry seal
- Park Place gap closure project (design phase)
- Park Vista Senior Housing Improvement Projects
- Plunge replacement scope assessment
- Recreation Park Projects
- Sewer main repairs
- Water infrastructure improvements
- Various smaller projects that have provided enhanced benefits to the community

Acknowledgements

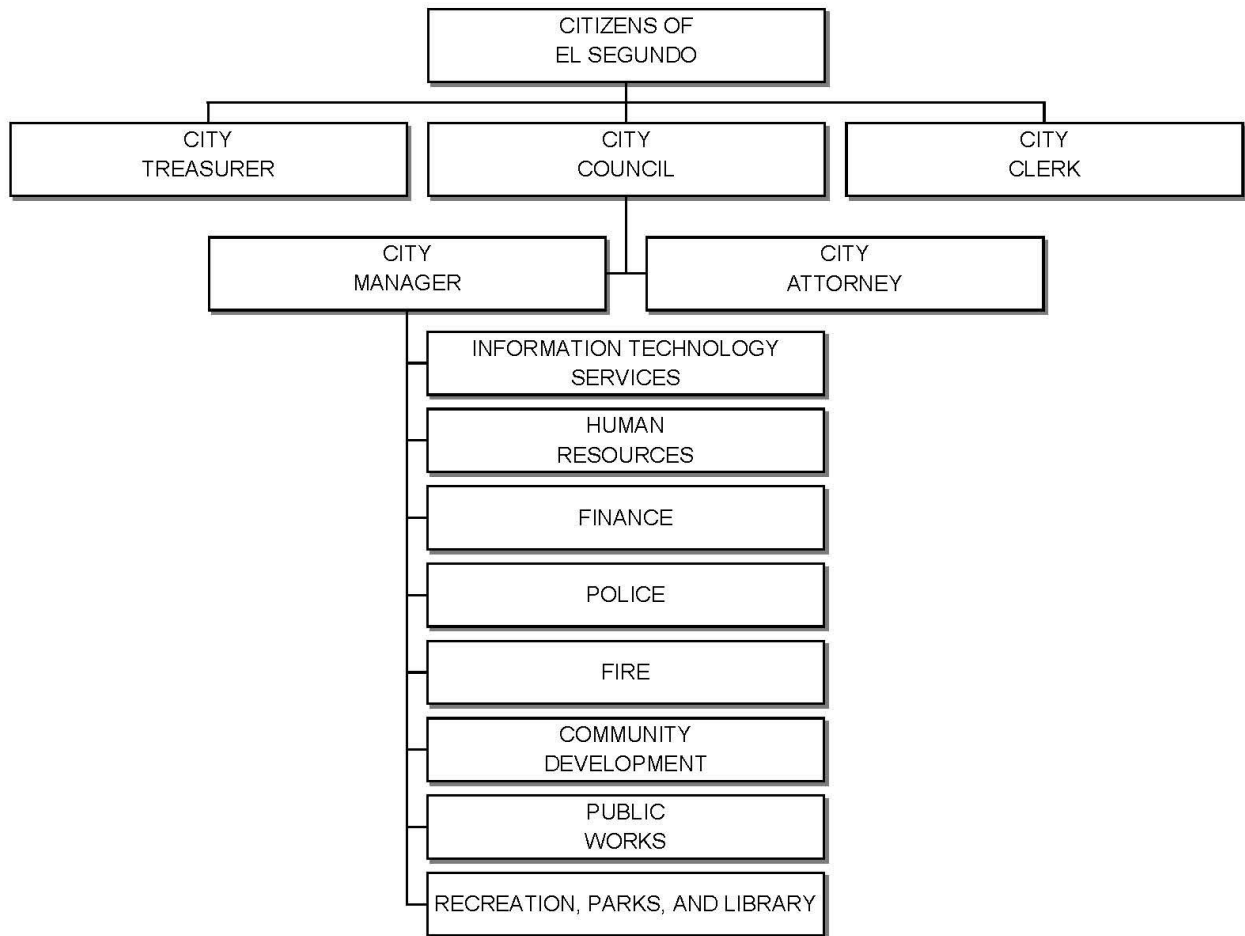
The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the Finance Department. We wish to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the mayor and the governing council for their unfailing support for maintaining the highest standards of professionalism in the management of the City of El Segundo's finances.

Respectfully submitted,



Joseph Lillio
Chief Financial Officer

CITY OF EL SEGUNDO



**CITY OF EL SEGUNDO
OFFICIALS OF THE CITY
JUNE 30,2022**

CITY COUNCIL MEMBERS

<u>Name</u>		<u>Term Expires</u>
Drew Boyles	Mayor	November 2024
Chris Pimentel	Mayor Pro Tem	November 2022
Carol Pirsztuk	Council Member	November 2024
Lance Giroux	Council Member	November 2024
Scot Nicol	Council Member	November 2022

CITY OFFICIALS

Darrell George	Interim City Manager
Mark Hensley	City Attorney
Matthew Robinson	City Treasurer
Tracy Weaver	City Clerk

CITY ADMINISTRATION

Barbara Voss	Deputy City manager
Joseph Lillio	Chief Financial Officer
Rebecca Redyk	Director of Human Resources
Jaime Bermudez	Chief of Police
Deena Lee	Fire Chief
Aly Mancini	Director of Recreation, Park, and Library
Michael Allen	Director of Development Services
Elias Sassoon	Director of Public Works
Scott Kim	Interim Director of Information Systems



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**City of El Segundo
California**

For its Annual Comprehensive
Financial Report
For the Nine Months Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

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INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the City Council
City of El Segundo
El Segundo, California

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of El Segundo, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the El Segundo Senior Citizen Housing Corporation (dba Park Vista), which represents 100% of the assets, net position, and revenues of the El Segundo Senior Citizen Housing Corporation nonmajor enterprise fund as of December 31, 2021, and the respective changes in financial position, and cash flows thereof of the year end ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for El Segundo Senior Citizen Housing Corporation, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the City of El Segundo 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. The financial statements of El Segundo Senior Citizen Housing Corporation nonmajor enterprise fund was not audited in accordance with *Government Auditing Standards*.

Change in Accounting Principle

As described in Note 1 to the financial statements, effective July 1, 2021, the City adopted new accounting guidance, GASB No. 87, *Leases*. Our opinions are 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 of El Segundo'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.

Auditors' 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 auditors' 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 City of El Segundo'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 Segundo's ability to continue as a going concern for a reasonable period of time.

Honorable Mayor and Members of the City Council
City of El Segundo

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, budgetary comparison schedule – general fund, schedules of changes in net pension liabilities and related ratios - CalPERS miscellaneous rate plan, CalPERS safety rate plan, and public agency retirement system defined benefit plan, schedule of the City's proportionate share of the net pension liability and related ratios - CalPERS safety rate plan, schedule of contributions - CalPERS miscellaneous rate plan, CalPERS safety rate plan, and public agency retirement system defined benefit plan, schedule of changes in total OPEB liability and related ratios, and schedule of contributions – OPEB 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 and other auditors 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 of El Segundo's basic financial statements. The general fund combining schedules and 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 by us and other auditors. In our opinion, based on our audit and the report of the other auditors, the general fund combining schedules and the combining and individual nonmajor fund financial statements and budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

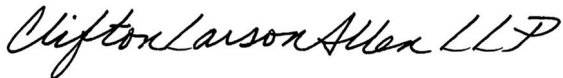
Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover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

Honorable Mayor and Members of the City Council
City of El Segundo

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 24, 2023, on our consideration of the City of El Segundo's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of El Segundo'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 City of El Segundo's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Irvine, California
January 24, 2023

**CITY OF EL SEGUNDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

As management of the City of El Segundo, California (City) we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of El Segundo for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and the City's financial statements.

FINANCIAL HIGHLIGHTS

The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources by \$132,082,072 as of the current fiscal year end (*total net position*). The City had an unrestricted net position of (\$72,981,661). This negative unrestricted net position is the result of GASB 68 implementation in FY 2014-15 that required all government entities to place their unfunded pension liabilities onto their agencies Statement of Net Position.

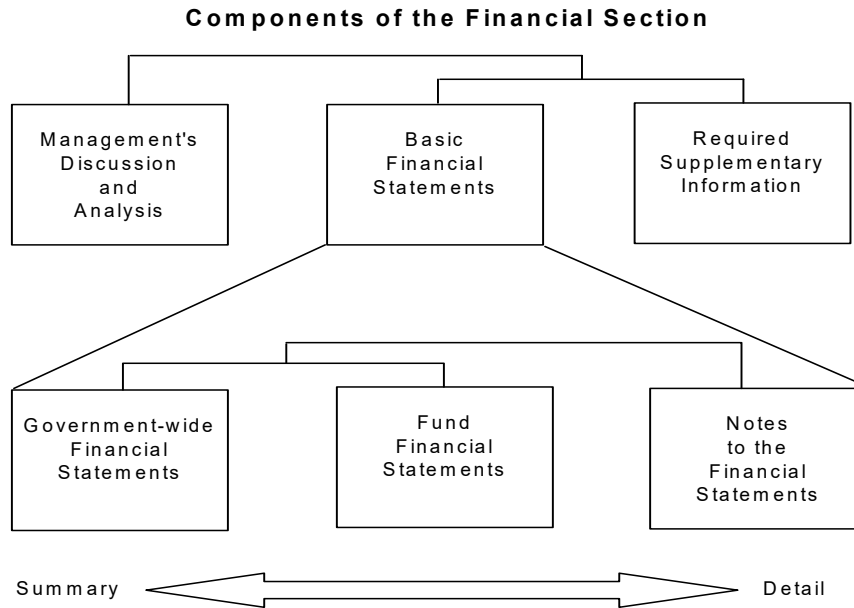
As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$71,839,010. Of this amount, \$34,597,775 (*unrestricted fund balance per GASB 54*) is available for spending at the City's discretion.

At the end of the current year, unrestricted fund balance per GASB 54 for the general fund was \$34,799,542 which represents 53% of total general fund expenditures, net of transfer out, for fiscal year 2021-22.

Overview of the Financial Statements

This annual report consists of four parts – management's discussion and analysis (MD&A - current portion), the basic financial statements, optional combining statements for non-major governmental funds, and required supplementary information. The MD&A discussion and analysis are intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components: 1) government-wide financial statements 2) fund financial statements and 3) notes to the financial statements. This report also contains supplementary information in addition to the basic financial statements.

**CITY OF EL SEGUNDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**



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. These statements include all assets and liabilities of the City.

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

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only affect cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from functions that are intended to recover some or all of their costs through user fees and charges (*business-type activities*).

Governmental activities: Most of the City's basic services are reported in this category, including the general administration (city manager, city clerk, administrative services, etc.), police and fire protection, public works and community development. Property taxes, sales tax, transient occupancy tax, user fees, interest income, franchise fees, state and federal grants, contributions from other agencies, and other revenues finance these activities.

**CITY OF EL SEGUNDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2022**

Business-type activities: The City charges a fee to customers to cover all or most of the costs of certain services it provides. The City's Water and Sewer utilities, the Solid Waste and Golf Course operations and the Senior Housing Corporation are reported in this category.

The government-wide financial statements can be found beginning on page 21 of this report.

Fund Financial Statements: The fund financial statements provide detailed information about the most significant funds and other funds – not the City as a whole. Some funds are required by state law and by bond covenants. However, management has established other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other resources. All the funds of the City can be divided into two categories: governmental funds and proprietary funds.

Governmental funds: Most of the City's basic services are reported in governmental funds, which focus on how money flows in and out of those funds and the balances left at year-end that are available for spending. The City's governmental funds in fiscal year 2022 are General Fund and Non-major Governmental Funds. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The differences between the results in the Governmental Fund financial statements to those in the Government-Wide financial statements are explained in a reconciliation following each Governmental Fund financial statement.

In addition to the major funds reported separately on the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances, the City also maintains 24 special revenue funds, one capital project fund and two debt service funds. Data from these funds are combined into a single, aggregated presentation referred to as *other governmental funds*.

Individual fund data for each of these non-major governmental funds are provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for all of its governmental and proprietary funds. A budgetary comparison statement has been provided for the general fund and major special revenue funds to demonstrate compliance with this budget. This comparison can be found beginning on page 102 of this report.

The governmental fund financial statements can be found beginning on page 29 of this report.

**CITY OF EL SEGUNDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
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Proprietary funds: When the City charges customers for the services it provides, these services are generally reported in proprietary funds. The City maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type* activities in the government-wide financial statements. The City uses enterprise funds to account for its Water, Sewer, Solid Waste, Golf Course activities and the Senior Housing Corporation. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its equipment replacement cost and general liability and workers' compensation cost. Because these services predominantly benefit governmental rather than business-type functions, these funds have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements except that more detail is presented. The proprietary fund financial statements provide separate information for the Water, Wastewater (Sewer) and Golf Course operations, all of which are considered major funds of the City. The Senior Housing Corporation are not considered major funds of the City. The City's internal service fund is shown separately under the heading of *governmental activities*.

The proprietary fund financial statements can be found beginning on page 35 of this report.

Notes to the 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 beginning on page 47 of this report.

Other information: The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found beginning on page 125 of this report.

**CITY OF EL SEGUNDO
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Government-wide Financial Analysis

As was referenced earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources by \$132,082,072 at the close of 2022 fiscal year. A summary of the government-wide *statement of net position* follows:

	Governmental		Business-Type		Total	
	Activities		Activities		Primary Government	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Assets:						
Current assets and other assets	217,785,894	84,645,449	49,081,941	41,684,230	266,867,835	126,329,679
Capital assets, net	<u>96,822,240</u>	<u>98,272,191</u>	<u>27,883,663</u>	<u>27,436,197</u>	<u>124,705,903</u>	<u>125,708,388</u>
Total assets	<u>314,608,134</u>	<u>182,917,640</u>	<u>76,965,604</u>	<u>69,120,427</u>	<u>391,573,738</u>	<u>252,038,067</u>
Deferred Outflows of Resources	110,760,794	168,444,292	423,825	4,677,998	111,184,619	173,122,290
 Liabilities:						
Current and other liabilities	21,155,336	20,661,255	6,308,178	4,638,456	27,463,514	25,299,711
Noncurrent liabilities	<u>187,765,425</u>	<u>329,560,427</u>	<u>5,557,564</u>	<u>9,498,459</u>	<u>193,322,989</u>	<u>339,058,886</u>
Total liabilities	<u>208,920,761</u>	<u>350,221,682</u>	<u>11,865,742</u>	<u>14,136,915</u>	<u>220,786,503</u>	<u>364,358,597</u>
Deferred Inflows of Resources	148,765,563	11,326,717	1,124,219	438,113	149,889,782	11,764,830
 Net position:						
Net investment in capital assets	91,541,308	93,360,733	26,842,980	27,259,225	118,384,288	120,619,958
Restricted	85,598,580	21,618,456	1,080,865	-	86,679,445	21,618,456
Unrestricted	<u>(109,457,284)</u>	<u>(125,165,656)</u>	<u>36,475,623</u>	<u>31,964,172</u>	<u>(72,981,661)</u>	<u>(93,201,484)</u>
Total net position	<u>\$ 67,682,604</u>	<u>\$ (10,186,467)</u>	<u>\$ 64,399,468</u>	<u>\$ 59,223,397</u>	<u>\$ 132,082,072</u>	<u>\$ 49,036,930</u>

It should be kept in mind while reviewing these schedules that the resources needed to repay debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate liabilities. These assets are used to provide services to its citizens and are *not* available for future spending.

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A summary of the government-wide *statement of activities* follows:

	Governmental		Business -Type		Total	
	Activities		Activities		Primary Government	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Revenues						
Program revenues:						
Charges for services	8,452,057	6,940,974	41,594,620	29,765,020	50,046,677	36,705,994
Operating grants and contributions	6,408,261	2,120,276	-	-	6,408,261	2,120,276
Capital grants and contributions	2,328,528	2,421,429	-	-	2,328,528	2,421,429
General revenues:						
Property taxes	12,551,435	12,348,994	-	-	12,551,435	12,348,994
Transient Occupancy taxes	12,267,534	4,416,020	-	-	12,267,534	4,416,020
Sales taxes	13,374,232	8,339,284	-	-	13,374,232	8,339,284
Utility user taxes	6,810,917	4,019,510	-	-	6,810,917	4,019,510
Franchise taxes	3,853,865	2,940,024	-	-	3,853,865	2,940,024
Business license taxes	11,684,753	11,761,998	-	-	11,684,753	11,761,998
Other taxes	9,662,332	7,675,557	-	-	9,662,332	7,675,557
Motor vehicles in lieu	-	-	-	-	-	-
Use of money and property, unrestricted	(465,662)	457,980	(746,994)	427,834	(1,212,656)	885,814
Other	<u>1,812,224</u>	<u>1,405,086</u>	<u>-</u>	<u>-</u>	<u>1,812,224</u>	<u>1,405,086</u>
Total revenues	88,740,476	64,847,132	40,847,626	30,192,854	129,588,102	95,039,986
Expenses						
General government	18,434,149	15,339,955	-	-	18,434,149	15,339,955
Public safety	(30,085,922)	21,813,534	-	-	(30,085,922)	21,813,534
Public works	12,320,674	8,868,760	-	-	12,320,674	8,868,760
Community & cultural	7,277,725	7,026,812	-	-	7,277,725	7,026,812
Interest on long-term debt	2,924,779	500,659	-	-	2,924,779	500,659
Water	-	-	30,211,365	18,520,750	30,211,365	18,520,750
Sewer	-	-	4,441,887	3,430,966	4,441,887	3,430,966
Golf Course	-	-	239,326	4,678,672	239,326	4,678,672
Nonmajor fund Senior Housing	-	-	<u>778,977</u>	<u>597,152</u>	<u>778,977</u>	<u>597,152</u>
Total expenses	<u>10,871,405</u>	<u>53,549,720</u>	<u>35,671,555</u>	<u>27,227,540</u>	<u>46,542,960</u>	<u>80,777,260</u>
Increase (decrease) in net position	<u>77,869,071</u>	<u>11,297,412</u>	<u>5,176,071</u>	<u>2,965,314</u>	<u>83,045,142</u>	<u>14,262,726</u>
Net position at beginning of year	<u>(10,186,467)</u>	<u>(21,483,879)</u>	<u>59,223,397</u>	<u>56,258,083</u>	<u>49,036,930</u>	<u>34,774,204</u>
Net position at end of year	<u>\$ 67,682,604</u>	<u>\$ (10,186,467)</u>	<u>\$ 64,399,468</u>	<u>\$ 59,223,397</u>	<u>\$ 132,082,072</u>	<u>\$ 49,036,930</u>

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Governmental Activities

The City's net position from governmental activities increased \$77,869,071. The increase in net position is attributed to an increase in revenues due to the economy recovering from the pandemic and a decrease in expenses in governmental funds. The City changed the 2021 fiscal year end to June 30th; therefore, a consideration needs to be taken into the comparison of the twelve-month 2022 fiscal year to the nine-month 2021 fiscal year. Details are listed below:

Changes in Revenues

- Charges for services increased by \$1.5 million due to a recovery from the pandemic, a cpi increase applied to many of the charges for services, and the fact that prior FY 20-21 was a nine-month fiscal year;
- Operating grants and contributions increased by \$4.2 million, of which \$2 million was from the American Rescue Plan Act of 2021 (ARPA) fund;
- Property taxes increased by \$202 thousand due to increased property values;
- Transient Occupancy taxes increased by \$7.9 million because hotel occupancy rates and room rates continued to rise post-economic shutdown and the fact that prior FY 20-21 was a nine-month fiscal year;
- Sales taxes increased by \$5.0 million due to economy's return to pre-COVID levels and the fact that prior FY 20-21 was a nine-month fiscal year;
- Utility Users taxes increased by \$2.8 million due to businesses coming back online from lifting L.A. County Department of Health economic restrictions, the continually rising commodity prices which directly impacted the price of utilities by resulting in higher utility bills, and in turn led to higher Utility Users taxes collected by the City;
- Franchise taxes increased by \$914 thousand due to the fact that prior FY 20-21 was a nine-month fiscal year, as well as higher revenues collected by the major utility companies;
- Business license taxes decreased by \$77 thousand due to the permanent impact of pandemic on some local businesses;
- Other taxes increased by \$2.0 million mainly due to the price increase of cogenerated electric energy by Chevron Corporation, which led to higher tax collected by the City;
- Interest and rentals decreased by \$924 thousand due to significant increases in the Fed's discount rate and overall interest rate increases in the fixed income space. City's investments are reported at fair value per GASB 72.

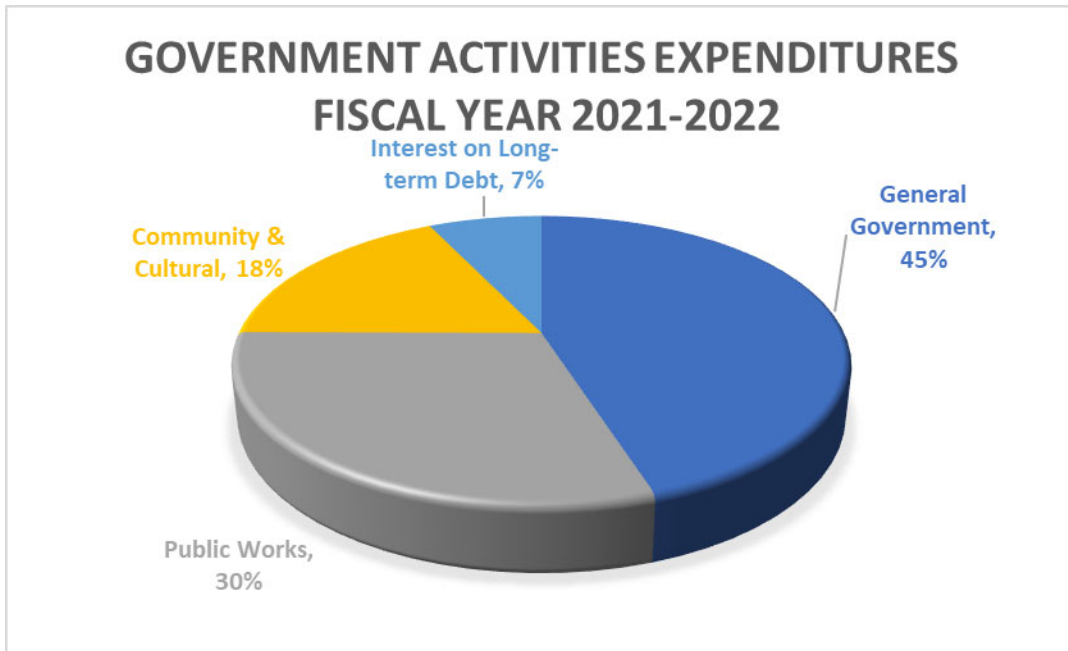
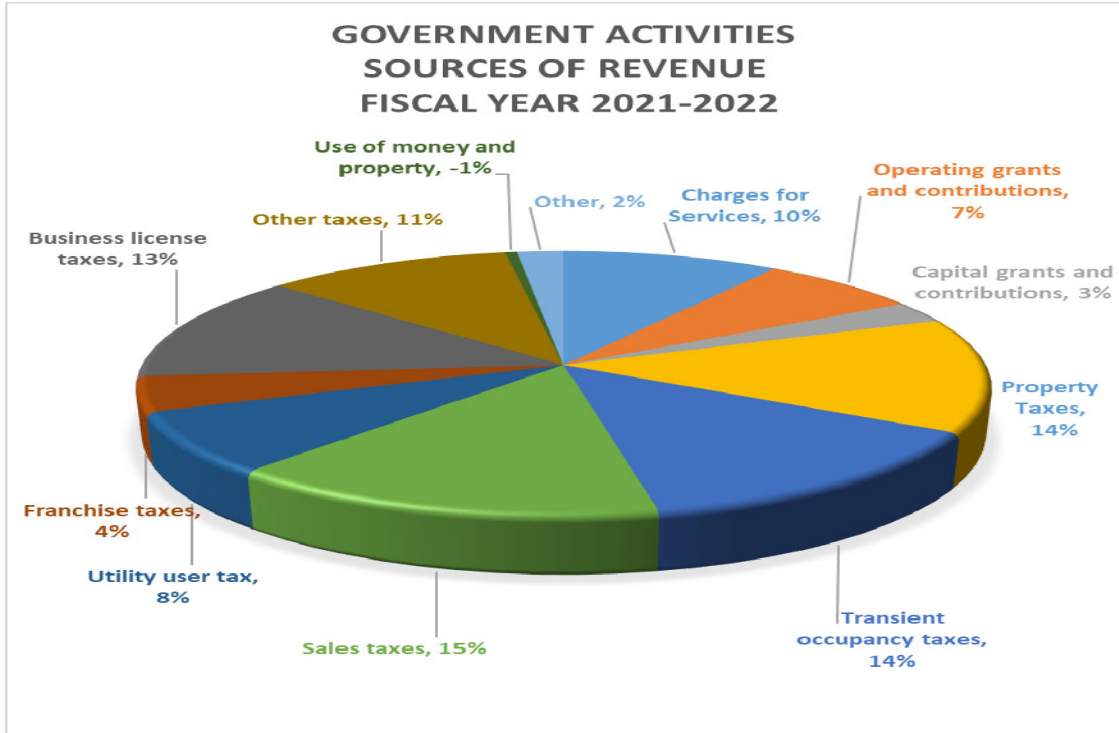
**CITY OF EL SEGUNDO
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Changes in Expenditures

- General government expenses increased by \$3.1 million due to the fact that prior FY 20-21 was a nine-month fiscal year;
- Public safety expenses decreased by \$51.9 million primarily due to a \$63.5 million GASB 34 adjustment for the net pension asset of safety pension plan with CalPERS as a result of the City issuing Pension Obligation Bonds (POBs).
- Public works expenses increased by \$3.5 million due to the fact that prior FY 20-21 was a nine-month fiscal year;
- Interest on long-term debt increased by \$2.4 million mainly due to the Pension Obligation Bonds the city issued in June 2021;

Overall, the \$10.9 million cost of all “public benefit” governmental activities for the year was fully financed by the City’s governmental program revenues of \$17.2 million, which were paid by those who directly benefited from the programs (\$8.5 million) or by other governments and organizations that subsidized certain programs with grants and contributions (\$8.7 million). In 2022 fiscal year the city collected \$70.2 million taxes - business license taxes of \$11.7 million, sales and use taxes of \$13.4 million, property taxes of \$12.6 million, transient occupancy tax of \$12.3 million, utility user taxes of \$6.8 million, franchise taxes of \$3.9 million, and other taxes of \$9.7 million.

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Note: Public safety expenses were not included in the above Government Activities Expenditures Chart. Public safety expenses decreased by \$51.9 million primarily due to a \$63.5 million GASB 34 adjustment for the net pension asset of safety pension plan with CalPERS as a result of the City issuing Pension Obligation Bonds (POBs).

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Business-Type Activities

The programs for the business-type activities include the water, wastewater (sewer), golf course operations and the Senior Housing corporation.

The City's net position from business-type activities increased by \$5,176,071. The cost of all business-type activities this year was \$35,671,555.

Charges for services are the major revenue source for the City's business-type activities, accounting for \$41,594,620 of total business-type activity revenue.

The Water Utility net cost of service of \$4,970,401, comparing to net cost of service of \$6,459,325 in last fiscal year, is attributable to the net effect of increases in revenues and purchase costs due to the rate increase in potable and recycled water, and the increase of personnel costs.

The Wastewater (Sewer) Utility net cost of service of \$287,178, comparing to net cost of service of \$(99,856) in last fiscal year, is attributable to an increase in revenue due to the rate increase in wastewater rates as a result of the City conducting a Proposition 218 rate study and related public hearing on the rate increases.

The Golf Course net cost of service of \$(120,397), comparing to net cost of service of \$(3,579,756) in last fiscal year is due to the discontinued operation by the prior management company. Topgolf took possession of The Lakes Golf Course through a ground lease agreement with the City on February 14, 2021. There were some administration costs during the transition process.

The Senior Housing Corporation net cost of service of \$38,889, comparing to net cost of service of \$185,600 in last fiscal year, is attributable to an increase in repair and maintenance costs.

Financial Analysis of the Government's Funds

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

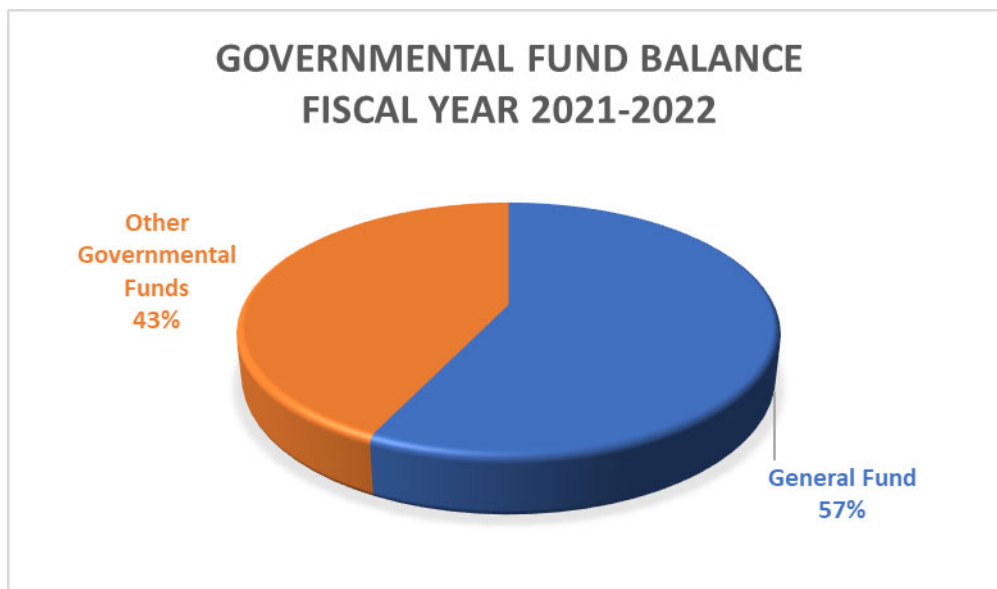
Governmental Funds: The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$71,839,010, an increase of \$13.9 million or 24.1% from the previous year. The increase is primarily due to city's tax revenues (including mainly Transient Occupancy Taxes, Utility Users' Tax and Sales and Use Taxes) recovered in line with economy's return to pre-pandemic levels. In addition, the city received its \$2 million allocation of the American Rescue Plan Act of 2021 (ARPA) fund responding to address both the health and economic impacts of the pandemic on localities. The City's General Fund increased \$4.1 million due to the net effect of a decrease in expenditures due to vacancies related to an aging workforce, as well as the pandemic and a transfer of \$10 million to Pension Obligation Bonds Nonmajor Debt Service Fund for debt service payment due at the beginning of the next fiscal year. The General Fund transfer out was offset by the Nonmajor Governmental Funds

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transfer in for the same amount, which mainly caused the increase of \$9.9 million in the ending fund balances of non-major Governmental funds. The portion of fund balance that is unreserved, undesignated for all governmental funds is \$34.6 million which represents amounts available for spending at the government's discretion.

Additionally, there are portions of the identified combined ending fund balance that are classified to indicate (1) it represents nonspendable amounts for inventory, notes and loans receivable and prepaid costs \$330,490, (2) for a variety of other restricted and assigned purposes \$36.9 million. More details can be found in Note 15.



Major Funds: There is one major fund on the balance sheet for governmental funds. This is the general fund, the chief operating fund of the City. At the end of the current fiscal year, the available fund balance (assigned and unassigned) was \$36,197,036 which represents 88% of total fund balance of \$41,050,349. As a measure of the general fund's available resources, it may be useful to compare restricted and total fund balance to total fund expenditures. The available fund balance represents 55% of total general fund expenditures, net of transfer out, while total general fund balance represents 63% of that same amount.

Proprietary Funds: The City's proprietary funds provide the same type of information found in the government-wide financial statements but in greater detail.

Ending unrestricted net position for the proprietary funds is \$35,802,145 for the Water Utility Fund, \$4,422,841 for the Wastewater (Sewer) Utility Fund, a negative \$5,229,689 for the Golf Course Fund and \$1,480,326 for the Senior Housing Corporation. The total change in net position for the City's four proprietary funds is as follows:

- The Water Utility's net position increased by \$4,970,401 or an increase of 12% over net position of the prior year due to an increase in revenues;

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- The Wastewater (Sewer) Utility's net position increased \$287,178 or an increase of 2% over net position of the prior year due to an increase in revenues;
- The Golf Course net position decreased \$120,397 or a net decrease of 14% over the prior year due to the discontinued operation by the prior management company. Topgolf took possession of The Lakes Golf Course through a ground lease agreement with the City on February 14, 2021.
- The Senior Housing Corporation's net position increased by \$38,889 or an increase of 2% over net position of the prior year is attributable to a net effect of increases in both rent and repair and maintenance costs.

Other factors concerning the finances of these four funds have already been addressed in the discussion of the City's business-type activities.

General Fund Budgetary Highlights

During the year, with the recommendation from the City's staff, the City Council revised the expenditure City budget several times. Adjustments were made as the City's staff requested additional appropriations to cover the cost of projects that either had change orders for additional work, or the estimated cost at the beginning of the project was underestimated. All amendments that resulted in a net increase in appropriations are approved by the City Council.

Appropriations

Differences between the original budget and the final amended budget of the General Fund resulted in an increase in appropriations of \$872,972, or a net decrease in budgetary fund balance of \$872,972.

- General Government encumbrances decreased \$234,700.
- Public Safety encumbrances increased \$83,935.
- Public Works encumbrances increased \$386,081.
- Community and Cultural encumbrances decreased \$212,344.
- Capital Outlay encumbrances increased \$850,000.

Expenditure

Over-all, the general fund expenditure was under budget for \$4,661,381 when comparing final budget to actual. This was due to position vacancies as a result from the talent recruitment hardship throughout the pandemic and applying ARPA funds to public safety services to maintain the on-going needs for first responders. The reasons for the variance follow:

- The General Government Departments came in \$1,603,292 under budget due to position vacancies from the talent recruitment hardship throughout pandemic.
- The Public Safety Departments came in \$1,972,831 under budget mainly due to applying ARPA fund to public safety services.

**CITY OF EL SEGUNDO
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- The Public Works Departments came in \$558,070 under budget due to position vacancies from the talent recruitment hardship throughout pandemic.
- The Community and Cultural Departments came in \$772,331 under budget due to position vacancies from the talent recruitment hardship throughout pandemic.

Revenue

Differences between the final budget and the actual revenues resulted in an increase of \$6,545,960, or an 9% increase in budgeted revenues.

Some significant variances between the final budget and actual revenues are as follows:

- Transient Occupancy Tax increased \$1,792,534 due to higher hotel occupancy and increased room rates along with the economy's recovery to pre-pandemic levels.
- Cogenerated Electric/Chevron increased \$1,339,815 due to Chevron ramping up production at the oil refinery compared to the prior year.
- Utility Users Taxes increased \$1,016,417 above the final budget is mainly attributable to an increase in electric utility taxes.
- Sales and Use Tax increased \$909,026 above the final budget is mainly attributable to a steady increase in retail purchases.
- Property Taxes increased \$722,592 above the final budget is attributable to an increase in property values.
- Franchise Taxes increased \$853,865 above the final budget due to the increasing commodity prices as well as increased revenues for SoCal Edison and The Gas Company.
- Charges for Services increased \$993,000 above the final budget is mainly attributable to an increase in accelerated plan check fees, and recreation and park activities' return to pre-COVID levels.
- Use of money and property decreased \$1,602,180 below the final budget due to the City's investments being reported at fair value per GASB 72: mark-to-market. Bonds held in the City's investment portfolio had fair market value losses (capital losses) due to bond prices dropping because of rates increasing (inverse relationship between bond prices and rates). The actual investment income for FY 2022 significantly increased from the prior year.

For the City's general fund, amounts available for appropriation of \$73,196,232 was \$6,545,960 lower than actual revenues of \$79,742,192. Actual ending expenditures not including transfers out were \$65,594,236 which was \$4,661,381 lower than the final budget of \$70,255,617, not including transfer out. The net effect of these variances between actual and budgeted was an increase in budgetary fund balance of \$11,207,341.

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MANAGEMENT'S DISCUSSION AND ANALYSIS
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CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: The City's investment in capital assets for its governmental and business-type activities as of June 30, 2022, amounts to \$124,312,819 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, vehicles and equipment, park facilities, roads, highways, streets, bridges, and right-to-use lease related land and capital assets.

	Governmental Activities		Business-Type Activities		Total Primary Government	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Capital assets not being depreciated						
Land	29,522,040	29,522,040	5,999,980	5,999,980	35,522,020	35,522,020
Construction in progress	<u>2,063,479</u>	<u>692,638</u>	<u>1,000,704</u>	<u>1,248,988</u>	<u>3,064,183</u>	<u>1,941,626</u>
Total capital assets not being depreciated	<u>31,585,519</u>	<u>30,214,678</u>	<u>7,000,684</u>	<u>7,248,968</u>	<u>38,586,203</u>	<u>37,463,646</u>
Capital assets being depreciated, net						
Buildings and improvements	17,428,016	17,455,318	-	399,722	17,428,016	17,855,040
Vehicles and equipment	5,280,473	6,458,703	-	33,408	5,280,473	6,492,111
Infrastructure	42,413,358	44,143,492	20,328,832	19,754,099	62,742,190	63,897,591
Right-to-use Lease Land	9,078	-	161,063	-	170,141	-
Right-to-use Lease Vehicles and Equipment	<u>105,796</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>105,796</u>	<u>-</u>
Total capital assets being depreciated, net	<u>65,236,721</u>	<u>68,057,513</u>	<u>20,489,895</u>	<u>20,187,229</u>	<u>85,726,616</u>	<u>88,244,742</u>
Total capital assets, net	<u>\$ 96,822,240</u>	<u>\$98,272,191</u>	<u>\$ 27,490,579</u>	<u>\$ 27,436,197</u>	<u>\$ 124,312,819</u>	<u>\$ 125,708,388</u>

Additional information on the City's capital assets can be found in Note 7 of the Notes to Financial Statements in this report.

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MANAGEMENT'S DISCUSSION AND ANALYSIS
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Long-term debt: The City's governmental activities total debt increased by \$734,113. Which is attributed to the increase in claims and judgements of \$1,243,000 and the loan obligation of Douglas Street Gap decreased by \$335,351. The City's business-type activities total debt increased by \$164,216, which is attributable to the implementation of GASB 87 leases in FY 21-22. City-wide, compensated absences decreased by \$88,804.

	Governmental Activities		Business-Type Activities		Total Primary Government	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Direct Borrowings:						
Finance Purchase Obligation	1,920,577	1,981,703	-	-	1,920,577	6,178,064
Loan Obligation	5,842,713	6,178,064	-	-	5,842,713	1,981,703
Other Long-Term Debt:						
Pension Obligation Bonds	140,095,398	140,095,398	4,039,602	4,039,602	144,135,000	144,135,000
Leases Payable	117,088	178,664	202,186		319,274	178,664
Claims Payable	17,430,000	16,187,000	-	-	17,430,000	16,187,000
Compensated Absences	4,985,186	5,036,020	138,176	176,146	5,123,362	5,212,166
Total long-term debt	<u>\$ 170,390,962</u>	<u>\$ 169,656,849</u>	<u>\$ 4,379,964</u>	<u>\$ 4,215,748</u>	<u>\$ 174,770,926</u>	<u>\$ 173,872,597</u>

Additional information on the City's long-term debt can be found in Note 8 of the Notes to Financial Statements in this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

In preparing the budget for 2022-2023 the following economic factors significantly impacted the budget process:

- Inflation, as well as the performance of national, state and primarily local economies and its impact on El Segundo's major revenue sources.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City of El Segundo's finances and to show the City's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City's Finance Department at the City of El Segundo, 350 Main Street, El Segundo, CA 90245.

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FINANCIAL STATEMENTS

**CITY OF EL SEGUNDO
STATEMENT OF NET POSITION
JUNE 30, 2022**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
CURRENT ASSETS			
Cash and Investments	\$ 72,181,044	\$ 44,891,708	\$ 117,072,752
Receivables:			
Taxes	6,861,487	-	6,861,487
Accounts	850,862	7,212,287	8,063,149
Interest	466,696	-	466,696
Notes and Loans	49,661	-	49,661
Leases	95,176	-	95,176
Internal Balances	5,577,910	(5,577,910)	-
Due from Other Governments	728,581	-	728,581
Inventories	182,280	58,694	240,974
Prepays and Other Assets	147,954	38,363	186,317
Total Current Assets	<u>87,141,651</u>	<u>46,623,142</u>	<u>133,764,793</u>
NONCURRENT ASSETS			
Restricted Cash	12,376,989	1,377,934	13,754,923
Leases Receivable	64,369,825	-	64,369,825
Net Pension Asset	53,897,429	1,080,865	54,978,294
Capital Assets, not Being Depreciated/Amortized	31,585,519	7,000,684	38,586,203
Capital Assets, Net of Depreciation/Amortization	65,236,721	20,882,979	86,119,700
Total Noncurrent Assets	<u>227,466,483</u>	<u>30,342,462</u>	<u>257,808,945</u>
 Total Assets	 314,608,134	 76,965,604	 391,573,738
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows of Resources Related to Pensions	106,612,271	209,121	106,821,392
Deferred Outflows of Resources Related to OPEB	4,148,523	214,704	4,363,227
Total Deferred Outflows of Resources	<u>110,760,794</u>	<u>423,825</u>	<u>111,184,619</u>

See accompanying Notes to Financial Statements.

**CITY OF EL SEGUNDO
STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2022**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
CURRENT LIABILITIES			
Accounts Payable	\$ 2,639,610	\$ 5,527,362	\$ 8,166,972
Accrued Liabilities	1,882,294	110,547	1,992,841
Retention Payable	71,556	39,111	110,667
Accrued Interest	1,294,087	-	1,294,087
Unearned Revenue	-	29,142	29,142
Deposits Payable	476,426	178,181	654,607
Long-Term Liabilities - Due Within One Year	14,791,363	423,835	15,215,198
Total Current Liabilities	<u>21,155,336</u>	<u>6,308,178</u>	<u>27,463,514</u>
NONCURRENT LIABILITIES			
Long-Term Liabilities - Due in More Than One Year	155,599,599	3,956,129	159,555,728
Net Pension Liability	1,222,886	-	1,222,886
Net Other Postemployment Benefit Liability	30,942,940	1,601,435	32,544,375
Total Noncurrent Liabilities	<u>187,765,425</u>	<u>5,557,564</u>	<u>193,322,989</u>
Total Liabilities	208,920,761	11,865,742	220,786,503
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows of Resources Related to Pensions	80,256,391	914,915	81,171,306
Deferred Inflows of Resources Related to OPEB	4,044,171	209,304	4,253,475
Deferred Inflows of Resources Related to Leases	64,465,001	-	64,465,001
Total Deferred Outflows of Resources	<u>148,765,563</u>	<u>1,124,219</u>	<u>149,889,782</u>
NET POSITION			
Net Investment in Capital Assets	91,541,308	26,842,980	118,384,288
Restricted for:			
Public Safety	1,905,808	-	1,905,808
Public Works	3,766,730	-	3,766,730
Economic Development	101,049	-	101,049
Community and Cultural	12,290,983	-	12,290,983
Debt Services	9,093,316	-	9,093,316
Pension	58,440,694	1,080,865	59,521,559
Unrestricted (Deficit)	(109,457,284)	36,475,623	(72,981,661)
Total Net Position	<u>\$ 67,682,604</u>	<u>\$ 64,399,468</u>	<u>\$ 132,082,072</u>

See accompanying Notes to Financial Statements.

**CITY OF EL SEGUNDO
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022**

Functions/Programs	Expenses	Program Revenues			Total Program Revenues
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	
GOVERNMENTAL ACTIVITIES					
General Government	\$ 18,434,149	\$ 286,451	\$ 1,986,733	\$ -	\$ 2,273,184
Public Safety	(30,085,922)	1,636,988	850,731	532,053	3,019,772
Public Works	12,320,674	54,457	1,228,057	637,121	1,919,635
Community and Cultural	7,277,725	6,474,161	2,342,740	1,159,354	9,976,255
Interest on Long-Term Debt	2,924,779	-	-	-	-
Total Governmental Activities	10,871,405	8,452,057	6,408,261	2,328,528	17,188,846
BUSINESS-TYPE ACTIVITIES					
Water	30,211,365	35,830,853	-	-	35,830,853
Sewer	4,441,887	4,829,814	-	-	4,829,814
Golf Course	239,326	118,929	-	-	118,929
El Segundo Senior Citizen Housing Corp.	778,977	815,024	-	-	815,024
Total Business-Type Activities	35,671,555	41,594,620	-	-	41,594,620
Total Primary Government	<u>\$ 46,542,960</u>	<u>\$ 50,046,677</u>	<u>\$ 6,408,261</u>	<u>\$ 2,328,528</u>	<u>\$ 58,783,466</u>

See accompanying Notes to Financial Statements.

**CITY OF EL SEGUNDO
STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED JUNE 30, 2022**

Functions/Programs	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES			
General Government	\$ (16,160,965)	\$ -	\$ (16,160,965)
Public Safety	33,105,694	-	33,105,694
Public Works	(10,401,039)	-	(10,401,039)
Community and Cultural	2,698,530	-	2,698,530
Interest on Long-Term Debt	(2,924,779)	-	(2,924,779)
Total Governmental Activities	6,317,441	-	6,317,441
BUSINESS-TYPE ACTIVITIES			
Water	-	5,619,488	5,619,488
Sewer	-	387,927	387,927
Golf Course	-	(120,397)	(120,397)
El Segundo Senior Citizen Housing Corp.	-	36,047	36,047
Total Business-Type Activities	-	5,923,065	5,923,065
Total Primary Government	6,317,441	5,923,065	12,240,506
GENERAL REVENUES			
Taxes:			
Property Taxes, Levied for General Purpose	12,551,435	-	12,551,435
Transient Occupancy Taxes	12,267,534	-	12,267,534
Sales Taxes	13,374,232	-	13,374,232
Utility User Taxes	6,810,917	-	6,810,917
Franchise Taxes	3,853,865	-	3,853,865
Business Licenses Taxes	11,684,753	-	11,684,753
Other Taxes	9,662,332	-	9,662,332
Total Taxes	70,205,068	-	70,205,068
Use of Money and Property, Unrestricted	(465,662)	(746,994)	(1,212,656)
Other	1,812,224	-	1,812,224
Total General Revenues	71,551,630	(746,994)	70,804,636
CHANGE IN NET POSITION	77,869,071	5,176,071	83,045,142
Net Position - Beginning of Year	(10,186,467)	59,223,397	49,036,930
NET POSITION - END OF YEAR	<u>\$ 67,682,604</u>	<u>\$ 64,399,468</u>	<u>\$ 132,082,072</u>

See accompanying Notes to Financial Statements.

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FUND FINANCIAL STATEMENTS

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GOVERNMENTAL FUNDS FINANCIAL STATEMENTS

General Fund – To account for and report all financial resources not accounted for and reported in another fund.

Nonmajor Governmental Funds – To account for the aggregate of all the nonmajor governmental funds.

**CITY OF EL SEGUNDO
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2022**

ASSETS	General	Nonmajor Governmental Funds	Total
Cash and Investments	\$ 32,229,304	\$ 23,194,885	\$ 55,424,189
Restricted Cash and Investments	4,543,265	7,833,724	12,376,989
Receivables:			
Taxes	6,861,487	-	6,861,487
Accounts	692,796	5,499	698,295
Interest	466,577	119	466,696
Notes and Loans	256	49,405	49,661
Leases	64,465,001	-	64,465,001
Due from Other Funds	301,485	-	301,485
Due from Other Governments	88,182	640,399	728,581
Inventories	182,280	-	182,280
Prepays	127,512	20,442	147,954
	<u>\$ 109,958,145</u>	<u>\$ 31,744,473</u>	<u>\$ 141,702,618</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 2,035,585	\$ 598,896	\$ 2,634,481
Accrued Liabilities	1,816,669	22,994	1,839,663
Retentions Payable	41,933	29,623	71,556
Due to Other Funds	-	301,485	301,485
Unearned Revenue	-	-	-
Deposits Payable	473,612	2,814	476,426
Total Liabilities	<u>4,367,799</u>	<u>955,812</u>	<u>5,323,611</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenues	74,996	-	74,996
Related to Leases	64,465,001	-	64,465,001
Total Deferred Inflows of Resources	<u>64,539,997</u>	<u>-</u>	<u>64,539,997</u>
FUND BALANCES			
Nonspendable	310,048	20,442	330,490
Restricted	4,543,265	27,382,627	31,925,892
Assigned	1,397,494	3,587,359	4,984,853
Unassigned (Deficit)	34,799,542	(201,767)	34,597,775
Total Fund Balances	<u>41,050,349</u>	<u>30,788,661</u>	<u>71,839,010</u>
	<u>\$ 109,958,145</u>	<u>\$ 31,744,473</u>	<u>\$ 141,702,618</u>

See accompanying Notes to Financial Statements.

**CITY OF EL SEGUNDO
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
YEAR ENDED JUNE 30, 2022**

Total Fund Balances -Total Governmental Funds		\$ 71,839,010
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and are not reported in the funds:		
Amount Reported in Government-Wide Statement of Position:		
Capital Assets, Nondepreciable	\$ 31,585,519	
Capital Assets, Depreciable, Net (Net of \$3,860,432 - reported in ISF)	62,146,373	
		93,731,892
Interest is recognized when due and, therefore, interest payable is not reported in the governmental funds.		(1,294,087)
Long-term liabilities were not due and payable in the current period. Therefore, they were not reported in the Governmental Funds' Balance Sheet.		
Finance Purchase and Loan Obligations		(7,763,290)
Leases Payable		(117,088)
Pension Obligation Bonds		(140,095,398)
Compensated Absences		(4,985,186)
Net OPEB liability is not due and payable in the current period and, therefore, is not reported in the governmental funds. (Net of \$151,105 reported in ISF.)		(30,791,835)
OPEB related deferred outflows of resources are not reported in the governmental funds, but are reported in the government-wide financial statements. (Net of \$20,259 reported in ISF.)		4,128,264
OPEB related deferred inflows of resources are not reported in the governmental funds, but are reported in government- wide financial statements. (Net of \$19,749 reported in ISF.)		(4,024,422)
Aggregate net pension asset is not an asset in the current period and, therefore, is not reported in the governmental funds. (Net of \$193,808 reported in ISF.)		52,480,735
Pensions related deferred outflows of resources are not reported in the governmental funds, but are reported in the government-wide financial statements. (Net of \$37,497 reported in ISF.)		106,574,774
Pensions related deferred inflows of resources are not reported in the governmental funds, but are reported in government- wide financial statements. (Net of \$164,051 reported in ISF.)		(80,092,340)
Certain revenues in the governmental funds are unavailable because they are not collected within the prescribed time period after year-end. Those revenues are recognized on the accrual basis in the government-wide statements.		74,996
Internal service funds are used by management to charge the costs of equipment replacement, general liability, and workers' compensation to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Government-Wide Statement of Net Position.		8,016,579
Net Position of Governmental Activities		\$ 67,682,604

See accompanying Notes to Financial Statements.

CITY OF EL SEGUNDO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

	General	Nonmajor Governmental Funds	Total
REVENUES			
Taxes	\$ 58,484,432	\$ 35,883	\$ 58,520,315
Licenses and Permits	13,605,327	28,331	13,633,658
Intergovernmental	-	6,340,810	6,340,810
Charges for Services	5,605,586	286,896	5,892,482
Use of Money and Property	(651,380)	152,112	(499,268)
Fines and Forfeitures	373,424	54,180	427,604
Developer Fees	331,326	1,110,924	1,442,250
Miscellaneous	1,993,477	1,176,967	3,170,444
Total Revenues	79,742,192	9,186,103	88,928,295
EXPENDITURES			
Current:			
General Government	19,295,091	18,535	19,313,626
Public Safety	31,329,946	2,305,916	33,635,862
Public Works	8,893,415	646,966	9,540,381
Community and Cultural	4,980,641	1,706,322	6,686,963
Capital Outlay	837,950	2,555,350	3,393,300
Debt Service:			
Principal Retirement	122,702	335,351	458,053
Interest	134,491	1,835,298	1,969,789
Total Expenditures	65,594,236	9,403,738	74,997,974
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	14,147,956	(217,635)	13,930,321
OTHER FINANCING SOURCES (USES)			
Transfers In	25,000	10,101,878	10,126,878
Transfers Out	(10,101,878)	(25,000)	(10,126,878)
Total Other Financing Sources (Uses)	(10,076,878)	10,076,878	-
NET CHANGE IN FUND BALANCES	4,071,078	9,859,243	13,930,321
Fund Balances - Beginning of year	36,979,271	20,929,418	57,908,689
FUND BALANCES - END OF YEAR	\$ 41,050,349	\$ 30,788,661	\$ 71,839,010

See accompanying Notes to Financial Statements.

CITY OF EL SEGUNDO
RECONCILIATION OF THE GOVERNMENT FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE GOVERNMENT-WIDE
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2022

Net Change in Fund Balances - Total Governmental Funds	\$ 13,930,321
Amounts reported for governmental activities in the Statement of Activities are different because:	
Acquisition of capital assets was reported as expenditures in the governmental funds. However, in the Government-Wide Statement of Activities, the cost of those assets was allocated over the estimated useful lives as depreciation/amortization expense. The following was the amount of capital assets recorded in the current period:	
Capital Outlay	3,020,505
Depreciation/Amortization expense on capital assets was reported in the Government-Wide Statement of Activities, but they did not require the use of current financial resources. Therefore, depreciation/amortization expense was not reported as an expenditure in the governmental funds. (Net of \$780,209 reported in ISF)	
	(3,879,036)
Long-term compensated absences expense was reported in the Government-Wide Statement of Activities, but it did not require the use of current financial resources. Therefore, the change in long-term compensated absences was not reported in the governmental funds.	
	50,833
Other postemployment benefits and pension expenses were reported in the Government-Wide Statement of Activities, but it did not require the use of current financial resources. Therefore, the increase in other postemployment benefits liability and net pension liabilities were not reported as an expenditure in the governmental funds.	
OPEB credit (expense) net of reporting contribution made after measurement date reported in deferred outflows of resources in the Government-Wide Statement of Net Position, but reported as OPEB expense in the governmental fund.	
	(131,592)
Pension credit (expense) net of reporting contribution made after measurement date reported in deferred outflows of resources in the Government-Wide Statement of Net Position, but reported as pension expense in the governmental fund.	
	63,974,458
Proceeds from long-term debt provided current financial resources to governmental funds, but issuing debt increased long-term liabilities in the Government-Wide Statement of Net Position. Principal repayment of leases was an expenditure in the governmental funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of Net Position.	
Principal Repayments of Long-Term Debt	458,053
Interest Accrual on Long-Term Debt	(954,990)
Certain revenues in the governmental funds are unavailable if they are not collected within the prescribed time period after year-end. Those revenues are recognized on the accrual basis in the government-wide statements.	
	(224,738)
Internal service funds were used by management to charge the costs of certain activities, such as equipment replacement and insurance, to individual funds. The net revenue of the internal service funds was reported with governmental activities.	
	1,625,257
Change in net Net Position of Governmental Activities	\$ 77,869,071

See accompanying Notes to Financial Statements.

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PROPRIETARY FUNDS FINANCIAL STATEMENTS

Water Fund – To account for water utility revenues, including service fees and installation charges, and all expenses related to the construction and maintenance of the City’s water distribution system.

Sewer Fund – To account for user charges, fees, and all operating costs associated with the operation, maintenance, upgrade, and periodic reconstructions of the City’s wastewater collection system.

Golf Course Fund – To account for revenues from user fees and expenses incurred for the operation and maintenance of “The Lakes at El Segundo” golf facility.

Nonmajor Enterprise Funds - To account for the aggregate of all the nonmajor enterprise funds.

Internal Service Funds – To account for financing of goods and services provided by one department to other departments of the City on a cost-reimbursement basis.

CITY OF EL SEGUNDO
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
JUNE 30, 2022

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Golf Course	Nonmajor Enterprise Funds El Segundo Senior Citizen Housing Corporation December 31, 2021
ASSETS				
Current Assets:				
Cash and Investments	\$ 37,848,310	\$ 6,124,646	\$ 538,657	\$ 380,095
Accounts Receivable	6,332,318	879,969	-	-
Inventories	58,694	-	-	-
Prepaid Items	3,208	3,208	-	31,947
Total Current Assets	<u>44,242,530</u>	<u>7,007,823</u>	<u>538,657</u>	<u>412,042</u>
Noncurrent Assets:				
Advances to Other Funds	-	-	-	-
Restricted Cash	137,010	88,653	-	1,152,271
Net Pension Asset	675,068	405,797	-	-
Capital Assets, not Being Depreciated/Amortized	1,000,704	-	5,999,980	-
Capital Assets, Being Depreciated/Amortized	<u>10,408,468</u>	<u>9,920,364</u>	<u>161,063</u>	<u>393,084</u>
Total Noncurrent Assets	<u>12,221,250</u>	<u>10,414,814</u>	<u>6,161,043</u>	<u>1,545,355</u>
Total Assets	56,463,780	17,422,637	6,699,700	1,957,397
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows of Resources Related to Pension	130,609	78,512	-	-
Deferred Outflows of Resources Related to OPEB	<u>120,906</u>	<u>93,798</u>	<u>-</u>	<u>-</u>
Total Deferred Outflows of Resources	251,515	172,310	-	-

See accompanying Notes to Financial Statements.

CITY OF EL SEGUNDO
STATEMENT OF NET POSITION – PROPRIETARY FUNDS (CONTINUED)
JUNE 30, 2022

	<u>Business-Type Activities - Enterprise Funds Total</u>	<u>Governmental Activities- Internal Service Funds</u>
ASSETS		
Current Assets:		
Cash and Investments	\$ 44,891,708	\$ 16,756,855
Accounts Receivable	7,212,287	152,567
Inventories	58,694	-
Prepaid Items	38,363	-
Total Current Assets	<u>52,201,052</u>	<u>16,909,422</u>
Noncurrent Assets:		
Advances to Other Funds	-	5,577,910
Restricted Cash	1,377,934	-
Net Pension Asset	1,080,865	193,808
Capital Assets, not Being Depreciated/Amortized	7,000,684	-
Capital Assets, Being Depreciated/Amortized	<u>20,882,979</u>	<u>3,090,348</u>
Total Noncurrent Assets	<u>30,342,462</u>	<u>8,862,066</u>
 Total Assets	 82,543,514	 25,771,488
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows of Resources Related to Pension	209,121	37,497
Deferred Outflows of Resources Related to OPEB	214,704	20,259
Total Deferred Outflows of Resources	<u>423,825</u>	<u>57,756</u>

See accompanying Notes to Financial Statements.

CITY OF EL SEGUNDO
STATEMENT OF NET POSITION – PROPRIETARY FUNDS (CONTINUED)
JUNE 30, 2022

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Golf Course	Nonmajor Enterprise Funds El Segundo Senior Citizen Housing Corporation December 31, 2021
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 5,267,648	\$ 80,269	\$ 168,614	\$ 10,831
Accrued Liabilities	65,550	44,997	-	-
Retentions Payable	39,111	-	-	-
Unearned Revenue	-	-	21,822	7,320
Deposits Payable	112,345	-	-	65,836
Claims and Judgments, Current Portion	-	-	-	-
Compensated Absences, Current Portion	74,851	47,509	-	-
Leases Payable, Current Portion	-	-	118,495	-
Pension Obligation Bonds, Current Portion	111,095	71,885	-	-
Total Current Liabilities	<u>5,670,600</u>	<u>244,660</u>	<u>308,931</u>	<u>83,987</u>
Noncurrent Liabilities:				
Advances from Other Funds	-	-	5,577,910	-
Claims and Judgments, Net of Current	-	-	-	-
Compensated Absences, Net of Current	10,908	4,908	-	-
Leases Payable, Net of Current	-	-	83,691	-
Pension Bonds Payable	2,394,799	1,461,823	-	-
Net Other Postemployment Benefit Liability	901,813	699,622	-	-
Total Noncurrent Liabilities	<u>3,307,520</u>	<u>2,166,353</u>	<u>5,661,601</u>	<u>-</u>
Total Liabilities	8,978,120	2,411,013	5,970,532	83,987
DEFERRED INFLOWS OF REOSURCES				
Deferred Inflows of Resources Related to Pensions	571,422	343,493	-	-
Deferred Inflows of Resources Related to OPEB	117,865	91,439	-	-
Total Deferred Inflows of Resources	<u>689,287</u>	<u>434,932</u>	<u>-</u>	<u>-</u>
NET POSITION				
Net Investment in Capital Assets	10,570,675	9,920,364	5,958,857	393,084
Pension	675,068	405,797	-	-
Unrestricted (Deficit)	35,802,145	4,422,841	(5,229,689)	1,480,326
Total Net Position	<u>\$ 47,047,888</u>	<u>\$ 14,749,002</u>	<u>\$ 729,168</u>	<u>\$ 1,873,410</u>

See accompanying Notes to Financial Statements.

CITY OF EL SEGUNDO
STATEMENT OF NET POSITION – PROPRIETARY FUNDS (CONTINUED)
JUNE 30, 2022

	Business-Type Activities - Enterprise Funds Total	Governmental Activities- Internal Service Funds
	<u> </u>	<u> </u>
LIABILITIES		
Current Liabilities:		
Accounts Payable	\$ 5,527,362	\$ 5,129
Accrued Liabilities	110,547	42,631
Retentions Payable	39,111	-
Unearned Revenue	29,142	-
Deposits Payable	178,181	-
Claims and Judgments, Current Portion	-	3,321,068
Compensated Absences, Current Portion	122,360	-
Leases Payable, Current Portion	118,495	-
Pension Obligation Bonds, Current Portion	182,980	-
Total Current Liabilities	<u>6,308,178</u>	<u>3,368,828</u>
Noncurrent Liabilities:		
Advances from Other Funds	5,577,910	-
Claims and Judgments, Net of Current	-	14,108,932
Compensated Absences, Net of Current	15,816	-
Leases Payable	83,691	-
Pension Bonds Payable	3,856,622	-
Net Other Postemployment Benefit Liability	1,601,435	151,105
Total Noncurrent Liabilities	<u>11,135,474</u>	<u>14,260,037</u>
 Total Liabilities	 17,443,652	 17,628,865
DEFERRED INFLOWS OF REOSURCES		
Deferred Inflows of Resources Related to Pensions	914,915	164,051
Deferred Inflows of Resources Related to OPEB	209,304	19,749
Total Deferred Inflows of Resources	<u>1,124,219</u>	<u>183,800</u>
NET POSITION		
Net Investment in Capital Assets	26,842,980	3,090,348
Pension	1,080,865	193,808
Unrestricted (Deficit)	36,475,623	4,732,423
Total Net Position	<u>\$ 64,399,468</u>	<u>\$ 8,016,579</u>

See accompanying Notes to Financial Statements.

CITY OF EL SEGUNDO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION – PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2022

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Golf Course	Nonmajor Enterprise Funds El Segundo Senior Citizen Housing Corporation December 31, 2021
OPERATING REVENUES				
Sales and Service Charges	\$ 35,781,719	\$ 4,829,584	\$ -	\$ 779,953
Interdepartmental Charges	-	-	-	-
Lease Revenue	-	-	118,929	-
Miscellaneous	49,134	230	-	35,071
Total Operating Revenues	<u>35,830,853</u>	<u>4,829,814</u>	<u>118,929</u>	<u>815,024</u>
OPERATING EXPENSES				
Personnel Services	1,344,808	919,346	-	-
Materials and Supplies	105,192	127,318	177	-
Purchased Water/Utilities	26,209,612	-	-	125,133
Insurance and Claims	1,000,000	500,000	-	38,548
Contractual Services	224,481	1,697,140	-	181,500
Repairs and Maintenance	347,130	351,233	39,702	296,874
Administrative Cost	734,219	409,093	158,324	96,876
Depreciation/Amortization	190,927	402,171	41,123	40,046
Total Operating Expenses	<u>30,156,369</u>	<u>4,406,301</u>	<u>239,326</u>	<u>778,977</u>
OPERATING INCOME (LOSS)	5,674,484	423,513	(120,397)	36,047
NONOPERATING REVENUES (EXPENSES)				
Interest Revenue	(649,087)	(100,749)	-	2,842
Interest Expense	(54,996)	(35,586)	-	-
Total Nonoperating Revenues (Expenses)	<u>(704,083)</u>	<u>(136,335)</u>	<u>-</u>	<u>2,842</u>
CHANGES IN NET POSITION	4,970,401	287,178	(120,397)	38,889
Net Position - Beginning of Year	<u>42,077,487</u>	<u>14,461,824</u>	<u>849,565</u>	<u>1,834,521</u>
NET POSITION - END OF YEAR	<u>\$ 47,047,888</u>	<u>\$ 14,749,002</u>	<u>\$ 729,168</u>	<u>\$ 1,873,410</u>

See accompanying Notes to Financial Statements.

**CITY OF EL SEGUNDO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION – PROPRIETARY FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

	Business-Type Activities - Enterprise Funds Total	Governmental Activities - Internal Service Funds
OPERATING REVENUES		
Sales and Service Charges	\$ 41,391,256	\$ -
Interdepartmental Charges	-	7,079,669
Lease Revenue	118,929	-
Miscellaneous	84,435	1,203,706
Total Operating Revenues	41,594,620	8,283,375
OPERATING EXPENSES		
Personnel Services	2,264,154	(477,605)
Materials and Supplies	232,687	231,449
Purchased Water/Utilities	26,334,745	-
Insurance and Claims	1,538,548	6,160,983
Contractual Services	2,103,121	-
Repairs and Maintenance	1,034,939	-
Administrative Cost	1,398,512	-
Depreciation/Amortization	674,267	780,210
Total Operating Expenses	35,580,973	6,695,037
OPERATING INCOME (LOSS)	6,013,647	1,588,338
NONOPERATING REVENUES (EXPENSES)		
Interest Revenue	(746,994)	36,919
Interest Expense	(90,582)	-
Total Nonoperating Revenues (Expenses)	(837,576)	36,919
CHANGES IN NET POSITION	5,176,071	1,625,257
Net Position - Beginning of Year	59,223,397	6,391,322
NET POSITION - END OF YEAR	\$ 64,399,468	\$ 8,016,579

See accompanying Notes to Financial Statements.

**CITY OF EL SEGUNDO
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2022**

	Business-Type Activities - Enterprise Funds			Nonmajor Enterprise Funds
	Water	Sewer	Golf Course	El Segundo Senior Citizen Housing Corporation December 31, 2021
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	\$ 32,805,070	\$ 4,676,112	\$ -	\$ -
Receipts of Lease Payments	-	-	118,929	-
Payments for Insurance Claims	-	-	-	818,800
Payments to Suppliers	(27,338,547)	(3,027,164)	(29,589)	(726,741)
Payments to Employees	(1,428,203)	(1,007,678)	-	-
Net Cash Provided by Operating Activities	<u>4,038,320</u>	<u>641,270</u>	<u>89,340</u>	<u>92,059</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Interest Expense	(54,996)	(35,586)	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(54,996)</u>	<u>(35,586)</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	(867,540)	(52,006)	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(867,540)</u>	<u>(52,006)</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	(649,087)	(100,749)	-	2,842
Net Cash Provided (Used) by Investing Activities	<u>(649,087)</u>	<u>(100,749)</u>	<u>-</u>	<u>2,842</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	2,466,697	452,929	89,340	94,901
Cash and Cash Equivalents - Beginning of Year	<u>35,518,623</u>	<u>5,760,370</u>	<u>449,317</u>	<u>1,437,465</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 37,985,320</u>	<u>\$ 6,213,299</u>	<u>\$ 538,657</u>	<u>\$ 1,532,366</u>
CASH AND CASH EQUIVALENTS				
Cash and Investments	\$ 37,848,310	\$ 6,124,646	\$ 538,657	\$ 380,095
Restricted Cash	137,010	88,653	-	1,152,271
	<u>\$ 37,985,320</u>	<u>\$ 6,213,299</u>	<u>\$ 538,657</u>	<u>\$ 1,532,366</u>

See accompanying Notes to Financial Statements.

**CITY OF EL SEGUNDO
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

	Business-Type Activities - Enterprise Funds Total	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers and Users	\$ 37,481,182	\$ 8,183,433
Receipts of Lease Payments	118,929	-
Payments for Insurance Claims	818,800	(5,589,448)
Payments to Suppliers	(31,122,041)	(243,698)
Payments to Employees	(2,435,881)	(288,591)
Net Cash Provided by Operating Activities	4,860,989	2,061,696
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Interest Expense	(90,582)	-
Net Cash Provided (Used) by Noncapital Financing Activities	(90,582)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition and Construction of Capital Assets	(919,546)	(10,126)
Net Cash Provided (Used) by Capital and Related Financing Activities	(919,546)	(10,126)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	(746,994)	36,919
Net Cash Provided (Used) by Investing Activities	(746,994)	36,919
NET CHANGE IN CASH AND CASH EQUIVALENTS	3,103,867	2,088,489
Cash and Cash Equivalents - Beginning of Year	43,165,775	14,668,366
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 46,269,642	\$ 16,756,855
CASH AND CASH EQUIVALENTS		
Cash and Investments	\$ 44,891,708	\$ 16,756,855
Restricted Cash	1,377,934	-
	\$ 46,269,642	\$ 16,756,855

See accompanying Notes to Financial Statements.

**CITY OF EL SEGUNDO
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Golf Course	Nonmajor Enterprise Funds El Segundo Senior Citizen Housing Corporation December 31, 2021
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ 5,674,484	\$ 423,513	\$ (120,397)	\$ 36,047
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation/Amortization	190,927	402,171	41,123	40,046
(Increase) Decrease in:				
Accounts Receivable	(3,025,783)	(153,948)	-	-
Inventory	(22,784)	-	-	-
Prepaid Items	(3,208)	(3,208)	-	(4,048)
Deferred Outflows of Resources - Pension	2,707,836	1,658,320	-	-
Deferred Outflows of Resources - OPEB	(63,061)	(48,922)	-	-
Increase (Decrease) in:				
Accounts Payable	1,295,799	42,087	168,614	5,874
Accrued Liabilities	27,108	18,987	-	-
Retentions Payable	10,585	-	-	-
Unearned Revenue	-	-	-	3,776
Deposits Payable	(25,413)	-	-	10,364
Claims and Judgements	-	-	-	-
Compensated Absences Payable	1,544	(39,515)	-	-
Net Pension Liability	(3,357,863)	(2,047,386)	-	-
Net Other Postemployment Liability	186,516	144,698	-	-
Deferred Inflows of Resources - Pension	561,234	337,259	-	-
Deferred Inflows of Resources - OPEB	(119,601)	(92,786)	-	-
Total Adjustments	<u>(1,636,164)</u>	<u>217,757</u>	<u>209,737</u>	<u>56,012</u>
Net Cash Provided by Operating Activities	<u>\$ 4,038,320</u>	<u>\$ 641,270</u>	<u>\$ 89,340</u>	<u>\$ 92,059</u>

See accompanying Notes to Financial Statements.

**CITY OF EL SEGUNDO
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

	<u>Business-Type Activities - Enterprise Funds Total</u>	<u>Governmental Activities Internal Service Funds</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating Income (Loss)	\$ 6,013,647	\$ 1,588,338
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:		
Depreciation/Amortization	674,267	780,210
(Increase) Decrease in:		
Accounts Receivable	(3,179,731)	(99,942)
Inventory	(22,784)	-
Prepaid Items	(10,464)	-
Deferred Outflows of Resources - Pension	4,366,156	38,083
Deferred Outflows of Resources - OPEB	(111,983)	102,896
Increase (Decrease) in:		
Accounts Payable	1,512,374	(654,996)
Accrued Liabilities	46,095	(28,718)
Retentions Payable	10,585	-
Unearned Revenue	3,776	-
Deposits Payable	(15,049)	-
Claims and Judgements	-	1,243,000
Compensated Absences Payable	(37,971)	-
Net Pension Liability	(5,405,249)	(992,445)
Net Other Postemployment Liability	331,214	31,252
Deferred Inflows of Resources - Pension	898,493	64,585
Deferred Inflows of Resources - OPEB	(212,387)	(10,567)
Total Adjustments	<u>(1,152,658)</u>	<u>473,358</u>
Net Cash Provided by Operating Activities	<u>\$ 4,860,989</u>	<u>\$ 2,061,696</u>

See accompanying Notes to Financial Statements.

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NOTES TO THE FINANCIAL STATEMENTS

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**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of El Segundo, California (the City), have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the significant policies:

Financial Reporting Entity

The City was incorporated on January 18, 1917, under the laws of the state of California and enjoys all the rights and privileges applicable to a general law city. The City is governed by an elected five-member board.

Blended Component Unit

Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government.

The El Segundo Senior Citizen Housing Corporation, dba Park Vista (the Corporation), is a California nonprofit public benefit corporation created by the City of El Segundo in 1984 to operate a low income senior apartment complex. The apartment complex was built and funded by the City. In 1987, the complex was ready for occupancy. Rather than operate the complex as a fund of the City, the City elected to form the Corporation to facilitate better communication with the residents who live there. The Corporation is managed by a seven-member Board of Directors, appointed by the City Council, all of whom are unpaid volunteers. The City is financially accountable and has the ability to impose its will on the Corporation which has the potential to provide specific financial benefits to, or impose specific financial burdens on, the City. The City is the sole corporate member of the Corporation, as identified in the Corporation's articles of incorporation. As such, the activities of the Corporation are presented as a blended component unit in the proprietary fund financial statements as a nonmajor enterprise fund.

The Corporation's fiscal year end is December 31, which is different than the City's fiscal year-end. Separate financial statements may be obtained at City Hall, City of El Segundo, 350 Main Street, El Segundo, CA 90245.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Basis of Accounting and Measurement Focus

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 by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. City 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 statement of net position reports separate sections for Deferred Outflows of Resources and Deferred Inflows of Resources, when applicable.

Deferred Outflows of Resources – represent outflows of resources (consumption of net assets) that apply to future periods and that, therefore, will not be recognized as an expense until that time. The City has items related to pensions and OPEB that qualify for reporting in this category.

Deferred Inflows of Resources – represent inflows of resources (acquisition of net assets) that apply to future periods and that, therefore, are not recognized as revenue until that time. The City has items related to unavailable revenues, leases, pensions, and OPEB that qualify for reporting in this category.

Government – Wide Financial Statements

The government-wide financial statements are presented on an “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all of the City’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying statement of net position. The statement of activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. Fiduciary activities are not included in these statements.

Certain types of transactions are reported as program revenues for the City in three categories:

- Charges for Services
- Operating Grants and Contributions
- Capital Grants and Contributions

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Basis of Accounting and Measurement Focus (Continued)

Government – Wide Financial Statements (Continued)

Certain eliminations have been made in regard to interfund activities, payables, and receivables. All internal balances in the statement of net position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the statement of activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Due from and to Other Funds
- Transfers In and Out

Governmental Fund Financial Statements

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 and current liabilities are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balances. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

Revenues are recognized as soon as they are both “measurable” and “available”. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For these purposes, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property taxes, other local taxes, franchise fees, forfeitures and penalties, motor license fees, rents and concessions, interest revenue, and state and federal grants and subventions. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Reconciliations of the fund financial statements to the government-wide financial statements are provided to explain the differences.

Certain indirect costs are included as part of the program expenses reported for individual functions and activities.

The City reports the following major governmental fund:

- General Fund – The General Fund is used to account for and report all financial resources not accounted for and reported in another fund.

CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Basis of Accounting and Measurement Focus (Continued)

Governmental Fund Financial Statements (Continued)

The City's fund structure also includes the following fund types:

- Special Revenue Funds – are used to account for proceeds of specific revenue sources that are legally restricted or otherwise committed for specific purposes.
- Capital Projects Funds – are used to account for resources restricted or assigned for capital improvements.
- Debt Service Funds – are used to account for resources restricted or assigned for expenditure of principal and interest.

Proprietary Fund Financial Statements

Proprietary funds are accounted for using the “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) are included on the statement of net position. The statement of revenues, expenses, and changes in net position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for sales and services. Operating expenses for the proprietary funds include the costs of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

A separate column representing internal service funds is also presented in these statements. However, internal service balances and activities have been combined with the governmental activities and business-type activities in the government-wide financial statements. The City's internal service funds include three individual funds which provide services directly to other City funds. These areas of service include general liability, workers' compensation, and equipment replacement.

CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Basis of Accounting and Measurement Focus (Continued)

Proprietary Fund Financial Statements (Continued)

The City reports the following proprietary funds:

Enterprise Funds

- **Water Fund** – The Water Fund, which is reported as a major fund, accounts for water utility revenues, including service fees and installation charges, and all expenses related to the construction and maintenance of the City’s water distribution system.
- **Sewer Fund** – The Sewer Fund, which is reported as a major fund, accounts for user charges, fees, and all operating costs associated with the operation, maintenance, upgrade, and periodic reconstructions of the City’s wastewater collection system.
- **Golf Course Fund** – The Golf Course Fund, which is reported as a major fund, accounts for revenues from user fees and expenses incurred for the operation and maintenance of “The Lakes at El Segundo” golf facility.
- **Nonmajor Enterprise Funds** – Accounts for revenues and expenses of the aggregate nonmajor enterprise funds.

Internal Service Funds

The Internal Service Funds account for financing of goods and services provided by one department to other departments of the City on a cost-reimbursement basis.

Adoption of New Accounting Standards

GASB Statement No. 87, Leases

In June 2017, the GASB issued GASB Statement No. 87, *Leases*. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and a right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The City adopted the requirements of the guidance effective July 1, 2021, and has applied the provisions of this standard to the beginning of the period of adoption. There was no change to beginning net position as a result of the implementation of this standard. The City is reporting lease receivables and deferred inflows of resources related to leases disclosed in Note 4, right-to-use assets in Note 7, and lease liabilities in Note 8.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Cash and Investments

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturity of three months or less from the date of acquisition. All cash and investments of proprietary funds are held in the City's investment pool. These cash pools have the general characteristics of a demand deposit account, therefore, all cash and investments in the proprietary funds are considered cash and cash equivalents for statement of cash flows purposes.

Investments are stated at fair value (quoted market price or best available estimate thereof).

Fair Value Measurement

U.S. GAAP defines fair value, establishes a framework for measuring fair value, and establishes disclosure about fair value measurement. Investments, unless otherwise specified at fair value in the financial statements, are categorized based upon the level of judgment associated with the inputs used to measure their fair value. Levels of inputs are as follows:

Level 1 – Inputs are unadjusted, quoted prices for identical assets or liabilities in active markets at the measurement date.

Level 2 – Inputs, other than quoted prices included in Level 1, that are observable for the assets or liabilities through corroboration with market data at the measurement date.

Level 3 – Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the assets or liabilities at the measurement date.

Interfund Transactions

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due from/to other funds" (i.e., current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Inventories and Prepaid Items

Inventories within the various fund types consist of materials and supplies which are valued at cost on a first-in, first-out basis. Reported expenditures reflect the consumption method of recognizing inventory-related expenditures.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

A nonspendable fund balance has been reported in the governmental funds to show that inventories and prepaid items do not constitute "available spendable resources", even though they are a component of current assets.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Capital Assets

In the government-wide financial statements, capital assets are recorded at cost where historical records are available and at an estimated original cost where no historical records exist (except for right-to-use lease assets, the measurement of which is discussed below). Donated capital assets are valued at their acquisition value. City policy has set the capitalization threshold for reporting capital assets at \$5,000.

The City defines infrastructure assets as the basic physical assets that allow the City to function. The assets include streets, bridges, sidewalks, drainage systems, and lighting systems, etc. Each major infrastructure system can be divided into subsystems. For example, the street system can be subdivided into pavement, curb and gutters, sidewalks, medians, streetlights, landscaping, and land. These subsystems were not delineated in the basic financial statements. The appropriate operating department maintains information regarding the subsystems.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Capital assets acquired under capital lease are capitalized at the net present value of the total lease payments.

Capital assets used in operations are depreciated over their estimated useful lives using the straight-line method. The lives used for depreciation purposes are as follows:

Buildings/Structures and Improvements	50 Years
Vehicles and Equipment	5 to 50 Years
Infrastructure	25 to 100 Years

Leases

Lessee

The City is a lessee for noncancellable leases of land, vehicles, and equipment. The City recognizes a lease liability and a right-to-use lease asset (lease asset) in the applicable governmental activities or business-type activities in the government-wide and in the proprietary fund financial statements. The City recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Leases (Continued)

Lessee (Continued)

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments and the purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor

The City is a lessor for a noncancellable lease of land. The City recognizes lease receivables and a deferred inflow of resources in the applicable governmental activities or business-type activities in the government-wide and in the governmental and proprietary fund financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Leases (Continued)

Lessor (Continued)

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Compensated Absences

It is the City's policy to accrue annual leave when incurred in the government-wide financial statements and the proprietary funds. In governmental funds, the costs for annual leave that are expected to be liquidated with expendable available financial resources are reported as an expenditure and reported as a liability of the governmental fund only if they have matured.

A liability is recorded for unused sick leave balances only to the extent that it is probable that the unused balances will result in termination payments. This is estimated by including in the liability the unused balances of employees currently entitled to receive termination benefits, as well as those who are expected to become eligible to receive termination benefits as a result of continuing their employment with the City. Other amounts of unused sick leave are excluded from the liability since their payment is contingent solely upon the occurrence of a future event (illness) which is outside the control of the City and the employee.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans (Note 9). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

The following timeframes are used for pension reporting:

CalPERS

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Measurement Period	July 1, 2020 to June 30, 2021

PARS

Valuation Date	June 30, 2020
Measurement Date	September 30, 2021
Measurement Period	October 1, 2020 to September 30, 2021

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Pensions (Continued)

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized straight-line over five years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

Other Postemployment Benefits (OPEB) Plan

For the purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's OPEB Plan and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan (Note 9). For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments, which are reported at amortized cost.

The following timeframes are reported OPEB reporting: OPEB

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Measurement Period	July 1, 2021 to June 30, 2022

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. The first amortized amounts are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The amortization period differs depending on the sources of gain or loss. The difference between projected and actual earnings is amortized on a straight-line basis over five years. All other amounts are amortized on a straight-line basis over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) at the beginning of the measurement period.

Claims Payable

Claims payable in the Internal Service Fund represents estimates of claims against the City. The estimated claims payable represents the City's best estimate of the amount to be paid on workers' compensation and general liability claims. Losses for claims incurred but not reported are also recorded if the probable amount of loss can be reasonably estimated.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Long-Term Debt

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the appropriate activities. Bond premium and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred.

The governmental fund financial statements do not present long-term liabilities. Consequently, long-term debt is shown as a reconciling item in the reconciliation of the governmental funds balance sheet to the government-wide statement of net position.

Property Taxes

Property taxes are attached as an enforceable lien on property at January 1. Taxes are levied on July 1 and are payable in two installments on December 10 and April 10. Any unpaid amounts at the end of the fiscal year are recorded as accounts receivable. The County of Los Angeles bills and collects the property taxes and substantially remits the amount due to the City in installments during the year. Historically, the City has received substantially all of the taxes levied within two years from the date they are levied. The County is permitted by state law (Article XIII A of the California Constitution) to levy taxes at 1% of full market value (at time of purchase) and can increase the property's value no more than 2% per year.

Net Position and Fund Balances

In the government-wide financial statements and proprietary fund financial statements, net position is classified as follows:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of debt and other payables that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – This component of net position consists of restricted assets reduced by liabilities and deferred outflows and inflows of resources related to those assets.

Unrestricted – This component of net position is the amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable – Nonspendable fund balances are items that cannot be spent because they are not in spendable form, such as prepaid items and inventories, or items that are legally or contractually required to be maintained intact, such as principal of an endowment or revolving loan funds.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Net Position and Fund Balances (Continued)

Restricted – Restricted fund balances encompass the portion of net fund resources subject to externally enforceable legal restrictions. This includes externally imposed restrictions by creditors, such as through debt covenants, grantors, contributors, laws or regulations of other governments, as well as restrictions imposed by law through constitutional provisions or enabling legislation.

Committed – Committed fund balances encompass the portion of net fund resources, the use of which is constrained by limitations that the government imposes upon itself at its highest level of decision making, normally the governing body, and that remain binding unless removed in the same manner. The City Council is considered the highest authority for the City. Adoption of a resolution by the City Council is required to commit resources or to rescind the commitment.

Assigned – Assigned fund balances encompass the portion of net fund resources reflecting the government's intended use of resources. Assignment of resources can be done by the highest level of decision making or by a committee or official designated for that purpose. The City Council has authorized by resolution the City Finance Officer for that purpose.

Unassigned – This amount is for any portion of the fund balances that do not fall into one of the above categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

Spending Policy

Government-Wide Financial Statements and the Proprietary Fund Financial Statements

When expenses are incurred for purposes for which both restricted and unrestricted components of net position are available, the City's policy is to apply the restricted component of net position first, then the unrestricted component of net position as needed.

Governmental Fund Financial Statements

When expenditures are incurred for purposes for which all restricted, committed, assigned, and unassigned fund balances are available, the City's policy is to apply in the following order, except for instances wherein an ordinance specifies the fund balance:

- Restricted
- Committed
- Assigned
- Unassigned

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

**NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Use of Estimates

The preparation of the basic financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2 BUDGETARY COMPLIANCE AND DEFICIT FUND BALANCES

Excess of Expenditures Over Appropriations

The following funds had expenditures in excess of appropriations:

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Excess of Expenditures Over Appropriations</u>
Major Governmental Funds:			
General Fund:			
General Government:			
City Treasurer	\$ 257,317	\$ 264,630	\$ (7,313)
City Attorney	561,950	752,603	(190,653)
Nondepartmental	6,923,287	7,013,147	(89,860)
Public Works:			
Government Buildings	1,777,649	1,800,904	(23,255)
Debt Service:			
Principal Retirement	-	122,702	(122,702)
Interest	-	134,491	(134,491)
Nonmajor Governmental Funds:			
Residential Sound Insulation Special Revenue Fund Community and Cultural	800	847	(47)
SB 821 Special Revenue Fund Capital Outlay	55,000	57,466	(2,466)
Federal Grants Special Revenue Fund Public Safety	-	1,986,734	(1,986,734)
Community and Cultural	270,000	632,708	(362,708)
State Grants Special Revenue Fund Public Safety	-	44,172	(44,172)
Senior Housing Special Revenue Fund Community and Cultural	15,313	36,150	(20,837)
Facility Loan Debt Service Fund General Government	-	18,535	(18,535)

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 2 BUDGETARY COMPLIANCE AND DEFICIT FUND BALANCES (CONTINUED)

Deficit Net Positions and Fund Balance

Funds with deficit fund balances and net position at June 30, 2022, are as follows:

	Deficit
Federal Grants Special Revenue Fund	\$ 139,902
State Grants Special Revenue Fund	61,865
Liability Insurance Internal Service Fund	3,942,464
Workers' Compensation Internal Service Fund	4,111,917

Excess of Expenditures Over Appropriations

The City expects to eliminate the Special Revenue Fund deficits when future reimbursements are received from granting agencies. The Liability Insurance and Workers' Compensation Internal Service Fund deficits are expected to be eliminated through future interdepartmental charges.

For the year ended June 30, 2022, the Governmental Activities of the City reported a deficit unrestricted net position of \$(109,457,284). This deficit is largely a result of the implementation of GASB Statement No. 68 in 2015 and GASB Statement No. 75 in 2018 that required the City to report aggregate net pension liabilities and net OPEB liability on the financial statements. The City's has a net pension liability at June 30, 2022, of \$1,222,886, that is payable from Governmental Activities. The City also has a net pension asset at June 30, 2022, totaling \$54,978,294, of which \$53,897,429 is restricted for Governmental Activities. The City's net OPEB liability at June 30, 2022, is \$32,544,375, of which \$30,942,940 is payable from Governmental Activities.

NOTE 3 CASH AND INVESTMENTS

The City maintains a cash and investment pool, which includes cash balances and authorized investments of all funds.

Primary Government

Cash and investments as of June 30, 2022, are classified in the accompanying financial statements as follows:

	Government-Wide Statement of Net Position		
	Governmental Activities	Business-Type Activities	Total
Cash and Investments	\$ 72,181,044	\$ 44,891,708	\$ 117,072,752
Restricted Cash	12,376,989	1,377,934	13,754,923
Total Cash and Investments	\$ 84,558,033	\$ 46,269,642	\$ 130,827,675

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Cash and investments, excluding cash held by the El Segundo Senior Citizen Housing Corporation, as of June 30, 2022, consist of the following:

Cash and Cash Equivalents:

Petty Cash	\$ 12,512
Demand Deposits	4,943,444
Restricted Cash in PARS 115 Trust	4,543,265
Total Cash and Cash Equivalents	<u>9,499,221</u>

Investments:

Money Market Mutual Funds	8,059,386
CAMP	35,120,278
Corporate Notes	9,488,523
Negotiable Certificates of Deposit	12,269,701
Local Agency Investment Fund	40,830,905
State Obligations	6,233,931
US Treasury Bills	974,000
U.S. Government Sponsored Enterprise Securities	7,971,635
Total Investments	<u>120,948,359</u>

Total Cash and Investments	<u><u>\$ 130,447,580</u></u>
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Blended Component Unit

Cash held by the El Segundo Senior Citizen Housing Corporation as of December 31, 2021, consist of the following:

Deposits with Financial Institutions	<u><u>\$ 380,095</u></u>
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Deposits

The carrying amounts of the City's demand deposits were \$4,943,444 at June 30, 2022. Bank balances at that date were \$6,253,020, the total amount of which was collateralized or insured with accounts held by the pledging financial institutions in the City's name as discussed below.

The California Government Code requires California banks and savings and loan associations to secure the City's cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the City's name.

The market value of pledged securities must equal at least 110% of the City's cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the City's total cash deposits. The City may waive collateral requirements for cash deposits, deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC). The City did not waive the collateral requirement for deposits insured by FDIC.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Deposits (Continued)

The City follows the practice of pooling cash and investments of all funds. Interest income earned on pooled cash and investments is allocated on an accounting period basis to the various funds based on the period-end cash and investment balances.

Investments

Under the provision of the City's investment policy, and in accordance with California Government Code, the following investments are authorized:

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio *</u>	<u>Maximum Investment in One Issuer</u>
United States Treasury Obligations	5 Years	No Limit	No Limit
U.S. Government Sponsored Enterprise Securities	5 Years	No Limit	No Limit
State and Local Agency Bonds	5 Years	10%	No Limit
Bankers' Acceptances	180 Days	40%	No Limit
Commercial Paper	270 Days	10%	3%
Negotiable Certificates of Deposit	5 Years	30%	No Limit
Local Agency Investment Fund (LAIF)	N/A	No Limit	\$75M
Nonnegotiable Certificates of Deposits	5 Years	No Limit	No Limit
Medium-Term Notes	5 Years	15%	3%
Mutual Funds	N/A	5%	10%
Money Market Mutual Funds	N/A	5%	10%
Supranational Obligations	5 Years	10%	No Limit
Joint Powers Authority Pool	N/A	30%	No Limit

N/A - Not Applicable

* Excluding amounts held by bond trustees that are not subject to California Government Code restrictions.

Investment in State Investment Pool

The City is a participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the state of California. The City's investments with LAIF at June 30, 2022, included a portion of the pool funds invested in Structured Notes and Asset-Backed Securities:

Structured Notes – debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

Asset-Backed Securities – generally mortgage-backed securities that entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (for example, Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2022, the City had \$40,830,905 invested in LAIF, which had invested 1.88% of the pool investment funds in Structured Notes and Asset-Backed Securities.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

Investment in State Investment Pool (Continued)

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 prorate share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

Investment in Section 115 Pension Trust

The City established a trust account with Public Agency Retirement Services (PARS) to hold assets that are legally restricted for use in administering the City's CalPERS pension plans. The Section 115 Pension Trust's specific cash and investments are managed by a third-party portfolio manager under guidelines approved by the City.

Investment in California Asset Management Program (CAMP)

The City is a voluntary participant in the California Asset Management Program (CAMP) that is regulated by the California Government Code. 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 CAMP for the entire CAMP portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by CAMP, which are recorded on an amortized cost basis.

Fair Value Measurement

As of June 30, 2022, investments are reported at fair value. The following table presents the fair value measurements of investments on a recurring basis and the levels with GASB 72 fair value hierarchy in which the fair value measurements fall at June 30, 2022:

Investment Type	Measurement Input		
	Significant Other Observable		Total
	Inputs (Level 2)	Uncategorized	
Money Market Mutual Funds	\$ -	\$ 8,059,386	\$ 8,059,386
CAMP	-	35,120,278	35,120,278
Corporate Notes ⁽¹⁾	9,488,523	-	9,488,523
Negotiable Certificates of Deposit ⁽¹⁾	12,269,701	-	12,269,701
Local Agency Investment Fund	-	40,830,905	40,830,905
State Obligations ⁽¹⁾	6,233,931	-	6,233,931
Supranational Obligations ⁽¹⁾	974,000	-	974,000
U.S. Government Sponsored Enterprise Securities ⁽¹⁾	7,971,635	-	7,971,635
Total	<u>\$ 28,966,155</u>	<u>\$ 84,010,569</u>	<u>\$ 120,948,359</u>

⁽¹⁾ Pricing based on Interactive Data Corporation

All investments classified in Level 2 of the fair value hierarchy are valued using specified fair market value factors or institutional bond quotes.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Risk Disclosures

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits investments to a maximum maturity of five years. At June 30, 2022, the City had the following investment maturities:

Investment Type	Fair Value	Investment Maturities (in Years)				
		Less Than 1 Year	1 to 2 Years	2 to 3 Years	3 to 4 Years	4 to 5 Years
Money Market Mutual Funds	\$ 8,059,386	\$ 8,059,386	\$ -	\$ -	\$ -	\$ -
CAMP	35,120,278	35,120,278	-	-	-	-
Corporate Notes	9,488,523	2,640,568	492,165	1,950,535	4,405,255	-
Negotiable Certificates of Deposit	12,269,701	4,364,035	4,352,334	3,553,332	-	-
Local Agency Investment Fund	40,830,905	40,830,905	-	-	-	-
State Obligations	6,233,931	1,800,381	2,968,440	1,465,110	-	-
US Treasury Bills	974,000	974,000	-	-	-	-
U.S. Government Sponsored Enterprise Securities	7,971,635	2,986,080	3,487,970	1,497,585	-	-
Total	\$ 120,948,359	\$ 96,775,633	\$ 11,300,909	\$ 8,466,562	\$ 4,405,255	\$ -

Custodial Credit Risk

For deposits, custodial credit risk is the risk that, in the event of the failure of a depository financial institution, the City 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. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer), the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

Concentration of Credit Risk

The City did not have any investments in any one issuer that represent 5% or more of the City's total investments as of June 30, 2022.

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 by (where applicable) the California Government Code or the City's investment policy and the actual rating (by Standard & Poor's) as of year-end for each investment type:

Investment Type	Minimum Legal Rating	Total	Rating					
			AAA	AA	A	BBB	Unrated	
Money Market Mutual Funds	A	\$ 8,059,386	\$ 8,059,386	\$ -	\$ -	\$ -	\$ -	\$ -
CAMP	N/A	35,120,278	35,120,278	-	-	-	-	-
Corporate Notes	A	9,488,523	-	2,140,518	5,391,615	1,956,390	-	-
Negotiable Certificates of Deposit	A	12,269,701	-	-	-	-	-	12,269,701
Local Agency Investment Fund	N/A	40,830,905	-	-	-	-	-	40,830,905
State Obligations	N/A	6,233,931	495,535	3,745,001	1,498,340	-	-	495,055
Supranational Obligations	AA	974,000	-	-	-	-	-	974,000
U.S. Government Sponsored Enterprise Securities	N/A	7,971,635	-	7,480,635	-	-	-	491,000
Total		\$ 120,948,359	\$ 43,675,199	\$ 13,366,154	\$ 6,889,955	\$ 1,956,390	\$ -	\$ 55,060,661

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 4 LEASE RECEIVABLES

The City (Lessor) and ES CenterCal, LLC, a Delaware limited liability company (Lessee), entered into a ground lease agreement dated February 6, 2021, for the purpose of operating a commercial driving range, full-service restaurant, clubhouse, and event space. The ground lease includes an initial term of 20 years. ES CenterCal will then have six options to extend the agreement by five-year increments, resulting in a potential total agreement term of 50 years. ES CenterCal will make the following payments to the General Fund: (1) \$108,333 monthly ground lease payments for the driving range from the Fixed Rent Commencement Date, with a 10% increase every five years, (2) \$200,000 annual payment as a community benefit contribution, and (3) 3% of the Gross Receipts from all beverages sold at the driving range with a minimum guarantee of \$200,000 annually, with a 10% increase every five years. On an annual basis, ES CenterCal is also required to fund a capital reserve fund at a minimum of \$160,000 for the driving range.

In addition to the ground lease noted above, the City, acting as lessor, leases land under long-term, noncancelable lease agreements. The leases expire at various dates through 2034 and provide for renewal options of up to 15 years. As of July 1, 2021, the City recorded \$64,582,147 in lease receivables and deferred inflows of resources in the General Fund.

During the year ended June 30, 2022, the City recognized \$117,147 and \$726,688 in lease revenue and interest revenue, respectively, pursuant to all of its lease contracts.

Total future minimum lease payments to be received under lease agreements are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 95,176	\$ 1,705,723	\$ 1,800,899
2024	99,281	1,702,735	1,802,016
2025	76,243	1,699,881	1,776,124
2026	79,240	1,697,363	1,776,603
2027	120,806	1,694,317	1,815,123
2028-2032	1,351,300	8,371,036	9,722,336
2033-2037	2,110,626	8,135,548	10,246,174
2038-2042	3,189,820	7,794,708	10,984,528
2043-2047	4,670,557	7,280,900	11,951,457
2048-2052	6,460,463	6,552,252	13,012,715
2053-2057	8,612,952	5,564,605	14,177,557
2058-2062	11,189,936	4,266,216	15,456,152
2063-2067	14,263,115	2,596,554	16,859,669
2067-2072	12,145,486	588,966	12,734,452
Total	<u>\$ 64,465,001</u>	<u>\$ 59,650,804</u>	<u>\$ 124,115,805</u>

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 5 NOTES AND LOANS RECEIVABLES

Loans to Employees

The balance of notes receivable in the General Fund consists of loans made to employees for computer purchases. Participants in the computer loan program is eligible for an initial, interest free loan in the amount of \$4,000. Subsequent loans or amount in excess of the above maximum interest free loan, would be at the currently interest rate of 3%. All loans would include a 36-month repayment term. The balance at June 30, 2022, was \$256.

Residential Rehabilitation Program

The balance of notes receivable in the other governmental funds consists of minor home repair loans made to qualifying homeowners residing within the City. The balance at June 30, 2022, was \$49,405.

	Balance June 30, 2021	Additions	Deletions	Balance June 30, 2022
Residential Rehabilitation Program:				
CDBG Loans	\$ 49,405	\$ -	\$ -	\$ 49,405
Total	\$ 49,405	\$ -	\$ -	\$ 49,405

NOTE 6 INTERFUND ACTIVITIES

Fund Financial Statements

Due From/To Other Funds

At June 30, 2022, the City had the following due from/to other funds:

	Due From Other Funds General Fund
Due to Other Funds	
Nonmajor Governmental Funds	\$ 301,485

The interfund amounts from the General Fund to the Nonmajor Governmental Funds and the Nonmajor Enterprise Fund are for short-term loans to cover operations.

Advance From/To Other Funds

At June 30, 2022, the City has the following advance from/advance to other funds, which represents the advance from Equipment Replacement Fund to the Golf Course Enterprise Fund to address negative cash:

	Advance From Other Funds Golf Course Enterprise Fund
Advance to Other Funds	
Equipment Replacement Internal Service	\$ 5,557,910

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 6 INTERFUND ACTIVITIES (CONTINUED)

Fund Financial Statements (Continued)

Transfers In/Out

At June 30, 2022, the City had the following transfers in/out, which arise in the normal course of operations:

	Transfers In		Total
	Governmental Funds		
Transfers Out	General Fund	Nonmajor Governmental Funds	
Governmental Funds:			
Major Funds:			
General Fund	\$ -	\$ 10,101,878	\$ 10,101,878
Nonmajor Governmental Funds	25,000	-	25,000
Total	<u>\$ 25,000</u>	<u>\$ 10,101,878</u>	<u>\$ 10,126,878</u>

Administratively, resources may be transferred from one City fund to another. The City made the following transfers:

- The General Fund transferred \$610,000 to Capital Improvement Nonmajor Capital Projects Fund to fund capital projects.
- The General Fund transferred \$9,491,878 of cash to the Pension Obligation Bonds Nonmajor Debt Service Fund for debt service payment.
- The Traffic Safety Nonmajor Special Revenue Fund transferred \$25,000 to the General Fund for eligible expenditures.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 7 CAPITAL ASSETS

Governmental Activities

A summary of changes in capital assets for the governmental activities for the year ended June 30, 2022, was as follows:

	Governmental Activities			
	Balance			Balance
	June 30, 2021 As Restated (1)	Additions	Deletions	June 30, 2022
Capital Assets, not Being Depreciated:				
Land and Rights of Way	\$ 29,522,040	\$ -	\$ -	\$ 29,522,040
Construction in Progress	692,638	2,945,630	(1,574,789)	2,063,479
Total Capital Assets, not Being Depreciated	30,214,678	2,945,630	(1,574,789)	31,585,519
Capital Assets, Being Depreciated/Amortized:				
Buildings and Improvements	38,548,209	773,012	-	39,321,221
Vehicles and Equipment	24,442,126	85,001	-	24,527,127
Infrastructure	94,811,308	801,776	-	95,613,084
Right-to-Use Lease Land	10,680	-	-	10,680
Right-to-Use Lease Vehicles and Equipment	167,984	-	-	167,984
Total Capital Assets, Being Depreciated/Amortized	157,980,307	1,659,789	-	159,640,096
Less Accumulated Depreciation/Amortization:				
Buildings and Improvements	(21,092,891)	(800,314)	-	(21,893,205)
Vehicles and Equipment	(17,983,423)	(1,263,231)	-	(19,246,654)
Infrastructure	(50,667,816)	(2,531,910)	-	(53,199,726)
Right-to-Use Lease Land	-	(1,602)	-	(1,602)
Right-to-Use Lease Vehicles and Equipment	-	(62,188)	-	(62,188)
Total Accumulated Depreciation/Amortization	(89,744,130)	(4,659,245)	-	(94,403,375)
Total Capital Assets, Being Depreciated/Amortized, Net	68,236,177	(2,999,456)	-	65,236,721
Governmental Activities Capital Assets, Net	<u>\$ 98,450,855</u>	<u>\$ (53,826)</u>	<u>\$ (1,574,789)</u>	<u>\$ 96,822,240</u>

(1) The beginning balance was restated due to the implementation of GASB Statement No. 87. See Note 1.

Depreciation and amortization expenses were charged to functions/programs of the governmental activities for the year ended June 30, 2022, as follows:

General Government	\$ 426,955
Public Safety	560,255
Public Works	2,739,582
Community and Cultural	932,453
Total Depreciation and Amortization Expense	<u>\$ 4,659,245</u>

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 7 CAPITAL ASSETS (CONTINUED)

Business-Type Activities

A summary of changes in capital assets for the business-type activities, not including the El Segundo Senior Citizen Housing Corporation, for the year ended June 30, 2022, was as follows:

	Business-Type Activities, Not Including the Corporation			
	Balance		Balance	
	June 30, 2021	Additions	Deletions	June 30, 2022
Capital Assets, not Being Depreciated:				
Land	\$ 5,999,980	\$ -	\$ -	\$ 5,999,980
Construction in Progress	1,248,988	919,546	(1,167,830)	1,000,704
Total Capital Assets, not Being Depreciated	7,248,968	919,546	(1,167,830)	7,000,684
Capital Assets, Being Depreciated/Amortized:				
Buildings and Improvements	3,294,505	-	-	3,294,505
Improvements Other Than Buildings	-	-	-	-
Vehicles and Equipment	853,007	-	-	853,007
Infrastructure	58,720,236	1,167,831	(13,220)	59,874,847
Right-to-Use Lease Land	-	202,186	-	202,186
Total Capital Assets, Being Depreciated/Amortized	62,867,748	1,370,017	(13,220)	64,224,545
Less Accumulated Depreciation/Amortization:				
Buildings and Improvements	(3,294,505)	-	-	(3,294,505)
Vehicles and Equipment	(853,007)	-	-	(853,007)
Infrastructure	(38,966,137)	(593,098)	13,220	(39,546,015)
Right-to-Use Lease Land	-	(41,123)	-	(41,123)
Total Accumulated Depreciation/Amortization	(43,113,649)	(634,221)	13,220	(43,734,650)
Total Capital Assets, Being Depreciated/Amortized, Net	19,754,099	735,796	-	20,489,895
Business-Type Activities Capital Assets, Net	<u>\$ 27,003,067</u>	<u>\$ 1,655,342</u>	<u>\$ (1,167,830)</u>	<u>\$ 27,490,579</u>

Depreciation and amortization expenses for business-type activities, not including the Corporation, for the year ended June 30, 2022, was charged as follows:

Water	\$ 190,927
Sewer	402,171
Total Depreciation and Amortization Expense	<u>\$ 634,221</u>

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 7 CAPITAL ASSETS (CONTINUED)

Blended Component Unit

A summary of changes in capital assets for the El Segundo Senior Citizen Housing Corporation for the year ended December 31, 2021, was as follows:

El Segundo Senior Citizen Housing Corporation				
	Balance January 1, 2021	Additions	Deletions	Balance December 31, 2021
Capital Assets, Being Depreciated:				
Buildings and Improvements	\$ 1,046,041	\$ -	\$ -	\$ 1,046,041
Furniture and Equipment	321,057	-	-	321,057
Total Capital Assets, Being Depreciated	1,367,098	-	-	1,367,098
Less Accumulated Depreciation:				
Buildings and Improvements	(646,319)	(35,124)	-	(681,443)
Furniture and Equipment	(287,649)	(4,922)	-	(292,571)
Total Accumulated Depreciation	(933,968)	(40,046)	-	(974,014)
Total Capital Assets, Being Depreciated, Net	433,130	(40,046)	-	393,084
Total Capital Assets, Net	<u>\$ 433,130</u>	<u>\$ (40,046)</u>	<u>\$ -</u>	<u>\$ 393,084</u>

Depreciation expenses for the Corporation for the fiscal year ended December 31, 2022, was \$40,046.

NOTE 8 LONG-TERM LIABILITIES

A summary of changes in long-term liabilities for the year ended June 30, 2022, was as follows:

	Balance June 30, 2021 As Restated (1)	Additions	Deletions	Balance June 30, 2022	Due within One Year	Due in more than One Year
Governmental Activities:						
Direct Borrowings:						
Financed Purchase Obligation:						
2003 Parking Structure	\$ 1,981,703	\$ -	\$ 61,126	\$ 1,920,577	\$ 65,415	\$ 1,855,162
Loan Obligation:						
2005 Douglas Street Gap Closure Project	6,178,064	-	335,351	5,842,713	344,975	5,497,738
Other Long-Term Debt:						
Pension Obligation Bonds	140,095,398	-	-	140,095,398	6,352,020	133,743,378
Leases Payable	178,664	-	61,576	117,088	66,346	50,742
Claims Payable	16,187,000	3,899,160	2,656,160	17,430,000	3,321,068	14,108,932
Compensated Absences	5,036,020	430,769	481,603	4,985,186	4,641,539	343,647
Total	<u>\$ 169,656,849</u>	<u>\$ 4,329,929</u>	<u>\$ 3,595,816</u>	<u>\$ 170,390,962</u>	<u>\$ 14,791,363</u>	<u>\$ 155,599,599</u>

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

	Balance			Balance June 30, 2022	Due within One Year	Due in more than One Year
	June 30, 2021	Additions	Deletions			
Business-Type Activities:						
Compensated Absences	\$ 176,146	\$ 89,428	\$ 127,398	\$ 138,176	\$ 122,360	\$ 15,816
Pension Obligation Bonds	4,039,602	-	-	4,039,602	182,980	3,856,622
Leases Payable	-	202,186	-	202,186	118,495	83,691
Total	<u>\$ 4,215,748</u>	<u>\$ 291,614</u>	<u>\$ 127,398</u>	<u>\$ 4,379,964</u>	<u>\$ 423,835</u>	<u>\$ 3,956,129</u>

Typically, the General Fund has been used to liquidate the liability for governmental activities compensated absences, the loan obligation, and leases payable. The Liability Insurance and Workers' Compensation Internal Service Funds has been used to liquidate claims payable. The Nonmajor Facility Lease Debt Service Fund has been used to liquidate the loan obligation. The Nonmajor Pension Obligation Bonds Debt Service Fund has been used to liquidate the Pension Obligation Bonds.

The Water and Sewer Enterprise Funds typically liquidated the liability for business-type compensated absences.

Financed Purchase Obligation

2003 Parking Structure

On June 18, 2002, the City entered into a finance purchase agreement with 612 Twin Holdings, LLC to acquire a two story, three level parking structure and certain retail space. The terms of the agreement include an initial payment of \$1,100,000, monthly payments of \$16,167 with an imputed interest rate of 6.80% for 408 months, and a purchase option for \$200,000 due on January 1, 2039.

The amount outstanding at June 30, 2022 totaled \$1,920,577. The annual debt service requirements on the capital lease are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 65,415	\$ 128,585	\$ 194,000
2024	70,004	123,996	194,000
2025	74,916	119,084	194,000
2026	80,172	113,828	194,000
2027	85,797	108,204	194,001
2028-2032	528,178	441,822	970,000
2033-2037	741,351	228,649	970,000
2038	274,744	8,090	282,834
Total	<u>\$ 1,920,577</u>	<u>\$ 1,272,258</u>	<u>\$ 3,192,835</u>

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Loan Obligation

2005 Douglas Street Gap Closure Project

On September 1, 2005, the City entered into a loan agreement with the California Infrastructure and Economic Development Bank (CIEDB) whereby CIEDB issued bonds in the amount of \$10,000,000 to finance the Douglas Street Gap Closure Project. The City will make payments over a 30-year period starting on February 1, 2006, at an interest rate of 2.87% per annum. Interest payments on the lease obligation are due on February 1 and August 1 of each year.

The amount outstanding at June 30, 2022, totaled \$5,842,713. The annual debt service requirements on the loan are as follows:

<u>Year Ending June 30.</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 344,975	\$ 162,735	\$ 507,710
2024	354,876	152,693	507,569
2025	365,061	142,361	507,422
2026	375,538	131,734	507,272
2027	386,316	120,801	507,117
2028-2032	2,104,394	428,715	2,533,109
2033-2036	1,911,553	139,094	2,050,647
Total	<u>\$ 5,842,713</u>	<u>\$ 1,278,133</u>	<u>\$ 7,120,846</u>

Pension Obligation Bonds

On May 26, 2021, the City issued \$144,135,000 of Taxable Pension Obligation Bonds, Series 2021 (POB), to fund a portion of the City's obligations to CalPERS for the unfunded actuarial accrued liability with respect to the City's miscellaneous and safety defined benefit pension plans. The City allocated the POB between governmental activities and business-type activities as follows:

Governmental Activities	\$ 140,095,398
Business-Type Activities	4,039,602
Total	<u>\$ 144,135,000</u>

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Pension Obligation Bonds (Continued)

The POB is due from 2022 through 2040 in annual principal installments of \$6,535,000 to \$9,265,000. Interest rates range from 0.191% to 2.897% and interest is payable semi-annually on January 1 and July 1. The total outstanding principal as of June 30, 2022, is \$144,135,000. The total annual debt service requirements on the POB are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 6,535,000	\$ 3,042,531	\$ 9,577,531
2024	6,735,000	3,023,796	9,758,796
2025	6,760,000	2,990,144	9,750,144
2026	6,805,000	2,937,614	9,742,614
2027	6,865,000	2,863,955	9,728,955
2028-2032	35,970,000	12,536,226	48,506,226
2033-2037	40,225,000	8,092,916	48,317,916
2038-2041	34,240,000	2,034,904	36,274,904
Total	<u>\$ 144,135,000</u>	<u>\$ 37,522,086</u>	<u>\$ 181,657,086</u>

The annual debt service requirements will be allocated 97% to governmental activities and 3% to business-type activities.

Leases Payable

The City leases land, vehicles, and equipment for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2026 and provide for renewal options ranging up to one year.

Total future minimum lease payments under lease agreements are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2023	\$ 66,346	\$ 1,047	\$ 118,495	\$ 4,217	\$ 190,105
2024	44,744	302	42,363	1,019	88,428
2025	3,698	61	41,328	539	45,626
2026	2,300	28	-	-	2,328
Total	<u>\$ 117,088</u>	<u>\$ 1,438</u>	<u>\$ 202,186</u>	<u>\$ 5,775</u>	<u>\$ 326,487</u>

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 RETIREMENT PLANS

Summary

The following is the summary of the net pension (asset) liability and related deferred outflows of resources and deferred inflows of resources at June 30, 2022, and pension (credit) expense for the year then ended.

	Governmental Activities	Business-Type Activities	Total
Deferred Outflows of Resources:			
Miscellaneous	\$ 1,967,710	\$ 209,121	\$ 2,176,831
Safety	104,253,521	-	104,253,521
PARS	391,040	-	391,040
Total Deferred Outflows of Resources	<u>\$ 106,612,271</u>	<u>\$ 209,121</u>	<u>\$ 106,821,392</u>
Aggregate Net Pension (Assets) Liabilities:			
Miscellaneous	\$ (10,170,344)	\$ (1,080,865)	\$ (11,251,209)
Safety	(43,727,085)	-	(43,727,085)
PARS	1,222,886	-	1,222,886
Total Aggregate Net Pension Liabilities	<u>\$ (52,674,543)</u>	<u>\$ (1,080,865)</u>	<u>\$ (53,755,408)</u>
Deferred Inflows of Resources:			
Miscellaneous	\$ 8,608,837	\$ 914,915	\$ 9,523,752
Safety	71,523,221	-	71,523,221
PARS	124,333	-	124,333
Total Deferred Inflows of Resources	<u>\$ 80,256,391</u>	<u>\$ 914,915</u>	<u>\$ 81,171,306</u>
Pension (Credit) Expense:			
Miscellaneous	\$ 64,524	\$ 6,860	\$ 71,384
Safety	(60,331,338)	-	(60,331,338)
PARS	174,542	-	174,542
Total Pension Expense	<u>\$ (60,092,272)</u>	<u>\$ 6,860</u>	<u>\$ (60,085,412)</u>

The City elected to join PARS as a means to provide additional funding for the CalPERS Miscellaneous and Safety defined benefit pension plans. The General Fund contains the Section 115 Trust balance restricted cash balance of \$4,543,265 as of June 30, 2022.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 RETIREMENT PLANS (CONTINUED)

California Public Employees' Retirement System (CalPERS)

General Information about the Pension Plan

Plan Descriptions

The City contribution to the California Public Employees Retirement System (CalPERS), an agent multiple-employer defined benefit pension plan for miscellaneous employees and a cost-sharing multiple-employer defined benefit plan for safety employees. CalPERS acts as a common investment and administrative agent for participating public entities within the state of California. Benefit provisions and all other requirements are established by state statute and City ordinance. A full description of the pension plan regarding number of employees covered, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information are listed in the June 30, 2021 Annual Actuarial Valuation Report. This report and CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

Benefits Provided

CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. A classic CalPERS member or PEPRA Safety member becomes eligible for service retirement upon attainment of age 50 with at least five years of credited service. During the year ended June 30, 2013, the California's Public Employees' Pension Reform Act (PEPRA) went into effect. Employees hired after January 1, 2013 who are new to the CalPERS system are part of the PEPRA plan. PEPRA miscellaneous members become eligible for service retirement upon attainment of age 52 with at least five years of service. The service retirement benefit is a monthly allowance equal to the product of the benefit factor, years of service, and final compensation. The final compensation is the monthly average of the member's highest 36 or 12 consecutive months' full-time equivalent monthly pay. Retirement benefits for classic miscellaneous employees are calculated as 2% of average final 12 months compensation. Retirement benefit for PEPRA miscellaneous employees are calculated as 2% of the average final 36 months compensation. Retirement benefits for classic safety employees are calculated as 3% of the average final 12 months compensation. Retirement benefits for PEPRA safety employees are calculated as 2.7% of average final 36 months.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 RETIREMENT PLANS (CONTINUED)

California Public Employees' Retirement System (CalPERS) (Continued)

General Information about the Pension Plan (Continued)

Benefits Provided (Continued)

The following are the benefit provisions for each plan:

	Miscellaneous		
	Miscellaneous Rate Plan	Miscellaneous Second Tier Rate Plan	PEPRA Miscellaneous Rate Plan
Hire Date	Prior to January 1, 2013	Prior to January 1, 2013 Classic Member	On or After January 1, 2013 New Member
Benefit Formula	2% @ 55	2% @ 60	2% @ 62
Benefit Vesting Schedule	5 Years Service	5 Years Service	5 Years Service
Benefit Payments	Monthly for Life	Monthly for Life	Monthly for Life
Retirement Age	Minimum 50 Years	Minimum 50 Years	Minimum 52 Years
	Safety - Police/Fire		
	Safety Rate Plan	Safety Second Tier Rate Plan	PEPRA Safety Rate Plan
Hire Date	Prior to October 6, 2012	Between October 6, 2012 to December 31, 2012 Classic Member	On or After January 1, 2013 New Member
Benefit Formula	Police - 3% @ 50 Fire - 3% @ 55	Police - 3% @ 55	2.7% @ 57
Benefit Vesting Schedule	5 Years Service	5 Years Service	5 Years Service
Benefit Payments	Monthly for Life	Monthly for Life	Monthly for Life
Retirement Age	Minimum 50 Years	Minimum 50 Years	Minimum 50 Years

Participants are eligible for nonindustrial disability retirement if the participant becomes disabled and has at least five years of credited service. There is no special age requirement. The standard nonindustrial disability retirement benefit is a monthly allowance equal to 1.8% of final compensation, multiplied by service.

Industrial disability benefits are not offered to miscellaneous employees. The City provides industrial disability retirement benefit to safety employees. The industrial disability retirement benefit is a monthly allowance equal to 50% of final compensation.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 RETIREMENT PLANS (CONTINUED)

California Public Employees' Retirement System (CalPERS) (Continued)

General Information about the Pension Plan (Continued)

Benefits Provided (Continued)

An employee's beneficiary may receive the basic death benefit if the employee becomes deceased while actively employed. The employee must be actively employed with the City to be eligible for this benefit. An employee's survivor who is eligible for any other pre-retirement death benefit may choose to receive that death benefit instead of this basic death benefit. The basic death benefit is a lump-sum in the amount of the employee's accumulated contributions, where interest is currently credited at 7.5% per year, plus a lump-sum in the amount of one month's salary for each completed year of current service, up to a maximum of six months' salary. For purposes of this benefit, one month's salary is defined as the member's average monthly full-time rate of compensation during the 12 months preceding death. Upon the death of a retiree, a one-time lump-sum payment of \$500 will be made to the retiree's designated survivor(s), or to the retiree's estate.

Benefit terms provide for annual cost-of-living adjustments to each employee's retirement allowance. Beginning the second calendar year after the year of retirement, retirement and survivor allowances will be annually adjusted on a compound basis by 2%.

Employee Covered by Benefit Terms

At June 30, 2021, the measurement date, the following employees were covered by the benefit terms under the miscellaneous plans:

	Miscellaneous Plans
Active Employees	171
Transferred and Terminated Employees	325
Retired Employees and Beneficiaries	367
Total	863

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 the 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 in the pension plan terms as plan member contribution requirements are classified as plan member contributions.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 RETIREMENT PLANS (CONTINUED)

California Public Employees' Retirement System (CalPERS) (Continued)

General Information about the Pension Plan (Continued)

Contributions (Continued)

The required contribution rates are as follows:

	Year Ended June 30, 2022	
	Miscellaneous Plans	
	Classic	PEPRA
Employer Contribution Rate	9.030%	6.970%
Employee Contribution Rate	7.000%	6.750%

	Year Ended June 30, 2022				
	Safety Plans				
	Police - Tier 1	Police - Tier 2	Police PEPRA	Fire - Tier 1	Fire - PEPRA
Employer Contribution Rate	25.780%	23.620%	13.980%	22.420%	13.980%
Employee Contribution Rate	9.000%	9.000%	13.75%	9.000%	13.75%

Employer contributions for the miscellaneous and safety plans for the year ended June 30, 2022, was \$1,420,434 and \$3,186,142, respectively.

Net Pension Liability

The City's net pension liability for each Plan is measured as the total pension liability, less the pension plans' fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2021, using an annual actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures.

Actuarial Methods and Assumption Used to Determine Total Pension Liability

A summary of principal assumptions and methods used to determine the net pension liability of the miscellaneous and safety plans are as follows:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Projected Salary Increases	Varies by Entry Age and Service
Mortality Rate Table	(1)
Post Retirement Benefit Increase	(2)

(1) The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates includes 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

(2) The lesser of contract COLA or 2.50% until Purchasing Power Protection Allowance Floor on purchasing power applies, 2.50% thereafter.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 RETIREMENT PLANS (CONTINUED)

California Public Employees' Retirement System (CalPERS) (Continued)

Net Pension Liability (Continued)

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 return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as followed:

<u>Asset Class 1</u>	<u>New Strategic Allocation</u>	<u>Real Return Years 1 -10²</u>	<u>Real Return Years 11+²</u>
Global Equity	50.00 %	4.80 %	5.98 %
Fixed Income	28.00	1.00	2.62
Inflation Assets	-	0.77	1.81
Private Equity	8.00	6.30	7.23
Real Assets	13.00	3.75	4.92
Liquidity	1.00	-	(0.92)
	<u>100.00 %</u>		

¹ In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

² An expected inflation of 2.0% and 2.92% used for years 1-10 and years 11+, respectively.

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those 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.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 RETIREMENT PLANS (CONTINUED)

California Public Employees' Retirement System (CalPERS) (Continued)

Subsequent Events

On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-2021. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the board. These new assumptions will be reflected in the GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

Changes in the Net Pension Liability

The following table shows the changes in net pension liability for the City's Miscellaneous Plan recognized over the measurement period.

	<u>Miscellaneous Plan</u>		
	<u>Increase (Decrease)</u>		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) - (b)
Balance - June 30, 2020 (Measurement Date)	\$ 124,142,190	\$ 89,887,559	\$ 34,254,631
Changes Recognized for the Measurement Period:			
Service Cost	2,167,601	-	2,167,601
Interest on the Total Pension Liability	8,786,372	-	8,786,372
Changes of Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	1,386,728	-	1,386,728
Plan to Plan Resource Movement	-	-	-
Contributions from the Employer	-	36,323,729	(36,323,729)
Contributions from Employee	-	996,706	(996,706)
Net Investment Income	-	20,615,898	(20,615,898)
Benefit Payments, Including Refunds of Employee Contributions	(7,452,811)	(7,452,811)	-
Administrative Expense	-	(89,792)	89,792
Net Changes	<u>4,887,890</u>	<u>50,393,730</u>	<u>(45,505,840)</u>
Balance - June 30, 2021 (Measurement Date)	<u>\$ 129,030,080</u>	<u>\$ 140,281,289</u>	<u>\$ (11,251,209)</u>

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 RETIREMENT PLANS (CONTINUED)

California Public Employees' Retirement System (CalPERS) (Continued)

Changes in the Net Pension Liability (Continued)

Proportionate Share of Net Pension Liability and Pension Expense

The following table shows the City's safety plan's proportionate share of the risk pool collective net pension liability over the measure period.

	Safety Plan Proportionate Share of Net Pension (Asset) Liability
Balance at June 30, 2021 (Measurement Date)	\$ (43,727,085)

The following is the approach established by the plan actuary to allocate the net pension liability and pension expense to the individual employers within the risk pool.

- (1) In determining a cost-sharing plan's proportionate share, total amounts of liabilities and assets are first calculated for the risk pool as a whole on the valuation date (June 30, 2020). The risk pool's fiduciary net position (FNP) subtracted from its total pension liability (TPL) determines the net pension liability (NPL) at the valuation date.
- (2) Using standard actuarial roll forward methods, the risk pool TPL is then computed at the measurement date (June 30, 2021). Risk pool FNP at the measurement date is then subtracted from this number to compute the NPL for the risk pool at the measurement date. For purposes of FNP in this step and any later reference thereto, the risk pool's FNP at the measurement date denotes the aggregate risk pool's FNP at June 30, 2021 less the sum of all additional side fund (or unfunded liability) contributions made by all employers during the measurement period (2020-2021).
- (3) The individual plan's TPL, FNP and NPL are also calculated at the valuation date. TPL is allocated based on the rate plan's share of the actuarial accrued liability. FNP is allocated based on the rate plan's share of market value assets.
- (4) Two ratios are created by dividing the plan's individual TPL and FNP as of the valuation date from (3) by the amounts in step (1), the risk pool's total TPL and FNP, respectively.
- (5) The plan's TPL as of the Measurement Date is equal to the risk pool TPL generated in (2) multiplied by the TPL ratio generated in (4). The plan's FNP as of the Measurement Date is equal to the FNP generated in (2) multiplied by the FNP ratio generated in (4) plus any additional side fund (or unfunded liability) contributions made by the employer on behalf of the plan during the measurement period.
- (6) The plan's NPL at the Measurement Date is the difference between the TPL and FNP calculated in (5).

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 RETIREMENT PLANS (CONTINUED)

California Public Employees' Retirement System (CalPERS) (Continued)

Changes in the Net Pension Liability (Continued)

Proportionate Share of Net Pension Liability and Pension Expense (Continued)

Deferred outflows of resources, deferred inflows of resources, and pension expense are allocated based on the City's NPL as a percentage of the total plan's NPL.

The City's proportionate share of the net pension liability was as follows:

	<u>Safety Plan</u>
June 30, 2020 Measurement Date	1.7727
June 30, 2021 Measurement date	(1.2460)
Change - Increase (Decrease)	<u>(3.0187)%</u>

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

The following presents the net pension liability of the plans as of the measurement date, calculated using the discount rate of 7.15%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (6.15%) or one percentage-point higher (8.15%) than the current rate:

	<u>Plan's Net Pension Liability/(Asset)</u>		
	<u>Discount Rate - 1% (6.15%)</u>	<u>Current Discount Rate (7.15%)</u>	<u>Discount Rate + 1% (8.15%)</u>
Miscellaneous Plan	<u>\$ 4,742,123</u>	<u>\$ (11,251,209)</u>	<u>\$ (24,501,982)</u>
Safety Plan	<u>\$ (821,032)</u>	<u>\$ (43,727,085)</u>	<u>\$ (78,969,106)</u>

Pension Plan Fiduciary Net Position

Detailed information about the plan's fiduciary net position is available in the separately issued CalPERS financial report. See CalPERS website for additional information.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 RETIREMENT PLANS (CONTINUED)

California Public Employees' Retirement System (CalPERS) (Continued)

Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2022, the City recognized pension expense in the amounts of \$71,384 and pension credit of \$60,331,338 for the miscellaneous plans and safety plans, respectively.

As of year ended June 30, 2022, the City has deferred outflows and deferred inflows of resources related to the pension plans as follows:

	Miscellaneous Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contribution Made After Measurement Date	\$ 1,420,434	\$ -
Difference Between Expected and Actual Experience	756,397	(28,850)
Net Difference Between Projected and Actual Earning on Pension Plan Investments	-	(9,494,902)
Total	\$ 2,176,831	\$ (9,523,752)
	Safety Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contribution Made After Measurement Date	\$ 3,186,142	\$ -
Difference Between Expected and Actual Experience	-	(7,470,735)
Difference Between Projected and Actual Earnings on Pension Plan Investments	26,026,021	-
Change in Employer's Proportion and Differences Between the Employer's Contributions and the Employer's Proportionate Share of Contributions	75,041,358	(64,052,486)
Total	\$ 104,253,521	\$ (71,523,221)

\$1,420,434 and \$3,186,142 reported as deferred outflows of resources related to pensions for miscellaneous plan and safety plan, respectively, resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2023.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 RETIREMENT PLANS (CONTINUED)

California Public Employees' Retirement System (CalPERS) (Continued)

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

Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in the future pension expense as follows:

<u>Measurement Period Ending June 30,</u>	<u>Deferred Outflows/ (Inflows) of Resources Measurement Plan</u>	<u>Deferred Outflows/ (Inflows) of Resources Safety Plan</u>
2023	\$ (1,815,904)	\$ 6,427,213
2024	(2,055,411)	7,723,393
2025	(2,268,785)	8,231,556
2026	(2,627,255)	7,161,996
Thereafter	-	-
Total	<u>\$ (8,767,355)</u>	<u>\$ 29,544,158</u>

Payable to the Pension Plan

At June 30, 2022, the City had no outstanding amount of contributions to the pension plan required for the year ended June 30, 2022.

Public Agency Retirement System (PARS)

General Information about the Pension Plan

Plan Description

On September 1, 2008, the City approved the establishment of a Retirement Enhancement Plan (the Plan) for eligible employees of the Supervisory and Professional Employees' Association of the City, effective October 1, 2008. Effective November 3, 2015 (Freeze Date), both benefits service and final pay are frozen. The Plan provides a supplemental retirement benefit in addition to the employees' current CalPERS retirement plan. The Plan is an agent multiple-employer defined benefit plan. The Plan will provide for 0.5% at age 55 for employees who retire from the City under CalPERS on or after September 30, 2008 and have 15 years of continuous City service.

The City's Finance Director is the Plan Administrator and is responsible for taking the necessary actions to implement and administer the Plan in compliance with the Plan Document and applicable legal requirements. Public Agency Retirement Services (PARS) is the Trust Administrator and is responsible for Plan accounting, coordinating benefit distributions with the Trustee, and communicating Plan provisions. Union Bank of California is the Trustee and is responsible for receiving and investing Plan contributions, safeguarding Plan assets, and distributing benefits to eligible Plan participants or beneficiaries at the direction of the Plan Administrator and pursuant to the Plan Document.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 RETIREMENT PLANS (CONTINUED)

Public Agency Retirement System (PARS) (Continued)

General Information about the Pension Plan (Continued)

Plan Description (Continued)

The amounts of the benefit payments are calculated by the Trust Administrator and all accounting and reporting functions are performed by the Trust Administrator. Plan assets are considered to be held by the third-party administrator on behalf of the employees and are, therefore, excluded from the accompanying financial statements. The City's responsibilities for this Plan are not sufficient administrative involvement to constitute a "holding of assets" by the City in a pension trust fund. The year ended September 30, 2009, was the first year of the Plan.

The Plan issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by contacting the Trust Administrator at the following address or telephone number:

Public Agency Retirement Services,
PARS Trust Administrator
PO Box 12919
Newport Beach, CA 92658-2919
(800) 540-6369

Benefits Provided

Below is the benefits summary provided by the Plan.

Eligibility	Supervisory and Professional employees Full-time employees in the group between August 5, 2008 and October 1, 2012 Before Plan Freeze: <ul style="list-style-type: none">● Retire from City under CalPERS on or after September 30, 2008● Age 55 with 15 years continuous City service After Plan Freeze: <ul style="list-style-type: none">● Retire from CalPERS● Age 55● Does not need to retire directly from the City
Retirement Benefit	Target of 2.5% @ 55 less CalPERS 2% @ 55 City service from hire date through Freeze Date
Final Pay	Highest consecutive 12-month pay as of Freeze Date PERSable pay including EPMC
COLA	2% after retirement
Normal Form of Benefit	Single life annuity
Termination/Disability/	100% vesting as of Freeze Date
Pre-Retirement Death Benefit	Greater of the following: <ul style="list-style-type: none">● Refund of employee contributions with 4.25% interest● Deferred retirement benefit

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 RETIREMENT PLANS (CONTINUED)

Public Agency Retirement System (PARS) (Continued)

General Information about the Pension Plan (Continued)

Employees Covered by Benefit Terms

At September 30, 2021, the measurement date, the following employees were covered by the benefit terms:

Active Employees	5
Terminated Employees	7
Retired Employees and Beneficiaries	15
Total	<u><u>27</u></u>

Contributions and Funding Policy

The City's funding policy is to make the contribution as determined by the Plan's actuary. There was no employee contribution after Freeze Date. Members may elect to receive lump-sum refund of employee contributions with 4.25% interest in lieu of annuity upon termination, retirement, disability, or death. Employer contributions are determined by actuarial study performed at least every two years. The Plan's annual pension contribution for the measurement date ended September 30, 2021, was based on an actuarial valuation as of June 30, 2020. For the year ended June 30, 2022, the City's contributions totaled \$189,000.

Net Pension Liability

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The City's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of September 30, 2021, using an actuarial valuation as of June 30, 2020. A summary of principal assumptions and methods used to determine the net pension liability is as follows:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	5.25%
Investment Return	5.25%
Inflation	2.50%
Mortality, Disability, and Termination	CalPERS 1997-2015 experience study
Mortality Improvement	Projected fully generational with Scale MP-2020
Salary Increases	2.50%

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 RETIREMENT PLANS (CONTINUED)

Public Agency Retirement System (PARS) (Continued)

Net Pension Liability (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 5.25%. The projection of cash flows utilized to determine the discount rate assumed that contributions from the City would be made at the actuarially determined contribution amount. Based on those 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.

The table below reflects target allocation and expected real rate of return by asset classes for the moderate portfolio selected by the City:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Real Rate of Return</u>
Global Equity	58.00 %	4.56 %
Fixed Income	35.00	0.78
REITs	2.00	4.06
Cash	5.00	(0.5)
Total	100.00 %	
Assumed Long-Term Rate of Inflation		2.50 %
Expected Long-Term Net Rate of Return, Rounded		5.25 %

Changes in Assumptions

Discount rate was updated based on newer capital market assumptions and decreased from 5.75% to 5.25%. Inflation rate decreased from 2.75% to 2.50%.

Subsequent Events

There were no subsequent events that would materially affect the results in this disclosure.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 RETIREMENT PLANS (CONTINUED)

Public Agency Retirement System (PARS) (Continued)

Changes in Net Pension Liability

The table on the following page shows the changes in net pension liability recognized over the measurement period:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability/(Asset)
	(a)	(b)	(c) = (a) - (b)
Balance - September 30, 2020	\$ 2,276,463	\$ 1,317,471	\$ 958,992
Changes Recognized for the Measurement Period:			
Interest on the Total Pension Liability	126,814	-	126,814
Changes of Assumptions	353,856	-	353,856
Net Investment Income	-	222,960	(222,960)
Benefit Payments, Including Refunds of Employee Contributions	(142,018)	(142,018)	-
Administrative Expense	-	(6,184)	6,184
Net Changes	<u>338,652</u>	<u>74,758</u>	<u>263,894</u>
Balance - September 30, 2021 (Measurement Date)	<u>\$ 2,615,115</u>	<u>\$ 1,392,229</u>	<u>\$ 1,222,886</u>

Sensitivity of Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 5.25%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (4.25%) or one percentage-point higher (6.25%) than the current rate:

	Discount Rate -1% (4.25%)	Current Discount Rate (5.25%)	Discount Rate 1% (6.25%)
Plan's Net Pension Liability	<u>\$ 1,544,410</u>	<u>\$ 1,222,886</u>	<u>\$ 956,058</u>

Pension Plan Fiduciary Net Position

Detailed information about the PARS California defined benefit pension program's fiduciary net position as of June 30, 2021, the most recent available audited information, is as follows: total assets: \$513,870,207 (cash and cash equivalents of \$4,949,190, contributions receivable of \$2,265,206, investments of \$506,550,294, and investment income receivable of \$105,517); total accrued liabilities: \$45,013; and fiduciary net position: \$513,825,194. This audited information is on an accrual basis of accounting and investments are reported at fair value.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 9 RETIREMENT PLANS (CONTINUED)

Public Agency Retirement System (PARS) (Continued)

Pension Expense, Deferred Outflows and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2022, the City incurred pension expense of \$174,542 and 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
Pension Contribution Made After Measurement Date	\$ 189,000	\$ -
Difference Between Expected and Actual Experience	2,034	-
Changes of Assumptions	200,006	(3,043)
Net Difference Between Projected and Actual Earning on Pension Plan Investments	-	(121,290)
Total	\$ 391,040	\$ (124,333)

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

<u>Measurement Period Ending September 30,</u>	Deferred Outflows/ (Inflows) of Resources
2022	\$ 122,470
2023	17,328
2024	(31,783)
2025	(30,308)
Thereafter	-
Total	\$ 77,707

Payable to the Pension Plan

At June 30, 2022, the City had no outstanding amount of contributions to the pension plan required for the year ended June 30, 2022.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 OTHER POSTEMPLOYMENT HEALTH BENEFITS

At June 30, 2022, net OPEB liability and related deferred outflows of resources and deferred inflows of resources are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Deferred Outflows of Resources	<u>\$ 4,148,523</u>	<u>\$ 214,704</u>	<u>\$ 4,363,227</u>
Net Other Postemployment Benefit Liability	<u>\$ 30,942,940</u>	<u>\$ 1,601,435</u>	<u>\$ 32,544,375</u>
Deferred Inflows of Resources	<u>\$ 4,044,171</u>	<u>\$ 209,304</u>	<u>\$ 4,253,475</u>
OPEB Expense	<u>\$ 3,785,189</u>	<u>\$ 195,900</u>	<u>\$ 3,981,089</u>

General Information About the OPEB Plan

Plan Description

The City provides postretirement medical benefits under an agent multiple-employer defined benefit plan to employees who retire directly from the City under CalPERS with age and service requirements that vary by bargaining unit. For eligible retirees, the City contributes a portion of the premium for the medical plan selected by the retiree.

Benefit provisions for CalPERS are established and amended through negotiations between the city and the respective unions. The plan issues a publicly available financial report that includes financial statements and required supplementary information for that plan. Those reports may be obtained from CalPERS on their website www.calpers.ca.gov or by writing or calling the plans at the following address or telephone number:

CalPERS Member Services Division
P.O. Box 942704 Sacramento, CA 94229-2704
1-888-225-7377

The City has entered into an agreement with California Employers' Retiree Benefit Trust (CERBT) to prefund the City's net OPEB liability.

Funding Policy and Contributions

The contribution requirements of plan members and the City are established and may be amended by City Council. The annual contribution is based on the actuarially determined contribution. For the year ended June 30, 2022, the City's contributions totaled \$3,842,008.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 OTHER POSTEMPLOYMENT HEALTH BENEFITS (CONTINUED)

General Information About the OPEB Plan (Continued)

Employees Covered

At June 30, 2022, the measurement date, membership in the Plan consisted of the following:

Inactive Plan Member Currently Receiving Benefits	349
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	3
Active Plan Members	216
Total	568

Net OPEB Liability

The City's total OPEB liability was measured as of June 30, 2022, and was determined by an actuarial valuation as of June 30, 2021, rolled forward to June 30, 2022, using standard update procedures. A summary of the principal assumptions and methods used to determine the total OPEB liability is shown below.

Actuarial Methods and Assumptions

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

Actuarial Cost Method	Entry Age Method
Actuarial Assumption:	
Discount Rate	6.25% - Pre-funded through CalPERS CERBT Asset Strategy #1
Inflation	2.50%
Salary Increases	2.75% per year
Mortality Improvement	Projected fully generational with Scale MP-2021
Medical Trend	Non-Medicare 6.5% for 2023, Medicare (Non-Kaiser): 5.65% for 2023, Medicare (Kaiser) 4.6% for 2023, all decreasing to an ultimate rate of 3.75% in 2076.

The actuarial assumptions used in the June 30, 2021 valuation were based on a standard set of assumptions the actuary has used for similar valuations, modified as appropriate for the City.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 OTHER POSTEMPLOYMENT HEALTH BENEFITS (CONTINUED)

Net OPEB Liability (Continued)

Actuarial Methods and Assumptions (Continued)

The long-term expected rate of return was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. The asset class percentages are taken from the current composition of CERBT, and the expected yields are taken from a recent CalPERS publication for the pension fund:

<u>Asset Class</u>	<u>Allocation</u>	<u>Expected Real Rate of Return</u>
CERBT Strategy 1:		
Global Equity	49.00 %	4.56 %
Long U.S. Treasuries	5.00	0.29
Mortgage-Backed Securities	5.00	0.49
Investment Grade Corporates	4.00	1.56
High Yield	4.00	3.00
Sovereigns	5.00	2.76
TIPS	5.00	(0.08)
Commodities	3.00	1.22
REITs	20.00	4.06
Total	<u>100.00 %</u>	
Assumed Long-Term Rate of Inflation		2.50%
Expected Long-Term Net Rate of Return, Rounded		6.25%

Discount Rate

The discount rate used to measure the total OPEB liability is 6.25%. This is the expected long-term rate of return on City assets using investment strategy 1 within the California Employers' Retiree Benefit Trust (CERBT). The projection of cash flows used to determine the discount rate assumed that the City contribution will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position is projected to cover all future OPEB payments. Therefore, the discount rate was set equal to the long-term expected rate of return.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 OTHER POSTEMPLOYMENT HEALTH BENEFITS (CONTINUED)

Changes in Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (c) = (a) - (b)
Balance - June 30, 2021 (Measurement Date)	\$ 59,032,214	\$ 33,218,783	\$ 25,813,431
Changes Recognized for the Measurement Period:			
Service Cost	1,443,178	-	1,443,178
Interest on the Net OPEB Liability	3,659,929	-	3,659,929
Change in Benefit Terms	1,674,619		1,674,619
Differences Between Expected and Actual Experience	564,371	-	564,371
Changes of Assumptions	(1,238,582)	-	(1,238,582)
Contributions from the Employer	-	3,842,008	(3,842,008)
Net Investment Income	-	(4,444,351)	4,444,351
Benefit Payments, Including Refunds of Employee Contributions	(3,833,064)	(3,833,064)	-
Administrative Expense	-	(25,086)	25,086
Net Changes	<u>2,270,451</u>	<u>(4,460,493)</u>	<u>6,730,944</u>
Balance - June 30, 2022 (Measurement Date)	<u>\$ 61,302,665</u>	<u>\$ 28,758,290</u>	<u>\$ 32,544,375</u>

Change in Assumptions

Implied subsidy was removed for Medicare Advantage plans, medical plan at retirement assumption and active and waived retiree participation was updated, demographic assumptions was updated to CalPERS 2000-2019 Experience Study, medical trend rate for Kaiser Senior Advantage was decreased, and mortality improvement scale was updated to Scale MP-2021.

Change of Benefit Terms

Management and confidential monthly maximum increased from \$585 to \$735 for all retirees and increased to \$1,650 for retirements after June 30, 2022. Executive monthly maximum increased from \$782 to \$932 for all retirees and increased to \$1,650 for retirement after June 30, 2022. Police and fire monthly maximum decreased from \$1,800 to \$1,750.

Subsequent Events

There were no subsequent events that would materially affect the results presented in this disclosure.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 OTHER POSTEMPLOYMENT HEALTH BENEFITS (CONTINUED)

Changes in Net OPEB Liability

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one-percentage point lower (5.25%) or one-percentage-point higher (7.25%) than the current discount rate:

	Discount Rate -1% (5.25%)	Current Discount Rate (6.25%)	Discount Rate +1% (7.25%)
Net OPEB Liability (Assets)	\$ 39,840,089	\$ 32,544,375	\$ 26,465,634

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are one-percentage point lower (5.5% Non-Medicare, 4.65% Medicare Non-Kaiser, 3.6% Medicare Kaiser, decreasing to an ultimate rate of 2.75% in 2076) or one-percentage point higher (7.5% Non-Medicare, 6.65% Medicare Non-Kaiser, 5.6% Medicare Kaiser, decreasing to an ultimate rate of 4.75% in 2076) than the current healthcare cost trend rates:

	Healthcare Cost Trend Rate -1%	Current Rate	Healthcare Cost Trend +1%
Net OPEB Liability (Assets)	\$ 28,196,540	\$ 32,544,375	\$ 36,568,083

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

For the year ended June 30, 2022, the City' recognized OPEB expense of \$3,981,089. At June 30, 2022, 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
Difference Between Expected and Actual Experience	\$ 459,858	\$ 2,684,508
Change of Assumptions	1,590,469	1,568,967
Net Difference Between Projected and Actual Earning on Pension Plan Investments	2,312,900	-
Total	\$ 4,363,227	\$ 4,253,475

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 10 OTHER POSTEMPLOYMENT HEALTH BENEFITS (CONTINUED)

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

The amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as future OPEB expense as follows:

<u>Measurement Period Ending June 30,</u>	<u>Deferred Outflows/ (Inflows) of Resources OPEB Plan</u>
2023	\$ (697,560)
2024	(719,949)
2025	298,648
2026	1,278,554
2025	(49,941)
Total	\$ 109,752

Payable to the OPEB Plan

At June 30, 2022, the City had no outstanding amount of contributions to the OPEB plan required for the year ended June 30, 2022.

NOTE 11 DEFERRED COMPENSATION PLAN

For the benefit of its employees, the City has established deferred compensation plans in accordance with the Internal Revenue Code (IRC) Section 457 and 401(a). Generally, the amount of compensation subject to deferral by a participant may not exceed the legal limits set by the IRC. Funds may be withdrawn by participants upon termination of employment, retirement, death, or an unforeseeable emergency. The City's contributions to these plans for the year ended June 30, 2022, was \$16,269. The deferred compensation plan assets are held in a trust account for the sole benefit of the employees and their beneficiaries and have been excluded from the City's reported assets accordingly.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 12 RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City maintains self-insurance programs for workers' compensation and general liability up to a maximum of \$500,000 and \$750,000 per occurrence, respectively. General liability claims, which exceed the self-insurance retention, are insured through Independent Cities Risk Management Authority (ICRMA) up to \$35,000,000. Workers compensation claims that exceed the limit are insured by ICRMA up to the California statutory limits for workers' compensation.

The City is a member of the ICRMA, a public entity risk pool currently operating as a common risk management and insurance program for 15 California cities. The City pays an annual premium to the pool for its excess general liability insurance coverage. The agreement for information of the ICRMA provides that the pool will be self-sustaining through member premiums. The City continues to carry commercial companies for all other risks of loss, which include property insurance, and cyber liability insurance.

Estimates for all liabilities, up to the self-insured levels, have been accrued in the Workers' Compensation and the General Liability Self-Insurance Internal Service Funds including an estimate for incurred but not reported claims. Estimates are based on recommended reserves established by the City's third-party administrators who administer the City's claims and insurance programs. There have been no significant changes in insurance coverage as compared to last year and settlements have not exceeded coverage in each of the past three fiscal years.

The ICRMA has published its own financial report for the year ended June 30, 2022, which can be obtained from Independent Cities Risk Management Authority, 14156 Magnolia Park, Sherman Oaks, California.

Changes in the balances of claims liabilities for the current and the last two fiscal years follow:

Fiscal Year Ending	Claims Payable				
	Annual Claims Payable Beginning	Current Year Claims and Changes in Estimates	Current Year Claims Payments	Balance Ending	Due within One Year
September 30, 2020	\$ 11,300,000	\$ 4,437,986	\$ (2,811,986)	\$ 12,926,000	\$ 2,502,181
June 30, 2021	12,926,000	5,191,595	(1,930,595)	16,187,000	2,909,007
June 30, 2022	16,187,000	3,899,160	(2,656,160)	17,430,000	3,321,068

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 13 JOINT POWERS AGREEMENT

Los Angeles Interagency Metropolitan Police Apprehension Crime Task Force

The City is a member of the Los Angeles Interagency Metropolitan Police Apprehension Crime Task Force (L.A. IMPACT), a joint powers authority of the police departments of cities and other institutions in Los Angeles County. L.A. Impact was formed July 1, 1991, with the mission to promote coordinated law enforcement efforts and to address emerging criminal justice issues, mainly in the areas of drug trafficking and money laundering. The Executive Council consists of 14 police chiefs and other various police officers. All financial decisions were made by the Executive Council. The members received monetary distributions from asset seizures based on their respective resource contribution to the effort. The City does not have a measurable equity interest in L.A. IMPACT. The net position of L.A. IMPACT represents a temporary holding of funds to be distributed to various law enforcement jurisdictions. The distribution of these funds is not determinable until action has been taken by the courts or the L.A. IMPACT board of directors with respect to the use of these funds.

Complete financial statements for L.A. IMPACT may be obtained at its administrative office at 5700 South Eastern Avenue Commerce, California 90040-2924.

NOTE 14 COMMITMENTS AND CONTINGENCIES

Litigation

The City is currently a party to various claims and legal proceedings. In management's opinion, the ultimate liabilities, if any, resulting from such claims and proceedings, will not materially affect the City's financial position.

Federal and State Grants

The City participates in a number of federal and state assisted grant programs, which are subject to program compliance audits by the grantors or their representatives. Final closeout audits of these programs have not yet been completed. Accordingly, the City's ultimate compliance with applicable grant requirements will be established at some future date. Expenditures, if any, which may be disallowed by the granting agencies cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2022**

NOTE 15 CLASSIFICATION OF FUND BALANCES

At June 30, 2022, fund balances are classified in the governmental funds as follows:

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
Nonspendable:			
Notes and Loans Receivable	\$ 256	\$ -	\$ 256
Inventories	182,280	-	182,280
Prepays	127,512	20,442	147,954
Total Nonspendable	<u>310,048</u>	<u>20,442</u>	<u>330,490</u>
Restricted:			
Police	-	1,812,632	1,812,632
Fire	-	317,914	317,914
Public Works	-	3,766,730	3,766,730
Economic Development	-	101,049	101,049
Community and Cultural	-	12,290,986	12,290,986
Debt Service	-	9,093,316	9,093,316
Pension	4,543,265	-	4,543,265
Total Restricted	<u>4,543,265</u>	<u>27,382,627</u>	<u>31,925,892</u>
Assigned:			
Police	248,650	-	248,650
Fire	295,421	-	295,421
Public Works	180,285	-	180,285
Tobacco License	33,573	-	33,573
Parks and Recreation	302,313	-	302,313
Library	93,067	-	93,067
Computer Refresh	244,185	-	244,185
Capital Outlay	-	3,587,359	3,587,359
Total Assigned	<u>1,397,494</u>	<u>3,587,359</u>	<u>4,984,853</u>
Unassigned	<u>34,799,542</u>	<u>(201,767)</u>	<u>34,597,775</u>
Total Fund Balance	<u>\$ 41,050,349</u>	<u>\$ 30,788,661</u>	<u>\$ 71,839,010</u>

**REQUIRED SUPPLEMENTARY
INFORMATION (UNAUDITED)**

**CITY OF EL SEGUNDO
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 49,113,761	\$ 51,970,216	\$ 58,484,432	\$ 6,514,216
Licenses and Permits	13,575,000	13,430,000	13,605,327	175,327
Charges for Services	4,815,084	4,612,096	5,605,586	993,490
Use of Money and Property	700,800	950,800	(651,380)	(1,602,180)
Fines and Forfeitures	294,000	391,500	373,424	(18,076)
Developer Fees	-	-	331,326	331,326
Miscellaneous	2,291,620	1,841,620	1,993,477	151,857
Total Revenues	<u>70,790,265</u>	<u>73,196,232</u>	<u>79,742,192</u>	<u>6,545,960</u>
EXPENDITURES				
Current:				
General Government				
City Council	356,596	356,596	335,424	21,172
City Treasurer	187,317	257,317	264,630	(7,313)
City Clerk	530,749	540,749	453,885	86,864
City Manager	2,453,282	2,408,282	2,326,659	81,623
City Attorney	561,950	561,950	752,603	(190,653)
Planning	3,038,539	2,174,301	1,087,081	1,087,220
Building and Safety	1,570,375	1,509,117	1,376,594	132,523
Administrative Services	5,786,973	6,166,784	5,685,068	481,716
Nondepartmental	6,647,302	6,923,287	7,013,147	(89,860)
Public Safety:				
Police	17,398,846	17,433,781	16,339,482	1,094,299
Fire	13,782,667	13,831,667	13,501,654	330,013
Animal Control	30,250	30,250	29,365	885
Communications Center	2,007,079	2,007,079	1,459,445	547,634
Public Works:				
Administration	216,248	220,248	137,891	82,357
Government Buildings	1,822,249	1,777,649	1,800,904	(23,255)
Engineering	770,474	948,400	769,037	179,363
Streets	4,110,035	4,177,190	4,124,631	52,559
Solid Waste	722,411	717,411	636,016	81,395
Storm Drain	236,788	236,788	212,675	24,113
Equipment Maintenance	1,187,199	1,373,799	1,212,261	161,538
Community and Cultural:				
Recreation and Parks	3,719,965	3,489,884	2,728,089	761,795
Library	2,245,351	2,263,088	2,252,552	10,536
Capital Outlay	-	850,000	837,950	12,050
Debt Service:				
Principal Retirement	-	-	122,702	(122,702)
Interest	-	-	134,491	(134,491)
Total Expenditures	<u>69,382,645</u>	<u>70,255,617</u>	<u>65,594,236</u>	<u>4,661,381</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,407,620	2,940,615	14,147,956	11,207,341
OTHER FINANCING USES				
Debt Proceeds	-	-	-	-
Transfers In	4,013,235	2,011,733	25,000	1,986,733
Transfers Out	(9,715,200)	(10,015,200)	(10,101,878)	86,678
Total Other Financing Uses	<u>(5,701,965)</u>	<u>(8,003,467)</u>	<u>(10,076,878)</u>	<u>2,073,411</u>
NET CHANGE IN FUND BALANCES	<u>\$ (4,294,345)</u>	<u>\$ (5,062,852)</u>	4,071,078	<u>\$ 13,280,752</u>
Fund Balance - Beginning of Year			36,979,271	
FUND BALANCE - END OF YEAR			<u>\$ 41,050,349</u>	

See Note to Budgetary Comparison Schedule.

**CITY OF EL SEGUNDO
NOTE TO BUDGETARY COMPARISON SCHEDULE
JUNE 30, 2022**

NOTE 1 BUDGETARY CONTROL AND ACCOUNTING POLICY

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America and are used as a management control device. Annual budgets are adopted for the General Fund, Special Revenue Funds, Debt Service Funds, and the Capital Projects Funds except for the Pension Obligation Bonds Debt Service Fund.

The City Council approves each year's budget submitted by the City Manager prior to the beginning of the new fiscal year. Public hearings are conducted prior to its adoption by the City Council. Budgets and adopted supplemental appropriations, where required during the period, are also approved by the City Council. Intradepartmental budget changes are approved by the City Manager. The legal level of control, that is defined as the level at which City Council approval is required for changes, is at the department level for the General Fund, and functional level for all other funds. During the year, several supplementary appropriations were necessary. All operating budget appropriations lapse at year-end.

**CITY OF EL SEGUNDO
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND
RELATED RATIOS – CALPERS MISCELLANEOUS RATE PLAN
LAST TEN MEASUREMENT PERIODS¹**

California Public Employees' Retirement System (CalPERS) – Miscellaneous Rate Plan

Measurement Period	2020-21	2019-20	2018-19	2017-18
Total Pension Liability:				
Service Cost	\$ 2,167,601	\$ 2,088,245	\$ 2,026,099	\$ 2,002,276
Interest on Total Pension Liability	8,786,372	8,447,044	8,219,352	7,976,930
Changes of Benefit Terms	-	-	-	-
Changes of Assumptions	-	-	-	(464,769)
Differences Between Expected and Actual Experience	1,386,728	(221,184)	(38,811)	8,203
Benefit Payments, Including Refunds of Employee Contributions	(7,452,811)	(6,978,924)	(6,762,739)	(6,360,824)
Net Change in Total Pension Liability	4,887,890	3,335,181	3,443,901	3,161,816
Total Pension Liability - Beginning	124,142,190	120,807,009	117,363,108	114,201,292
Total Pension Liability - Ending (a)	\$ 129,030,080	\$ 124,142,190	\$ 120,807,009	\$ 117,363,108
Pension Fiduciary Net Position:				
Contributions - Employer	\$ 36,323,729	\$ 3,584,857	\$ 3,597,197	\$ 3,291,215
Contributions - Employee	996,706	946,546	878,016	905,313
Net Investment Income	20,615,898	4,398,867	5,537,029	6,839,662
Benefit Payments, Including Refunds of Employee Contributions	(7,452,811)	(6,978,924)	(6,762,739)	(6,360,824)
Net Plan to Plan Resource Movement	-	3,966	(127,504)	(198)
Administrative Expense	(89,792)	(124,138)	(60,654)	(125,728)
Other Miscellaneous Expense	-	-	198	(238,760)
Net Change in Plan Fiduciary Net Position	50,393,730	1,831,174	3,061,543	4,310,680
Plan Fiduciary Net Position - Beginning	89,887,559	88,056,385	84,994,842	80,684,162
Plan Fiduciary Net Position - Ending (b)	\$ 140,281,289	\$ 89,887,559	\$ 88,056,385	\$ 84,994,842
Plan Net Pension (Asset) Liability - Ending (a) - (b)	\$ (11,251,209)	\$ 34,254,631	\$ 32,750,624	\$ 32,368,266
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	108.72%	72.41%	72.89%	72.42%
Covered Payroll	\$ 10,498,129	\$ 14,212,445	\$ 12,851,508	\$ 12,875,891
Plan Net Pension Liability as a Percentage of Covered Payroll	-107.17%	241.02%	254.84%	251.39%

¹ Historical information is presented for measurement periods for which GASB 68 is applicable. Additional years' information will be displayed as it becomes available.

Notes to Schedule:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2017 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: There were no significant changes in assumptions in 2019 to 2022. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65% to 7.15%. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5% (net of administrative expense) to 7.65% (without a reduction for pension plan administrative expense.) In 2014, amounts reported were based on the 7.5% discount rate.

CITY OF EL SEGUNDO
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED
RATIOS – CALPERS MISCELLANEOUS RATE PLAN (CONTINUED)
LAST TEN MEASUREMENT PERIODS ¹

California Public Employees' Retirement System (CalPERS) – Miscellaneous Rate Plan

Measurement Period	2016-17	2015-16	2014-15	2013-14
Total Pension Liability:				
Service Cost	\$ 2,022,687	\$ 1,836,590	\$ 1,892,820	\$ 1,992,358
Interest on Total Pension Liability	7,747,566	7,584,214	7,355,288	7,137,756
Changes of Benefit Terms	-	-	-	-
Changes of Assumptions	6,199,889	-	(1,728,307)	-
Differences Between Expected and Actual Experience	(813,832)	(899,552)	(1,400,892)	-
Benefit Payments, Including Refunds of Employee Contributions	(5,830,361)	(5,534,415)	(5,121,477)	(4,825,880)
Net Change in Total Pension Liability	9,325,949	2,986,837	997,432	4,304,234
Total Pension Liability - Beginning	104,875,343	101,888,506	100,891,074	96,586,840
Total Pension Liability - Ending (a)	\$ 114,201,292	\$ 104,875,343	\$ 101,888,506	\$ 100,891,074
Pension Fiduciary Net Position:				
Contributions - Employer	\$ 2,381,409	\$ 2,189,606	\$ 1,990,762	\$ 2,229,759
Contributions - Employee	975,818	850,845	883,340	1,271,008
Net Investment Income	8,294,674	375,088	1,743,059	11,605,717
Benefit Payments, Including Refunds of Employee Contributions	(5,830,361)	(5,534,415)	(5,121,477)	(4,825,880)
Net Plan to Plan Resource Movement	(31,271)	(256)	161,952	-
Administrative Expense	(110,739)	(47,032)	(86,704)	-
Other Miscellaneous Expense	-	-	-	-
Net Change in Plan Fiduciary Net Position	5,679,530	(2,166,164)	(429,068)	10,280,604
Plan Fiduciary Net Position - Beginning	75,004,632	77,170,796	77,599,864	67,319,260
Plan Fiduciary Net Position - Ending (b)	\$ 80,684,162	\$ 75,004,632	\$ 77,170,796	\$ 77,599,864
Plan Net Pension Liability - Ending (a) - (b)	\$ 33,517,130	\$ 29,870,711	\$ 24,717,710	\$ 23,291,210
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.65%	71.52%	75.74%	76.91%
Covered Payroll	\$ 13,007,635	\$ 12,983,105	\$ 13,129,083	\$ 13,163,041
Plan Net Pension Liability as a Percentage of Covered Payroll	257.67%	230.07%	188.27%	176.94%

¹ Historical information is presented for measurement periods for which GASB 68 is applicable. Additional years' information will be displayed as it becomes available.

Notes to Schedule:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2017 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: There were no significant changes in assumptions in 2019 to 2022. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65% to 7.15%. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5% (net of administrative expense) to 7.65% (without a reduction for pension plan administrative expense.) In 2014, amounts reported were based on the 7.5% discount rate.

**CITY OF EL SEGUNDO
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND
RELATED RATIOS – CALPERS SAFETY RATE PLAN
LAST TEN MEASUREMENT PERIODS¹**

California Public Employees' Retirement System (CalPERS) – Safety Rate Plan

Measurement Period	2015-16	2014-15	2013-14
Total Pension Liability:			
Service Cost	\$ 3,906,152	\$ 4,017,009	\$ 4,084,900
Interest	18,561,546	18,050,364	17,643,395
Changes of Benefit Terms	-	-	-
Changes of Assumptions	-	(4,336,187)	-
Differences Between Expected and Actual Experience	(2,593,008)	(4,610,542)	-
Benefit Payments, Including Refunds of Employee Contributions	(13,146,807)	(12,326,846)	(11,753,968)
Net Change in Total Pension Liability	6,727,883	793,798	9,974,327
Total Pension Liability - Beginning	249,847,921	249,054,123	239,079,796
Total Pension Liability - Ending (a)	<u>\$ 256,575,804</u>	<u>\$ 249,847,921</u>	<u>\$ 249,054,123</u>
Pension Fiduciary Net Position:			
Contributions - Employer	\$ 6,497,421	\$ 6,155,214	\$ 5,466,181
Contributions - Employee	1,288,776	1,697,612	1,556,189
Net Investment Income	792,070	3,716,152	25,110,451
Benefit Payments, Including Refunds of Employee Contributions	(13,146,807)	(12,326,846)	(11,753,968)
Net Plan to Plan Resource Movement	256	568	-
Administrative Expense	(101,008)	(186,524)	-
Net Change in Plan Fiduciary Net Position	(4,669,292)	(943,824)	20,378,853
Plan Fiduciary Net Position - Beginning	165,737,083	166,680,907	146,302,054
Plan Fiduciary Net Position - Ending (b)	<u>\$ 161,067,791</u>	<u>\$ 165,737,083</u>	<u>\$ 166,680,907</u>
Plan Net Pension Liability - Ending (a) - (b)	<u>\$ 95,508,013</u>	<u>\$ 84,110,838</u>	<u>\$ 82,373,216</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	<u>62.78%</u>	<u>66.34%</u>	<u>66.93%</u>
Covered Payroll	<u>\$ 14,438,355</u>	<u>\$ 14,977,101</u>	<u>\$ 14,757,054</u>
Plan Net Pension Liability as a Percentage of Covered Payroll	<u>661.49%</u>	<u>561.60%</u>	<u>558.20%</u>

¹ The City's Safety Plan was converted from an Agent Multiple Employer Defined Plan to a Cost Sharing Multiple Employer Defined Benefit Plan starting from the measurement period June 30, 2017. Information is only displayed for years GASB 68 were in effect and prior to the conversion of the plan.

Notes to Schedule:

Benefit Changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2015 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions: In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5% (net of administrative expense) to 7.65% (without a reduction for pension plan administrative (expense)). In 2014, amounts reported were based on the 7.5% discount rate.

**CITY OF EL SEGUNDO
SCHEDULE OF CITY'S PROPORTIONATE SHARE OF THE NET PENSION
LIABILITY AND RELATED RATIOS – CALPERS SAFETY RATE PLAN
LAST TEN MEASUREMENT PERIODS ¹**

California Public Employees' Retirement System (CalPERS) – Safety Rate Plan

Measurement Period	2020-21	2019-20	2018-19	2017-18	2016-17
City Proportion of the Net Pension Liability	-1.2460%	1.7727%	1.7839%	1.1081%	1.0764%
City's Proportionate Share of the Net Pension (Asset) Liability	<u>\$ (43,727,085)</u>	<u>\$ 118,102,353</u>	<u>\$ 111,360,318</u>	<u>\$ 106,775,573</u>	<u>\$ 106,751,685</u>
City's Covered Payroll	<u>\$ 10,018,467</u>	<u>\$ 13,583,547</u>	<u>\$ 12,490,385</u>	<u>\$ 12,742,792</u>	<u>\$ 12,697,818</u>
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	<u>-436.46%</u>	<u>869.45%</u>	<u>891.57%</u>	<u>837.93%</u>	<u>840.71%</u>
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Total Pension Liability	<u>88.29%</u>	<u>75.10%</u>	<u>75.26%</u>	<u>75.26%</u>	<u>73.31%</u>

¹ The City's Safety Plan was converted from an Agent Multiple Employer Defined Plan to a Cost-Sharing Multiple-Employer Defined Benefit Plan starting from the measurement period June 30, 2017. Information is only displayed for years the plan was converted to a cost-sharing plan.

Changes in Assumptions:

From Measurement Period 2016-17 to 2017-18:
From Measurement Period 2017-18 to 2020-21:

The discount rate was reduced from 7.65% to 7.15%.
There were no significant changes in assumptions.

CITY OF EL SEGUNDO
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS –
PUBLIC AGENCY RETIREMENT SYSTEM DEFINED BENEFIT PLAN
LAST TEN MEASUREMENT PERIODS ¹

Public Agency Retirement System Defined Benefit Plan

Fiscal Year	2021-22	2020-21	2019-20	2018-19
Measurement Period	2020-21	2019-20	2018-19	2017-18
Total Pension Liability:				
Service Cost	\$ -	\$ -	\$ -	\$ -
Interest	126,814	127,254	126,122	115,441
Changes of Benefit Terms	-	-	-	-
Changes of Assumptions	353,856	(18,261)	-	(62,152)
Differences Between Expected and Actual Experience	-	12,206	-	187,849
Benefit Payments, Including Refunds of Employee Contributions	(142,018)	(115,700)	(97,156)	(196,140)
Net Change in Total Pension Liability	338,652	5,499	28,966	44,998
Total Pension Liability - Beginning	2,276,463	2,270,964	2,241,998	2,197,000
Total Pension Liability - Ending (a)	\$ 2,615,115	\$ 2,276,463	\$ 2,270,964	\$ 2,241,998
Pension Fiduciary Net Position:				
Contributions - Employer	\$ -	\$ 158,000	\$ 158,000	\$ 158,000
Contributions - Employee	-	-	-	-
Net Investment Income	222,960	84,790	53,443	69,282
Benefit Payments, Including Refunds of Employee Contributions	(142,018)	(115,700)	(97,156)	(196,140)
Net Plan to Plan Resource Movement	-	-	-	-
Administrative Expense	(6,184)	(6,076)	(5,517)	(5,455)
Other Miscellaneous Expense ¹	-	-	-	-
Net Change in Plan Fiduciary Net Position	74,758	121,014	108,770	25,687
Plan Fiduciary Net Position - Beginning²	1,317,471	1,196,457	1,087,687	1,062,000
Plan Fiduciary Net Position - Ending (b)	\$ 1,392,229	\$ 1,317,471	\$ 1,196,457	\$ 1,087,687
Plan Net Pension Liability - Ending (a) - (b)	\$ 1,222,886	\$ 958,992	\$ 1,074,507	\$ 1,154,311
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	53.24%	57.87%	52.68%	48.51%
Covered Payroll	N/A	N/A	N/A	N/A
Plan Net Pension Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A

¹ Historical information is presented only for measurement periods for which GASB 68 is applicable. Additional years' information will be displayed as it becomes available.

Changes in Assumptions:

Actuarial Valuation Date	June 30, 2020
Fiscal Year	2021-22
Measurement Period	October 1, 2020, to September 30, 2021
Discount Rate	5.25%
Rate of Return on Assets	5.75%
Inflation Rate	2.50%
Mortality, Retirement, Disability, and Termination	CalPERS 1997-2015 Experience Study
Mortality Improvement Scale	Scale MP-2020

CITY OF EL SEGUNDO
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS –
PUBLIC AGENCY RETIREMENT SYSTEM DEFINED BENEFIT PLAN (CONTINUED)
LAST TEN MEASUREMENT PERIODS ¹

Public Agency Retirement System Defined Benefit Plan

Fiscal Year	2017-18	2016-17	2015-16	2014-15
Measurement Period	2016-17	2015-16	2014-15	2013-14
Total Pension Liability:				
Service Cost	\$ -	\$ -	\$ -	\$ 54,000
Interest	119,000	121,000	113,000	110,000
Changes of Benefit Terms	-	-	-	-
Changes of Assumptions	-	-	140,000	-
Differences Between Expected and Actual Experience	-	-	93,000	-
Benefit Payments, Including Refunds of Employee Contributions	(174,000)	(141,000)	(81,000)	(37,000)
Net Change in Total Pension Liability	(55,000)	(20,000)	265,000	127,000
Total Pension Liability - Beginning	2,252,000	2,272,000	2,007,000	1,880,000
Total Pension Liability - Ending (a)	<u>\$ 2,197,000</u>	<u>\$ 2,252,000</u>	<u>\$ 2,272,000</u>	<u>\$ 2,007,000</u>
Pension Fiduciary Net Position:				
Contributions - Employer	\$ 236,000	\$ -	\$ -	\$ -
Contributions - Employee	-	16,000	167,000	193,000
Net Investment Income	91,000	72,000	(11,000)	52,000
Benefit Payments, Including Refunds of Employee Contributions	(174,000)	(141,000)	(81,000)	(37,000)
Net Plan to Plan Resource Movement	-	-	-	-
Administrative Expense	(5,000)	(5,000)	(5,000)	(5,000)
Other Miscellaneous Expense ¹	-	-	-	-
Net Change in Plan Fiduciary Net Position	148,000	(58,000)	70,000	203,000
Plan Fiduciary Net Position - Beginning ²	914,000	972,000	902,000	699,000
Plan Fiduciary Net Position - Ending (b)	<u>\$ 1,062,000</u>	<u>\$ 914,000</u>	<u>\$ 972,000</u>	<u>\$ 902,000</u>
Plan Net Pension Liability - Ending (a) - (b)	<u>\$ 1,135,000</u>	<u>\$ 1,338,000</u>	<u>\$ 1,300,000</u>	<u>\$ 1,105,000</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	<u>48.34%</u>	<u>40.59%</u>	<u>42.78%</u>	<u>44.94%</u>
Covered Payroll	N/A	N/A	N/A	N/A
Plan Net Pension Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A

¹ Historical information is presented only for measurement periods for which GASB 68 is applicable. Additional years' information will be displayed as it becomes available.

**CITY OF EL SEGUNDO
SCHEDULE OF CONTRIBUTIONS – CALPERS MISCELLANEOUS RATE PLAN
LAST TEN FISCAL YEARS¹**

California Public Employees’ Retirement System (CalPERS) – Miscellaneous Rate Plan

Fiscal Year	2021-22	2020-21 ²	2019-20	2018-19
Actuarially Determined Contribution	\$ 1,420,434	\$ 965,277	\$ 3,695,146	\$ 3,421,223
Contributions in Relation to the Actuarially Determined Dontribution	<u>(1,420,434)</u>	<u>(33,525,869)</u>	<u>(3,695,146)</u>	<u>(3,728,014)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ (32,560,592)</u>	<u>\$ -</u>	<u>\$ (306,791)</u>
Covered Payroll	<u>\$ 14,246,696</u>	<u>\$ 10,498,129</u>	<u>\$ 14,446,483</u>	<u>\$ 13,136,731</u>
Contributions as a Percentage of Covered Payroll	9.97%	319.35%	25.58%	28.38%

¹ Historical information is presented for measurement periods for which GASB 68 is applicable. Additional years' information will be displayed as it becomes available.

² Determined for the nine month period ended on June 30 (fiscal year-end).

Notes to Schedule:

Valuation Date	6/30/2019	6/30/2018	6/30/2018	6/30/2017
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Methods and Assumptions Used to

Determine Contribution Rates:

Actuarial Cost Method	Entry Age	Entry Age	Entry Age	Entry Age
Amortization Method	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value
Inflation	2.50%	2.50%	2.50%	2.625%
Salary Increases	(2)	(2)	(2)	(2)
Investment Rate of Return	7.00% (3)	7.00% (3)	7.00% (3)	7.25% (3)
Retirement Age	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)

(1) Level percentage of payroll, closed

(2) Depending on age, service, and type of employment

(3) Net of pension plan investment expense, including inflation

(4) 2% @ 55, 2% @ 60, and 2% @ 62

(5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

**CITY OF EL SEGUNDO
SCHEDULE OF CONTRIBUTIONS – CALPERS MISCELLANEOUS RATE PLAN (CONTINUED)
LAST TEN FISCAL YEARS¹**

California Public Employees’ Retirement System (CalPERS) – Miscellaneous Rate Plan

Fiscal Year	2017-18	2016-17	2015-16	2014-15	2013-14
Actuarially Determined Contribution	\$ 2,712,223	\$ 2,360,497	\$ 2,267,956	\$ 2,047,988	\$ 2,631,370
Contributions in Relation to the Actuarially Determined Dontribution	<u>(3,291,215)</u>	<u>(2,360,497)</u>	<u>(2,267,956)</u>	<u>(2,047,988)</u>	<u>(2,631,370)</u>
Contribution Deficiency (Excess)	<u>\$ (578,992)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	<u>\$ 12,842,526</u>	<u>\$ 11,980,872</u>	<u>\$ 12,484,558</u>	<u>\$ 12,279,995</u>	<u>\$ 12,782,090</u>
Contributions as a Percentage of Covered Payroll	25.63%	19.70%	18.17%	16.68%	20.59%

¹ Historical information is presented for measurement periods for which GASB 68 is applicable. Additional years' information will be displayed as it becomes available.

Notes to Schedule:

Valuation Date	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
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Methods and Assumptions Used to

Determine Contribution Rates:

Actuarial Cost Method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	Market Value
Inflation	2.75%	2.75%	2.75%	2.75%	2.75%
Salary Increases	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

(1) Level percentage of payroll, closed

(2) Depending on age, service, and type of employment

(3) Net of pension plan investment expense, including inflation

(4) 2% @ 55, 2% @ 60, and 2% @ 62

(5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

**CITY OF EL SEGUNDO
SCHEDULE OF CONTRIBUTIONS – CALPERS SAFETY RATE PLAN
LAST TEN FISCAL YEARS¹**

California Public Employees’ Retirement System (CalPERS) – Safety Rate Plan

Fiscal Year	2021-22	2020-21 ²	2019-20	2018-19
Actuarially Determined Contribution	\$ 3,186,142	\$ 1,955,086	\$ 10,830,665	\$ 9,186,753
Contributions in Relation to the Actuarially Determined Contribution	<u>(3,186,142)</u>	<u>(112,915,194)</u>	<u>(10,830,665)</u>	<u>(10,424,853)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ (110,960,108)</u>	<u>\$ -</u>	<u>\$ (1,238,100)</u>
Covered Payroll	<u>\$ 13,463,828</u>	<u>\$ 10,018,467</u>	<u>\$ 13,606,528</u>	<u>\$ 12,668,674</u>
Contributions as a Percentage of Covered Payroll	23.66%	1127.07%	79.60%	82.29%

¹ Historical information is presented for measurement periods for which GASB 68 is applicable. Additional years' information will be displayed as it becomes available.

² Determined for the nine month period ended on June 30 (fiscal year-end).

Notes to Schedule:

Valuation Date	6/30/2019	6/30/2018	6/30/2018	6/30/2017
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Methods and Assumptions Used to

Determine Contribution Rates:

Actuarial Cost Method	Entry Age	Entry Age	Entry Age	Entry Age
Amortization Method	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value
Inflation	2.50%	2.50%	2.50%	2.625%
Salary Increases	(2)	(2)	(2)	(2)
Investment Rate of Return	7.00% (3)	7.00% (3)	7.00% (3)	7.25% (3)
Retirement Age	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)

(1) Level percentage of payroll, closed

(2) Depending on age, service, and type of employment

(3) Net of pension plan investment expense, including inflation

(4) 3% @ 50, 3% @ 55, and 2.7% @ 57

(5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

**CITY OF EL SEGUNDO
SCHEDULE OF CONTRIBUTIONS – CALPERS SAFETY RATE PLAN (CONTINUED)
LAST TEN FISCAL YEARS¹**

California Public Employees’ Retirement System (CalPERS) – Safety Rate Plan

Fiscal Year	2017-18	2016-17	2015-16	2014-15	2013-14
Actuarially Determined Contribution	\$ 8,480,050	\$ 5,282,029	\$ 6,581,713	\$ 6,355,099	\$ 6,316,752
Contributions in Relation to the Actuarially Determined Contribution	<u>(8,500,586)</u>	<u>(5,282,029)</u>	<u>(6,581,713)</u>	<u>(6,355,099)</u>	<u>(6,316,752)</u>
Contribution Deficiency (Excess)	<u>\$ (20,536)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	<u>\$ 12,614,944</u>	<u>\$ 12,410,252</u>	<u>\$ 13,711,733</u>	<u>\$ 13,863,160</u>	<u>\$ 14,420,062</u>
Contributions as a Percentage of Covered Payroll	67.39%	42.56%	48.00%	45.84%	43.81%

¹ Historical information is presented for measurement periods for which GASB 68 is applicable. Additional years' information will be displayed as it becomes available.

Notes to Schedule:

Valuation Date	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
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Methods and Assumptions Used to

Determine Contribution Rates:

Actuarial Cost Method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	Market Value
Inflation	2.75%	2.75%	2.75%	2.75%	2.75%
Salary Increases	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

(1) Level percentage of payroll, closed

(2) Depending on age, service, and type of employment

(3) Net of pension plan investment expense, including inflation

(4) 3% @ 50, 3% @ 55, and 2.7% @ 57

(5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

**CITY OF EL SEGUNDO
SCHEDULE OF CONTRIBUTIONS – PUBLIC AGENCY
RETIREMENT SYSTEM DEFINED BENEFIT PLAN
LAST TEN FISCAL YEARS¹**

Public Agency Retirement System Defined Benefit Plan

Fiscal Year	2021-22	2020-21 ²	2019-20
Actuarially Determined Contribution	\$ 189,000	\$ 118,500	\$ 158,000
Contributions in Relation to the Actuarially Determined Contribution	(189,000)	-	(158,000)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ 118,500</u>	<u>\$ -</u>
Covered-Employee Payroll	\$ 495,251	\$ 592,104	N/A
Contributions as a Percentage of Covered-Employee Payroll	38.16%	0.00%	N/A

¹ Historical information is presented for measurement periods for which GASB 68 is applicable. Additional years' information will be displayed as it becomes available.

² Determined for the nine month period ended on June 30 (fiscal year-end).

Notes to Schedule:

Valuation Date	6/30/2020	6/30/2018	6/30/2018
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Methods and Assumptions Used to

Determine Contribution Rates:

Actuarial Cost Method	Entry Age	Entry Age	Entry Age
Amortization Method	Level Dollar	Level Dollar	Level Dollar
Asset Valuation Method	Fair Value	Fair Value	Fair Value
Inflation	2.75%	2.75%	2.75%
Investment Rate of Return	5.75%	5.75%	5.75%
Mortality, Retirement, Disability, and Termination	(2)	(2)	(2)
Mortality Improvement Scale	(5)	(4)	(4)

(1) CalPERS 1997-2011 Experience Study

(2) CalPERS 1997-2015 Experience Study

(3) Scale MP-2014

(4) Scale MP-2018

(5) Scale MP-2020

**CITY OF EL SEGUNDO
SCHEDULE OF CONTRIBUTIONS – PUBLIC AGENCY RETIREMENT
SYSTEM DEFINED BENEFIT PLAN (CONTINUED)
LAST TEN FISCAL YEARS¹**

Public Agency Retirement System Defined Benefit Plan

Fiscal Year	2018-19	2017-18	2016-17	2015-16	2014-15
Actuarially Determined Contribution	\$ 158,000	\$ 158,000	\$ 118,000	\$ 118,000	\$ -
Contributions in Relation to the Actuarially Determined Contribution	(158,000)	(158,000)	(236,000)	-	-
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (118,000)</u>	<u>\$ 118,000</u>	<u>\$ -</u>
Covered-Employee Payroll	N/A	N/A	N/A	N/A	N/A
Contributions as a Percentage of Covered-Employee Payroll	N/A	N/A	N/A	N/A	N/A

¹ Historical information is presented for measurement periods for which GASB 68 is applicable. Additional years' information will be displayed as it becomes available.

CITY OF EL SEGUNDO
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST TEN MEASUREMENT PERIODS¹

Other Postemployment Benefits (OPEB) Plan

Measurement Period and Fiscal Year	2021-22	2020-21	2019-20	2018-19	2017-18
Total OPEB Liability:					
Service Cost	\$ 1,443,178	\$ 1,313,607	\$ 1,325,398	\$ 1,428,884	\$ 1,387,266
Interest	3,659,929	3,687,577	4,096,818	4,265,776	4,137,853
Changes of Benefit Terms	1,674,619	-	-	(4,289,232)	-
Changes of Assumptions	(1,238,582)	2,584,513	(1,323,051)	-	-
Differences Between Expected and Actual Experience	564,371	-	(6,345,201)	-	-
Benefit Payments, Including Refunds	(3,833,064)	(3,741,312)	(3,868,684)	(3,741,351)	(3,601,811)
Net Change in Total OPEB Liability	2,270,451	3,844,385	(6,114,720)	(2,335,923)	1,923,308
Total OPEB Liability - Beginning	59,032,214	55,187,829	61,302,549	63,638,472	61,715,164
Total OPEB Liability - Ending (a)	<u>\$ 61,302,665</u>	<u>\$ 59,032,214</u>	<u>\$ 55,187,829</u>	<u>\$ 61,302,549</u>	<u>\$ 63,638,472</u>
OPEB Fiduciary Net Position:					
Contributions - Employer	\$ 3,842,008	\$ 3,749,757	\$ 4,425,712	\$ 4,399,351	\$ 4,026,811
Net Investment Income	(4,444,351)	7,171,637	884,584	1,431,779	1,634,752
Benefit Payments, Including Refunds of Employee Contributions	(3,833,064)	(3,741,312)	(3,868,684)	(3,741,351)	(3,601,811)
Administrative Expense	(25,086)	(23,113)	(21,262)	(4,901)	(38,164)
Net Change in Plan Fiduciary Net Position	(4,460,493)	7,156,969	1,420,350	2,084,878	2,021,588
Plan Fiduciary Net Position - Beginning	33,218,783	26,061,814	24,641,464	22,556,586	20,534,998
Plan Fiduciary Net Position - Ending (b)	<u>\$ 28,758,290</u>	<u>\$ 33,218,783</u>	<u>\$ 26,061,814</u>	<u>\$ 24,641,464</u>	<u>\$ 22,556,586</u>
Plan Net OPEB Liability - Ending (a) - (b)	<u>\$ 32,544,375</u>	<u>\$ 25,813,431</u>	<u>\$ 29,126,015</u>	<u>\$ 36,661,085</u>	<u>\$ 41,081,886</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	<u>46.91%</u>	<u>56.27%</u>	<u>47.22%</u>	<u>40.20%</u>	<u>35.44%</u>
Covered-Employee Payroll ²	<u>\$ 36,644,532</u>	<u>\$ 36,507,956</u>	<u>\$ 32,938,247</u>	<u>\$ 25,506,339</u>	<u>\$ 25,512,342</u>
Plan Net OPEB Liability as a Percentage of Covered-Employee Payroll	<u>88.81%</u>	<u>70.71%</u>	<u>88.43%</u>	<u>143.73%</u>	<u>161.03%</u>

¹ Historical information is presented for measurement periods for which GASB 75 is applicable. Additional years' information will be displayed as it becomes available.

² For the twelve month period ended on June 30 (Measurement Date).

CITY OF EL SEGUNDO
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS (CONTINUED)
LAST TEN MEASUREMENT PERIODS¹

Other Postemployment Benefits (OPEB) Plan

Notes to Schedule:

Changes in Benefit Terms:

From measurement period ended June 30, 2018 to June 30, 2019:

- Management and Conf: Monthly cap and maximum cap changed from \$1,200/\$1,600 to \$782/\$585.
- Executive: Monthly cap and maximum cap changed from \$1,200/\$1,600 to \$782/\$782.
- PMA: Monthly Cap changed from \$1,200 to average HMO family premium but no more than active cap (\$1,575 for 2020, \$1,650 for 2021). Maximum cap increased from \$1,200 to \$1,650.
- PSSEA: Monthly Cap changed from \$1,200 to average HMO family premium but no more than active cap (\$1,450 2019, \$1,500 for 2020, \$1,600 for 2021, \$1,650 for 2022). Maximum cap increased from \$1,200 to \$1,650.
- SPEA: Monthly Cap changed from \$1,200 to average HMO family premium but no more than active cap (\$1,500 for 2019, \$1,550 for 2020, \$1,600 for 2021, \$1,650 for 2022). Maximum cap increased from \$1,200 to \$1,650.
- CEA: Monthly Cap changed from \$1,115.67 to average HMO family premium but no more than active cap (\$1,500 for 2020, \$1,550 for 2022, \$1,600 for 2023).
- Police & Fire: Monthly Cap (Average HMO family) but no more than active cap (\$1,500 for 2019, \$1,575 for 2020, \$1,650 for 2021); Fire Maximum Cap increased from \$1,600 to \$1,800.

From measurement period ended June 30, 2021 to June 30, 2022:

- Management and Conf: Monthly maximum increased from \$585 to \$735 for all retirees and increased to \$,650 for retirements after June 30, 2022
- Executive: Monthly maximum increased from \$782 to \$932 for all retirees, and increased to \$1,650 for retirements after June 30, 2022
- Police and Fire: Monthly maximum decreased from \$1,800 to \$1,750

Changes in Assumptions

From measurement period ended June 30, 2019 to June 30, 2020:

The mortality improvement scale was updated to Scale MP-2019 from MP-2017. The healthcare trend changed from 7.50% non-medicare and 6.50% medicare to 7.25% non-medicare and 6.3% medicare.

From measurement period ended June 30, 2020 to June 30, 2021:

The discount rate changed from 6.75% to 6.25%, inflation changed from 2.75% to 2.50%, salary increase changed from 3.00% to 2.75%, and the trend rate decreased by 0.25%.

From measurement period ended June 30, 2021 to June 30, 2022:

Implied subsidy removed for medicare advantage plans, Demographic assumptions updated to CalPERS 2000-2019 experience study, decreased medical trend for Kaiser Senior Advantage and mortality improvement scale was updated to MP-2021

**CITY OF EL SEGUNDO
SCHEDULE OF CONTRIBUTIONS – OPEB PLAN
LAST TEN FISCAL YEARS¹**

Other Postemployment Benefits (OPEB) Plan

Fiscal Years	2021-22	2020-21 ³	2019-20 ²	2018-19 ²	2017-18 ²
Actuarially Determined Contribution	\$ 3,494,000	\$ 2,551,000	\$ 4,436,000	\$ 4,306,000	\$ 3,876,000
Contributions in Relation to the Actuarially Determined Contribution	<u>(3,842,008)</u>	<u>(2,819,754)</u>	<u>(4,455,502)</u>	<u>(4,435,351)</u>	<u>(4,044,912)</u>
Contribution Deficiency (Excess)	<u>\$ (348,008)</u>	<u>\$ (268,754)</u>	<u>\$ (19,502)</u>	<u>\$ (129,351)</u>	<u>\$ (168,912)</u>
Covered Employee Payroll	\$ 36,644,532	\$ 37,380,967	\$ 34,151,544	\$ 26,049,352	\$ 25,382,610
Contributions as a Percentage of Covered-Employee Payroll	10.48%	7.54%	13.05%	17.03%	15.94%

¹ Historical information is presented for measurement periods for which GASB 75 is applicable. Additional years' information will be displayed as it becomes available.

² Determined for the twelve month period ended on September 30 (fiscal year-end).

³ Determined for the nine month period ended on June 30 (fiscal year-end).

Notes to Schedule:

Valuation Date	6/30/2019	6/30/2019	6/30/2017	6/30/2017	6/30/2015
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Methods and Assumptions Used to

Determine Contribution Rates:

Actuarial Cost Method			Entry Age		
Amortization Method			Level Percentage of Payroll		
Amortization Period	20 Years	21 Years	22 Years	23 Years	25 Years
Asset Valuation Method	Investment Gains and Losses Spread Over 5-Year Rolling Period				
Discount Rate	6.75%	6.75%	6.75%	6.75%	7.50%
General Inflation	2.75%	2.75%	2.75%	2.75%	3.00%
Medical Trend	(3)	(3)	(2)	(2)	(1)
Mortality, Withdrawal, Disability	(6)	(6)	(5)	(5)	(4)

(1) 6.5% (Non-Medicare) and 6.7% (Medicare) for 2018, decreasing to an ultimate rate of 5.0% in 2021.

(2) 7.5% (Non-Medicare) and 6.5% (Medicare) for 2019, decreasing to an ultimate rate of 4.0% in 2076.

(3) 7.25% (Non-Medicare) and 6.3% (Medicare) for 2021, decreasing to an ultimate rate of 4.0% in 2076.

(4) CalPERS 1997-2011 experience study. Mortality Improvement Scale MP-2014.

(5) CalPERS 1997-2015 experience study. Mortality Improvement Scale MP-2017.

(6) CalPERS 1997-2015 experience study. Mortality Improvement Scale MP-2019.

SUPPLEMENTARY INFORMATION

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF BALANCE SHEET
GENERAL FUND COMPONENTS
JUNE 30, 2022**

ASSETS	<u>General</u>	<u>Economic Uncertainty Fund</u>	<u>Hyperion Mitigation Fund</u>
Cash and Investments	\$ 28,495,331	\$ 1,900,004	\$ 95,310
Restricted Cash and Investments	4,543,265	-	-
Receivables:			
Taxes	6,861,487	-	-
Accounts	664,314	-	-
Interest	466,577	-	-
Notes and Loans	256	-	-
Leases	64,465,001	-	-
Due from Other Funds	509,824	-	-
Due from Other Governments	88,182	-	-
Inventories	182,280	-	-
Prepays	127,512	-	-
	<u>106,404,029</u>	<u>1,900,004</u>	<u>95,310</u>
Total Assets	<u>\$ 106,404,029</u>	<u>\$ 1,900,004</u>	<u>\$ 95,310</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 1,653,651	\$ -	\$ 68
Accrued Liabilities	1,816,669	-	-
Retentions Payable	2,336	-	-
Due to Other Funds	-	-	-
Unearned Revenue	-	-	-
Deposits Payable	166,187	-	-
Total Liabilities	<u>3,638,843</u>	<u>-</u>	<u>68</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenues	74,996	-	-
Related to Leases	64,465,001	-	-
Total Deferred Inflows of Resources	<u>64,539,997</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable	310,048	-	-
Restricted	4,543,265	-	-
Assigned	1,397,494	-	-
Unassigned	31,974,382	1,900,004	95,242
Total Fund Balances	<u>38,225,189</u>	<u>1,900,004</u>	<u>95,242</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 106,404,029</u>	<u>\$ 1,900,004</u>	<u>\$ 95,310</u>

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF BALANCE SHEET
GENERAL FUND COMPONENTS (CONTINUED)
JUNE 30, 2022**

ASSETS	Project Deposits Fund	Solid Waste Fund	Intrafund Eliminations	Total
Cash and Investments	\$ 1,738,659	\$ -	\$ -	\$ 32,229,304
Restricted Cash and Investments	-	-	-	4,543,265
Receivables:				
Taxes	-	-	-	6,861,487
Accounts	28,482	-	-	692,796
Interest	-	-	-	466,577
Notes and Loans	-	-	-	256
Leases	-	-	-	64,465,001
Due from Other Funds	-	-	(208,339)	301,485
Due from Other Governments	-	-	-	88,182
Inventories	-	-	-	182,280
Prepays	-	-	-	127,512
Total Assets	\$ 1,767,141	\$ -	\$ (208,339)	\$ 109,958,145
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 323,820	\$ 58,046	\$ -	\$ 2,035,585
Accrued Liabilities	-	-	-	1,816,669
Retentions Payable	39,597	-	-	41,933
Due to Other Funds	-	208,339	(208,339)	-
Unearned Revenue	-	-	-	-
Deposits Payable	307,425	-	-	473,612
Total Liabilities	670,842	266,385	(208,339)	4,367,799
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues	-	-	-	74,996
Related to Leases	-	-	-	64,465,001
Total Deferred Inflows of Resources	-	-	-	64,539,997
FUND BALANCES				
Nonspendable	-	-	-	310,048
Restricted	-	-	-	4,543,265
Assigned	-	-	-	1,397,494
Unassigned	1,096,299	(266,385)	-	34,799,542
Total Fund Balances	1,096,299	(266,385)	-	41,050,349
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 1,767,141	\$ -	\$ (208,339)	\$ 109,958,145

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND COMPONENTS
YEAR ENDED JUNE 30, 2022**

	General	Economic Uncertainty Fund	Hyperion Mitigation Fund
REVENUES			
Taxes	\$ 58,484,432	\$ -	\$ -
Licenses and Permits	13,605,327	-	-
Charges for Services	5,345,175	-	-
Use of Money and Property	(652,413)	-	1,033
Fines and Forfeitures	373,424	-	-
Developer Fees	331,326	-	-
Miscellaneous	1,928,107	-	-
Total Revenues	<u>79,415,378</u>	<u>-</u>	<u>1,033</u>
EXPENDITURES			
Current:			
General Government	18,998,800	-	-
Public Safety	31,329,946	-	-
Public Works	8,615,546	-	7,869
Community and Cultural	4,980,641	-	-
Capital Outlay	5,390	-	-
Debt Service:			
Principal Retirement	122,702	-	-
Interest and Fiscal Charges	134,491	-	-
Total Expenditures	<u>64,187,516</u>	<u>-</u>	<u>7,869</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	15,227,862	-	(6,836)
OTHER FINANCING USES			
Transfers In	25,000	823,708	-
Transfers Out	(11,345,586)	-	-
Total Other Financing Uses	<u>(11,320,586)</u>	<u>823,708</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	3,907,276	823,708	(6,836)
Fund Balance - Beginning of Year	<u>34,317,913</u>	<u>1,076,296</u>	<u>102,078</u>
FUND BALANCE - END OF YEAR	<u>\$ 38,225,189</u>	<u>\$ 1,900,004</u>	<u>\$ 95,242</u>

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND COMPONENTS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

	Project Deposits Fund	Solid Waste Fund	Intrafund Eliminations	Total
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ 58,484,432
Licenses and Permits	-	-	-	13,605,327
Charges for Services	260,411	-	-	5,605,586
Use of Money and Property	-	-	-	(651,380)
Fines and Forfeitures	-	-	-	373,424
Developer Fees	-	-	-	331,326
Miscellaneous	65,370	-	-	1,993,477
Total Revenues	325,781	-	-	79,742,192
EXPENDITURES				
Current:				
General Government	296,291	-	-	19,295,091
Public Safety	-	-	-	31,329,946
Public Works	-	270,000	-	8,893,415
Community and Cultural	-	-	-	4,980,641
Capital Outlay	832,560	-	-	837,950
Debt Service:				
Principal Retirement	-	-	-	122,702
Interest and Fiscal Charges	-	-	-	134,491
Total Expenditures	1,128,851	270,000	-	65,594,236
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(803,070)	(270,000)	-	14,147,956
OTHER FINANCING USES				
Transfers In	-	420,000	(1,243,708)	25,000
Transfers Out	-	-	1,243,708	(10,101,878)
Total Other Financing Uses	-	420,000	-	(10,076,878)
NET CHANGE IN FUND BALANCES	(803,070)	150,000	-	4,071,078
Fund Balance - Beginning of Year	1,899,369	(416,385)	-	36,979,271
FUND BALANCE - END OF YEAR	\$ 1,096,299	\$ (266,385)	\$ -	\$ 41,050,349

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NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds:

State Gas Tax Fund - Accounts for a share of revenues derived from the State Highway Users' Tax under Sections 2105, 2106, 2107, and 2107.5. The revenue is derived from a share of the gasoline taxes and is used for the construction and maintenance of the road network system of the City.

Residential Sound Insulation Program Fund - Accounts for the grants received from the Federal Aviation Administration (FAA) and the Los Angeles World Airports (LAWA). The fund is used to provide acoustical treatment of homes in El Segundo that are within the extreme airport noise impact zone, in order to create a better sound environment inside the home.

Certified Unified Program Agency - Accounts for revenues and expenditures for the Endorsement and Emergency Response Program (EERP), a consolidation of six environmental programs at the local level.

Community Development Block Grant (CDBG) - Accounts for revenues received from the Department of Housing & Urban Development (HUD). These revenues must be expended to accomplish one of the following objectives: elimination of slum or blight to low- and moderate-income persons; or, to meet certain urgent community development needs.

Asset Forfeiture Fund - Accounts for receipt and disbursement of narcotic forfeitures received from the county, state, and federal agencies pursuant to Section 11470 of State Health & Safety Code and Federal Statute 21 USC Section 881.

Prop "A" Transportation Fund - Accounts for the one-half (1/2) cent sales tax approved by the voters of Los Angeles County to be used for local transportation purposes. These revenues are collected by the state and a portion is funneled to the City through the Los Angeles County Transportation Commission. The City of El Segundo uses this fund to participate in CTIP/MAX, a regional commuter service and to provide Dial-a-Ride; beach shuttles; and various transportation services.

Prop "C" Transportation Fund - Accounts for the one-half (1/2) cent sales tax approved by the voters of Los Angeles County in November 1990. Collection of the tax began in April 1991. Proceeds are to be used to improve transit services and operations; reduce traffic congestion; improve air quality; operate and improve the condition of the streets and freeways utilized by public transit; and reduce foreign oil dependence.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds (Continued):

Traffic Safety Fund - Accounts for a portion of the Vehicle Code violation fines and penalties collected by the Los Angeles County Municipal Court. By state law, this money must be used for traffic safety related expenditures including traffic enforcement and capital projects.

Air Pollution Reduction Fund - Accounts for the City's share of funds received under the Health & Safety Code Section 44223 (AB 2766) to finance mobile source air pollution reduction programs consistent with the California Clean Air Act of 1988. The fund, derived from additional vehicle registration fee, is used to support the South Coast Air Quality Management District's (SCAQMD) program to reduce air pollution from motor vehicles.

TDA Article 3/SB 821 Bikeway Fund - Accounts for the monies the City receives from the Transportation Development Act Article 3 which are to be specifically used for construction or repair of bikeways, sidewalks, or handicapped accesses.

COPS Fund - Accounts for receipt and disbursement of funds received under the State Citizens' Option for Public Safety (COPS) program allocated pursuant to Government Code Section 30061 enacted by AB 3229, Chapter 134 of the 1996 Statutes. This fund, also known as the Supplemental Law Enforcement Services Fund (SLESF), is allocated based on population and can only be spent for "front line municipal police services" such as local crime prevention and community-oriented policing, per Government Code Section 30061 (c)(2).

MTA Grant Fund - Accounts for receipt and disbursement of funds received from the exchange of Federal Surface Transportation Program - Local Funds for Local Transportation Funds from Los Angeles County Metropolitan Transportation Authority.

Measure R Fund - Accounts for the one-half (1/2) cent sales tax approved by the voters of Los Angeles County to be used for local transportation needs. These revenues are received by the state and a portion is funneled to the City through the Los Angeles County Metropolitan Transportation Authority. The City of El Segundo uses these funds for street improvements.

Federal Grants Fund - Accounts for revenues and expenditures for each federal grant awarded to the City.

State & County Grants Fund - Accounts for revenues and expenditures for each state or county grant awarded to the City.

PSAF Property Tax Public Safety Fund - Accounts for the one-half (1/2) cent sales tax approved by the voters in November 1993 under Prop 172. These revenues must be spent for public safety (police and fire services) purposes only.

Senior Housing Fund - Accounts for the revenues and expenditures from the El Segundo Senior Citizen Housing Corporation.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds (Continued):

Measure M Fund - Accounts for the one-half (1/2) cent sales tax approved by the voters of Los Angeles County in November 2016. These revenues are received by the state and a portion is funneled to the City. These revenues must be spent to ease traffic congestion.

SB 1 Fund - Accounts for the revenues and expenditures from the Road Repair and Accountability Act of 2017. These revenues must be spent for local streets and roads.

Certified Access Specialist Program (CASP) - Accounts for the fees collected to increase disability access and compliance with construction related accessibility requirements.

Affordable Housing - Accounts for the revenue and expenditures related to the construction and purchase of affordable housing.

Cultural Development - Accounts for the 1% in-lieu fee imposed on new developments over \$2 million to meet the public art requirement. These revenues must be spent on design, acquisition, commission, installation, improvement, maintenance, and insurance of artwork or sponsoring and supporting artistic and cultural services in the City.

Special Revenue/Donations Special Revenue Fund - To account for donations received from private individuals or entities that are to be spent on specific activities or programs not funded by the City.

County Storm Water Program - Accounts for the revenues and expenditures related to Measure W, the Los Angeles County Safe, Clean Water Program.

Debt Service Fund:

Facility Lease Fund - Accounts for the lease agreement with the California Infrastructure and Economic Development Bank (CIEDB) whereby CIEDB issued bonds in the amount of \$10 million to finance the Douglas Street Gap Closure Project. The City will make rental lease payments over a 30-year period starting February 1, 2006, at an interest rate of 2.87% per annum. Interest payments on the lease obligation are due on February 1 and August 1 of each year. Base rental payments will be mailed to the City reflecting the actual amount owed prior to each base rental payment due date.

Pension Obligation Bonds - Accounts for the payments of interest and principal of the pension obligation bond.

Capital Projects Fund:

Capital Improvement Fund - Accounts for construction of capital facilities typically financed by the City's General Fund and any grant not accounted for in a special revenue fund.

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2022**

	Special Revenue Funds				
	State Gas Tax	Residential Sound Insulation	Certified Union Program Agencies	Community Development Block Grant	Asset Forfeiture
ASSETS					
Cash and Investments	\$ 142,827	\$ 462,283	\$ 140,276	\$ -	\$ 1,207,419
Restricted Cash and Investments	-	-	-	-	-
Receivables:					
Accounts	-	-	-	-	-
Interest	-	119	-	-	-
Notes and Loans	-	-	-	49,405	-
Due from Other Governments	74,130	-	-	20,757	-
Prepays	-	-	7,242	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 216,957</u>	<u>\$ 462,402</u>	<u>\$ 147,518</u>	<u>\$ 70,162</u>	<u>\$ 1,207,419</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 11,954	\$ -	\$ 30,910	\$ 25,175	\$ 2,148
Accrued Liabilities	3,068	-	11,468	-	-
Retentions Payable	-	-	-	2,475	7,800
Due to Other Funds	-	-	-	33,606	-
Unearned Revenue	-	-	-	-	-
Deposits Payable	-	-	-	-	-
Total Liabilities	<u>15,022</u>	<u>-</u>	<u>42,378</u>	<u>61,256</u>	<u>9,948</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	7,242	-	-
Restricted	201,935	462,402	97,898	8,906	1,197,471
Assigned	-	-	-	-	-
Unassigned (Deficit)	-	-	-	-	-
Total Fund Balances	<u>201,935</u>	<u>462,402</u>	<u>105,140</u>	<u>8,906</u>	<u>1,197,471</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 216,957</u>	<u>\$ 462,402</u>	<u>\$ 147,518</u>	<u>\$ 70,162</u>	<u>\$ 1,207,419</u>

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2022**

	Special Revenue Funds				
	Prop A	Prop C	Traffic Safety	Air Pollution Reduction	SB 821 Bikeway
ASSETS					
Cash and Investments	\$ 1,451,421	\$ 829,179	\$ 67,366	\$ 136,987	\$ 2,007
Restricted Cash and Investments	-	-	-	-	-
Receivables:					
Accounts	-	-	-	-	-
Interest	-	-	-	-	-
Notes and Loans	-	-	-	-	-
Due from Other Governments	-	351,970	5,770	-	12,300
Prepays	-	-	-	-	-
	<u>1,451,421</u>	<u>1,181,149</u>	<u>73,136</u>	<u>136,987</u>	<u>14,307</u>
Total Assets	<u>\$ 1,451,421</u>	<u>\$ 1,181,149</u>	<u>\$ 73,136</u>	<u>\$ 136,987</u>	<u>\$ 14,307</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 19,577	\$ 82,128	\$ -	\$ -	\$ -
Accrued Liabilities	-	-	-	-	-
Retentions Payable	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
Deposits Payable	-	-	-	-	-
Total Liabilities	<u>19,577</u>	<u>82,128</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	1,431,844	1,099,021	73,136	136,987	14,307
Assigned	-	-	-	-	-
Unassigned (Deficit)	-	-	-	-	-
Total Fund Balances	<u>1,431,844</u>	<u>1,099,021</u>	<u>73,136</u>	<u>136,987</u>	<u>14,307</u>
	<u>\$ 1,451,421</u>	<u>\$ 1,181,149</u>	<u>\$ 73,136</u>	<u>\$ 136,987</u>	<u>\$ 14,307</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,451,421</u>	<u>\$ 1,181,149</u>	<u>\$ 73,136</u>	<u>\$ 136,987</u>	<u>\$ 14,307</u>

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2022**

	Special Revenue Funds				
	C.O.P.S.	MTA Grant	Measure R	Federal Grants	State Grants
ASSETS					
Cash and Investments	\$ 492,564	\$ 17,413	\$ 1,302,899	\$ -	\$ -
Restricted Cash and Investments	-	-	-	-	-
Receivables:					
Accounts	-	-	-	-	-
Interest	-	-	-	-	-
Notes and Loans	-	-	-	-	-
Due from Other Governments	-	-	-	67,867	40,219
Prepays	-	-	-	-	-
	<u>492,564</u>	<u>17,413</u>	<u>1,302,899</u>	<u>67,867</u>	<u>40,219</u>
Total Assets	<u>\$ 492,564</u>	<u>\$ 17,413</u>	<u>\$ 1,302,899</u>	<u>\$ 67,867</u>	<u>\$ 40,219</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ -	\$ 18,320	\$ 22,289
Accrued Liabilities	-	-	-	-	1,365
Retentions Payable	-	-	-	-	-
Due to Other Funds	-	-	-	189,449	78,430
Unearned Revenue	-	-	-	-	-
Deposits Payable	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>207,769</u>	<u>102,084</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	492,564	17,413	1,302,899	-	-
Assigned	-	-	-	-	-
Unassigned (Deficit)	-	-	-	(139,902)	(61,865)
Total Fund Balances	<u>492,564</u>	<u>17,413</u>	<u>1,302,899</u>	<u>(139,902)</u>	<u>(61,865)</u>
	<u>\$ 492,564</u>	<u>\$ 17,413</u>	<u>\$ 1,302,899</u>	<u>\$ 67,867</u>	<u>\$ 40,219</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 492,564</u>	<u>\$ 17,413</u>	<u>\$ 1,302,899</u>	<u>\$ 67,867</u>	<u>\$ 40,219</u>

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2022**

	Special Revenue Funds				
	PSAF Property Tax Public Safety	Senior Housing	Measure M	SB 1	Certified Access Specialist Program
ASSETS					
Cash and Investments	\$ 197,978	\$ 844,785	\$ 943,345	\$ 350,414	\$ 117,979
Restricted Cash and Investments	-	-	-	-	-
Receivables:					
Accounts	-	3,607	-	-	-
Interest	-	-	-	-	-
Notes and Loans	-	-	-	-	-
Due from Other Governments	7,189	-	-	60,197	-
Prepays	-	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 205,167</u>	<u>\$ 848,392</u>	<u>\$ 943,345</u>	<u>\$ 410,611</u>	<u>\$ 117,979</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ -	\$ 1,187	\$ 12,780	\$ -	\$ -
Accrued Liabilities	-	736	-	-	3,673
Retentions Payable	-	-	13,119	-	-
Due to Other Funds	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
Deposits Payable	-	2,814	-	-	-
Total Liabilities	<u> </u>	<u>4,737</u>	<u>25,899</u>	<u> </u>	<u>3,673</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	-	-	-
Total Deferred Inflows of Resources	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	205,167	843,655	917,446	410,611	114,306
Assigned	-	-	-	-	-
Unassigned (Deficit)	-	-	-	-	-
Total Fund Balances	<u>205,167</u>	<u>843,655</u>	<u>917,446</u>	<u>410,611</u>	<u>114,306</u>
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 205,167</u>	<u>\$ 848,392</u>	<u>\$ 943,345</u>	<u>\$ 410,611</u>	<u>\$ 117,979</u>

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2022**

	Special Revenue Funds				Debt Service Fund
	Affordable Housing	Cultural Development	Special Revenues / Donations	County Storm Water Program	Facility Lease
ASSETS					
Cash and Investments	\$ 5,383,531	\$ 1,017,068	\$ 2,165,002	\$ 838,049	\$ 1,259,592
Restricted Cash and Investments	-	-	-	-	-
Receivables:					
Accounts	-	-	1,892	-	-
Interest	-	-	-	-	-
Notes and Loans	-	-	-	-	-
Due from Other Governments	-	-	-	-	-
Prepays	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 5,383,531</u>	<u>\$ 1,017,068</u>	<u>\$ 2,166,894</u>	<u>\$ 838,049</u>	<u>\$ 1,259,592</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ -	\$ 379	\$ 105,210	\$ 35,926	\$ -
Accrued Liabilities	-	2,684	-	-	-
Retentions Payable	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
Deposits Payable	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>3,063</u>	<u>105,210</u>	<u>35,926</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted	5,383,531	1,014,005	2,061,684	802,123	1,259,592
Assigned	-	-	-	-	-
Unassigned (Deficit)	-	-	-	-	-
Total Fund Balances	<u>5,383,531</u>	<u>1,014,005</u>	<u>2,061,684</u>	<u>802,123</u>	<u>1,259,592</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 5,383,531</u>	<u>\$ 1,017,068</u>	<u>\$ 2,166,894</u>	<u>\$ 838,049</u>	<u>\$ 1,259,592</u>

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2022**

	Debt Service Fund	Capital Projects Fund	
	Pension Obligation Bonds	Capital Improvement	Total
ASSETS			
Cash and Investments	\$ -	\$ 3,824,501	\$ 23,194,885
Restricted Cash and Investments	7,833,724	-	7,833,724
Receivables:			
Accounts	-	-	5,499
Interest	-	-	119
Notes and Loans	-	-	49,405
Due from Other Governments	-	-	640,399
Prepays	-	13,200	20,442
	<u>-</u>	<u>13,200</u>	<u>20,442</u>
Total Assets	<u>\$ 7,833,724</u>	<u>\$ 3,837,701</u>	<u>\$ 31,744,473</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ -	\$ 230,913	\$ 598,896
Accrued Liabilities	-	-	22,994
Retentions Payable	-	6,229	29,623
Due to Other Funds	-	-	301,485
Unearned Revenue	-	-	-
Deposits Payable	-	-	2,814
Total Liabilities	<u>-</u>	<u>237,142</u>	<u>955,812</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable	-	13,200	20,442
Restricted	7,833,724	-	27,382,627
Assigned	-	3,587,359	3,587,359
Unassigned (Deficit)	-	-	(201,767)
Total Fund Balances	<u>7,833,724</u>	<u>3,600,559</u>	<u>30,788,661</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 7,833,724</u>	<u>\$ 3,837,701</u>	<u>\$ 31,744,473</u>

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022**

	Special Revenue Funds				
	State Gas Tax	Residential Sound Insulation	Certified	Community Development Block Grant	Asset Forfeiture
			Union Program Agencies Fund		
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	28,331	-	-
Intergovernmental	395,122	-	16,850	20,757	323,075
Charges for Services	-	-	265,731	-	-
Use of Money and Property	2,050	5,081	1,247	-	13,333
Fines and Forfeitures	-	-	8,400	-	-
Developer Fees	-	-	-	-	-
Miscellaneous	-	15	-	-	-
Total Revenues	<u>397,172</u>	<u>5,096</u>	<u>320,559</u>	<u>20,757</u>	<u>336,408</u>
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	270,361
Public Works	382,453	-	-	-	-
Community and Cultural	-	847	531,597	-	-
Capital Outlay	49,489	-	-	50,592	39,201
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	<u>431,942</u>	<u>847</u>	<u>531,597</u>	<u>50,592</u>	<u>309,562</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(34,770)	4,249	(211,038)	(29,835)	26,846
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(34,770)	4,249	(211,038)	(29,835)	26,846
Fund Balances - Beginning of Year	<u>236,705</u>	<u>458,153</u>	<u>316,178</u>	<u>38,741</u>	<u>1,170,625</u>
FUND BALANCES - END OF YEAR	<u>\$ 201,935</u>	<u>\$ 462,402</u>	<u>\$ 105,140</u>	<u>\$ 8,906</u>	<u>\$ 1,197,471</u>

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

	Special Revenue Funds				
	Prop A	Prop C	Traffic Safety	Air Pollution Reduction	SB 821 Bikeway
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-
Intergovernmental	423,670	703,396	-	15,752	12,300
Charges for Services	5	-	-	-	-
Use of Money and Property	13,913	9,970	-	1,338	153
Fines and Forfeitures	-	-	45,780	-	-
Developer Fees	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	<u>437,588</u>	<u>713,366</u>	<u>45,780</u>	<u>17,090</u>	<u>12,453</u>
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Community and Cultural	112,689	1,675	-	-	-
Capital Outlay	-	499,438	-	-	57,466
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	<u>112,689</u>	<u>501,113</u>	<u>-</u>	<u>-</u>	<u>57,466</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	324,899	212,253	45,780	17,090	(45,013)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	(25,000)	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(25,000)</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	324,899	212,253	20,780	17,090	(45,013)
Fund Balances - Beginning of Year	<u>1,106,945</u>	<u>886,768</u>	<u>52,356</u>	<u>119,897</u>	<u>59,320</u>
FUND BALANCES - END OF YEAR	<u>\$ 1,431,844</u>	<u>\$ 1,099,021</u>	<u>\$ 73,136</u>	<u>\$ 136,987</u>	<u>\$ 14,307</u>

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

	Special Revenue Funds				
	C.O.P.S.	MTA Grant	Measure R	Federal Grants	State Grants
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-
Intergovernmental	161,285	-	263,527	2,685,965	112,584
Charges for Services	-	-	-	-	-
Use of Money and Property	4,899	216	12,597	-	-
Fines and Forfeitures	-	-	-	-	-
Developer Fees	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	<u>166,184</u>	<u>216</u>	<u>276,124</u>	<u>2,685,965</u>	<u>112,584</u>
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	-	1,986,734	44,172
Public Works	-	-	-	-	-
Community and Cultural	-	-	-	632,707	32,073
Capital Outlay	53,490	-	598	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	<u>53,490</u>	<u>-</u>	<u>598</u>	<u>2,619,441</u>	<u>76,245</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	112,694	216	275,526	66,524	36,339
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	112,694	216	275,526	66,524	36,339
Fund Balances - Beginning of Year	<u>379,870</u>	<u>17,197</u>	<u>1,027,373</u>	<u>(206,426)</u>	<u>(98,204)</u>
FUND BALANCES - END OF YEAR	<u>\$ 492,564</u>	<u>\$ 17,413</u>	<u>\$ 1,302,899</u>	<u>\$ (139,902)</u>	<u>\$ (61,865)</u>

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

	Special Revenue Funds				Certified Access Specialist Program
	PSAF Property Tax Public Safety	Senior Housing	Measure M	SB 1	
REVENUES					
Taxes	\$ 35,883	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-
Intergovernmental	-	-	298,209	338,910	-
Charges for Services	-	-	-	-	19,660
Use of Money and Property	1,920	3,312	10,855	2,449	1,140
Fines and Forfeitures	-	-	-	-	-
Developer Fees	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	37,803	3,312	309,064	341,359	20,800
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Community and Cultural	-	36,150	-	-	-
Capital Outlay	-	10,000	323,993	146,733	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	-	46,150	323,993	146,733	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	37,803	(42,838)	(14,929)	194,626	20,800
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-
NET CHANGE IN FUND BALANCES	37,803	(42,838)	(14,929)	194,626	20,800
Fund Balances - Beginning of Year	167,364	886,493	932,375	215,985	93,506
FUND BALANCES - END OF YEAR	\$ 205,167	\$ 843,655	\$ 917,446	\$ 410,611	\$ 114,306

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

	Special Revenue Funds				Debt Service Fund
	Affordable Housing	Cultural Development	Special Revenues / Donations	County Storm Water Program	Facility Loan
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-
Intergovernmental	-	-	-	569,408	-
Charges for Services	-	-	1,500	-	-
Use of Money and Property	60,222	-	-	7,408	-
Fines and Forfeitures	-	-	-	-	-
Developer Fees	-	945,199	-	-	165,725
Miscellaneous	-	-	1,176,952	-	-
Total Revenues	<u>60,222</u>	<u>945,199</u>	<u>1,178,452</u>	<u>576,816</u>	<u>165,725</u>
EXPENDITURES					
Current:					
General Government	-	-	-	-	18,535
Public Safety	-	-	4,649	-	-
Public Works	-	-	-	264,513	-
Community and Cultural	-	142,802	215,782	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	335,351
Interest	-	-	-	-	172,498
Total Expenditures	<u>-</u>	<u>142,802</u>	<u>220,431</u>	<u>264,513</u>	<u>526,384</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	60,222	802,397	958,021	312,303	(360,659)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	60,222	802,397	958,021	312,303	(360,659)
Fund Balances - Beginning of Year	<u>5,323,309</u>	<u>211,608</u>	<u>1,103,663</u>	<u>489,820</u>	<u>1,620,251</u>
FUND BALANCES - END OF YEAR	<u>\$ 5,383,531</u>	<u>\$ 1,014,005</u>	<u>\$ 2,061,684</u>	<u>\$ 802,123</u>	<u>\$ 1,259,592</u>

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2022**

	Debt Service Fund	Capital Projects Fund	
	Pension Obligation Bonds	Capital Improvement	Total
REVENUES			
Taxes	\$ -	\$ -	\$ 35,883
Licenses and Permits	-	-	28,331
Intergovernmental	-	-	6,340,810
Charges for Services	-	-	286,896
Use of Money and Property	9	-	152,112
Fines and Forfeitures	-	-	54,180
Developer Fees	-	-	1,110,924
Miscellaneous	-	-	1,176,967
Total Revenues	<u>9</u>	<u>-</u>	<u>9,186,103</u>
EXPENDITURES			
Current:			
General Government	-	-	18,535
Public Safety	-	-	2,305,916
Public Works	-	-	646,966
Community and Cultural	-	-	1,706,322
Capital Outlay	-	1,324,350	2,555,350
Debt Service:			
Principal Retirement	-	-	335,351
Interest	1,662,800	-	1,835,298
Total Expenditures	<u>1,662,800</u>	<u>1,324,350</u>	<u>9,403,738</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,662,791)	(1,324,350)	(217,635)
OTHER FINANCING SOURCES (USES)			
Transfers In	9,491,878	610,000	10,101,878
Transfers Out	-	-	(25,000)
Total Other Financing Sources (Uses)	<u>9,491,878</u>	<u>610,000</u>	<u>10,076,878</u>
NET CHANGE IN FUND BALANCES	7,829,087	(714,350)	9,859,243
Fund Balances - Beginning of Year	<u>4,637</u>	<u>4,314,909</u>	<u>20,929,418</u>
FUND BALANCES - END OF YEAR	<u>\$ 7,833,724</u>	<u>\$ 3,600,559</u>	<u>\$ 30,788,661</u>

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
STATE GAS TAX SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 340,000	\$ 340,000	\$ 395,122	\$ 55,122
Use of Money and Property	10,000	10,000	2,050	(7,950)
Total Revenues	<u>350,000</u>	<u>350,000</u>	<u>397,172</u>	<u>47,172</u>
EXPENDITURES				
Current:				
Public Works	752,966	1,127,966	382,453	745,513
Capital Outlay	-	55,100	49,489	5,611
Total Expenditures	<u>752,966</u>	<u>1,183,066</u>	<u>431,942</u>	<u>751,124</u>
NET CHANGE IN FUND BALANCES	<u>\$ (402,966)</u>	<u>\$ (833,066)</u>	<u>(34,770)</u>	<u>\$ 798,296</u>
Fund Balance - Beginning of Year			<u>236,705</u>	
FUND BALANCE - END OF YEAR			<u>\$ 201,935</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
RESIDENTIAL SOUND INSULATION SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 4,000	\$ 4,000	\$ 5,081	\$ 1,081
Miscellaneous	-	-	15	15
Total Revenues	<u>4,000</u>	<u>4,000</u>	<u>5,096</u>	<u>1,096</u>
EXPENDITURES				
Current:				
Community and Cultural	800	800	847	(47)
Total Expenditures	<u>800</u>	<u>800</u>	<u>847</u>	<u>(47)</u>
NET CHANGE IN FUND BALANCES	<u>\$ 3,200</u>	<u>\$ 3,200</u>	4,249	<u>\$ 1,049</u>
Fund Balance - Beginning of Year			<u>458,153</u>	
FUND BALANCE - END OF YEAR			<u>\$ 462,402</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
CERTIFIED UNION PROGRAM AGENCIES SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Licenses and Permits	\$ 2,606	\$ 2,606	\$ 28,331	\$ 25,725
Intergovernmental	-	-	16,850	16,850
Charges for Services	471,507	471,507	265,731	(205,776)
Use of Money and Property	-	-	1,247	1,247
Fines and Forfeitures	-	-	8,400	8,400
Total Revenues	<u>474,113</u>	<u>474,113</u>	<u>320,559</u>	<u>(153,554)</u>
EXPENDITURES				
Current:				
Community and Cultural	577,948	577,948	531,597	46,351
Total Expenditures	<u>577,948</u>	<u>577,948</u>	<u>531,597</u>	<u>46,351</u>
NET CHANGE IN FUND BALANCES	<u>\$ (103,835)</u>	<u>\$ (103,835)</u>	(211,038)	<u>\$ (107,203)</u>
Fund Balance - Beginning of Year			<u>316,178</u>	
FUND BALANCE - END OF YEAR			<u>\$ 105,140</u>	

**CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 78,000	\$ 78,000	\$ 20,757	\$ (57,243)
Total Revenues	<u>78,000</u>	<u>78,000</u>	<u>20,757</u>	<u>(57,243)</u>
EXPENDITURES				
Capital Outlay	125,000	125,000	50,592	74,408
Total Expenditures	<u>125,000</u>	<u>125,000</u>	<u>50,592</u>	<u>74,408</u>
NET CHANGE IN FUND BALANCES	<u>\$ (47,000)</u>	<u>\$ (47,000)</u>	(29,835)	<u>\$ 17,165</u>
Fund Balance - Beginning of Year			<u>38,741</u>	
FUND BALANCE - END OF YEAR			<u>\$ 8,906</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
ASSET FORFEITURE SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 323,075	\$ 323,075
Use of Money and Property	-	-	13,333	13,333
Total Revenues	-	-	336,408	336,408
EXPENDITURES				
Current:				
Public Safety	225,000	475,000	270,361	204,639
Capital Outlay	500,000	250,000	39,201	210,799
Total Expenditures	725,000	725,000	309,562	415,438
NET CHANGE IN FUND BALANCES	\$ (725,000)	\$ (725,000)	26,846	\$ 751,846
Fund Balance - Beginning of Year			1,170,625	
FUND BALNCE - END OF YEAR			\$ 1,197,471	

**CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
PROP A SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 300,000	\$ 300,000	\$ 423,670	\$ 123,670
Charges for Services	1,500	1,500	5	(1,495)
Use of Money and Property	6,000	6,000	13,913	7,913
Total Revenues	<u>307,500</u>	<u>307,500</u>	<u>437,588</u>	<u>130,088</u>
EXPENDITURES				
Current:				
Community and Cultural	434,043	434,043	112,689	321,354
Total Expenditures	<u>434,043</u>	<u>434,043</u>	<u>112,689</u>	<u>321,354</u>
NET CHANGE IN FUND BALANCES	<u>\$ (126,543)</u>	<u>\$ (126,543)</u>	324,899	<u>\$ 451,442</u>
Fund Balance - Beginning of Year			<u>1,106,945</u>	
FUND BALANCE - END OF YEAR			<u>\$ 1,431,844</u>	

**CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
PROP C SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Intergovernmental	\$ 250,000	\$ 250,000	\$ 703,396	\$ 453,396
Use of Money and Property	5,000	5,000	9,970	4,970
Total Revenues	<u>255,000</u>	<u>255,000</u>	<u>713,366</u>	<u>458,366</u>
EXPENDITURES				
Current:				
Community and Cultural	130,127	130,127	1,675	128,452
Capital Outlay	1,420,000	1,620,000	499,438	1,120,562
Total Expenditures	<u>1,550,127</u>	<u>1,750,127</u>	<u>501,113</u>	<u>1,249,014</u>
NET CHANGE IN FUND BALANCES	<u>\$ (1,295,127)</u>	<u>\$ (1,495,127)</u>	212,253	<u>\$ 1,707,380</u>
Fund Balance - Beginning of Year			<u>886,768</u>	
FUND BALNCE - END OF YEAR			<u>\$ 1,099,021</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
TRAFFIC SAFETY SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 1,000	\$ 1,000	\$ -	\$ (1,000)
Fines and Forfeitures	30,000	30,000	45,780	15,780
Total Revenues	<u>31,000</u>	<u>31,000</u>	<u>45,780</u>	<u>14,780</u>
OTHER FINANCING SOURCES				
Transfer Out	<u>(25,000)</u>	<u>(25,000)</u>	<u>(25,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ 6,000</u>	<u>\$ 6,000</u>	20,780	<u>\$ 14,780</u>
Fund Balance - Beginning of Year			<u>52,356</u>	
FUND BALANCE - END OF YEAR			<u>\$ 73,136</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
AIR POLLUTION REDUCTION SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 20,000	\$ 20,000	\$ 15,752	\$ (4,248)
Use of Money and Property	500	500	1,338	838
Total Revenues	<u>20,500</u>	<u>20,500</u>	<u>17,090</u>	<u>(3,410)</u>
EXPENDITURES				
Capital Outlay	100,000	100,000	-	100,000
Total Expenditures	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
NET CHANGE IN FUND BALANCES	<u>\$ (79,500)</u>	<u>\$ (79,500)</u>	17,090	<u>\$ 96,590</u>
Fund Balance - Beginning of Year			<u>119,897</u>	
FUND BALANCE - END OF YEAR			<u>\$ 136,987</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
SB 821 SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 10,000	\$ 10,000	\$ 12,300	\$ 2,300
Use of Money and Property	400	400	153	(247)
Total Revenues	<u>10,400</u>	<u>10,400</u>	<u>12,453</u>	<u>2,053</u>
EXPENDITURES				
Capital Outlay	55,000	55,000	57,466	(2,466)
Total Expenditures	<u>55,000</u>	<u>55,000</u>	<u>57,466</u>	<u>(2,466)</u>
NET CHANGE IN FUND BALANCES	<u>\$ (44,600)</u>	<u>\$ (44,600)</u>	(45,013)	<u>\$ (413)</u>
Fund Balance - Beginning of Year			<u>59,320</u>	
FUND BALANCE - END OF YEAR			<u>\$ 14,307</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
C.O.P.S. SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Intergovernmental	\$ 145,000	\$ 145,000	\$ 161,285	\$ 16,285
Use of Money and Property	1,500	1,500	4,899	3,399
Total Revenues	<u>146,500</u>	<u>146,500</u>	<u>166,184</u>	<u>19,684</u>
EXPENDITURES				
Current:				
Public Safety	175,000	175,000	-	175,000
Capital Outlay	175,000	175,000	53,490	121,510
Total Expenditures	<u>350,000</u>	<u>350,000</u>	<u>53,490</u>	<u>296,510</u>
NET CHANGE IN FUND BALANCES	<u>\$ (203,500)</u>	<u>\$ (203,500)</u>	112,694	<u>\$ 316,194</u>
Fund Balance - Beginning of Year			<u>379,870</u>	
FUND BALANCE - END OF YEAR			<u>\$ 492,564</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
MTA GRANT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Use of Money and Property	-	-	216	216
Total Revenues	-	-	216	216
EXPENDITURES				
Capital Outlay	300,000	300,000	-	300,000
Total Expenditures	300,000	300,000	-	300,000
NET CHANGE IN FUND BALANCES	\$ (300,000)	\$ (300,000)	216	\$ 300,216
Fund Balance - Beginning of Year			17,197	
FUND BALANCE - END OF YEAR			\$ 17,413	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
MEASURE R SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Intergovernmental	\$ 207,500	\$ 207,500	\$ 263,527	\$ 56,027
Use of Money and Property	5,500	5,500	12,597	7,097
Total Revenues	<u>213,000</u>	<u>213,000</u>	<u>276,124</u>	<u>63,124</u>
EXPENDITURES				
Capital Outlay	6,000,000	6,000,000	598	5,999,402
Total Expenditures	<u>6,000,000</u>	<u>6,000,000</u>	<u>598</u>	<u>5,999,402</u>
NET CHANGE IN FUND BALANCES	<u>\$ (5,787,000)</u>	<u>\$ (5,787,000)</u>	275,526	<u>\$ 6,062,526</u>
Fund Balance - Beginning of Year			<u>1,027,373</u>	
FUND BALANCE - END OF YEAR			<u>\$ 1,302,899</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
FEDERAL GRANTS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Intergovernmental	\$ 115,600	\$ 115,600	\$ 2,685,965	\$ 2,570,365
Total Revenues	<u>115,600</u>	<u>115,600</u>	<u>2,685,965</u>	<u>2,570,365</u>
EXPENDITURES				
Current:				
Public Safety	-	-	1,986,734	(1,986,734)
Community and Cultural	270,000	270,000	632,707	(362,707)
Total Expenditures	<u>270,000</u>	<u>270,000</u>	<u>2,619,441</u>	<u>(2,349,441)</u>
NET CHANGE IN FUND BALANCES	<u>\$ (154,400)</u>	<u>\$ (154,400)</u>	66,524	<u>\$ 220,924</u>
Fund Balance (Deficit) - Beginning of Year			<u>(206,426)</u>	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (139,902)</u>	

**CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
STATE GRANTS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2022**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 238,437	\$ 238,437	\$ 112,584	\$ (125,853)
Total Revenues	<u>238,437</u>	<u>238,437</u>	<u>112,584</u>	<u>(125,853)</u>
EXPENDITURES				
Current:				
Public Safety	-	-	44,172	(44,172)
Community and Cultural	200,000	200,000	32,073	167,927
Total Expenditures	<u>200,000</u>	<u>200,000</u>	<u>76,245</u>	<u>123,755</u>
NET CHANGE IN FUND BALANCE	<u>\$ 38,437</u>	<u>\$ 38,437</u>	36,339	<u>\$ (2,098)</u>
Fund Balance (Deficit) - Beginning of Year			<u>(98,204)</u>	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (61,865)</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
PSAF PROPERTY TAX PUBLIC SAFETY SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Taxes	\$ 30,000	\$ 30,000	\$ 35,883	\$ 5,883
Use of Money and Property	1,000	1,000	1,920	920
Total Revenues	<u>31,000</u>	<u>31,000</u>	<u>37,803</u>	<u>6,803</u>
EXPENDITURES				
Current:				
Public Safety	150,000	150,000	-	150,000
Total Expenditures	<u>150,000</u>	<u>150,000</u>	<u>-</u>	<u>150,000</u>
NET CHANGE IN FUND BALANCES	<u>\$ (119,000)</u>	<u>\$ (119,000)</u>	37,803	<u>\$ 156,803</u>
Fund Balance - Beginning of Year			<u>167,364</u>	
FUND BALANCE - END OF YEAR			<u>\$ 205,167</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
SENIOR HOUSING SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Use of Money and Property	\$ 20,000	\$ 20,000	\$ 3,312	\$ (16,688)
Total Revenues	20,000	20,000	3,312	(16,688)
EXPENDITURES				
Current:				
Community and Cultural	45,313	15,313	36,150	(20,837)
Capital Outlay	60,000	60,000	10,000	50,000
Total Expenditures	105,313	75,313	46,150	29,163
NET CHANGE IN FUND BALANCES	\$ (85,313)	\$ (55,313)	(42,838)	\$ 12,475
Fund Balance - Beginning of Year			886,493	
FUND BALANCE - END OF YEAR			\$ 843,655	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
MEASURE M SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 200,000	\$ 200,000	\$ 298,209	\$ 98,209
Use of Money and Property	5,000	5,000	10,855	5,855
Total Revenues	<u>205,000</u>	<u>205,000</u>	<u>309,064</u>	<u>104,064</u>
EXPENDITURES				
Capital Outlay	800,000	800,000	323,993	476,007
Total Expenditures	<u>800,000</u>	<u>800,000</u>	<u>323,993</u>	<u>476,007</u>
NET CHANGE IN FUND BALANCES	<u>\$ (595,000)</u>	<u>\$ (595,000)</u>	(14,929)	<u>\$ 580,071</u>
Fund Balance - Beginning of year			<u>932,375</u>	
FUND BALANCE - END OF YEAR			<u>\$ 917,446</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
SB 1 SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Intergovernmental	\$ 250,000	\$ 250,000	\$ 338,910	\$ 88,910
Use of Money and Property	5,000	5,000	2,449	(2,551)
Total Revenues	<u>255,000</u>	<u>255,000</u>	<u>341,359</u>	<u>86,359</u>
EXPENDITURES				
Capital Outlay	350,000	995,000	146,733	848,267
Total Expenditures	<u>350,000</u>	<u>995,000</u>	<u>146,733</u>	<u>848,267</u>
NET CHANGE IN FUND BALANCES	<u>\$ (95,000)</u>	<u>\$ (740,000)</u>	194,626	<u>\$ 934,626</u>
Fund Balance - Beginning of Year			<u>215,985</u>	
FUND BALANCE - END OF YEAR			<u>\$ 410,611</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
CERTIFIED ACCESS SPECIALIST PROGRAM SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Charges for Services	\$ 20,000	\$ 20,000	\$ 19,660	\$ (340)
Use of Money and Property	1,000	1,000	1,140	140
Total Revenues	<u>21,000</u>	<u>21,000</u>	<u>20,800</u>	<u>(200)</u>
EXPENDITURES				
Current:				
Community and Cultural	80,000	80,000	-	80,000
Total Expenditures	<u>80,000</u>	<u>80,000</u>	<u>-</u>	<u>80,000</u>
NET CHANGE IN FUND BALANCES	<u>\$ (59,000)</u>	<u>\$ (59,000)</u>	20,800	<u>\$ 79,800</u>
Fund Balance - Beginning of Year			<u>93,506</u>	
FUND BALANCE - END OF YEAR			<u>\$ 114,306</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
AFFORDABLE HOUSING SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Use of Money and Property	\$ 50,000	\$ 50,000	\$ 60,222	\$ 10,222
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>60,222</u>	<u>10,222</u>
EXPENDITURES				
Current:				
Community and Cultural	200,000	200,000	-	200,000
Total Expenditures	<u>200,000</u>	<u>200,000</u>	<u>-</u>	<u>200,000</u>
NET CHANGE IN FUND BALANCES	<u>\$ (150,000)</u>	<u>\$ (150,000)</u>	60,222	<u>\$ 210,222</u>
Fund Balance - Beginning of Year			<u>5,323,309</u>	
FUND BALANCE - END OF YEAR			<u>\$ 5,383,531</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
CULTURAL DEVELOPMENT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Developer Fees	\$ -	\$ -	\$ 945,199	\$ 945,199
Total Revenues	-	-	945,199	945,199
EXPENDITURES				
Current:				
Community and Cultural	605,346	625,346	142,802	482,544
Total Expenditures	605,346	625,346	142,802	482,544
NET CHANGE IN FUND BALANCES	\$ (605,346)	\$ (625,346)	802,397	\$ 1,427,743
Fund Balance - Beginning of Year			211,608	
FUND BALANCE - END OF YEAR			\$ 1,014,005	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
SPECIAL REVENUES AND DONATIONS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$ -	\$ -	\$ 1,500	\$ 1,500
Miscellaneous	-	-	1,176,952	1,176,952
Total Revenues	-	-	1,178,452	1,178,452
EXPENDITURES				
Current:				
Public Safety	60,000	60,000	4,649	55,351
Community and Cultural	940,000	940,000	215,782	724,218
Total Expenditures	1,000,000	1,000,000	220,431	779,569
NET CHANGE IN FUND BALANCE	\$ (1,000,000)	\$ (1,000,000)	958,021	\$ 1,958,021
Fund Balance - Beginning of Year			1,103,663	
FUND BALANCE - END OF YEAR			\$ 2,061,684	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
COUNTY STORM WATER PROGRAM SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 850,000	\$ 850,000	\$ 569,408	\$ (280,592)
Use of Money and Property	-	-	7,408	7,408
Total Revenues	<u>850,000</u>	<u>850,000</u>	<u>576,816</u>	<u>(273,184)</u>
EXPENDITURES				
Current:				
Public Works	550,000	550,000	264,513	285,487
Capital Outlay	-	176,700	-	176,700
Total Expenditures	<u>550,000</u>	<u>726,700</u>	<u>264,513</u>	<u>462,187</u>
NET CHANGE IN FUND BALANCES	<u><u>\$ 300,000</u></u>	<u><u>\$ 123,300</u></u>	312,303	<u><u>\$ 189,003</u></u>
Fund Balance - Beginning of Year			<u>489,820</u>	
FUND BALANCE - END OF YEAR			<u><u>\$ 802,123</u></u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
FACILITY LEASE DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Developer Fees	\$ 360,000	\$ 360,000	\$ 165,725	\$ (194,275)
Total Revenues	<u>360,000</u>	<u>360,000</u>	<u>165,725</u>	<u>(194,275)</u>
EXPENDITURES				
Current:				
General Government	-	-	18,535	(18,535)
Debt Service:				
Principal Retirement	358,000	358,000	335,351	22,649
Interest	187,000	187,000	172,498	14,502
Total Expenditures	<u>545,000</u>	<u>545,000</u>	<u>526,384</u>	<u>18,616</u>
NET CHANGE IN FUND BALANCES	<u>\$ (185,000)</u>	<u>\$ (185,000)</u>	(360,659)	<u>\$ (175,659)</u>
Fund Balance - Beginning of Year			<u>1,620,251</u>	
FUND BALANCE - END OF YEAR			<u>\$ 1,259,592</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
CAPITAL IMPROVEMENTS CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
Total Revenues	-	-	-	-
EXPENDITURES				
Capital Outlay	5,055,900	5,017,631	1,324,350	3,693,281
Total Expenditures	5,055,900	5,017,631	1,324,350	3,693,281
EXCESS (DEFICIENCY) OF REVENUES UNDER EXPENDITURES	(5,055,900)	(5,017,631)	(1,324,350)	3,693,281
OTHER FINANCING SOURCES:				
Transfers In	225,500	225,500	610,000	384,500
Total Other Financing Sources	225,500	225,500	610,000	384,500
NET CHANGE IN FUND BALANCES	<u>\$ (4,830,400)</u>	<u>\$ (4,792,131)</u>	(714,350)	<u>\$ 4,077,781</u>
Fund Balance - Beginning of Year			4,314,909	
FUND BALANCE - END OF YEAR			<u>\$ 3,600,559</u>	

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INTERNAL SERVICE FUNDS

Internal Service Funds:

Equipment Replacement Fund - Accounts for in-house charges to City departments to accumulate funding for future replacement of equipment used by the departments. The Fund also accounts for the proceeds from sale of surplus equipment.

Liability Insurance Fund - Accounts for charges to departments for their share of general liability claims and the administration cost of the self-insurance program.

Workers' Compensation Insurance Fund - Accounts for charges to the departments for their share of workers' compensation claims and administrative costs of the self-insurance program.

**CITY OF EL SEGUNDO
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2022**

	Equipment Replacement Fund	Liability Insurance Fund	Workers' Compensation Fund	Total
ASSETS				
Current Assets:				
Cash and Investments	\$ 7,402,702	\$ 731,719	\$ 8,622,434	\$ 16,756,855
Accounts Receivable	-	152,567	-	152,567
Total Current Assets	<u>7,402,702</u>	<u>884,286</u>	<u>8,622,434</u>	<u>16,909,422</u>
Noncurrent Assets:				
Advance to Other Funds	5,577,910	-	-	5,577,910
Net Pension Asset	-	57,782	136,026	193,808
Capital Assets, not Being Depreciated	-	-	-	-
Capital Assets, Being Depreciated	3,090,348	-	-	3,090,348
Total Noncurrent Assets	<u>8,668,258</u>	<u>57,782</u>	<u>136,026</u>	<u>8,862,066</u>
Total Assets	16,070,960	942,068	8,758,460	25,771,488
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows of Resources Related to Pension	-	11,179	26,318	37,497
Deferred Outflows of Resources Related to OPEB	-	10,550	9,709	20,259
Total Deferred Outflows of Resources	<u>-</u>	<u>21,729</u>	<u>36,027</u>	<u>57,756</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	-	4,379	750	5,129
Accrued Liabilities	-	-	42,631	42,631
Claims and Judgments, Current Portion	-	1,102,279	2,218,789	3,321,068
Total Current Liabilities	<u>-</u>	<u>1,106,658</u>	<u>2,262,170</u>	<u>3,368,828</u>
Noncurrent Liabilities:				
Claims and Judgments, Net of Current Net Other Postemployment Benefit Liability	-	3,661,721	10,447,211	14,108,932
Total Noncurrent Liabilities	<u>-</u>	<u>3,740,409</u>	<u>10,519,628</u>	<u>14,260,037</u>
Total Liabilities	-	4,847,067	12,781,798	17,628,865
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows of Resources Related to Pensions	-	48,910	115,141	164,051
Deferred Inflows of Resources Related to OPEB	-	10,284	9,465	19,749
Total Deferred Inflows of Resources	<u>-</u>	<u>59,194</u>	<u>124,606</u>	<u>183,800</u>
NET POSITION (DEFICIT)				
Investment in Capital Assets	3,090,348	-	-	3,090,348
Pension	-	57,782	136,026	193,808
Unrestricted (Deficit)	12,980,612	(4,000,246)	(4,247,943)	4,732,423
Total Net Position (Deficit)	<u>\$ 16,070,960</u>	<u>\$ (3,942,464)</u>	<u>\$ (4,111,917)</u>	<u>\$ 8,016,579</u>

**CITY OF EL SEGUNDO
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022**

	Equipment Replacement Fund	Liability Insurance Fund	Workers' Compensation Fund	Total
OPERATING REVENUES				
Interdepartmental Charges	\$ 1,076,927	\$ 2,822,000	\$ 3,180,742	\$ 7,079,669
Miscellaneous	262,639	416,747	524,320	1,203,706
Total Operating Revenues	<u>1,339,566</u>	<u>3,238,747</u>	<u>3,705,062</u>	<u>8,283,375</u>
OPERATING EXPENSES				
Personnel Services	-	(210,250)	(267,355)	(477,605)
Materials and Supplies	110,734	-	120,715	231,449
Insurance and Claims	-	4,103,887	2,057,096	6,160,983
Depreciation	780,210	-	-	780,210
Total Operating Expenses	<u>890,944</u>	<u>3,893,637</u>	<u>1,910,456</u>	<u>6,695,037</u>
OPERATING INCOME (LOSS)	448,622	(654,890)	1,794,606	1,588,338
NONOPERATING INCOME				
Investment Income	-	36,919	-	36,919
Total Nonoperating Income	<u>-</u>	<u>36,919</u>	<u>-</u>	<u>36,919</u>
CHANGES IN NET POSITION	448,622	(617,971)	1,794,606	1,625,257
Net Position - Beginning of the Year	<u>15,622,338</u>	<u>(3,324,493)</u>	<u>(5,906,523)</u>	<u>6,391,322</u>
NET POSITION - END OF YEAR	<u>\$ 16,070,960</u>	<u>\$ (3,942,464)</u>	<u>\$ (4,111,917)</u>	<u>\$ 8,016,579</u>

**CITY OF EL SEGUNDO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022**

	Equipment Replacement Fund	Liability Insurance Fund	Workers' Compensation Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Users	\$ 1,339,566	\$ 3,138,805	\$ 3,705,062	\$ 8,183,433
Payments for Insurance and Claims	-	(3,054,168)	(2,535,280)	(5,589,448)
Payments to Suppliers	(122,983)	-	(120,715)	(243,698)
Payments to Employees	-	(91,667)	(196,924)	(288,591)
Net Cash Provided (Used) by Operating Activities	1,216,583	(7,030)	852,143	2,061,696
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	(10,126)	-	-	(10,126)
Net Cash Used by Capital and Related Financing Activities	(10,126)	-	-	(10,126)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	-	36,919	-	36,919
Net Cash Provided by Investing Activities	-	36,919	-	36,919
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,206,457	29,889	852,143	2,088,489
Cash and Cash Equivalents - Beginning of Year	6,196,245	701,830	7,770,291	14,668,366
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 7,402,702</u>	<u>\$ 731,719</u>	<u>\$ 8,622,434</u>	<u>\$ 16,756,855</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:				
Operating Income (Loss)	\$ 448,622	\$ (654,890)	\$ 1,794,606	\$ 1,588,338
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	780,210	-	-	780,210
(Increase) Decrease in:				
Accounts Receivable	-	(99,942)	-	(99,942)
Prepaid Items	-	-	-	-
Deferred Outflows of Resources - Pension	-	47,687	(9,604)	38,083
Deferred Outflows of Resources - OPEB	-	(10,436)	113,332	102,896
Increase (Decrease) in:				
Accounts Payable	(12,249)	(643,219)	472	(654,996)
Accrued Liabilities	-	(62)	(28,656)	(28,718)
Claims and Judgments	-	1,693,000	(450,000)	1,243,000
Net Pension Liability	-	(379,938)	(612,507)	(992,445)
Net Other Postemployment Liability	-	16,274	14,978	31,252
Deferred Inflows of Resources - Pension	-	29,999	34,586	64,585
Deferred Inflows of Resources - OPEB	-	(5,503)	(5,064)	(10,567)
Total Adjustments	767,961	647,860	(942,463)	473,358
Net Cash Provided (Used) by Operating Activities	<u>\$ 1,216,583</u>	<u>\$ (7,030)</u>	<u>\$ 852,143</u>	<u>\$ 2,061,696</u>

STATISTICAL SECTION

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**CITY OF EL SEGUNDO
DESCRIPTION OF STATISTICAL SECTION CONTENTS**

This part of the City’s comprehensive annual 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 City’s overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	174
Revenue Capacity These schedules contain information to help the reader assess the City’s most significant local revenue source, the property tax.	182
Debt Capacity These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	187
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.	194
Operating Information 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.	196

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

**CITY OF EL SEGUNDO
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS**

	2013	2014	2015	2016	2017
Governmental activities:					
Net investment in capital assets	94,098,755	93,534,776	90,783,595	90,014,262	92,615,618
Restricted	6,276,645	8,054,083	8,922,448	8,562,915	7,372,369
Unrestricted	<u>15,050,409</u>	<u>22,170,866</u>	<u>(89,732,982)</u>	<u>(86,756,004)</u>	<u>(91,119,511)</u>
Total governmental activities net position	<u><u>115,425,809</u></u>	<u><u>123,759,725</u></u>	<u><u>9,973,061</u></u>	<u><u>11,821,173</u></u>	<u><u>8,868,476</u></u>
Business-type activities:					
Net investment in capital assets	20,675,297	21,771,266	22,657,797	25,387,562	27,679,609
Restricted	-	-	-	-	-
Unrestricted	<u>7,484,917</u>	<u>11,652,989</u>	<u>12,247,482</u>	<u>12,855,184</u>	<u>15,808,634</u>
Total business-type activities net position	<u><u>28,160,214</u></u>	<u><u>33,424,255</u></u>	<u><u>34,905,279</u></u>	<u><u>38,242,746</u></u>	<u><u>43,488,243</u></u>
Primary government:					
Net investment in capital assets	114,774,052	115,306,042	113,441,392	115,401,824	120,295,227
Restricted	6,276,645	8,054,083	8,922,448	8,562,915	7,372,369
Unrestricted	<u>22,535,326</u>	<u>33,823,855</u>	<u>(77,485,500)</u>	<u>(73,900,820)</u>	<u>(75,310,877)</u>
Total primary government net position	<u><u>143,586,023</u></u>	<u><u>157,183,980</u></u>	<u><u>44,878,340</u></u>	<u><u>50,063,919</u></u>	<u><u>52,356,719</u></u>

**CITY OF EL SEGUNDO
NET POSITION BY COMPONENT (CONTINUED)
LAST TEN FISCAL YEARS**

	2018	2019	2020	2021	2022
Governmental activities:					
Net investment in capital assets	93,775,527	93,823,843	91,747,670	93,360,733	91,541,308
Restricted	7,882,394	11,082,956	21,263,102	21,618,456	85,598,580
Unrestricted	<u>(129,410,242)</u>	<u>(125,853,873)</u>	<u>(134,494,651)</u>	<u>(125,165,656)</u>	<u>(109,457,284)</u>
Total governmental activities net position	<u><u>(27,752,321)</u></u>	<u><u>(20,947,074)</u></u>	<u><u>(21,483,879)</u></u>	<u><u>(10,186,467)</u></u>	<u><u>67,682,604</u></u>
Business-type activities:					
Net investment in capital assets	30,800,645	31,244,813	30,667,983	27,259,225	26,842,980
Restricted	-	-	-	-	1,080,865
Unrestricted	<u>10,485,483</u>	<u>22,534,785</u>	<u>23,941,178</u>	<u>31,964,172</u>	<u>36,475,623</u>
Total business-type activities net position	<u><u>41,286,128</u></u>	<u><u>53,779,598</u></u>	<u><u>54,609,161</u></u>	<u><u>59,223,397</u></u>	<u><u>64,399,468</u></u>
Primary government:					
Net investment in capital assets	124,576,172	125,068,656	122,415,653	120,619,958	118,384,288
Restricted	7,882,394	11,082,956	21,263,102	21,618,456	86,679,445
Unrestricted	<u>(118,924,759)</u>	<u>(103,319,088)</u>	<u>(110,553,473)</u>	<u>(93,201,484)</u>	<u>(72,981,661)</u>
Total primary government net position	<u><u>13,533,807</u></u>	<u><u>32,832,524</u></u>	<u><u>33,125,282</u></u>	<u><u>49,036,930</u></u>	<u><u>132,082,072</u></u>

**CITY OF EL SEGUNDO
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

	2013	2014	2015	2016	2017
Expenses:					
Governmental activities:					
General government	12,048,465	11,813,797	14,984,299	14,165,449	14,869,930
Public safety	32,790,373	31,891,478	41,422,188	35,612,565	42,891,455
Public works	9,123,850	8,459,550	9,150,452	7,440,438	7,474,391
Community development	15,681,868	12,065,582	21,038,253	9,298,275	11,407,811
Interest on long-term debt	(15,914)	457,655	457,994	441,712	361,470
Total governmental activities expenses	<u>69,628,642</u>	<u>64,688,062</u>	<u>87,053,186</u>	<u>66,958,439</u>	<u>77,005,057</u>
Business-type activities:					
Water	21,988,089	23,946,676	25,035,801	25,454,732	26,508,256
Wastewater	2,908,241	2,980,026	3,484,104	3,517,640	4,048,104
Golf Course	2,017,716	2,091,413	2,190,195	2,136,456	2,017,104
El Segundo Senior Citizen Housing Corp.	-	-	-	-	-
Total business-type activities expenses	<u>26,914,046</u>	<u>29,018,115</u>	<u>30,710,100</u>	<u>31,108,828</u>	<u>32,573,464</u>
Total primary government expenses	<u>96,542,688</u>	<u>93,706,177</u>	<u>117,763,286</u>	<u>98,067,267</u>	<u>109,578,521</u>
Program revenues:					
Governmental activities:					
Charges for services:					
General government	419,008	421,649	635,350	631,274	445,394
Public safety	1,663,384	1,522,081	1,948,464	1,637,884	1,523,519
Public works	14,262	50,489	267,748	11,199	16,643
Community development	5,030,006	5,796,983	6,733,395	5,708,772	6,516,792
Operating grants and contributions	2,699,324	2,629,490	2,052,527	1,808,463	1,189,900
Capital grants and contributions	7,646,118	7,469,236	14,487,783	2,174,898	1,737,376
Total governmental activities program revenues	<u>17,472,102</u>	<u>17,889,928</u>	<u>26,125,267</u>	<u>11,972,490</u>	<u>11,429,624</u>
Business-type activities:					
Charges for services:					
Water	25,048,713	28,032,902	29,304,012	28,281,456	31,626,637
Wastewater	3,574,272	3,389,450	3,568,042	4,090,187	4,275,264
Golf Course	2,111,937	2,045,652	1,939,165	1,828,549	1,604,258
El Segundo Senior Citizen Housing Corp.	-	-	-	-	-
Capital grants and contributions	-	-	-	-	-
Total business-type activities program revenues	<u>30,734,922</u>	<u>33,468,004</u>	<u>34,811,219</u>	<u>34,200,192</u>	<u>37,506,159</u>
Total primary government program revenues	<u>48,207,024</u>	<u>51,357,932</u>	<u>60,936,486</u>	<u>46,172,682</u>	<u>48,935,783</u>
Net revenues (expenses):					
Governmental activities	(52,156,540)	(46,798,134)	(60,927,919)	(54,985,949)	(65,575,433)
Business-type activities	3,820,876	4,449,889	4,101,119	3,091,364	4,932,695
Total net revenues (expenses)	<u>(48,335,664)</u>	<u>(42,348,245)</u>	<u>(56,826,800)</u>	<u>(51,894,585)</u>	<u>(60,642,738)</u>
General revenues and other changes in net assets:					
Governmental activities:					
Taxes:					
Property taxes	7,910,980	8,452,120	8,380,084	8,884,423	9,093,795
Sales tax	9,099,745	10,297,709	11,442,632	12,089,552	12,201,208
Transient occupancy taxes	5,156,080	5,964,403	5,423,972	7,597,007	12,876,631
Other taxes	25,314,387	28,809,018	27,765,133	26,730,933	27,021,575
Motor vehicle in lieu, unrestricted	7,245	6,998	-	6,859	7,461
Investment income	113,173	324,825	331,238	646,338	532,728
Other general revenues	1,487,988	1,277,597	813,211	1,396,608	889,337
Transfers	-	-	-	-	-
Total governmental activities	<u>49,089,598</u>	<u>55,132,670</u>	<u>54,156,270</u>	<u>57,351,720</u>	<u>62,622,735</u>
Business-type activities:					
Investment income	21,378	152,874	254,662	222,348	170,178
Other	35,600	42,379	19,730	23,755	142,624
Transfers	-	-	-	-	-
Total business-type activities	<u>56,978</u>	<u>195,253</u>	<u>274,392</u>	<u>246,103</u>	<u>312,802</u>
Total primary government	<u>49,146,576</u>	<u>55,327,923</u>	<u>54,430,662</u>	<u>57,597,823</u>	<u>62,935,537</u>
Changes in net position:					
Governmental activities	(3,066,942)	8,334,536	(6,771,649)	2,365,771	(2,952,698)
Business-type activities	3,877,854	4,645,142	4,375,511	3,337,467	5,245,497
Total primary government	<u>810,912</u>	<u>12,979,678</u>	<u>(2,396,138)</u>	<u>5,703,238</u>	<u>2,292,799</u>

**CITY OF EL SEGUNDO
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS**

	2018	2019	2020	2021	2022
Expenses:					
Governmental activities:					
General government	16,215,039	17,788,600	18,698,011	15,339,955	18,434,149
Public safety	44,847,122	40,878,258	43,330,009	21,813,534	(30,085,922)
Public works	9,413,340	9,534,893	11,961,463	8,868,760	12,320,674
Community development	10,442,877	11,321,339	10,058,912	7,026,812	7,277,725
Interest on long-term debt	242,750	337,350	324,830	500,659	2,924,779
Total governmental activities expenses	<u>81,161,128</u>	<u>79,860,440</u>	<u>84,373,225</u>	<u>53,549,720</u>	<u>10,871,405</u>
Business-type activities:					
Water	27,907,911	26,525,468	25,014,972	18,520,750	30,211,365
Wastewater	4,164,437	3,336,645	4,978,350	3,430,966	4,441,887
Golf Course	1,990,092	1,674,851	1,553,159	4,678,672	239,326
El Segundo Senior Citizen Housing Corp.	-	-	-	597,152	778,977
Total business-type activities expenses	<u>34,062,440</u>	<u>31,536,964</u>	<u>31,546,481</u>	<u>27,227,540</u>	<u>35,671,555</u>
Total primary government expenses	<u>115,223,568</u>	<u>111,397,404</u>	<u>115,919,706</u>	<u>80,777,260</u>	<u>46,542,960</u>
Program revenues:					
Governmental activities:					
Charges for services:					
General government	371,345	364,486	258,538	266,496	286,451
Public safety	2,058,888	1,624,718	1,545,947	980,145	1,636,988
Public works	1,201	-	26,524	54,669	54,457
Community development	6,477,503	7,473,096	5,390,803	5,639,664	6,474,161
Operating grants and contributions	1,858,256	4,148,187	2,932,318	2,120,276	6,408,261
Capital grants and contributions	1,197,981	2,580,996	7,691,323	2,421,429	2,328,528
Total governmental activities program revenues	<u>11,965,174</u>	<u>16,191,483</u>	<u>17,845,453</u>	<u>11,482,679</u>	<u>17,188,846</u>
Business-type activities:					
Charges for services:					
Water	27,779,828	33,824,119	26,404,788	24,626,599	35,830,853
Wastewater	4,348,849	4,475,896	4,194,630	3,266,685	4,829,814
Golf Course	1,650,376	1,643,682	1,484,846	1,098,917	118,929
El Segundo Senior Citizen Housing Corp.	-	-	-	772,819	815,024
Capital grants and contributions	-	375,000	-	-	-
Total business-type activities program revenues	<u>33,779,053</u>	<u>40,318,697</u>	<u>32,084,264</u>	<u>29,765,020</u>	<u>41,594,620</u>
Total primary government program revenues	<u>45,744,227</u>	<u>56,510,180</u>	<u>49,929,717</u>	<u>41,247,699</u>	<u>58,783,466</u>
Net revenues (expenses):					
Governmental activities	(69,195,954)	(63,668,957)	(66,527,772)	(42,067,041)	6,317,441
Business-type activities	(283,387)	8,781,733	537,783	2,537,480	5,923,065
Total net revenues (expenses)	<u>(69,479,341)</u>	<u>(54,887,224)</u>	<u>(65,989,989)</u>	<u>(39,529,561)</u>	<u>12,240,506</u>
General revenues and other changes in net assets:					
Governmental activities:					
Taxes:					
Property taxes	10,444,931	11,138,625	11,816,366	12,348,994	12,551,435
Sales tax	10,636,769	13,023,091	12,006,731	8,339,284	13,374,232
Transient occupancy taxes	13,885,312	14,598,200	8,760,763	4,416,020	12,267,534
Other taxes	29,498,067	28,391,959	28,059,801	26,397,089	32,011,867
Motor vehicle in lieu, unrestricted	-	-	-	-	-
Investment income	760,598	2,440,102	3,420,790	457,980	(465,662)
Other general revenues	1,954,399	1,682,211	1,926,516	1,405,086	1,812,224
Transfers	-	-	-	-	-
Total governmental activities	<u>67,180,076</u>	<u>71,274,188</u>	<u>65,990,967</u>	<u>53,364,453</u>	<u>71,551,630</u>
Business-type activities:					
Investment income	176,212	1,139,315	291,780	427,834	(746,994)
Other	16,929	23,926	-	-	-
Transfers	-	-	-	-	-
Total business-type activities	<u>193,141</u>	<u>1,163,241</u>	<u>291,780</u>	<u>427,834</u>	<u>(746,994)</u>
Total primary government	<u>67,373,217</u>	<u>72,437,429</u>	<u>66,282,747</u>	<u>53,792,287</u>	<u>70,804,636</u>
Changes in net position:					
Governmental activities	(2,015,878)	7,605,231	(536,805)	11,297,412	77,869,071
Business-type activities	(90,246)	9,944,974	829,563	2,965,314	5,176,071
Total primary government	<u>(2,106,124)</u>	<u>17,550,205</u>	<u>292,758</u>	<u>14,262,726</u>	<u>83,045,142</u>

**CITY OF EL SEGUNDO
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General fund:					
Nonspendable	1,873,812	3,380,264	2,575,497	2,017,346	7,373,109
Restricted	-	-	-	-	-
Assigned	2,049,483	2,876,450	3,129,606	2,939,325	3,608,509
Unassigned	<u>12,664,755</u>	<u>14,075,307</u>	<u>14,587,023</u>	<u>17,987,731</u>	<u>17,660,917</u>
Total general fund	<u><u>16,588,050</u></u>	<u><u>20,332,021</u></u>	<u><u>20,292,126</u></u>	<u><u>22,944,402</u></u>	<u><u>28,642,535</u></u>
All other governmental funds:					
Nonspendable	80	5,772	-	-	-
Restricted	4,196,184	7,373,435	5,005,452	6,963,441	6,312,687
Assigned	1,548,572	1,416,473	5,031,396	3,301,813	3,159,860
Unassigned	<u>(3,779,255)</u>	<u>(1,577,594)</u>	<u>(78,071)</u>	<u>(1,326,041)</u>	<u>(971,152)</u>
Total all other governmental funds	<u><u>1,965,581</u></u>	<u><u>7,218,086</u></u>	<u><u>9,958,777</u></u>	<u><u>8,939,213</u></u>	<u><u>8,501,395</u></u>

**CITY OF EL SEGUNDO
FUND BALANCES OF GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS**

	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
General fund:					
Nonspendable	6,256,640	7,004,769	7,937,643	163,037	310,048
Restricted	1,000,000	2,643,380	4,482,363	5,144,456	4,543,265
Assigned	2,210,602	2,663,037	2,534,891	2,561,037	1,397,494
Unassigned	<u>24,432,049</u>	<u>26,625,368</u>	<u>20,559,971</u>	<u>29,110,741</u>	<u>34,799,542</u>
Total general fund	<u><u>33,899,291</u></u>	<u><u>38,936,554</u></u>	<u><u>35,514,868</u></u>	<u><u>36,979,271</u></u>	<u><u>41,050,349</u></u>
All other governmental funds:					
Nonspendable	-	115,844	85,049	-	20,442
Restricted	6,882,394	8,404,718	15,473,650	16,919,139	27,382,627
Assigned	3,231,083	5,289,298	4,161,175	4,314,909	3,587,359
Unassigned	<u>(333,731)</u>	<u>(177,229)</u>	<u>(46,117)</u>	<u>(304,630)</u>	<u>(201,767)</u>
Total all other governmental funds	<u><u>9,779,746</u></u>	<u><u>13,632,631</u></u>	<u><u>19,673,757</u></u>	<u><u>20,929,418</u></u>	<u><u>30,788,661</u></u>

**CITY OF EL SEGUNDO
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS**

	2013	2014	2015	2016	2017
Revenues:					
Taxes	37,452,888	42,638,899	42,132,274	43,410,318	49,986,183
Licenses and permits	11,624,026	12,725,503	12,973,204	13,989,221	13,131,485
Intergovernmental	9,811,864	11,931,067	8,919,841	7,751,363	2,805,424
Charges for services	4,958,310	5,172,579	6,197,552	5,214,048	5,811,835
Use of money and property	133,291	590,605	615,862	682,140	552,662
Fines and forfeitures	791,650	914,036	903,172	1,249,820	444,188
Developers Fees	-	-	432,810	296,427	329,474
Other	2,074,386	1,877,562	2,960,332	1,729,917	2,785,946
Total revenues	<u>66,846,415</u>	<u>75,850,251</u>	<u>75,135,047</u>	<u>74,323,254</u>	<u>75,847,197</u>
Expenditures					
Current:					
General government	11,724,215	12,677,731	14,523,141	14,200,855	14,905,246
Public safety	31,145,703	33,576,082	33,694,064	33,166,579	34,682,695
Public works	6,300,670	5,676,244	5,574,118	6,325,541	6,296,743
Community and cultural	14,451,893	12,277,418	19,523,563	8,951,898	10,259,037
Capital outlay	2,015,459	2,133,639	1,021,033	3,389,585	3,930,500
Debt service:					
Principal retirement	-	275,092,000	282,987	291,109	299,464
Interest and fiscal charges	-	237,569,000	229,674	221,552	213,197
Total expenditures	<u>65,637,940</u>	<u>66,853,775</u>	<u>74,848,580</u>	<u>66,547,119</u>	<u>70,586,882</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,208,475</u>	<u>8,996,476</u>	<u>286,467</u>	<u>7,776,135</u>	<u>5,260,315</u>
Other financing sources (uses):					
Transfers in	8,455,512	3,048,087	10,138,836	2,687,843	2,668,046
Transfers out	(8,015,512)	(3,048,087)	(10,338,840)	(2,887,847)	(2,668,046)
Debt proceeds	-	-	-	-	-
Total other financing sources (uses)	<u>440,000</u>	<u>-</u>	<u>(200,004)</u>	<u>(200,004)</u>	<u>-</u>
Net change in fund balances	<u>1,648,475</u>	<u>8,996,476</u>	<u>86,463</u>	<u>7,576,131</u>	<u>5,260,315</u>
Debt service as a percentage of noncapital expenditures					
	0.00%	0.79%	0.69%	0.81%	0.77%

**CITY OF EL SEGUNDO
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS**

	2018	2019	2020	2021	2022
Revenues:					
Taxes	53,125,853	55,018,471	47,767,783	40,216,556	58,520,315
Licenses and permits	13,695,476	14,559,036	14,237,723	13,568,547	13,633,658
Intergovernmental	2,400,010	3,635,668	2,391,795	3,165,467	6,340,815
Charges for services	6,053,614	6,179,231	4,817,551	4,836,554	5,892,477
Use of money and property	781,402	2,465,235	3,472,256	457,983	(499,268)
Fines and forfeitures	831,067	659,653	367,045	297,702	427,604
Developers Fees	262,346	824,075	6,293,956	977,823	1,442,250
Other	2,541,114	4,031,022	3,359,551	2,248,806	3,170,444
Total revenues	<u>79,690,882</u>	<u>87,372,391</u>	<u>82,707,660</u>	<u>65,769,438</u>	<u>88,928,295</u>
Expenditures					
Current:					
General government	15,738,556	18,177,843	18,964,880	32,183,298	19,313,626
Public safety	37,595,758	38,014,581	40,124,678	142,081,284	33,635,862
Public works	6,533,963	7,331,278	7,630,503	13,005,985	9,540,381
Community and cultural	9,274,383	10,923,487	9,499,235	12,616,931	6,686,963
Capital outlay	3,426,202	3,328,392	3,162,263	3,008,119	3,393,300
Debt service:					
Principal retirement	355,461	367,627	380,281	43,200	458,053
Interest and fiscal charges	244,223	339,035	326,380	190,955	1,969,789
Total expenditures	<u>73,168,546</u>	<u>78,482,243</u>	<u>80,088,220</u>	<u>203,129,772</u>	<u>74,997,974</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,522,336</u>	<u>8,890,148</u>	<u>2,619,440</u>	<u>(137,360,334)</u>	<u>13,930,321</u>
Other financing sources (uses):					
Transfers in	3,556,821	4,490,751	1,389,000	1,805,956	10,126,878
Transfers out	(3,556,821)	(4,490,751)	(1,389,000)	(1,820,956)	(10,126,878)
Debt proceeds	-	-	-	140,095,398	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>140,080,398</u>	<u>-</u>
Net change in fund balances	<u>6,522,336</u>	<u>8,890,148</u>	<u>2,619,440</u>	<u>2,720,064</u>	<u>13,930,321</u>
Debt service as a percentage of noncapital expenditures	0.86%	0.94%	0.92%	0.12%	3.39%

**CITY OF EL SEGUNDO
PRINCIPAL SALES TAX PRODUCERS
CURRENT YEAR AND NINE YEARS AGO**

2021-22		2012-13	
Taxpayer	Business Type	Taxpayer	Business Type
Aerospace Corporation	Biotechnology	Accuvant	Office Equipment
Calportland Company	Bldg.Matls-Whsle	Best Buy Stores	Furniture/Appliance
Chevron Service Stations	Service Stations	Bobs Union	Service Stations
Chick-Fil-A	Restaurants	BT Americas	Business Services
Circle K Food Stores	Food Markets	Chevron Service Stations	Service Stations
Concord Collective Partners	Restaurants	Circle K Food Stores	Food Markets
Dick's Sporting Goods	Recreation Products	Dermstore	Miscellaneous Retail
Eddie V's	Restaurants	Dick's Sporting Goods	Recreation Products
Fleming's Prime Steakhouse	Restaurants	Direc TV	Leasing
Homegoods	Furniture/Appliance	Fleming's Prime Steakhouse	Restaurants
Insight Direct Usa	I.T. Infrastructure	Homegoods	Furniture/Appliance
Insight Public Sector	Office Equipment	Just Fabulous	Apparel Stores
Jim and Jacks	Auto Parts/Repair	Karl Storz Endoscopy	Office Equipment
Karl Storz Endoscopy	Office Equipment	Lululemon	Apparel Stores
Kite Pharma	Biotechnology	Murad Skin Research Laboratories	Miscellaneous Retail
Los Angeles Times Communications	Light Industry	P.F. Chang's China Bistro	Restaurants
Luna Cycles	Recreation Products	Patterson Dental Supply	Light Industry
Nordstrom Department Store	Department Stores	Petsmart	Miscellaneous Retail
North Italia	Restaurants	Primary Color Systems	Light Industry
Patterson Dental Supply	Light Industry	Ralph's Grocery Company	Food Markets
Raising Cane's Chicken Fingers	Restaurants	Sensa Products	Miscellaneous Retail
Raytheon Company	Office Equipment	The Boeing Company	Auto Parts/Repair
The Boeing Company	Auto Parts/Repair	The Container Store	Furniture/Appliance
The Container Store	Furniture/Appliance	Trace 3	Light Industry
Whole Foods Market	Food Markets	Whole Foods Market	Food Markets

Source: Avenu Insights & Analytics

**CITY OF EL SEGUNDO
PRINCIPAL SALES TAX PRODUCERS
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2021-22		2012-13	
	Taxable Value (\$)	Percent of Total City Taxable Value (%)	Taxable Value (\$)	Percent of Total City Taxable Value (%)
Chevron Usa Inc	2,069,691,498	13.58%	1,947,235,970	20.25%
SOF XI Pct Two Tower Owner LLC	636,759,033	4.18%		
Raytheon Company	519,811,633	3.41%	289,416,781	3.01%
Boeing Co	430,809,904	2.83%	323,354,960	3.36%
Aerospace Corporation	336,079,819	2.20%	284,865,525	2.96%
300 CG Owner LLC	178,825,082	1.17%		
SFII Flyte LLC	176,105,524	1.16%		
PES Partners LLC	175,825,521	1.15%	151,853,343	1.58%
LVA5 El Segundo 777 Aviation LP	175,196,422	1.15%		
2121 Park Place Fee Owner Ca LLC	157,649,088	1.03%		
TA 101 Continental LLC	142,733,556	0.94%		
Northrop Grumman Systems Corp	130,433,532	0.86%	256,639,310	2.67%
Gateway El Segundo Fee Owner LLC	128,664,247	0.84%		
Kilroy Realty Finance Ptnshp	126,393,480	0.83%	162,448,749	1.69%
RAR2 Campus 2100 LLC	123,148,007	0.81%		
800 Apollo Fee Owner Ca LLC	122,969,572	0.81%		
Street Retail Inc	116,170,104	0.76%		
1960 Grand Office Owner 1 LP	104,363,454	0.68%		
555 S Aviation Property LP	101,752,792	0.67%		
TREA Pacific Coast Highway LLC	96,358,033	0.63%		
Hughes Aircraft Co	90,113,536	0.59%	312,460,806	3.25%
HC Hornet Way LLC	87,384,472	0.57%		
LA4 LLC	85,511,172	0.56%	105,923,390	1.10%
Ocotillo La Mariposa LLC	84,870,240	0.56%		
Plaza CP LLC	83,138,257	0.55%	71,646,020	0.75%
Continental Dev Corp			376,961,750	3.92%
Pacific Corp Towers LLC			165,234,959	1.72%
Hines Reit El Segundo LP			125,489,981	1.31%
Mattel Inc			109,582,688	1.14%
Air Liquide			77,132,738	0.80%
Realty Assoc Fund IX LP			76,015,500	0.79%
Digital 2260 East El Segundo LLC			73,820,538	0.77%
300 N Sepulveda Owner LLC			72,420,000	0.75%
101 Continental Partners LLC			53,969,207	0.56%
GII 2160 East Grand LLC			52,224,000	0.54%
TRT NOIP Maple El Segundo LP			51,300,000	0.53%
Agnl Toys LP			45,000,000	0.47%
LAX Granada Assoc			42,630,380	0.44%
Time Warner NY Cable LLC			38,205,016	0.40%
Intl Rectifier Corp			37,847,947	0.39%
Total Top 25 Taxpayers	6,480,757,978	42.51%	5,303,679,558	55.17%
Total Taxable Value	15,243,933,714	100.00%	9,613,927,404	100.00%

Source: County Assessor data, Avanu Insights & Analytics
Unitary value is included in the total taxable value.

**CITY OF EL SEGUNDO
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY¹
 LAST TEN FISCAL YEARS**

Fiscal Year End	Residential Property	Commercial Property	Industrial Property	Other Property (1)	Unsecured Property	Less Tax-Exempt Property	Taxable Assessed Value	Total Direct Tax Rate (2)	Estimated Actual Taxable Value (3)	Factor of Taxable Assessed Value (3)	Assessed Value as a Percentage of Actual Value
2012-13	-	-	-	8,278,135	1,423,110	-	9,701,245	1.115200	-	-	-
2013-14	-	-	-	8,446,568	1,862,068	-	10,308,636	1.115200	-	-	-
2014-15	-	-	-	8,433,859	1,604,574	-	10,038,433	1.115200	-	-	-
2015-16	-	-	-	8,919,245	1,736,530	-	10,655,775	1.115200	-	-	-
2016-17	-	-	-	9,408,029	1,565,767	-	10,973,796	1.115200	-	-	-
2017-18	2,695,443,946	4,056,923,408	1,526,293,700	2,501,109,520	1,480,982,133	34,490,981	12,226,261,726	1.202225	17,863,020,753	1.461037	68.44%
2018-19	2,901,889,931	4,452,614,029	1,785,769,246	2,418,895,212	1,556,962,904	48,412,749	13,067,718,573	1.205652	22,816,281,059	1.746003	57.27%
2019-20	3,059,827,370	5,145,402,602	2,011,925,385	2,466,641,048	1,552,123,561	50,366,079	14,185,553,887	1.202446	22,800,486,298	1.607303	62.22%
2020-21	3,272,541,827	5,624,003,706	1,806,225,832	3,050,851,815	1,682,078,566	32,055,686	15,403,646,060	1.178940	20,376,825,371	1.322857	75.59%
2021-22	3,493,519,690	5,936,659,391	2,046,612,970	2,174,990,747	1,624,771,162	32,620,246	15,243,933,714	1.174948	25,164,151,780	1.650765	60.58%

Source: County Assessor data, Avenu Insights & Analytics

Source: 2017 and Prior Published ACFR Reports.

State unitary property of \$15,610,208 is included in other property.

1.) Other property for 2016-17 and prior represent the Secured Values.

2.) Total direct tax rate is represented by TRA 09-849.

3.) Estimated Actual Value is derived from a series of calculations comparing median assessed values from 1940 to current median sale prices. Based on these calculations a multiplier value was extrapolated and applied to current assessed values.

(-) No data available.

**CITY OF EL SEGUNDO
DIRECT AND OVERLAPPING PROPERTY TAX RATES
(RATE PER \$100 OF TAXABLE VALUE)
LAST TEN FISCAL YEARS**

General	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<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>
COUNTY OF LOS ANGELES										
CITY OF EL SEGUNDO	0.936812	0.936812	0.936812	0.936812	0.936812	0.936812	0.936812	0.936812	0.936812	0.936812
TOTAL	<u>0.063188</u>	<u>0.063188</u>	<u>0.063188</u>	<u>0.063188</u>	<u>0.063188</u>	<u>0.063188</u>	<u>0.063188</u>	<u>0.063188</u>	<u>0.063188</u>	<u>0.063188</u>
	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
Override Assessments										
Metropolitan Water District										
County Flood Control	0.003500	0.003500	0.003500	0.003500	0.003500	0.003500	0.003500	0.003500	0.003500	0.003500
El Segundo Unified School District	0.111700	0.111700	0.111700	0.111700	0.111700	0.177526	0.179923	0.177391	0.151816	0.148809
Community College	-	-	-	-	-	0.021199	0.022229	0.021555	0.023624	0.022639
TOTAL	<u>0.115200</u>	<u>0.115200</u>	<u>0.115200</u>	<u>0.115200</u>	<u>0.115200</u>	<u>0.202225</u>	<u>0.205652</u>	<u>0.202446</u>	<u>0.178940</u>	<u>0.174948</u>
TOTAL TAX RATE	<u><u>1.115200</u></u>	<u><u>1.115200</u></u>	<u><u>1.115200</u></u>	<u><u>1.115200</u></u>	<u><u>1.115200</u></u>	<u><u>1.202225</u></u>	<u><u>1.205652</u></u>	<u><u>1.202446</u></u>	<u><u>1.178940</u></u>	<u><u>1.174948</u></u>

Source: County Auditor/Controller data, Avenu Insights & Analytics

Source: 2016-17 and prior, previous published ACFR

Tax Rate as represented by TRA 09-849

**CITY OF EL SEGUNDO
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Amount	Percent of Levy	Collections in Subsequent Years	Amount	Percent of Levy
2012	6,006,864	5,990,455	99.73%	-	5,990,455	99.73%
2013	6,277,523	6,144,309	97.88%	-	6,144,309	97.88%
2014	6,680,795	6,558,427	98.17%	-	6,558,427	98.17%
2015	6,538,375	6,438,118	98.47%	55,500	6,493,618	99.32%
2016	6,728,811	6,637,510	98.64%	59,028	6,696,538	99.52%
2017	6,853,422	6,773,927	98.84%	39,950	6,813,877	99.42%
2018	7,672,612	7,659,388	99.83%	(4,958)	7,654,430	99.76%
2019	8,185,486	8,169,815	99.81%	610,801	8,780,616	107.27%
2020	8,929,004	8,183,987	91.66%	1,237,541	9,421,528	105.52%
2021	9,684,760	8,520,268	87.98%	64,417	8,584,685	88.64%
2022	9,578,660	9,584,651	100.06%	-	9,584,651	100.06%

Source: Los Angeles County Auditor Controller's Office

CITY OF EL SEGUNDO
RATIO OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(IN THOUSANDS, EXCEPT PER CAPITA)

Fiscal Year Ended ¹ September 30	Outstanding General Bonded Debt					Total	Percent of Assessed Value ²	Per Capita
	General	Tax						
	Obligation	Allocation	Certificates of	Pension				
	Bonds	Bonds	Participation	Obligation				
2013	-	-	-	-	-	-	0.000%	-
2014	-	-	-	-	-	-	0.000%	-
2015	-	-	-	-	-	-	0.000%	-
2016	-	-	-	-	-	-	0.000%	-
2017	-	-	-	-	-	-	0.000%	-
2018	-	-	-	-	-	-	0.000%	-
2019	-	-	-	-	-	-	0.000%	-
2020	-	-	-	-	-	-	0.000%	-
2021	-	-	-	140,095,398	140,095,398	140,095,398	909.500%	-
2022	-	-	-	140,095,398	140,095,398	140,095,398	919.020%	-

General bonded debt is debt payable with governmental fund resources and general obligation bonds recorded in enterprise funds (of which, the City has none).

¹ Fiscal Years 2000-2020 are 12 month reporting periods ending on September 30; Fiscal Year 2020-2021 is a 9 month reporting period ending on June 30; Fiscal Years 2022-current are 12 month reporting periods ending on June 30.

² Assessed value has been used because the actual value of taxable property is not readily available in the State of California.

CITY OF EL SEGUNDO
RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(IN THOUSANDS, EXCEPT PER CAPITA)

Fiscal Year Ended ¹ September 30	Governmental Activities					Total Governmental Activities
	General Obligation	Tax Allocation	Certificates of Participation	Pension Obligation	Leases/ Loans	
	Bonds	Bonds				
2013	-	-	-	-	10,615,488	10,615,488
2014	-	-	-	-	10,303,635	10,303,635
2015	-	-	-	-	9,982,592	9,982,592
2016	-	-	-	-	9,650,093	9,650,093
2017	-	-	-	-	9,306,335	9,306,335
2018	-	-	-	-	8,950,875	8,950,875
2019	-	-	-	-	8,583,247	8,583,247
2020	-	-	-	-	8,202,967	8,202,967
2021	-	-	-	140,095,398	8,159,767	148,255,165
2022	-	-	-	140,095,398	7,880,377	147,975,775

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

¹Office of Economic Development (data shown is for Los Angeles County)

CITY OF EL SEGUNDO
RATIO OF OUTSTANDING DEBT BY TYPE (CONTINUED)
LAST TEN FISCAL YEARS
(IN THOUSANDS, EXCEPT PER CAPITA)

Fiscal Year Ended September 30	Business-type Activities				Total Primary Government	Percentage of Personal Income ¹	Debt Per Capita ¹
	Leases/ Loans	Certificates of Participation	Pension Obligation	Total Business-type Activities			
2013	-	-	-	-	10,615,488	1.4%	239
2014	-	-	-	-	10,303,635	1.4%	227
2015	-	-	-	-	9,982,592	1.3%	214
2016	-	-	-	-	9,650,093	1.2%	203
2017	-	-	-	-	9,306,335	1.1%	187
2018	-	-	-	-	8,950,875	1.0%	169
2019	-	-	-	-	8,583,247	0.9%	154
2020	-	-	-	-	8,202,967	0.8%	141
2021	-	-	4,039,602	4,039,602	152,294,767	14.6%	2,430
2022	-	-	4,039,602	4,039,602	152,015,377	12.4%	2,111

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

¹Office of Economic Development (data shown is for Los Angeles County)

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**CITY OF EL SEGUNDO
DIRECT AND OVERLAPPING BONDED DEBT
LAST TEN FISCAL YEARS**

2021-22 Assessed Valuation: \$15,263,033,028

<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	Total Debt 6/30/2022	% Applicable (1)	City's Share of Debt 6/30/22
Metropolitan Water District	\$20,175,000	0.45%	\$90,788
El Camino Community College District	482,552,928	11.639	56,164,335
El Segundo Unified School District	79,767,243	100	79,767,243
Manhattan Beach Unified School District	177,719,452	0.002	3,554
Wiseburn Unified School District	110,186,819	71.652	78,951,060
Centinela Valley Union High School District	221,718,495	34.617	76,752,291
Centinela Valley Union High School District School Facilities Improvement District No. 2016	227,405,000	39.029	88,753,897
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$380,483,168
 <u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
Los Angeles County General Fund Obligations	\$2,698,357,105	0.86%	\$23,232,855
Los Angeles County Superintendent of Schools Certificates of Participation	3,972,227	0.861	34,201
Los Angeles County Sanitation District No. 5 Authority	2,481,534	6.345	157,453
Los Angeles County Sanitation District South Bay Cities Authority	422,802	0.04	169
City of El Segundo General Fund Obligations	7,763,286	100	7,763,286
City of El Segundo Pension Obligation Bonds	140,095,398	100	140,095,398
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$171,283,362
 <u>SUBTOTALS:</u>			
TOTAL DIRECT DEBT			\$147,858,684
TOTAL OVERLAPPING DEBT			\$403,907,846
 <u>TOTALS:</u>			
COMBINED TOTAL DIRECT AND OVERLAPPING DEBT			\$551,766,530

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

Ratios to 2021-22 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	2.50%
Total Direct Debt (\$147,858,684)	0.97%
Combined Total Debt	3.62%

Source: Avenu Insights & Analytics, California Municipal Statistics, Inc.

**CITY OF EL SEGUNDO
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	2012-13	2013-14	2014-15	2015-16	2016-17
Assessed valuation	\$ 9,701,244,855	\$ 10,308,636,196	\$ 10,038,433,763	\$ 10,655,775,000	\$ 10,973,796,359
Conversion percentage	25%	25%	25%	25%	25%
Assessed valuation	2,425,311,214	2,577,159,049	2,509,608,441	2,663,943,750	2,743,449,090
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit	363,796,682	386,573,857	376,441,266.11	399,591,563	411,517,363
Total net debt applicable to limit: General obligation bonds	-	-	-	-	-
Legal debt margin	\$ 363,796,682	\$ 386,573,857	\$ 376,441,266	\$ 399,591,563	\$ 411,517,363
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). Although the statutory debt limit has not been amended by the State since this change, the percentages presented in the above computations have been proportionately modified to 3.75% (25% of 15%) for the purpose of this calculation in order to be consistent with the computational effect of the debt limit at the time of the state's establishment of the limit.

Source: California Municipal Statistics, Inc.
Los Angeles County Tax Assessor's Office

**CITY OF EL SEGUNDO
LEGAL DEBT MARGIN INFORMATION (CONTINUED)
LAST TEN FISCAL YEARS**

	2017-18	2018-19	2019-20	2020-21	2021-22
Assessed valuation	\$ 12,226,261,726	\$ 13,067,718,573	\$ 14,185,553,887	\$ 15,403,646,060	\$ 15,243,933,714
Conversion percentage	25%	25%	25%	25%	25%
Assessed valuation	3,056,565,432	3,266,929,643	3,546,388,472	3,850,911,515	3,810,983,429
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit	458,484,815	490,039,446	531,958,271	577,636,727	571,647,514
Total net debt applicable to limit: General obligation bonds	-	-	-	140,095,398	140,095,398
Legal debt margin	\$ 458,484,815	\$ 490,039,446	\$ 531,958,271	\$ 577,636,727	\$ 571,647,514
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	24.3%	24.5%

**CITY OF EL SEGUNDO
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	City Population (1)	Personal Income (in thousands) (2)	Per Capita Personal Income (2)	Median Age (3)	City Unemployment Rate (%) (4)
2012-13	16,720	743,605	44,474	-	11.0%
2013-14	16,815	761,888	45,310	-	9.9%
2014-15	16,897	787,958	46,633	-	8.2%
2015-16	16,646	790,452	47,486	38.9	3.7%
2016-17	16,717	832,029	49,771	38.9	2.9%
2017-18	16,784	888,503	52,938	39.0	3.3%
2018-19	17,066	952,927	55,838	38.7	3.2%
2019-20	16,777	974,307	58,074	38.7	23.5%
2020-21	16,660	1,044,326	62,685	37.3	13.8%
2021-22	17,084	1,230,071	72,001	36.9	4.5%

Source: Avenu Insights & Analytics

Source: 2014-15 and prior, previously published ACFR Report

The California Department of Finance demographics estimates now incorporate 2010 Census counts as the benchmark.

- 1.) Population Projections are provided by the California Department of Finance Projections.
- 2.) Income Data is provided by the U.S. Census Bureau, 2010 American Community Survey.
- 3.) Median Age is provided by US Census data.
- 4.) Unemployment Data is provided by the EDD's Bureau of Labor Statistics Department.

**CITY OF EL SEGUNDO
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Business Name	2021-22		2017-18	
	Number of Employees	Percent of Total Employment (%)	Number of Employees	Percent of Total Employment (%)
Boeing Satellite Systems*	12,440	130.95%	2,959	5.20%
Raytheon Space & Airborne Syst	6,000	63.16%	5,189	9.12%
Northrop Grumman Corporation	2,833	29.82%	2,960	5.20%
Aerospace Corporation	2,783	29.29%	2,711	4.76%
Mattel Inc	1,660	17.47%	1,674	2.94%
Chevron Products Company/USA inc	1,143	12.03%	1,103	1.94%
Internet Brands Inc	653	6.87%	588	1.03%
Infineon Technologies Americas Corp (formerly International Rectifier)	429	4.52%		
Karl Storz Endoscopy America Inc	403	4.24%		
Big 5 Sporting Goods Corp**	289	3.04%		
Accenture			1,685	2.96%
HealthCare Partners LLC			705	1.24%
Time Warner Cable Information Services (CA)			700	1.23%
Total Top 10 Employers	28,633	301.40%	20,274	33.15%
Total City Labor Force (1)	9,500			

Source: Avenu Insights & Analytics

Source: 2017-18 based on previously published ACFR. 2012-13 unavailable on City's website

Results based on direct correspondence with city's local businesses.

*Employee Count is statewide, employment levels are not available by site.

** Includes Corporate office and retail store.

(1) Total City Labor Force provided by EDD Labor Force Data.

**CITY OF EL SEGUNDO
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

	2013	2014	2015	2016	2017
Police:					
Arrests	795	1,468	1,057	721	592
Parking Citations Issued	10,900	11,764	9,404	7,200	8,955
Fire:					
Number of Emergency Calls	2,208	2,485	2,568	2,632	2,807
Inspections	2,411	2,326	2,203	1,531	1,209
Medical Responses	1,441	1,564	1,644	1,661	1,847
Public works:					
Street resurfacing (miles)	2	-	-	0	1
Reconstruction (miles)	-	-	-	-	-
New Street (miles)	-	-	-	-	-
Electronic Recycling (pounds)	N/A	N/A	N/A	N/A	N/A
Paper Shred Recycling (pounds)	17,950	9,220	10,080	23,000	23,000
Parks, Recreation, and Library:					
<i>(previously named Community Services)</i>					
Number of recreation classes	1,191	1,365	1,389	1,056	833
Class registrations	7,950	7,905	8,021	6,657	6,615
Recreation Trips participants	1,480	1,560	1,535	89	20
Number of facility rentals	411	496	-	-	-
Number of Reservations	9,041	9,238	9,342	4,779	5,624
Shuttles transported (riders)	27,472	29,789	30,052	7,320	4,781
Dial-A-Ride residents	11,258	11,090	11,206	6,841	5,108
Homebound Meals	5,007	4,957	4,926	5,061	5,497
Finance:					
Business Licenses processed	6,686	6,758	5,812	7,172	7,236
Purchase Orders processed	428	447	427	476	547
Purchase Change Orders processed	139	129	118	103	136
Invoices processed	10,008	10,367	10,189	10,230	9,566
Checks processed	5,262	5,529	5,326	5,849	5,248
Cash Receipts processed (excluding Water)	34,120	35,461	35,143	33,075	31,559

Source: City of El Segundo

**CITY OF EL SEGUNDO
OPERATING INDICATORS BY FUNCTION (CONTINUED)
LAST TEN FISCAL YEARS**

	2018	2019	2020	2021 ¹	2022
Police:					
Arrests	568	953	1,009		1,084
Parking Citations Issued	10,227	12,247	9,537		10,591
Fire:					
Number of Emergency Calls	2,895	893	2,558		2,951
Inspections	1,919	905	512		654
Medical Responses	1,930	502	1,621		1,827
Public works:					
Street resurfacing (miles)	2	6	1		2.4
Reconstruction (miles)	-	-	-		-
New Street (miles)	-	-	-		-
Electronic Recycling (pounds)	-	1,480	1,480		4,071
Paper Shred Recycling (pounds)	20,000	15,400	17,340		32,100
Parks, Recreation, and Library: <i>(previously named Community Services)</i>					
Number of recreation classes	997	1,019	980		1,517
Class registrations	7,574	4,098	5,387		18,233
Recreation Trips participants	926	1,784	762		*
Number of facility rentals	-	-	-		1,619
Number of Reservations	5,397	5,563	23,841		29,968
Shuttles transported (riders)	6,252	5,532	1,968		1,782
Dial-A-Ride residents	5,189	4,474	2,194		**
Homebound Meals	6,080	6,840	7,285		5,922
Finance:					
Business Licenses processed	6,610	6,992	6,391		6,191
Purchase Orders processed	464	416	411		407
Purchase Change Orders processed	174	141	167		89
Invoices processed	9,762	6,805	10,501		9,818
Checks processed	5,258	3,790	5,611		5,368
Cash Receipts processed (excluding Water)	27,722	54,264	37,273		118,314

Source: City of El Segundo

¹Information not collected from fiscal year 2020-2021 due to pandemic and staff shortages

*Due to COVID-19, this program was not run during 2021/2022 FY

**Dial-A-Ride ended when the pandemic impacted all Recreation & Parks department services;
LYFT and Beach Shuttle (SWOOP) have replaced programs for Dial A Ride

**CITY OF EL SEGUNDO
 FULL-TIME AND PART-TIME CITY EMPLOYEES BY FUNCTION
 LAST TEN FISCAL YEARS**

Function	2013	2014	2015	2016	2017
General Government	52	60	69	51	57
Public Safety	153	138	137	123	126
Public Works	18	27	30	31	30
Community & Cultural	77	81	80	76	74
Water	9	11	11	10	10
Sewer	5	6	6	6	10
Total	314	323	333	297	307

Source: City of El Segundo Payroll Division

**CITY OF EL SEGUNDO
 FULL-TIME AND PART-TIME CITY EMPLOYEES BY FUNCTION (CONTINUED)
 LAST TEN FISCAL YEARS**

Function	2018	2019	2020	2021	2022
General Government	53	71	73	59	58
Public Safety	130	143	144	142	131
Public Works	29	26	40	27	24
Community & Cultural	115	106	93	149	152
Water	9	18	15	10	11
Sewer	6	6	7	6	5
Total	342	370	372	393	381

Source: City of El Segundo Payroll Division

**CITY OF EL SEGUNDO
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

	2013	2014	2015	2016	2017
Police:					
Stations	1	1	1	1	1
Fire:					
Fire stations	2	2	2	2	2
Public works:					
Streets (miles)	55	55	55	55	55
Streetlights	1,718	1,718	1,718	1,718	1,718
Traffic signals	55	55	55	55	55
Parks and recreation:					
Parks	22	22	22	22	22
Recreation Facilities	13	13	13	13	13
Number of Acres	91	91	91	91	91

Source: City of El Segundo

**CITY OF EL SEGUNDO
CAPITAL ASSET STATISTICS BY FUNCTION (CONTINUED)
LAST TEN FISCAL YEARS**

	2018	2019	2020	2021	2022
Police:					
Stations	1	1	1	1	1
Fire:					
Fire stations	2	2	2	2	2
Public works:					
Streets (miles)	55	55	55	55	55
Streetlights	1,718	1,718	1,718	1,718	1718
Traffic signals	55	55	55	55	55
Parks and recreation:					
Parks	22	22	22	22	22
Recreation Facilities	14	14	14	14	14
Number of Acres	91	91	91	91	91

Source: City of El Segundo



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