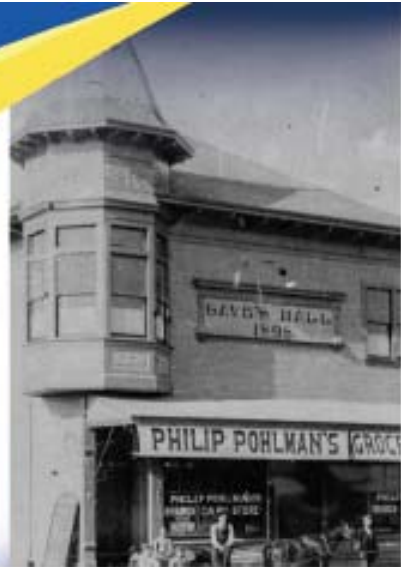




Comprehensive Annual Financial Report

For the year ended June 30, 2020



CITY OF EL MONTE



**Comprehensive Annual Financial Report
City of El Monte, California
Year ended June 30, 2020
With Report of Independent Auditors**

Prepared by: Finance Department

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INTRODUCTORY SECTION



11333 Valley Boulevard
El Monte, CA 91731
(626) 580 - 2001
elmonteca.gov

December 17, 2020

Honorable Mayor and
Members of the City Council
City of El Monte
11333 Valley Boulevard
El Monte, CA 91731

It is with pleasure that we submit to you a Comprehensive Annual Financial Report (CAFR) of the City of El Monte, California (City) for the year ended June 30, 2020. This report is prepared in accordance with Generally Accepted Accounting Principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB). Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation rests with the City. These financial statements have been designed and presented in a manner that enhances your understanding of the City's financial position and activities.

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

The City's financial statements have been audited by the independent certified public accounting firm of Vasquez & Company LLP. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2020 are free of material misstatements. The audit involved examining, on a test basis, the evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and estimates made by management; and evaluating the overall presentation of financial statements. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended June 30, 2020 are fairly presented in conformity with GAAP.

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

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

Profile of the City

The City was incorporated on November 18, 1912 as a general law city and operates under a Council/City Manager form of government. It is governed by an elected five-member council. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committee members and hiring the City Manager and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day to day operations of the City and for appointing the heads of the various departments.

The City provides a full range of public services including police, community development, parks and recreation, sewer and sanitation services and the construction and maintenance of public streets and roads. The City also contracts for fire services through Los Angeles County. Water services are provided by the El Monte Water Authority, which functions as a department of the City of El Monte. There are other governmental agencies which are included as component units within the City's Comprehensive Annual Financial Report. For more information on these entities please refer to Note 1 of the financial statements.

Budgetary Process and Administration - General Fund

The fiscal year of the City begins on the first day of July of each year and ends on the thirtieth day of June the following year. On or before the fifteenth of June of each year, the City Manager submits to the City Council a proposed budget for the next ensuing fiscal year based on a detailed financial plan prepared by the heads of the various offices, agencies and departments of the City and its component units. Upon receipt of the proposed budget, the Council may make modifications with the affirmative vote of at least a majority of its members. Before adoption of the budget, the City Council holds a public hearing wherein the public is given an opportunity to be heard, after which the Council may make any revisions deemed advisable. On or before July 1 annually, the City Council adopts the budget as amended through a budget resolution passed by the affirmative vote of at least a majority of its members. Upon final adoption, the budget is in effect for the ensuing fiscal year and becomes the authority for the various offices, agencies, and departments to expend subject to controls established by the City's Policy. At any meeting after the adoption of the budget, the City Council may amend or supplement the budget by affirmative vote of the majority of the Council members so as to authorize the transfer of unused balances appropriated for one purpose to another purpose, or to appropriate available revenue not included in the budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level, subject to the authority granted to the City Manager to transfer appropriations from account to account as necessary to assure adequate and proper standards of service and to achieve the intent of the City Council in providing municipal services for the fiscal year.

Factors Affecting Financial Condition

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

The City is located in the eastern portion of Los Angeles County, in the San Gabriel Valley approximately 12 miles east of downtown Los Angeles. The City covers approximately 9.67 square miles and has an estimated 2020 population of approximately 116,675. The City has a rich history, from its original settlement in 1850 and its incorporation in 1912 to its current status as headquarters for a number of companies.

The City known for its many auto dealerships is also home to manufacturing, construction and transportation industries.

On February 11, 2020, the World Health Organization (“WHO”) announced a name for the outbreak of a new strain of coronavirus (“COVID-19”), an upper respiratory tract illness first identified in Wuhan, China. COVID-19 has since spread across the globe and is having significant negative health and financial impacts. The WHO has declared the COVID-19 outbreak to be a pandemic, and states of emergency have been declared by the Governor of California and the President of the United States.

On March 4, 2020, California Governor Gavin Newsome declared a State of Emergency in response to the spread of COVID-19 in the state of California. On March 19th, the Governor of California announced a statewide “shelter-in-place” order, which directs individuals to stay home, except for certain limited travel to conduct essential services, resulting in restrictions on mass gatherings and widespread temporary closings of businesses and schools.

The COVID-19 pandemic is ongoing, and its duration and severity of impact is uncertain. Although the ultimate impact of COVID-19 on the City’s operations and finances is unknown, it will continue to have an adverse effect on sales tax, transient occupancy taxes, and utility users tax revenues.

Long Term Financial Planning

The City, through its Economic Development Department, continues to implement the initiatives of the Vision El Monte General Plan, which calls for targeted commercial and industrial development in key districts, mixed-use projects along designated corridors and the preservation of the residential neighborhoods. The City actively engages the business community and has provided guidance to facilitate the approval process and the construction of over a billion dollars of private and public investments. These activities have been focused in El Monte’s Downtown Specific Plan, Gateway Transit District, Northwest Industrial District, Auto District and Garvey Mixed-Use Corridor.

The Historic Downtown El Monte area has seen new development interest over the past several years. This includes the Epoch Times Los Angeles headquarters and Progress Brewery occupying prominent locations on Main Street. Two affordable housing projects with 106 units are also underway, adjacent to the El Monte Metrolink Station. Construction remains ongoing at the Gateway Development surrounding the El Monte Bus Station. Over 400 units and 25,000 square feet of commercial space is either under construction or approved.

The housing market also remains extremely strong throughout El Monte. The 55 unit “Baldwin Rose” project, occupying remnant railroad land, was recently completed. Other projects in the planning stages include an 80 unit urban project on Valley Boulevard, a 30 unit senior housing project on Garvey Avenue and smaller projects on Santa Anita Avenue, Peck Road and Durfee Avenue.

The City has seen increased interest to develop projects within its Northwest Industrial District. Major industrial projects nearly complete include the 1.2 million square-foot “Goodman Logistics Center” along Lower Azusa Avenue and a 225,000 square foot cluster of industrial buildings along Hickson Street. Another 370,000 square foot logistics center was recently approved on Arden Drive.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement in Financial Reporting to the City of El Monte for its Comprehensive Annual Financial Report for the year ended June 30, 2019. This was the seventh year in a row that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program’s requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

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

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Alma K. Martinez".

Alma K. Martinez
City Manager

CITY OF EL MONTE

ELECTED OFFICIALS

June 30, 2020

MAYOR	ANDRE QUINTERO
MAYOR PRO TEM	MARIA MORALES
COUNCILWOMAN	JESSICA ANCONA
COUNCILWOMAN	VICTORIA MARTINEZ MUELA
COUNCILMAN	JERRY VELASCO
CITY TREASURER.....	VIVIANA LONGORIA
CITY CLERK	CATHERINE EREDIA

ADMINISTRATIVE STAFF

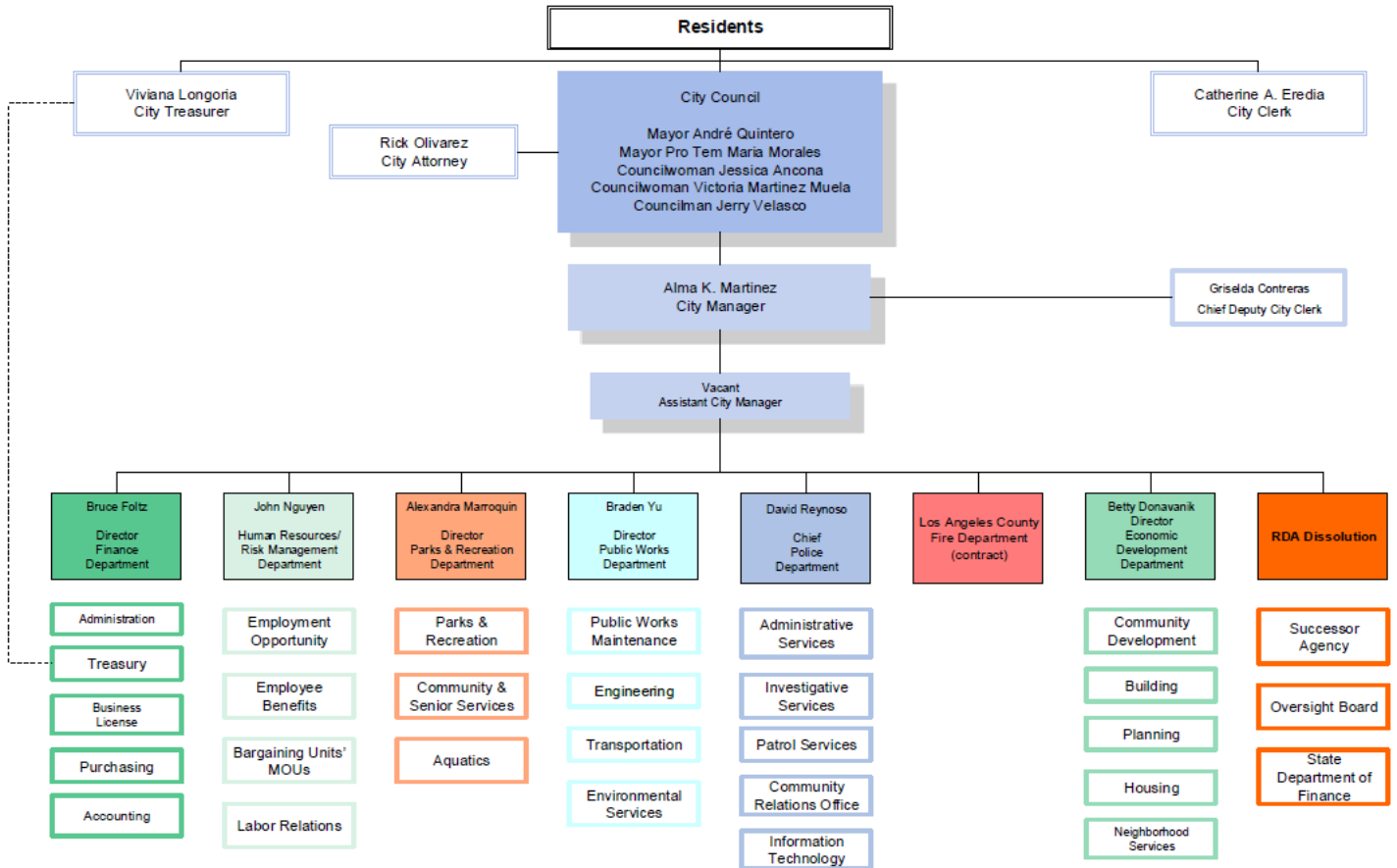
June 30, 2020

CITY MANAGER	ALMA K. MARTINEZ
FINANCE DIRECTOR	BRUCE FOLTZ
HUMAN RESOURCES DIRECTOR	JOHN NGUYEN
PARKS & RECREATION DIRECTOR	ALEXANDRA MARROQUIN
PUBLIC WORKS DIRECTOR	BRADEN YU
CHIEF OF POLICE.....	DAVID REYNOSO
ECONOMIC DEVELOPMENT DIRECTOR	BETTY DONAVANIK
CITY ATTORNEY	RICARDO OLIVAREZ

CITY OF EL MONTE

ORGANIZATIONAL CHART

June 30, 2020





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of El Monte
California**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

REPORT OF INDEPENDENT AUDITORS

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

Report on the Financial Statements

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 Monte, California (the City), as of and for the year ended June 30, 2020, and the related notes to financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



Opinions

In our opinion, 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 Monte, California, as of June 30, 2020, 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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 18 and Required Supplementary Information on pages 95 through 108, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of El Monte's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, budgetary comparison schedules and internal services funds combining financial statements and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budgetary comparison schedules and internal service funds combining financial statements on pages 109 through 175 are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules and internal service funds combining financial statements on pages 109 through 175 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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



Restatement of Beginning Net Position and Fund Balances

As discussed in Note 20, the beginning fund balance of the Water Fund and Sewer Fund and the beginning net position of the business-type and the governmental activities have been restated for the matters discussed in Note 20. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2020, on our consideration of the City of El Monte's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of El Monte's internal control over financial reporting and compliance.

**Glendale, California
December 17, 2020**

This management's discussion and analysis of the City of El Monte (the "City") is designed to provide you with a narrative explanation of our financial position and results of operations over the fiscal year ended June 30, 2020. We recommend that you read this in conjunction with additional financial information that we have furnished in the financial statements that follow, our letter of transmittal and the City's annual budget in order to develop a more comprehensive perspective of the City's overall financial position.

We have organized our management's discussion and analysis in the following sections:

- Financial Highlights – a brief discussion of our current business
- Using this Annual Report – a discussion on GASB 34 and the information contained in the annual report
- Reporting the City as a Whole – a discussion on how financial information is presented in the government-wide financial statements and fund financial statements
- Financial Position and Results of Operations – a discussion of our current and prior period results of operations
- The City as a Whole – a discussion of our capital assets, long-term debt and governmental funds
- The City as Trustee – a discussion on our fiduciary activities
- Economic Factors and Next Year's Budgets – a discussion of our general fund budget and highlights
- Unmodified Audit Opinion – a discussion of our independent auditor's audit opinion on our financial statements

FINANCIAL HIGHLIGHTS

- The combined assets and deferred outflows of the City exceeded its liabilities and deferred inflows for fiscal year 2019-20 by \$275.1 million. The City's total net position decreased by \$5.4 million during the fiscal year.
- During the year, the City had expenses that were \$5.8 million higher than the \$109.9 million in revenues and transfers in recorded in its governmental activities.
- In fiscal year 2019-2020, the City's business-type activities (water and sewer) revenues exceeded related expenses and transfers out by \$366 thousand. A total of \$8.3 million in expenses were recorded for the Water and the Sewer Funds.

USING THIS ANNUAL REPORT

The City reports its financial statements using the Governmental Accounting Standards Board Statement No. 34 (GASB 34). The intent of GASB 34 is to move government accounting and reporting closer to that of the private sector and to present such information in a format which readers can more easily assess the financial health of the City and whether its financial position is improving or deteriorating over time.

This annual report is comprised of three major sections: the introductory section, the financial section and the statistical section. The introductory section includes the letter of transmittal, the City's organizational chart and the list of City's elected officials and management. The financial section provides the Government-wide Financial Statements, the Fund Financial Statements and Management's Discussion and Analysis (MD&A). Additional details are described in the Notes to the Financial Statements. Finally, the statistical section provides financial trend information based on the information presented in this fiscal year and prior years' annual reports as well as demographic information about the City.

This annual financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives.

REPORTING THE CITY AS A WHOLE

This discussion is intended to provide the reader with a summary perspective of the financial operations of the City as a whole.

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.

Statement of Net Position presents information on all of the City's assets, liabilities and deferred inflows and outflows. Deferred inflows are defined as the acquisition of net assets applicable to a future reporting period while deferred outflows are defined as the consumption of net assets applicable to a future reporting period. The difference between assets plus deferred outflows less liabilities and deferred inflows is 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.

Statement of Activities provides a snapshot of the City's annual operating revenues and expenses and the impact of net operating income (deficit) on the net position of the City. Revenues include property taxes, sales tax, franchise tax, utility users tax, transient occupancy tax, business license, state and federal grants, contributions from other agencies, interest income, and other revenues that finance the City's activities.

The Statement of Activities covers all of the current year's revenues and expenses taken into account regardless of when cash is received or paid.

We separate the City's activities into two main activities: Governmental Activities and Business-type Activities

Governmental Activities – The majority of the City's primary functions are reported in this category, including: general government (city manager, city clerk, finance, etc.), parks and recreation, economic development, public works and public safety. The financial activities of the special revenue funds and grant programs are also incorporated into this category.

Business-type Activities – These represent the City's two enterprise funds: the Water Fund and the Sewer Fund. The City charges a fee to customers to cover all or most of the cost of certain services it provides.

Following these Government-wide Financial Statements, we provide the Fund Financial Statements that summarize the financial activity of the City's major funds categories.

Fund Financial Statements. A fund is a separate account or grouping of related accounts, which is used to maintain control and oversight over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements established by State law, bond covenants or grant/funding guidelines.

All of the City's funds can be divided into three categories: governmental funds, proprietary funds and fiduciary funds, which are grouped into the following major funds:

Governmental Funds

- General Fund
- Retirement Fund
- Housing and Community Development Fund
- Housing Assets Fund
- Nonmajor Governmental Funds

Proprietary Funds

- Water Fund
- Sewer Fund
- Internal Service Funds

Fiduciary Funds

- Service Employees International Union (SEIU) Retiree Insurance Fund
- Successor Agency to the Dissolved Redevelopment Agency

Governmental Funds. The majority of the City's basic services are reported in Governmental Funds. Therefore, they are essentially the same functions reported as governmental activities in the government-wide financial statements. Governmental fund financial statements provide a more detailed view of the City's general government operations and the basic services it provides. They have a near-term focus: they report how money flows in and out of each fund and the balance of spendable resources left at the end of each fiscal year.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financial decisions.

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between **governmental funds** and **governmental activities**.

Proprietary Funds. Proprietary Funds are funds that charge customers for the services that they provide. These include the City's business-type activities: Water and the Sewer Fund, plus the City's Internal Service Funds (i.e., Self-Insurance Funds for General Liability and Worker's Compensation Costs). Proprietary Funds are reported on the accrual basis of accounting.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The City maintains separate funds to report the activities of the Successor Agency to the Dissolved Redevelopment Agency, and to pay a subsidy for retiree medical insurance cost for members of the SEIU. These assets do not belong to the City. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Basic Financial Statements. The notes to the basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

FINANCIAL POSITION AND RESULTS OF OPERATIONS

Statement of Net Position - As noted earlier, net position may serve over time as a useful indicator of a government's financial position. When compared to the prior fiscal year's combined statement of net position, the City's, net position decreased by \$5.4 million from \$280.5 million to \$275.1 million. This \$5.4 million decrease in financial position was primarily a result of higher expenditures reported than revenues during the year.

The largest portion of the City's net position at June 30, 2020 (\$434.4 million or 157.9% of the total net position) reflects its net investment in capital assets (e.g., land, infrastructure, buildings, machinery and equipment) less any related outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens. These assets are not available for future spending.

	Net Position (In thousands)					
	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
		(Restated)		(Restated)		(Restated)
		(Note 20)		(Note 20)		(Note 20)
ASSETS						
Cash and other assets	\$ 130,346	\$ 124,384	\$ 22,373	\$ 20,996	\$ 152,719	\$ 145,380
Capital assets net of accumulated depreciation	452,759	444,102	35,912	36,727	488,671	480,829
Total assets	<u>583,105</u>	<u>568,486</u>	<u>58,285</u> *	<u>57,723</u>	<u>641,390</u>	<u>626,209</u>
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to pensions	147,899	26,922	509	640	148,408	27,562
Deferred outflows related to OPEB	8,229	2,828	488	149	8,717	2,977
Unamortized difference on defeasance of debt	-	-	492	523	492	523
Total deferred outflows of resources	<u>156,128</u>	<u>29,750</u>	<u>1,489</u>	<u>1,312</u>	<u>157,617</u>	<u>31,062</u>
LIABILITIES						
Current and other liabilities	36,655	31,316	2,265	2,013	38,920	33,329
Long-term liabilities	416,132	264,833	48,096	47,760	464,228	312,593
Total liabilities	<u>452,787</u>	<u>296,149</u>	<u>50,361</u> *	<u>49,773</u>	<u>503,148</u>	<u>345,922</u>
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions	6,219	10,402	176	178	6,395	10,580
Deferred inflows related to OPEB	13,497	19,205	801	1,011	14,298	20,216
Unamortized difference on defeasance of debt	-	-	58	61	58	61
Total deferred inflows of resources	<u>19,716</u>	<u>29,607</u>	<u>1,035</u>	<u>1,250</u>	<u>20,751</u>	<u>30,857</u>
NET POSITION						
Net investment in capital assets	436,883	428,600	(2,493)	(2,673)	434,390	425,927
Restricted	50,378	57,053	7,345	7,255	57,723	64,308
Unrestricted	<u>(220,531)</u>	<u>(213,173)</u>	<u>3,526</u>	<u>3,430</u>	<u>(217,005)</u>	<u>(209,743)</u>
Total net position	<u>\$ 266,730</u>	<u>\$ 272,480</u>	<u>\$ 8,378</u>	<u>\$ 8,012</u>	<u>\$ 275,108</u>	<u>\$ 280,492</u>

* Total amounts do not agree to amounts in the Statement of Net Position because of elimination of internal balances between business-type and governmental activities.

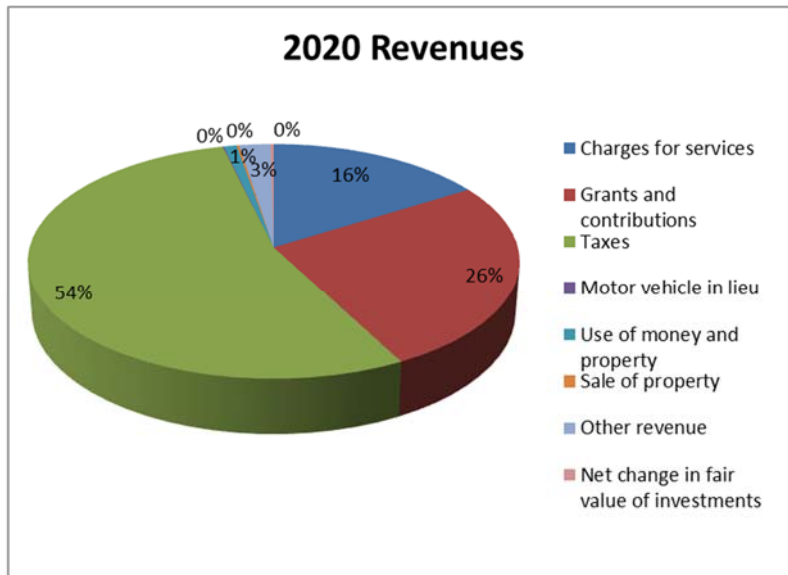
City of El Monte
Management's Discussion and Analysis
Year ended June 30, 2020

Statement of Activities - A review of operating income (loss) can provide a telling picture of the City's overall financial health. Overall, the City had (\$5.4) million more in expenses than revenues for the fiscal year 2020 which is a \$7.1 million decrease from the \$1.7 million change in net position in fiscal year 2019, as illustrated in table below.

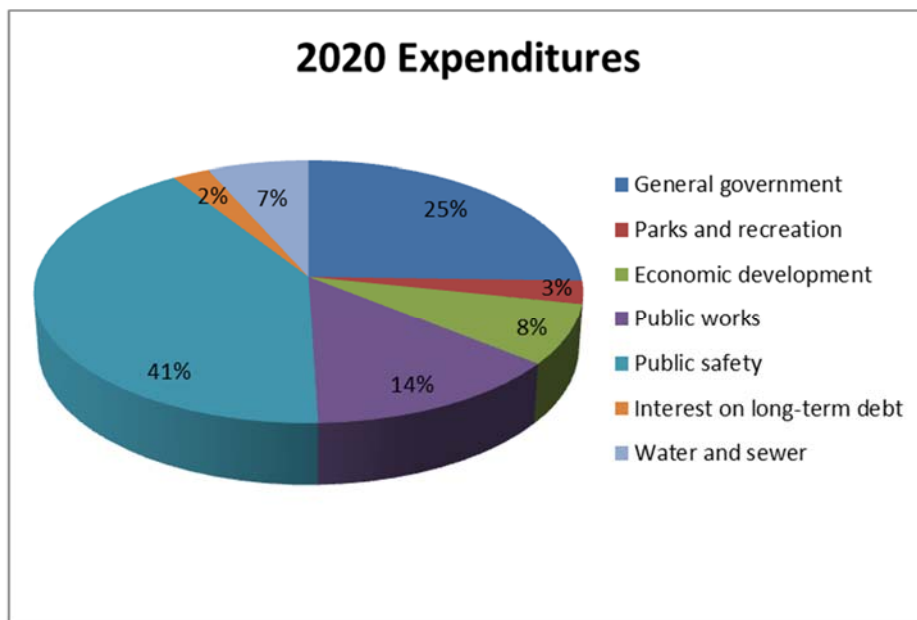
	Changes in Net Position (In thousands)					
	Governmental Activities		Business-type Activities		Total	
	2020	2019 (Restated) (Note 20)	2020	2019 (Restated) (Note 20)	2020	2019 (Restated) (Note 20)
Program revenues						
Charges for services	\$ 10,678	\$ 9,432	\$ 8,440	\$ 8,472	\$ 19,118	\$ 17,904
Operating grants and contributions	22,547	21,225	-	-	22,547	21,225
Capital grants and contributions	8,485	2,242	-	-	8,485	2,242
General revenues						
Taxes						
Property taxes	21,875	20,849	-	-	21,875	20,849
Sales taxes	28,968	28,987	-	-	28,968	28,987
Business license taxes	2,345	2,729	-	-	2,345	2,729
Franchise taxes	3,791	3,556	-	-	3,791	3,556
Utility users taxes	5,939	6,169	-	-	5,939	6,169
Transient occupancy taxes	856	2,909	-	-	856	2,909
Other taxes	216	1,011	-	-	216	1,011
Motor vehicle in lieu	93	56	-	-	93	56
Use of money and property	828	2,257	313	394	1,141	2,651
Sale of property	210	1,240	-	-	210	1,240
Other revenue	2,742	1,367	-	-	2,742	1,367
Net change in fair value of investments	279	501	-	-	279	501
Total	<u>109,852</u>	<u>104,530</u>	<u>8,753</u>	<u>8,866</u>	<u>118,605</u>	<u>113,396</u>
Expenses						
Governmental activities						
General government	31,574	33,668	-	-	31,574	33,668
Parks and recreation	3,538	3,685	-	-	3,538	3,685
Economic development	9,262	7,498	-	-	9,262	7,498
Public works	17,002	14,498	-	-	17,002	14,498
Public safety	51,268	43,827	-	-	51,268	43,827
Interest on long-term debt	3,058	1,530	-	-	3,058	1,530
Business - type activities						
Water and sewer	-	-	8,287	6,994	8,287	6,994
Total	<u>115,702</u>	<u>104,706</u>	<u>8,287</u>	<u>6,994</u>	<u>123,989</u>	<u>111,700</u>
Change in net position before transfers	(5,850)	(176)	466	1,872	(5,384)	1,696
Transfers in/(out)	100	100	(100)	(100)	-	-
Change in net position	(5,750)	(76)	366	1,772	(5,384)	1,696
Net position, beginning, as restated	272,480	272,556	8,012	6,240	280,492	278,796
Net position, ending	<u>\$ 266,730</u>	<u>\$ 272,480</u>	<u>\$ 8,378</u>	<u>\$ 8,012</u>	<u>\$ 275,108</u>	<u>\$ 280,492</u>

A separate review of the change in net position in the governmental and business-type activities showed the following: the business-type activities generated a net operating income of \$466 thousand while the governmental activities had a (\$5.8) million net operating loss. Total revenues increased by \$5.2 million mainly due to higher grants and contributions, charges for services, property taxes, and other revenue resulting from the new construction and developments within the City.

The revenues and expenditures are presented graphically on the following page.



Expenditures increased for economic development, public works, public safety, and water and sewer which resulted from the higher personnel costs and operating and maintenance expenses in relation to new construction and developments within the City and the costs, which resulted from the Covid-19 pandemic. The public safety expenditures increased by \$7.4 million due to the higher fire contract services, higher workers compensation and general liability insurance, and the new Post 1978 retirement contribution. Expenditures decreased for general government mainly due to the transfer of Post 1978 retirement contribution to other functions. Expenditures decreased for parks and recreation due to the closure of certain facilities during Covid-19 pandemic. The City reported a total of \$12.3 million increase in total expenditures compared to the prior year.



Over time, increases or decreases in the City's net position are an indication of whether its financial health is improving or deteriorating. One still needs to consider other non-financial factors, such as changes in the economy or external factors that will cause a decrease in consumer spending. From the picture presented in these two summary tables, it appears that the City's financial position is declining.

THE CITY AS A WHOLE

Capital Assets

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2020, amounts to \$488.7 million (net of \$149.8 million accumulated depreciation). This investment in capital assets includes land, rights-of-way, construction-in-progress, water rights, land improvements, structures and improvements, machinery and equipment, and infrastructure. The net increase in the City's net investment in capital assets for the current fiscal year was \$7.8 million.

	Capital Assets (net of Depreciation, In Thousands)					
	Governmental Activities		Business-type Activities		Total	
	2020	2019 (Restated)	2020	2019 (Restated)	2020	2019 (Restated)
Land	\$ 77,314	\$ 74,443	\$ 311	\$ 311	\$ 77,625	\$ 74,754
Rights-of-way	266,802	266,802	-	-	266,802	266,802
Construction-in-progress	12,190	2,451	1,202	506	13,392	2,957
Water rights	-	-	19,808	20,492	19,808	20,492
Land improvements	4,862	5,045	476	474	5,338	5,519
Structures and improvements	22,616	23,748	427	469	23,043	24,217
Machinery and equipment	6,482	6,196	1,567	1,871	8,049	8,067
Infrastructure	62,493	65,417	12,121	12,604	74,614	78,021
Totals	\$ 452,759	\$ 444,102	\$ 35,912	\$ 36,727	\$ 488,671	\$ 480,829

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

- The following capital improvement projects contributed significantly to the increase in construction-in-progress.
 - Governmental activities: Ramona/Valley Intersection \$1.6 million, Lambert Park \$2.4 million, Traffic Calming Durfee/Ramon Area \$656 thousand, Slurry Seal Phase II \$2.9 million, Mariposa Skate Park \$353 thousand, Senior Center Roof Project \$384 thousand, and Fletcher Dog Park \$711 thousand.
 - Business-type activities: Water Main Replacement \$474 thousand and Sewer Replacement Nevada Asher Garvey \$166 thousand

Additional information on the City's capital assets can be found in the Note 6 to the notes to the basic financial statements.

Long-term Debt

At year-end, the City's total long-term debt increased by \$152.6 million. The increase was mainly due to a combination of the following:

- \$139.0 million net increase in bonded indebtedness
- \$337 thousand decrease in notes and loans payable
- \$831 thousand net increase in compensated absences
- \$1.1 million net increase in the net pension liability
- \$10.2 million net increase in the net OPEB liability
- \$1.9 million net increase in claims and judgments

A summary of the City's long-term debt follows:

	Long-Term Debt and Liabilities (In Thousands)					
	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Lease revenue bonds	\$ 37,110	\$ 16,545	\$ -	\$ -	\$ 37,110	\$ 16,545
Taxable pension obligation bonds	118,725	-	-	-	118,725	-
Revenue bonds	-	-	18,385	18,880	18,385	18,880
Unamortized bond premium	204	-	2,477	2,543	2,681	2,543
Unamortized bond discount	(310)	(334)	-	-	(310)	(334)
Notes and loans payable	1,206	1,543	-	-	1,206	1,543
Compensated absences	7,863	7,012	305	325	8,168	7,337
Capital lease payable	-	-	17,977	17,977	17,977	17,977
Net pension liability	136,002	134,715	3,336	3,560	139,338	138,275
Net OPEB liability	104,972	95,971	6,227	5,051	111,199	101,022
Claims and judgments	17,360	15,480	-	-	17,360	15,480
Totals	\$ 423,132	\$ 270,932	\$ 48,707	\$ 48,336	\$ 471,839	\$ 319,268

The capital lease payable of the business-type activities are offset against the capital lease receivable of the governmental activities in the government-wide statement of net position.

Bonded Indebtedness - The net increase in bonded indebtedness was due to a combination of regular annual debt retirements and new issuance of two bonds. In June 2020, the El Monte Public Financing Authority issued \$21.0 million taxable lease revenue bonds on behalf of the City of El Monte, primarily to provide funds to finance a substantial portion of the City of El Monte's Public Agency Retirement System (PARS) Obligation. In June 2020, the City issued \$118.7 million Taxable Pension Obligation Bonds, Series 2020 primarily to refinance a portion of the City's outstanding obligation to the California Public Employees' Retirement System with respect to the City's defined benefit retirement plans for its current and retired public safety and miscellaneous employees.

At June 30, 2020, four bond issues comprise the City's long-term debt: the 2010 Lease Revenue Bonds (Recovery Zone Economic Development Bonds (Series A) and Build America bonds (Series B), Lease Revenue Bonds, 2020 Series A, Taxable Pension Obligation Bonds, Series 2020, and the Revenue Bonds Series 2018A.

Net Pension Liability - The City's pension plans include California Public Employees' Retirement System (CalPERS) plan and Public Agency Retirement Services (PARS) Retirement Enhancement plan. The net pension liability increased by \$1.1 million mainly due to the differences between expected and actual experiences. Refer to Note 11 for the Changes in the Net Pension Liability for PERS and PARS.

Other Postemployment Benefits (OPEB) - The City records its liability for Other Postemployment Benefits (OPEB) it provides to its retirees in accordance with GASB Statement 75. The net OPEB liability increased by \$10.2 million primarily due to expected benefits earned, change in discount rate, and interest on the total OPEB liability, offset by the expected benefit payments during the year. Refer to Note 13 for the Change in the Net OPEB Liability.

Additional information on the City's long-term debt can be found in Note 9 in the notes to the basic financial statements.

The City was able to meet all its legal debt covenants and pay its current debt obligations in a timely manner.

The City has seen an increase in its Standard & Poors credit rating over the past five plus years from a rating of "BBB+" to a rating of "AA".

Governmental Funds

Although the City has a number of programs and funding sources, a significant amount of attention is focused on the City's General Fund. The City's General Fund pays for the majority of the City's salaries and primary services, such as administration, parks and recreation, economic development, public works, and public safety.

These basic costs and services are supplemented by various special revenue funds, which are typically State and Federal grant programs. These include: CDBG and HOME, which pay for community development and affordable housing programs; various transportation-specific funding sources, such as Proposition A and C, Measure R as well as a number of other specific programs.

The Fund Financial Statements, which provide greater detail about these funds/programs, follow the Government-wide Financial Statements in the annual report. The following section summarizes the financial activity reported in the 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 may be useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City'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 \$96.0 million. The City's governmental funds report a balance of (\$726) thousand in its unassigned fund balance. The remainder of the fund balance is restricted to indicate that it is not available for new spending because it has already been allocated for special projects, capital projects or debt service or classified as non-spendable as it represents assets that are long-term in nature or otherwise do not represent available spendable resources. Fund balances decreased due to operations during the fiscal year as previously described in the Results of Operations Section.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the General Fund's total fund balance was \$46.1 million. The fund balance of the General Fund increased by \$6.1 million as a result of the net other financing sources of \$11.4 million which offset the (\$5.2) million deficiencies of revenues over expenditures. Fund balances in the Retirement Fund continue to decrease as the City's special levy generates less revenue than the cost of funding the city's pension obligation. The decrease in fund balance was reduced by the effect of transferring the

Post 1978 retirement contribution to the other funds. Housing and Community Development Fund balance decreased because of expenditures of previous year's program income, while the fund balances of the Housing Assets Fund increased as the collections on notes receivable during FY2019-20 exceeded certain economic development costs.

Assigned Fund Balance - The City has a formal reserve policy which establishes a series of general fund reserves including a general fund restricted reserve (cash flow reserve) representing between 10% and 20% of the general fund budget and a reserve to set aside a portion of its Special Sales Tax (Measure EM also known as Measure GG) receipts annually. Other reserves established consist of reserves for economic uncertainty, catastrophic emergency, capital projects and to set aside amounts for the City's liabilities for compensated absences and other postemployment benefits. These assignments of fund balance total \$23.0 million of the total \$46.1 million of general fund balance.

Unassigned Fund Balance, Cash on Hand and Working Capital - The General Fund has \$3.2 million unassigned fund balance at the end of FY2019-20 primarily due to the issuance of bonds. The General Fund working capital balance of \$27.5 million consists of \$21.5 million in cash and investments plus \$15.1 million in net accounts receivable and other current assets, less \$9.1 million in current liabilities and deposits on hand. A true measure of General Fund's liquidity is the ending balance of cash and investments. This amount totaled \$21.5 million at the end of the fiscal year as compared to \$22.6 million at the end of the prior fiscal year (June 30, 2019). However, the \$21.5 million only represents 103 days of general fund expenditures.

In addition to the General Fund, Governmental Activities include a number of special revenue funds (e.g. CDBG, HOME, Measure R, etc.) that have multi-year projects/funding sources. As such, these funds may spend prior year roll-over amounts to complete a project, which requires the use of "reserves" and creates an apparent operating deficit when simply taking current year revenues and expenses into account.

THE CITY AS TRUSTEE

Reporting the City's Fiduciary Responsibilities - The City is the trustee, or *fiduciary*, for certain funds held on behalf of those entities outside of the government. The City's fiduciary activities are reported in a separate Statement of Fiduciary Net Position. We exclude these activities from the City's other financial statements because the City cannot use these assets to finance its operations. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The year 2020, will go down in history as one of the most catastrophic and destructive years over the past century in the wake of the global Coronavirus (COVID-19) pandemic and tragic loss of life and the devastating economic effects to the local, state and national economy.

On December 31, 2019, Chinese officials first reported a cluster of pneumonia cases in the Wuhan, Hubei Province of China and by January 7, 2020, the Chinese health authorities confirmed that the pneumonia was associated with the novel COVID-19. By January 20, 2020, the United States reported its first case of COVID-19 and by January 30, 2020, a total of 9,976 cases of the virus had spread to 21 counties in the United States. On March 4, 2020, California Governor Gavin Newsom declared a State of Emergency in response to the spread of COVID-19 in the state of California. As reported cases grew both locally and state wide, the City Council of the City of El Monte declared a

state of emergency on March 17, 2020, in light of the COVID-19 pandemic. On March 19, 2020, California's Governor declared a statewide stay-at-home order and declared all nonessential businesses to close operations to prevent the spread of the COVID-19. As a result of the COVID-19 pandemic, the City's operating budget for FY 2020/21 will be greatly impacted by the devastating economic consequences of this virus. As the City, County, State and National economy struggles to open businesses to normal operations it is apparent that the local economy under pre-COVID-19 is drastically different than the anticipated economy for the next few years.

As the COVID-19 pandemic spills into Fiscal Year 2020/21 and its devastating impact on the local economy, we anticipate total General Fund revenues to be reduced by \$3.0 million for FY 2020/21 compared to the prior fiscal year and \$7.2 million less in comparison to FY 2018/19. With this short fall in revenues and the high cost of providing essential services, the City's General Fund is faced with a cyclical deficit of \$5.5 million for Fiscal Year 2020/21.

Total General Fund Operating Budget for FY2020/21 is \$69.7 million, which represents a decrease of 14.4% from Fiscal Year 2019/20. Public Safety continues to be a high priority for the City with 65.0% of the City's total General Fund expenditures dedicated towards fire and police services. This figure is down 2.8% from prior fiscal year as new tactics are used to deploy police personnel in an effort to minimize the use of overtime hours. Other departments such as Public Works, Economic Development and Administrative Services have all taken dramatic cuts to their budgets in an effort to reduce the General Fund deficit.

Many painstaking efforts were taken to mitigate the deficit in the General Fund. These included eliminating virtually all capital expenditures; reduce or eliminate all nonessential programs; relying more heavily on grant funding and decrease labor costs by over \$3.3 million by implementing furloughs; deferring contractual COLA increases; minimize part-time staffing; reduce overtime spending and freeze 17 vacant full-time positions. While labor cost represents 61% of the total General Fund budget for the new fiscal year, the City has been successful thus far to prevent layoffs and other deep cuts in labor costs. Under the current and near foreseeable future many programs will remain unfunded as the County and State Health Departments' legal mandates limit social gatherings to prevent the further spread of the COVID-19 thus preventing the City from offering certain programs. These programs include limiting business hours to the public; temporary closure of the indoor swimming pool and postponing indoor class instruction. These measures not only help to facilitate personnel and operational cost savings but still allow staff to provide optional services to the community at a lower cost.

In total, these cost cutting measures enable the City to save over \$11.7 million in the General Fund however; despite the hard work and dedicated efforts of all the departments these dramatic cuts were not enough to produce a balanced budget for FY 2020/21.

In light of the pandemic and the steadfast efforts that have been made to balance the budget for Fiscal Year 2020/21, the City is still faced with the grim reality that it must conserve its emergency rainy-day reserves and brace for a potential second wave of the deadly COVID-19 to possibly strike again during Fiscal Year 2020/21. Without a viable vaccine to combat the spread of the deadly virus, the City may see further erosion of critical General Fund revenues which will ultimately require additional cuts to labor and operational costs and potentially eliminate additional programs.

The total City-wide Operating and Capital Improvement Budget for Fiscal Year 2020/21 is \$199.6 million which is an increase of 8.8% compared to last year. Overall, the Special Funds and Enterprise Funds are less impacted by the COVID-19. For instance, the Los Angeles County

Metropolitan Transportation Authority which administers funding for Proposition "A" and Proposition "C", is projecting sale tax revenues to decrease 12% during FY 2020/21, compared to last fiscal year, however, at this time the City does not anticipate any significant changes in its fixed route or dial-a-ride transit operations as the City is able to utilize existing reserves within these funds to continue operations without disrupting services to residents.

As an Entitlement City, the City receives Federal funding through the Department of Housing and Urban Development which will allow the City to continue to provide vital resources to low-to-moderate income residents and most vulnerable citizens within the community. These programs which are offered through CDBG, HOME and ESG total over \$10.1 million of which, \$5.2 million is directly related to COVID stimulus funding. These funds include over \$7.6 million in homeless outreach and prevention measures which includes \$3.6 million of ESG funds dedicated for rapid rehousing. In addition, CDBG funds will provide over \$200 thousand for food distribution programs and \$246 thousand for utility assistance subsidies. For Fiscal Year 2020/21, \$650 thousand in CDBG funding will be used for Code Enforcement and Graffiti Abatement to assist with blight issues arising within the community.

While the local economy is anticipated to be sluggish well into FY 2021/22, residents and business community will see new construction in capital projects totaling over \$61 million in the new fiscal year. Capital projects slated for funding in the Fiscal Year 2020/21 budget include: \$4.0 million for Lambert Park improvements; \$3.7 million for the Ramona Boulevard and Valley Boulevard interception improvements; \$4.1 million Ramona Boulevard resurfacing project from Peck Road, East to the City limits; \$4.2 million for slurry seal and overlay projects for various neighborhood throughout the City; \$1.4 million for Safe Routes to School projects; \$7.9 million for sewer line replacement at Nevada Avenue and Bodger Street and over \$7.4 million in water main replacement and system upgrades.

General Fund Budgetary Highlights

Revenues

Both property tax and sales tax revenues combined represent 63% of the total General Fund revenues and ended the fiscal year 5% or \$2.0 million higher than anticipated for a total of \$43.7 million. However, this was \$217 thousand less than FY 2018/19. Both Utility User Tax and Franchise Fees ended the year higher than anticipated by \$441 thousand. Fines and forfeitures were lower than projected by \$155 thousand as a result of COVID-19 pandemic. The total General Fund revenues fell short of the projected budget by \$3.3 million ending the fiscal year with a total of \$69.5 million, mainly due to the higher projection of miscellaneous revenues.

Expenditures

The total General Fund actual expenditures for Fiscal Year 2019/20 were \$74.8 million which resulted in a positive variance of \$7.0 million however, \$4.0 million higher than Fiscal Year 2018/19.

When comparing the expenditure variance between the General Fund actual operating expenditures versus budget, the largest single savings in the General Fund occurred in the Economic Development department. Originally the department anticipated several large construction projects to begin during the fiscal year. This new construction would have generated additional revenues as well as additional cost for consulting services as the new projects would go through the entitlement

process. As a result of the COVID-19 pandemic, these proposed projects were not initiated resulting in over \$2.8 million in savings associated with professional services for the planning department.

Overtime costs continue to be a significant expenditure for the General Fund representing 8.34% of total wages and benefits for FY 2019/20. Total overtime costs exceeded budget by \$395 thousand with Police Services overtime representing the largest contributor of the total \$3.8 million of overtime cost for this fiscal year. Overtime costs for sworn officers exceed the projected budget by \$633 thousand while administrative overtime costs exceeded budget figures by \$27 thousand.

At the end of the fiscal year the General Fund has a (\$5.2) million deficiency of revenues over expenditures, 41% lower than the projected deficiency of (\$8.9) million.

Other financing sources (uses)

During the fiscal year, the City issued taxable pension obligation bonds totaling \$118.7 million which were used to fund approximately 89% of the current CalPERS unfunded pension liability. These bonds which have a 30 year term and a net total interest rate of 3.82% were specifically designed to pay off the pension liability associated with pension benefits that were implemented prior to 1978. The remaining 11% of the current unfunded pension liability will be funded by the General Fund and other special revenue funds over the next 25 years.

During FY 2019/20, the City also issued taxable lease revenue bonds totaling \$21.0 million which were fully secured by the City Hall facility. These bonds have a 20 year term with a total interest cost of 3.995% and were used to pay off approximately 86% of the current PARS unfunded pension liability. The remaining PARS unfunded pension liability will be paid by the General Fund and other special revenue funds over the next 10 years. The City also received \$204 thousand of additional cash as the lease revenue bonds were sold at a premium.

As a result of the issuance of both the pension obligation bonds and the lease revenue bonds, the City received \$10.7 million in net bond proceeds which helped to offset the \$5.2 million General Fund operating deficit resulting in an increase in the fund balance in the City's General Fund by \$6.1 million.

Economic Development Initiatives

The City, through its Economic Development Department, continues to implement the initiatives of the Vision El Monte General Plan, which calls for targeted commercial and industrial development in key districts, mixed-use projects along designated corridors and the preservation of the residential neighborhoods. The City actively engages the business community and has provided guidance to facilitate the approval process and the construction of over a billion dollars of private and public investments. These activities have been focused in El Monte's Downtown Specific Plan, Gateway Transit District, Northwest Industrial District, Auto District and Garvey Mixed-Use Corridor.

The Historic Downtown El Monte area has seen new development interest over the past several years. This includes the Epoch Times Los Angeles headquarters and Progress Brewery occupying prominent locations on Main Street. Two affordable housing projects with 106 units are also underway, adjacent to the El Monte Metrolink Station. Construction remains ongoing at the Gateway Development surrounding the El Monte Bus Station. Over 400 units and 25,000 square feet of commercial space is either under construction or approved.

The housing market also remains extremely strong throughout El Monte. The 55 unit "Baldwin Rose" project, occupying remnant railroad land, was recently completed. Other projects in the planning stages include an 80 unit urban project on Valley Boulevard, a 30 unit senior housing project on Garvey Avenue and smaller projects on Santa Anita Avenue, Peck Road and Durfee Avenue.

El Monte has seen increased interest to develop projects within its Northwest Industrial District. Major industrial projects nearly complete include the 1.2 million square foot "Goodman Logistics Center" along Lower Azusa Avenue and a 225,000 square foot cluster of industrial buildings along Hickson Street. Another 370,000 square foot logistics center was recently approved on Arden Drive.

UNMODIFIED AUDIT OPINION

The financial statements were audited by the independent public accounting firm of Vasquez & Company LLP, Certified Public Accountants, whose unmodified opinion is included within this annual report.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

City of El Monte
Finance Department
11333 Valley Blvd.,
El Monte, CA 91731
Telephone number: (626) 580-2023

BASIC FINANCIAL STATEMENTS

City of El Monte
Statement of Net Position
June 30, 2020

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 68,683,116	\$ 14,564,203	\$ 83,247,319
Accounts receivable	3,668,877	1,256,157	4,925,034
Taxes receivable	3,834,323	44,378	3,878,701
Interest receivable	254,329	-	254,329
Internal balances	909,789	(909,789)	-
Prepaid items	2,794,957	71,993	2,866,950
Due from other governments	5,803,521	-	5,803,521
Notes and loans receivable, net	14,237,642	-	14,237,642
Land held for resale	2,062,361	-	2,062,361
Capital lease receivable (payable)	17,977,364	(17,977,364)	-
Restricted assets:			
Cash and investments with fiscal agents	10,119,310	7,345,640	17,464,950
Noncurrent assets:			
Capital assets, not being depreciated	356,306,055	1,512,765	357,818,820
Capital assets, net of accumulated depreciation	96,453,197	34,398,867	130,852,064
Total assets	<u>583,104,841</u>	<u>40,306,850</u>	<u>623,411,691</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	147,899,363	509,268	148,408,631
Deferred outflows related to OPEB	8,228,368	488,124	8,716,492
Unamortized difference on defeasance of debt	-	492,348	492,348
Total deferred outflows of resources	<u>156,127,731</u>	<u>1,489,740</u>	<u>157,617,471</u>
LIABILITIES			
Accounts payable	8,514,701	967,971	9,482,672
Interest payable	593,557	292,758	886,315
Accrued liabilities	1,460,316	-	1,460,316
Advances from grantors	97,212	-	97,212
Deposits payable	5,366,599	392,619	5,759,218
Due to other governments	13,622,800	-	13,622,800
Noncurrent liabilities:			
Due within one year	7,000,168	611,181	7,611,349
Due in more than one year	175,157,779	20,555,815	195,713,594
Net pension liability	136,002,222	3,335,715	139,337,937
Net OPEB liability	104,971,870	6,227,144	111,199,014
Total liabilities	<u>452,787,224</u>	<u>32,383,203</u>	<u>485,170,427</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	6,218,631	176,487	6,395,118
Deferred inflows related to OPEB	13,497,111	800,676	14,297,787
Unamortized difference on defeasance of debt	-	57,688	57,688
Total deferred inflows of resources	<u>19,715,742</u>	<u>1,034,851</u>	<u>20,750,593</u>
NET POSITION			
Net investment in capital assets	436,882,931	(2,493,343)	434,389,588
Restricted for:			
Public works	33,710,012	-	33,710,012
Public safety	3,431,870	-	3,431,870
Parks and recreation	443,208	-	443,208
Economic development	9,700,266	-	9,700,266
Debt service	3,092,281	7,345,640	10,437,921
Unrestricted (deficit)	(220,530,962)	3,526,239	(217,004,723)
Total net position	<u>\$ 266,729,606</u>	<u>\$ 8,378,536</u>	<u>\$ 275,108,142</u>

See notes to financial statements.

City of El Monte
Statement of Activities
Year ended June 30, 2020

	Program Revenues				Net (Expenses) Revenues and Changes in Net Position		
	Expenses	Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	Primary Government		
					Governmental Activities	Business-type Activities	Total
Primary Government:							
Governmental activities:							
General government	\$ 31,574,100	\$ 1,249,104	\$ 16,805,784	\$ 4,746,694	\$ (8,772,518)	\$ -	\$ (8,772,518)
Parks and recreation	3,537,940	950,593	218,998	353,534	(2,014,815)	-	(2,014,815)
Economic development	9,261,787	4,046,838	2,654,548	1,088,237	(1,472,164)	-	(1,472,164)
Public works	17,001,992	2,918,609	2,024,266	2,011,186	(10,047,931)	-	(10,047,931)
Public safety	51,268,177	1,513,261	843,462	284,819	(48,626,635)	-	(48,626,635)
Interest on long-term debt	3,057,726	-	-	-	(3,057,726)	-	(3,057,726)
Total governmental activities	<u>115,701,722</u>	<u>10,678,405</u>	<u>22,547,058</u>	<u>8,484,470</u>	<u>(73,991,789)</u>	<u>-</u>	<u>(73,991,789)</u>
Business-type activities:							
Water and Sewer Funds	8,286,959	8,439,820	-	-	-	152,861	152,861
Total business-type activities	<u>8,286,959</u>	<u>8,439,820</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>152,861</u>	<u>152,861</u>
Total primary government	<u>\$ 123,988,681</u>	<u>\$ 19,118,225</u>	<u>\$ 22,547,058</u>	<u>\$ 8,484,470</u>	<u>(73,991,789)</u>	<u>152,861</u>	<u>(73,838,928)</u>
General revenues							
Taxes:							
Property taxes levied for general purposes					21,875,061	-	21,875,061
Sales taxes					28,968,416	-	28,968,416
Business license taxes					2,345,027	-	2,345,027
Franchise taxes					3,790,564	-	3,790,564
Utility users taxes					5,939,205	-	5,939,205
Transient occupancy taxes					855,898	-	855,898
Other taxes					216,188	-	216,188
Motor vehicle in lieu					92,762	-	92,762
Use of money and property					827,648	313,177	1,140,825
Sale of property					210,453	-	210,453
Other revenue					2,741,808	-	2,741,808
Net change in fair value of investments					279,064	-	279,064
Transfers in/out					100,000	(100,000)	-
Total general revenues and transfers					<u>68,242,094</u>	<u>213,177</u>	<u>68,455,271</u>
Change in net position					(5,749,695)	366,038	(5,383,657)
Net position, beginning of fiscal year, as restated					<u>272,479,301</u>	<u>8,012,498</u>	<u>280,491,799</u>
Net position, end of fiscal year					<u>\$ 266,729,606</u>	<u>\$ 8,378,536</u>	<u>\$ 275,108,142</u>

See notes to financial statements.

**City of El Monte
Governmental Funds
Balance Sheet
June 30, 2020**

	Major Governmental Funds						Total Governmental Funds
	Special Revenue Funds				Nonmajor Governmental Funds		
	General	Retirement	Housing and Community Development	Housing Assets			
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES							
Assets:							
Cash and investments	\$ 21,505,509	\$ 1,762,924	\$ 256,976	\$ 1,432,511	\$ 42,287,543	\$ 67,245,463	
Accounts receivable	2,922,627	10,309	3,548	4,344	726,743	3,667,571	
Taxes receivable	3,601,693	229,820	-	-	2,810	3,834,323	
Interest receivable	254,270	-	-	-	59	254,329	
Due from other funds	6,871,727	-	-	-	-	6,871,727	
Prepaid items	1,451,118	1,336,072	-	-	7,767	2,794,957	
Due from other governments	-	-	1,399,591	-	4,403,930	5,803,521	
Advances to other funds	300,000	-	-	-	-	300,000	
Notes and loans receivable, net	-	-	12,877,112	692,357	668,173	14,237,642	
Land held for resale	138,266	-	420,000	1,504,095	-	2,062,361	
Capital lease receivable	17,977,364	-	-	-	-	17,977,364	
Restricted assets:							
Cash and investments with fiscal agents	176,676	25,137	-	-	9,917,497	10,119,310	
Total assets	55,199,250	3,364,262	14,957,227	3,633,307	58,014,522	135,168,568	
Deferred outflows of resources:							
Total assets and deferred outflows of resources	\$ 55,199,250	\$ 3,364,262	\$ 14,957,227	\$ 3,633,307	\$ 58,014,522	\$ 135,168,568	
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 2,817,177	\$ 373,027	\$ 705,747	\$ 105	\$ 4,317,149	\$ 8,213,205	
Accrued liabilities	1,244,239	216,077	-	-	-	1,460,316	
Advances from grantors	-	-	-	-	97,212	97,212	
Deposits payable	5,032,710	-	2,291	8,525	323,073	5,366,599	
Due to other governments	-	-	12,877,112	-	745,688	13,622,800	
Due to other funds	-	-	-	-	6,871,727	6,871,727	
Total liabilities	9,094,126	589,104	13,585,150	8,630	12,354,849	35,631,859	
Deferred inflows of resources:							
Unavailable revenue	-	-	140,160	-	3,377,225	3,517,385	
Total deferred inflows of resources	-	-	140,160	-	3,377,225	3,517,385	
Fund Balances:							
Nonspendable							
Prepaid items	1,451,118	-	-	-	-	1,451,118	
Advances to other funds	300,000	-	-	-	-	300,000	
Land held for resale	138,266	-	-	-	-	138,266	
Capital lease receivable	17,977,364	-	-	-	-	17,977,364	
Restricted							
Special revenue funds	-	2,775,158	1,231,917	3,624,677	42,428,762	50,060,514	
Capital projects funds	-	-	-	-	824,689	824,689	
Debt service funds	176,511	-	-	-	2,915,770	3,092,281	
Assigned	22,900,630	-	-	-	-	22,900,630	
Unassigned	3,161,235	-	-	-	(3,886,773)	(725,538)	
Total fund balances	46,105,124	2,775,158	1,231,917	3,624,677	42,282,448	96,019,324	
Total liabilities, deferred inflows of resources, and fund balances	\$ 55,199,250	\$ 3,364,262	\$ 14,957,227	\$ 3,633,307	\$ 58,014,522	\$ 135,168,568	

See notes to financial statements.

City of El Monte
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2020

Fund balance of governmental funds	\$	96,019,324
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets of governmental activities are not financial resources and are not reported in the governmental funds.		
Capital assets	\$ 569,033,519	
Accumulated depreciation	<u>(117,175,235)</u>	451,858,284
Long-term liabilities are not due and payable in the current period and are not reported in the governmental funds.		
Bonds and notes	(156,935,340)	
Compensated absences	<u>(7,863,076)</u>	(164,798,416)
Deferred outflows of resources related to pensions are not financial resources and therefore, are not recognized in the governmental funds.		
		147,899,363
Deferred inflows of resources related to pensions are not current obligation and therefore, are not reported in the governmental funds.		
		(6,218,631)
Net pension liability is not due and payable in the current period and therefore, are not reported in the governmental funds.		
		(136,002,222)
Deferred outflows of resources related to OPEB are not financial resources and therefore, are not recognized in the governmental funds.		
		8,228,368
Deferred inflows of resources related to OPEB are not current obligation and therefore, are not reported in the governmental funds.		
		(13,497,111)
Net OPEB liability is not due and payable in the current period and therefore, are not reported in the governmental funds.		
		(104,971,870)
Accrued interest payable for the interest due on bonds that has not been reported in the governmental funds.		
		(593,557)
Revenues reported as unavailable revenue in the governmental funds are recognized as intergovernmental revenues in the Statement of Activities.		
		3,517,385
Internal service funds are used by management to charge the costs of certain activities, such as self-insurance, to individual funds. The assets and liabilities of the internal service funds must be added to the Statement of Net Position of the governmental activities.		
		<u>(14,711,311)</u>
Net position of governmental activities	\$	<u>266,729,606</u>

See notes to financial statements.

**City of El Monte
Governmental Funds**

Statement of Revenues, Expenditures, and Changes in Fund Balances
Year ended June 30, 2020

	Major Governmental Funds					
	Special Revenue Funds				Nonmajor Governmental Funds	Total Governmental Funds
	General Fund	Retirement Fund	Housing and Community Development	Housing Assets		
Revenues						
Taxes	\$ 56,602,177	\$ 12,898,362	\$ -	\$ -	\$ 7,388,182	\$ 76,888,721
Licenses and permits	1,465,504	-	-	-	-	1,465,504
Intergovernmental	658,720	85,614	3,213,347	-	8,183,862	12,141,543
Charges for services	4,117,381	-	-	-	994,958	5,112,339
Fines and forfeitures	708,518	-	-	-	120,659	829,177
Use of money and property	1,123,812	-	470,859	66,395	1,894,231	3,555,297
Miscellaneous	4,857,084	38,085	411,965	125,000	2,589,476	8,021,610
Total revenues	69,533,196	13,022,061	4,096,171	191,395	21,171,368	108,014,191
Expenditures						
Current:						
General government	11,143,872	15,917,898	-	-	241,672	27,303,442
Parks and recreation	2,831,806	-	67,490	-	415,515	3,314,811
Economic development	4,460,551	-	3,895,641	16,178	305,299	8,677,669
Public works	8,392,674	-	8,118	-	6,880,864	15,281,656
Public safety	46,135,448	-	-	-	1,899,372	48,034,820
Capital outlay	1,400,581	-	1,088,238	-	12,532,690	15,021,509
Debt service:						
Principal retirement	-	-	337,000	-	435,000	772,000
Interest and fiscal charges	410,330	1,158,562	29,880	-	1,452,833	3,051,605
Total expenditures	74,775,262	17,076,460	5,426,367	16,178	24,163,245	121,457,512
Excess (deficiency) of revenues over expenditures	(5,242,066)	(4,054,399)	(1,330,196)	175,217	(2,991,877)	(13,443,321)
Other financing sources (uses)						
Transfers in	6,072,251	-	-	-	2,094,696	8,166,947
Transfers out	(1,900,976)	(3,482,000)	-	-	(2,783,971)	(8,166,947)
Long-term debt proceeds	21,000,000	118,725,000	-	-	-	139,725,000
Premium on bonds issued	204,298	-	-	-	-	204,298
Settlement of unfunded pension liability	(14,000,000)	(112,748,366)	-	-	-	(126,748,366)
Net other financing sources (uses)	11,375,573	2,494,634	-	-	(689,275)	13,180,932
Change in fund balance	6,133,507	(1,559,765)	(1,330,196)	175,217	(3,681,152)	(262,389)
Fund balance, beginning of fiscal year	39,971,617	4,334,923	2,562,113	3,449,460	45,963,600	96,281,713
Fund balance, end of fiscal year	\$ 46,105,124	\$ 2,775,158	\$ 1,231,917	\$ 3,624,677	\$ 42,282,448	\$ 96,019,324

See notes to financial statements.

**City of El Monte
Governmental Funds**

**Reconciliation of the Statement of Revenues, Expenditures, and
Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year ended June 30, 2020**

Change in fund balance - governmental funds	\$	(262,389)
<p>Amounts reported for governmental activities in the Statement of Activities differs from the amounts reported in the Statement of Revenues, Expenditures, and Changes in Fund Balances because:</p>		
<p>Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense or are allocated to the appropriate functional expense when the cost is below the capitalization threshold. This activity is reconciled as follows:</p>		
Capital outlay, net of disposals		14,329,825
Depreciation expense		(6,140,087)
<p>Long-term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Premium and discount associated with the issuance of long-term debt are reported as other financing sources and uses in the governmental funds, but deferred and amortized throughout the period during which the related debt is outstanding in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in Statement of Net Position.</p>		
Issuance of bonds	\$ (139,725,000)	
Bond premium	(204,298)	
Principal repayment of bonds	435,000	
Principal repayment of notes payable	337,000	
Amortization of deferred bond discount	<u>(24,097)</u>	(139,181,395)
<p>Governmental funds report only contributions in relation to the Annual Required Contribution (ARC) for OPEB as expenditures; however, in the Statement of Activities, the total ARC is an expense. This is the net amount of adjustment to OPEB expense, deferred inflows of resources, and net OPEB liability during the year.</p>		
		2,107,328
<p>Pension expense reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported in the governmental funds. This is the net amount of adjustment to pension expense, deferred outflows of resources, deferred inflows of resources and net pension liability during the year.</p>		
		123,873,997
<p>Accrued interest for long-term liabilities is not reported in the governmental funds until due. This is the net change in accrued interest for the current period.</p>		
		17,976
<p>Compensated absences liability reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This is the change in compensated absences for the current period.</p>		
		(850,883)
<p>Certain revenues are reported as unavailable revenue in the governmental funds and recognized as intergovernmental revenues in the Statement of Activities.</p>		
		1,837,836
<p>Internal service funds are used by management to charge the costs of certain activities, such as self-insurance, to individual funds. The net revenues (expenses) of the internal service funds is reported with governmental activities.</p>		
		(1,481,903)
Change in net position of governmental activities	\$	<u>(5,749,695)</u>

See notes to financial statements.

City of El Monte
Statement of Net Position
Proprietary Funds
June 30, 2020

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water	Sewer	Total	Internal
	Fund	Fund		Service Funds
ASSETS				
Current assets:				
Cash and investments	\$ 1,781,008	\$ 12,783,195	\$ 14,564,203	\$ 1,437,653
Accounts receivable	1,256,157	-	1,256,157	1,306
Taxes receivable	-	44,378	44,378	-
Prepaid items	69,788	2,205	71,993	-
Restricted assets:				
Cash and investments with fiscal agent	7,345,640	-	7,345,640	-
Total current assets	<u>10,452,593</u>	<u>12,829,778</u>	<u>23,282,371</u>	<u>1,438,959</u>
Noncurrent assets:				
Capital assets	45,122,425	23,280,786	68,403,211	1,053,494
Accumulated depreciation	<u>(20,493,033)</u>	<u>(11,998,546)</u>	<u>(32,491,579)</u>	<u>(152,526)</u>
Net capital assets	24,629,392	11,282,240	35,911,632	900,968
Total noncurrent assets	<u>24,629,392</u>	<u>11,282,240</u>	<u>35,911,632</u>	<u>900,968</u>
Total assets	<u>35,081,985</u>	<u>24,112,018</u>	<u>59,194,003</u>	<u>2,339,927</u>
DEFERRED OUTFLOWS OF RESOURCES				
Deferred outflows related to pensions	280,365	228,903	509,268	-
Deferred outflows related to OPEB	261,495	226,629	488,124	-
Unamortized difference on defeasance of debt	492,348	-	492,348	-
Total deferred outflows of resources	<u>1,034,208</u>	<u>455,532</u>	<u>1,489,740</u>	<u>-</u>
LIABILITIES				
Current liabilities:				
Accounts payable	840,665	127,306	967,971	301,496
Interest payable	292,758	-	292,758	-
Deposits payable	392,619	-	392,619	-
Accrued compensated absences	53,793	22,388	76,181	-
Accrued claims and judgments	-	-	-	4,218,399
Bonds payable	535,000	-	535,000	-
Total current liabilities	<u>2,114,835</u>	<u>149,694</u>	<u>2,264,529</u>	<u>4,519,895</u>
Noncurrent liabilities:				
Advances from other funds	-	-	-	300,000
Accrued compensated absences	161,379	67,165	228,544	-
Accrued claims and judgments	-	-	-	13,141,132
Bonds payable	20,327,271	-	20,327,271	-
Capital lease payable	17,977,364	-	17,977,364	-
Net pension liability	1,843,064	1,492,651	3,335,715	-
Net OPEB liability	3,335,970	2,891,174	6,227,144	-
Total noncurrent liabilities	<u>43,645,048</u>	<u>4,450,990</u>	<u>48,096,038</u>	<u>13,441,132</u>
Total liabilities	<u>45,759,883</u>	<u>4,600,684</u>	<u>50,360,567</u>	<u>17,961,027</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pensions	98,367	78,120	176,487	-
Deferred inflows related to OPEB	428,934	371,742	800,676	-
Unamortized difference on defeasance of debt	57,688	-	57,688	-
Total deferred inflows of resources	<u>584,989</u>	<u>449,862</u>	<u>1,034,851</u>	<u>-</u>
NET POSITION (DEFICIT)				
Net investment in capital assets	(13,775,583)	11,282,240	(2,493,343)	-
Restricted for debt service	7,345,640	-	7,345,640	-
Unrestricted	<u>(3,798,736)</u>	<u>8,234,764</u>	<u>4,436,028</u>	<u>(15,621,100)</u>
Total net position (deficit) \$	<u>(10,228,679)</u>	<u>\$ 19,517,004</u>	<u>\$ 9,288,325</u>	<u>\$ (15,621,100)</u>

Reconciliation of net position to statement of net position:

Net position per statement of net position for proprietary funds	\$ 9,288,325
Prior year's accumulated adjustment to reflect the consolidation of internal service funds activities related to enterprise funds	(746,460)
Current year's accumulated adjustment to reflect the consolidation of internal service funds activities related to enterprise funds	(163,329)
Net position per statement of net position	<u>\$ 8,378,536</u>

See notes to financial statements.

City of El Monte
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
Year ended June 30, 2020

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water Fund	Sewer Fund	Total	Internal Service Funds
Operating revenues				
Sales and charges for services	\$ 5,210,224	\$ 3,112,707	\$ 8,322,931	\$ 5,434,453
Miscellaneous revenue	7,132	109,757	116,889	-
Total operating revenues	<u>5,217,356</u>	<u>3,222,464</u>	<u>8,439,820</u>	<u>5,434,453</u>
Operating expenses				
Personnel services	2,020,417	1,032,215	3,052,632	-
Contractual services	1,065,796	218,645	1,284,441	319,911
Maintenance and supplies	274,711	152,216	426,927	8,815
General and administrative	300,474	94,883	395,357	-
Facility lease	199,570	299,354	498,924	-
Claims and settlement	-	-	-	6,779,649
Depreciation and amortization	997,866	618,670	1,616,536	71,310
Total operating expenses	<u>4,858,834</u>	<u>2,415,983</u>	<u>7,274,817</u>	<u>7,179,685</u>
Operating income (loss)	358,522	806,481	1,165,003	(1,745,232)
Nonoperating revenues (expenses), net				
Rental income	28,243	-	28,243	-
Interest revenue	113,746	171,188	284,934	-
Interest expense	(843,605)	-	(843,605)	-
Other nonoperating expenses	(5,208)	-	(5,208)	-
Net nonoperating revenues (expenses)	<u>(706,824)</u>	<u>171,188</u>	<u>(535,636)</u>	<u>-</u>
Income (loss) before transfers	(348,302)	977,669	629,367	(1,745,232)
Transfers				
Transfers in	-	-	-	100,000
Transfers out	-	(100,000)	(100,000)	-
	<u>-</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>100,000</u>
Change in net position	(348,302)	877,669	529,367	(1,645,232)
Net position (deficit), beginning of fiscal year, as restated	<u>(9,880,377)</u>	<u>18,639,335</u>	<u>8,758,958</u>	<u>(13,975,868)</u>
Net position (deficit), end of fiscal year	<u>\$ (10,228,679)</u>	<u>\$ 19,517,004</u>	<u>\$ 9,288,325</u>	<u>\$ (15,621,100)</u>
Reconciliation of Statement of Changes in Net Position to the Statement of Activities:				
Change in Net Position per Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Funds			\$ 529,367	
Adjustment to reflect the consolidation of current fiscal year internal service fund activities related to enterprise funds			(163,329)	
Change in Net Position Business-type Activities Statement of Activities			<u>\$ 366,038</u>	

See notes to financial statements.

City of El Monte
Statement of Cash Flows
Proprietary Funds
Year ended June 30, 2020

	Business-type Activities - Enterprise Funds			Governmental Activities
	Water	Sewer	Total	Internal Service Funds
	Fund	Fund		
Cash flows from operating activities				
Cash received from customers and users	\$ 5,241,700	\$ 3,223,261	\$ 8,464,961	\$ -
Cash received for interfund charges	-	-	-	5,455,628
Cash paid to suppliers for goods and services	(3,633,570)	(1,819,678)	(5,453,248)	(5,068,189)
Cash paid to employees for services	632,283	(73,738)	558,545	-
Net cash provided by operating activities	<u>2,240,413</u>	<u>1,329,845</u>	<u>3,570,258</u>	<u>387,439</u>
Cash flows from non-capital and related financing activities				
Net transfers from (to) other funds	-	(100,000)	(100,000)	100,000
Cash provided by (used in) non-capital and related financing activities	<u>-</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>100,000</u>
Cash flows from capital and related financing activities				
Acquisition and construction of capital assets	(605,211)	(195,984)	(801,195)	(539,048)
Retirement of debt	(495,000)	-	(495,000)	-
Interest paid on capital debt	(920,604)	-	(920,604)	-
Net cash used in capital and related financing activities	<u>(2,020,815)</u>	<u>(195,984)</u>	<u>(2,216,799)</u>	<u>(539,048)</u>
Cash flows from investing activities				
Rental income	28,243	-	-	-
Interest received	113,746	171,188	284,934	-
Net cash provided by investing activities	<u>141,989</u>	<u>171,188</u>	<u>284,934</u>	<u>-</u>
Change in cash and cash equivalents	361,587	1,205,049	1,538,393	(51,609)
Beginning cash and cash equivalents	8,765,061	11,578,146	20,343,207	1,489,262
Ending cash and cash equivalents	<u>\$ 9,126,648</u>	<u>\$ 12,783,195</u>	<u>\$ 21,909,843</u>	<u>\$ 1,437,653</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:				
Operating income (loss)	\$ 358,522	\$ 806,481	\$ 1,165,003	\$ (1,745,232)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	997,866	618,670	1,616,536	71,310
Bad debts	84,295	-	84,295	-
(Increase) decrease in:				
Accounts receivable	(67,769)	39,214	(28,555)	21,175
Other receivable	7,818	(38,417)	(30,599)	-
Prepaid items	2,602	(690)	1,912	2,500
Deferred outflows of resources	(105,081)	(72,395)	(177,476)	-
Due from other funds	-	-	-	154,638
Increase (decrease):				
Accounts payable	225,725	(7,114)	218,611	158,365
Due to other funds	-	-	-	(154,638)
Deposits payable	4,626	-	4,626	-
Deferred inflows of resources	(70,733)	(144,622)	(215,355)	-
Compensated absences payable	(5,555)	(14,561)	(20,116)	-
Net pension liability	(2,330)	(222,352)	(224,682)	-
Net OPEB liability	810,427	365,631	1,176,058	-
Accrued claims and judgments	-	-	-	1,879,321
Net cash provided by operating activities	<u>\$ 2,240,413</u>	<u>\$ 1,329,845</u>	<u>\$ 3,570,258</u>	<u>\$ 387,439</u>
Non-cash investing, capital and financing activities:				
Amortization of difference on defeasance of debt	\$ (34,321)	\$ -	\$ (34,321)	\$ -

See notes to financial statements.

City of El Monte
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2020

	Successor Agency to the Dissolved Redevelopment Agency Private-purpose Trust Fund	Pension Trust Fund Service Employees International Union (SEIU) Retiree Insurance
ASSETS		
Cash and investments	\$ 3,275,436	\$ -
Cash and investments with fiscal agents	1,050	-
Cash held in escrow accounts	1,248,611	-
Prepaid items	6,150	-
Notes and loans receivable, net	222,840	-
Land held for resale	6,178,496	-
Total assets	10,932,583	-
LIABILITIES		
Current liabilities:		
Accounts payable	11,541	-
Interest payable	374,505	-
Deposits payable	6,600	-
Bonds payable	1,135,000	-
Noncurrent liabilities:		
Bonds payable	27,815,383	-
Notes payable	892,800	-
Advances from City of El Monte	41,614,739	-
Total liabilities	71,850,568	-
NET POSITION (DEFICIT)		
Unrestricted	(60,917,985)	-
Total net position (deficit) \$	(60,917,985) \$	-

See notes to financial statements.

City of El Monte
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year ended June 30, 2020

	Successor Agency to the Dissolved Redevelopment Agency Private-purpose Trust Fund	Pension Trust Fund Service Employees International Union (SEIU) Retiree Insurance
Revenues and additions		
Property tax	\$ 2,583,646	\$ -
Interest income	46,797	-
Rental income	43,261	-
Total revenues and additions	<u>2,673,704</u>	<u>-</u>
Expenses and deductions		
Interest expense and trustee fees	2,365,522	-
Reimbursement of debt principal and interest	767,164	-
Administrative expenses	259,996	16,442
Total expenses and deductions	<u>3,392,682</u>	<u>16,442</u>
Change in net position before special items	(718,978)	(16,442)
Special items		
Loan written-off	1,882,800	-
Transfers to General Fund of the City	-	(773,279)
Total special items	<u>1,882,800</u>	<u>(773,279)</u>
Change in net position	1,163,822	(789,721)
Net position (deficit), beginning of fiscal year	<u>(62,081,807)</u>	<u>789,721</u>
Net position (deficit), end of fiscal year	<u>\$ (60,917,985)</u>	<u>\$ -</u>

See notes to financial statements.

NOTE 1 REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES

Description of Reporting Entity

The City of El Monte (the City) was incorporated on November 18, 1912, as a general law city and operates under a Council/City Manager form of government. It is governed by an elected five-member council.

As required by generally accepted accounting principles, these financial statements present the City of El Monte (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationship with the City. These entities are legally separate from each other. However, the City of El Monte elected officials have a continuing full or partial accountability for fiscal matters of the other entities. The financial reporting entity consists of: 1) the City, 2) organizations for which the City is financially accountable, and 3) organizations for which the nature and significance of their relationship with the City are such that exclusions would cause the City's financial statements to be misleading or incomplete.

An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes or set rates or charges, or issue bonded debt without approval by the primary government. In a blended presentation, component units' balances and transactions are reported in a manner similar to the balances and transactions of the City. Component units are presented on a blended basis when the component unit's body is substantially the same as the City's or the component unit provides services almost entirely to the City. The following component units of the City have been included in the financial reporting entity as blended component units because the City Council serves as the governing board for most and management has operational responsibility for these component units and the component units provide services entirely within the City of El Monte:

El Monte Public Financing Authority (Authority)

The Authority is a joint powers authority whose members are the City and the Agency. The Authority is duly organized and existing under a Joint Exercise of Powers agreement dated April 27, 1993, by and between the City and the former Redevelopment Agency, under the provisions of Chapter 5 of Division 7 of Title 1 of the California Government Code. Its purpose is to assist the City and the Agency in providing financing for capital projects and improvements. The officers of the City and the Agency serve as the officers of the Authority. The Authority has no taxing power and has no source of revenue other than the revenues for paying the debt service on the bonds. Separate financial statements are not prepared for the Authority.

**NOTE 1 REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

El Monte Community Development Corporation (CDC Corporation)

The El Monte Community Development Corporation was formed on April 2, 2002, pursuant to the Non-Profit Public Benefit Corporation law of the State of California. Its purpose is to spend 15% of the City's annual HOME Partnership Investment allocation to increase and improve the community's supply of affordable housing for persons of low and moderate income. The City Council members act as the Agency's directors. There are no separate financial statements prepared for the CDC Corporation.

El Monte Water Authority (Water Authority)

The El Monte Water Authority was formed July 13, 1999, by the City of El Monte and the former El Monte Community Redevelopment Agency under Article 1 (commencing with Section 6500) of the Joint Powers Law. Its purpose is to provide an entity to assist in providing financing, for purposes which are authorized by law, and which could lease, own, operate and maintain the water system of the City of El Monte. The City Council members act as the members of the Governing Board of the Water Authority. The financial activity of the Authority is reported in the City's financial statements as a business-type activity. There are no separate financial statements prepared for the Water Authority.

El Monte Economic Development Corporation (ED Corporation)

The El Monte Economic Development Corporation was formed on March 18, 2011 for the purpose of lessening governmental burdens by providing assistance to the City of El Monte and the Successor Agency to the former El Monte Community Redevelopment Agency (the Agency) in development efforts to promote economic development, including the provision of financial assistance to private business and public works projects in the City for the creation of new jobs to be held by persons of low and moderate income, to promote the expansion and preservation in the City of Affordable housing reserved for persons and families of low and moderate income, and to eliminate blighting influences within the City. The City Council members act as the Board of Directors of the ED Corporation and management has operational responsibility over this component unit. The ED Corporation provides services entirely within the City. There are no separate financial statements prepared for the ED Corporation.

El Monte Housing Authority

The El Monte Housing Authority was formed on July 28, 1997 for the purpose of assisting the City in the implementation of the policies and goals of the City of El Monte General Plan by providing affordable rental housing within the City. The City Council acts as the governing board of the Authority. The City Council members act as the members of the Governing Board and management has operational responsibility over the Authority. The Authority provides services entirely within the City. There are no separate financial statements prepared for the Housing Authority.

**NOTE 1 REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

El Monte Parking Authority (Parking Authority)

The El Monte Parking Authority was formed on November 1, 2016 for the purpose of administering the public Parking lots lands owned by the City in accordance with California Streets and Highways Code. The City Council members act as the members of the Governing Board of the Parking Authority. There was no financial activity during FY 2019-2020. The financial activity of the Authority will be reported in the City's financial statements as a governmental activity. There are no separate financial statements prepared for the Parking Authority.

Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**NOTE 1 REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Governmental fund financial statements are accounted for using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Revenues considered susceptible to accrual in those funds wherein revenue is recognized on a modified accrual basis is as follows: property and sales taxes, revenue from the use of money and property, interfund transfers, unbilled service receivables and intergovernmental revenue are all considered measurable and are recognized as revenue on a modified accrual basis; licenses, permits, fines and forfeitures and similar items are, for the most part, not susceptible to accrual and, consequently, are not recorded until received. Agency funds are purely custodial (assets equal liabilities) and thus, do not involve measurement of results of operations. Fiduciary funds are accounted for on a full accrual basis.

Property tax revenue is recognized in the fiscal year for which the taxes have been levied providing they become available. Available means then due or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter (not to exceed 60 days) to be used to pay liabilities of the current period. The County of Los Angeles collects property taxes for the City. Tax liens attach annually as of 12:01 A.M. on the first day in January proceeding the fiscal year for which the taxes are levied. Taxes are levied on both real and personal property as it exists on that date. The tax levy covers the fiscal period July 1 to June 30. All secured personal property taxes and one-half of the taxes on real property are due November 1; the second installment is due February 1. All taxes are delinquent, if unpaid, on December 10 and April 10, respectively. Unsecured personal property taxes become due on the first of March each year and are delinquent, if unpaid, on August 31.

Grants, entitlements or shared revenues recorded in governmental funds are recognized as revenue in the accounting period when they become susceptible to accrual, i.e. both measurable and available (modified accrual basis). Grants received before the revenue recognition criteria have been met are reported as unearned revenue, a liability account. Such resources not received are reported as a receivable if the revenue recognition criteria have been met.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

All proprietary and fiduciary funds are accounted for using the flow of economic resources measurement focus and the accrual basis of accounting. Their revenues are recognized when they are earned and become measurable; expenses are recognized when they are incurred. Unbilled service receivables are recorded as accounts receivable and as revenue when earned.

**NOTE 1 REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

The City reports the following major governmental funds:

- The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The Retirement Special Revenue Fund accounts for all revenues and expenditures associated with the retirement tax levy to fund the employee's pension fund.
- The Housing and Community Development Special Revenue Fund accounts for all monies received from the Community Development Block Grant provided by the Federal Housing and Community Development Act.
- The Housing Assets Fund accounts for housing assets approved by the State Department of Finance to remain with the City after the dissolution of the former Redevelopment Agency. Revenues reported during the year include interest and loans collected.

The City reports the following major proprietary funds:

- The Water Fund is used to account for the operations of the El Monte Water Authority. All activities necessary to provide this service are accounted for in the Water Fund, including administration, operations, maintenance, capital improvement, billing, collection and depreciation.
- The Sewer Fund accounts for the City's sewer operation.

Additionally, the City reports the following fund types:

- Special Revenue Funds account for proceeds of specific revenue sources that are legally restricted or otherwise designated for specific purposes.
- The Capital Project Fund accounts for the accumulation of resources to fund capital projects within the City, other than those for proprietary funds.
- The Debt Service Fund accounts for the accumulation of resources for the payment of long-term debt principal and interest relating to the debt of the City.
- The Internal Service Funds account for the transactions of the City's general liability and worker's compensation insurance programs, and vehicles and equipment replacement. The funds are financed through contributions paid by each operating program based on factors similar to those used by insurance companies (i.e. payroll, and number of employees).

**NOTE 1 REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

- The City's fiduciary fund financial statements report the following private purpose trust funds:
 - The Successor Agency to the Dissolved Redevelopment Agency Private-purpose Trust fund is a fiduciary fund type used by the City to report trust arrangements under which principal and income benefit other governments. This fund reports the assets, liabilities and activities of the Successor Agency to the Dissolved El Monte Community Redevelopment Agency. Unlike the limited reporting typically utilized for Agency Funds, Private-purpose Trust Funds report a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.
 - The Pension Trust Fund accounts for the funds from the retirees used to pay for health insurance benefits of the retirees and their families.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's proprietary funds function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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 Enterprise Funds are charges to customers for sales and services. Operating expenses for Enterprise Funds include the cost 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.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

Use of Estimates

The preparation of basic financial statements in conformity with accounting principles generally accepted in the United States of America requires City management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Actual results could differ from those estimates.

**NOTE 1 REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Fund Balance Reporting

Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*, establishes the following fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds:

Nonspendable fund balance includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The City's nonspendable fund balance represents prepaid expenses and long-term advances to other funds.

Restricted fund balance includes resources that are subject to externally enforceable legal restrictions. It includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The City's restricted fund balances represent resources restricted for programs funded by grants and other restricted sources, capital projects, debt service and the low/moderate income housing program, and more.

Committed fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the City's highest level of decision-making authority. As of June 30, 2020, the City has no committed fund balance.

Assigned fund balance consists of funds that are set aside for specific purposes by the City's highest level of decision making authority or a body or official that has been given the authority to assign funds. As of June 30, 2020, the City has assigned \$22.9 million of its fund balance for various contingency, capital, Measure GG and cash reserves.

Unassigned fund balance is the residual classification for the City's fund balance and includes all spendable amounts not contained in the other classifications. This category also provides the resources necessary to meet unexpected expenditures and revenue shortfalls. 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 the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed or assigned to those purpose, it may be necessary to report a negative fund balance in that fund.

The City Council, as the City's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by formal actions taken. Committed amounts cannot be used for any other purpose unless the City Council removes or changes the specific use through the same type of formal action taken to establish the commitment.

The City Council delegates the authority to assign fund balance to the City Manager for purposes of reporting in the annual financial statements.

**NOTE 1 REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

The City considers the restricted fund balances to have been spent when expenditure is incurred for purposes for which both unrestricted and restricted fund balance is available. The City considers unrestricted fund balances to have been spent when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the policy of the City to reduce the committed amounts first, followed by assigned amounts, and then unassigned amounts.

Assets, Liabilities and Net Position or Equity

Cash and Investments

For purposes of the statement of cash flows, the City considers cash and cash equivalents as short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. The City follows the practice of pooling cash and investments of all funds. Since cash and investments are pooled, the City utilizes the assumption that cash and investments in the Enterprise Fund are cash and cash equivalents.

The cash management pool has the general characteristics of a demand deposit account in that the governmental enterprise may deposit additional cash at any time and also effectively may withdraw cash at any time without prior notice or penalty.

Investments for the City are reported at fair value. The current year changes in fair value are recognized in the statement of revenue, expenditures and changes in fund balance. Investment in the State Treasurer's Investment Pool operates in accordance with appropriate State laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Receivables and Payables

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

Advances between funds, as reported in the fund financial statements, are offset by a fund balance nonspendable account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

All trade and property tax receivables are shown net of an allowance for uncollectible accounts.

**NOTE 1 REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Functional Classifications

Expenditures of the Governmental Funds are classified by function. Functional classifications are defined as follows:

- General Government includes legislative activities which have a primary objective of providing legal and policy guidelines for the City. Also included in this classification are those activities which provide management or support services across more than one functional area.
- Parks and Recreation, includes those activities which involve the parks and recreation system.
- Economic Development includes those activities which involve community development, planning, building regulation, environmental services, and code enforcement services.
- Public Works includes those activities which involve the maintenance and improvement of City streets, roads and park department development and maintenance.
- Public Safety includes those activities which involve the protection of people and property.
- Capital Outlay includes those activities that account for the acquisition of capital assets and the construction and improvements to city infrastructure.
- Debt Service includes those activities that account for the payment of long-term debt principal, interest and fiscal charges.

Long-term Receivables

Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets, in spite of their spending measurement focus. Special reporting treatments are used to indicate that they should not be considered "available spendable resources," because they do not represent net current assets. Noncurrent portions of long-term loans receivable funded by grants are offset by due to grantors.

Inventories, Prepaid Items and Land Held for Resale

All inventories are valued at cost using the first-in/first-out (FIFO) method. Inventory is equally offset by nonspendable fund balance in the fund level statements, which indicates that it does not constitute "available spendable resources."

**NOTE 1 REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Prepaids are amortized on a consumption basis. The fund balances in the governmental fund types have been classified as nonspendable for amounts equal to the prepaid items in the fund-level statements, since these amounts are not available for appropriation.

Land held for resale is recorded at the lower of cost or fair value. Fund balances in the governmental fund type have been classified as nonspendable for amounts equal to the carrying amount of land and buildings held for resale because such assets are not available to finance the City's current operations.

Restricted Assets

Certain proceeds of debt issues, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. In addition, funds have been restricted for future capital improvements by City resolution.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks, rights-of-way, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if not purchased or constructed.

Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value rather than fair value.

In accordance with GASB Statement No. 34, the City has reported general infrastructure assets acquired in the current year and prior years. Bond proceeds utilized in the acquisition of these assets have reduced the investment in capital assets portion of net position.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized cost of the assets constructed.

**NOTE 1 REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

The provision for depreciation of capital assets of the primary government, as well as the component units, is calculated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	20 - 40
Improvements	10 - 50
Infrastructure	7 - 100
Machinery and equipment	5 - 35
Water rights	50

Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement Nos. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and 65, *Items Previously Reported as Assets and Liabilities*, the City recognizes deferred outflows and inflows of resources. A deferred outflow of resources is defined as a consumption of net position by the government that is applicable to a future reporting period. A deferred inflow of resources is defined as an acquisition of net position by the government that is applicable to a future reporting period. Refer to Note 15 for the list of deferred outflows and deferred inflows of resources the City has recognized as of June 30, 2020.

Compensated Absences

Vacation pay is payable to employees at the time a vacation is taken or upon termination of employment. Normally, an employee cannot accrue more than one and one-half times his regular annual entitlement. Sick leave is payable when an employee is unable to work because of illness. Upon termination, an employee will forfeit any unused sick leave. Upon retirement, one-half to a maximum of 800 hours is paid to the employee and the remaining one-half is credited to service retirement. Typically, the City liquidates its compensated absences with general fund resources.

Long-term Obligations

In the government-wide financial statements and proprietary fund types fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective Interest method. Bonds payable are reported net of applicable bond premium or discount. In accordance with GASB Statement No. 65, bond issuance costs are reported as expenditures during the year they were incurred and paid.

**NOTE 1 REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)**

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the City's California Public Employees' Retirement System (CalPERS) plan and Public Agency Retirement Services (PARS) Retirement Enhancement plan (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS and PARS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Implementation of New Accounting Pronouncements

During the fiscal year ended June 30, 2020, the City adopted the following new Statements of the Governmental Accounting Standards Board (GASB):

GASB Statement No. 95

In May 2020, the Governmental Accounting Standards Board issued Statement No. 95, "Postponement of the Effective Dates of Certain Authoritative Guidance." The Statement postponed the effective dates of certain Statements to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

General Budget Policies

The City Council approves each year's budget submitted by the City Manager prior to the beginning of the new fiscal year. Public comments are received prior to its adoption by the Council. Supplemental appropriations, where required during the period, are also approved by the Council and City Manager. In most cases, expenditures may not exceed appropriations at the fund level, which is the legal level of control. During the year, several supplementary appropriations were necessary. At fiscal year-end, all unencumbered appropriations lapse.

Budget Basis of Accounting

Budgets for governmental funds are adopted on a basis which differs from generally accepted accounting principles (GAAP). The Budgetary Comparison Schedules present comparisons of the legally adopted budget with actual data on the budgetary basis. The difference between the budgetary basis and GAAP are presented on the same financial statements. Individual amendments were not material in relation to the original appropriations.

Annual budgets are required to be adopted for the General Fund, Special Revenue Funds, Debt Service Funds and Certain Capital Projects Funds. Although budgets are legally adopted for the City's Proprietary Funds, there is no legal requirement for the fiscal year results to be reported to City Council. Therefore, no budgetary reporting for the Proprietary Funds has been presented in the accompanying financial statements.

For fiscal year 2019-2020, the following funds had no legally adopted budget:

- Special Revenue Funds
 - Measure A
 - Federal Stimulus Grant

At June 30, 2020, the following funds had deficit fund balances or net position:

Special Revenue Funds		
Transportation Development Act Fund	\$	(77,381)
Measure A		(232,602)
Federal Stimulus Grant		(726,223)
Emergency Solutions Grant		(17,019)
Miscellaneous Grants		(2,833,548)
Internal Service Fund		
Self-Insurance		(17,575,231)
Enterprise Fund		
Water Fund		(10,228,679)

Management expects that the fund deficits will be covered from future revenues and transfers from other funds.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

Excess of Expenditures Over Appropriations

Expenditures exceeded appropriation for the following funds:

	Expenditures		Appropriations		Excess
Special Revenue Funds					
Measure A	\$ 579,791	\$	-	\$	579,791
Federal Stimulus Grant	726,223		-		726,223

These funds were new during the fiscal year and were not included in the annual budget process.

NOTE 3 CASH AND INVESTMENTS

As of June 30, 2020, cash and investments were reported in the accompanying financial statements as follows:

	Cash and Investments		Cash and Investments with Fiscal Agent		Total
Governmental activities	\$ 68,683,116	\$	10,119,310	\$	78,802,426
Business-type activities	14,564,203		7,345,640		21,909,843
Fiduciary funds	3,275,436		1,249,661		4,525,097
Total Cash and Investments	\$ 86,522,755	\$	18,714,611	\$	105,237,366

Cash and investments at June 30, 2020, consisted of the following:

Cash on hand	\$ 12,200
Deposits with financial institutions	6,565,150
Deposits with escrow	1,248,611
Investments	97,411,405
Total Cash and Investments	\$ 105,237,366

The City of El Monte maintains a cash and investment pool that is available for use by all funds. Each fund type's position in the pool is reported on the combined balance sheet as cash and investments. The City has adopted an investment policy, which authorizes it to invest in various types of investment securities.

Deposits

At June 30, 2020, the carrying amount of the City's deposits was \$6,565,150 and the bank balance was \$7,058,280. The \$493,130 difference represents outstanding checks, deposits in transit and other reconciling items.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

The California Government Code requires California financial institutions to secure a City's deposits by pledging government securities with a value of 110% of a City's deposits. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits. The City Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a financial institution with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository are considered to be held for, and in the name of, the local governmental agency.

Investments Authorized by the California Government Code and the City's Investment Policy

The table below identifies the investment types that are authorized for the City by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that addresses interest rate risk, credit risk, and concentration of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
U.S. Treasury Obligations	5 years	None	30%
U.S. Agency Securities	5 years	None	40%
Registered State (CA) warrants or treasury notes or bonds	5 years	20%	5%
Other State of California local agency bonds, notes, warrants, or other evidences of indebtedness	5 years	10%	5%
Negotiable Certificates of Deposit	360 days	25%	5%
Banker's Acceptances	180 days	40%	5%
Commercial Paper	270 days	15%	5%
Time Certificates of Deposit	1 year	None	None
Repurchase Agreements	1 year	30%	5%
State of California Local Agency Investment Fund (LAIF)	N/A	None	None
Corporate Medium Term Notes	5 years	30%	5%
Mutual Funds and Money Market Mutual Funds	N/A	20%	None

Investments Authorized by Debt Agreements

The above investments do not address investment of debt proceeds held by a bond trustee. Investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy.

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The State Treasurer's Office audits the fund annually. The fair value of the portion in the investment pool is the same as the value of the pool shares.

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. As of June 30, 2020, none of the City's deposits or investments were exposed to custodial credit risk.

Concentration of Credit Risk

The City's investment policy imposes restrictions for certain types of investments with any one issuer to 5% of the total investment pool. Investments guaranteed by the U.S. government and investments in mutual funds and external investment pools are excluded from this requirement. As of June 30, 2020, there were no investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments.

Interest Rate Risk

The City's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City's investment policy states that, with the exception of the investment of bond proceeds and LAIF, investments may not exceed five years in maturity. Any investment which exceeds five years in maturity shall require authorization by City council prior to purchase. The City has elected to use the segmented time distribution method of disclosure for this interest rate risk.

City of El Monte
Notes to Financial Statements
Year ended June 30, 2020

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

As of June 30, 2020, the City had the following investments and original maturities:

Investment Type	Investment Maturity (in Years)			
	Total	Less than 1 year	1 to 3 Years	3 to 5 Years
Local Agency Investment Fund	\$ 58,284,942	\$ 58,284,942	\$ -	\$ -
BlackRock Liquidity Funds	5,187,448	5,187,448	-	-
First American Govt Obligation Fund	948,392	948,392	-	-
US Treasury Bill	1,499,910	1,499,910	-	-
US Treasury Note	7,404,883	3,020,470	3,584,470	799,943
Federal Farm Credit Bank (FFCB) Note	571,147	-	571,147	-
Federal Home Loan Bank (FHLB) Discount Note	399,432	399,432	-	-
Federal Home Loan Bank (FHLB) Note	1,008,835	-	378,336	630,499
Federal Home Loan Mortgage Corp (FHLMC) Note	1,141,805	-	1,141,805	-
Federal National Mortgage Association (FNMA) Note	350,329	-	149,843	200,486
JP Morgan Chase	506,245	506,245	-	-
Morgan Stanley	513,965	-	513,965	-
Goldman Sachs Group Inc	509,680	-	509,680	-
Wells Fargo and Co	655,612	-	655,612	-
John Deere Capital Corp	134,848	-	134,848	-
Toyota Motor Credit Corp	136,565	-	136,565	-
Qualcomm Inc	136,456	-	136,456	-
Apple Inc	137,419	-	137,419	-
Bank of NY Mellon Corp	135,889	-	-	135,889
Microsoft Corp	140,040	-	-	140,040
Toronto Dominion Bank	141,563	-	-	141,563
Held by Fiscal Agents	17,466,000	17,466,000	-	-
Total	\$ 97,411,405	\$ 87,312,839	\$ 8,050,146	\$ 2,048,420

Disclosures Relating to Credit Risk

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

Investment Type	Total	Minimum Rating	Not Rated	Rating					
				AAA	AA+	AA-	A-1+	A+	A
Local Agency Investment Fund	\$ 58,284,942	N/A	\$ 58,284,942	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
BlackRock Liquidity Funds	5,187,448	N/A	5,187,448	-	-	-	-	-	-
First American Govt Obligation Fund	948,392	A	-	948,392	-	-	-	-	-
US Treasury Bill	1,499,910	A	-	-	-	-	1,499,910	-	-
US Treasury Note	7,404,883	A	-	7,404,883	-	-	-	-	-
Federal Farm Credit Bank (FFCB) Note	571,147	A	-	571,147	-	-	-	-	-
Federal Home Loan Bank (FHLB) Discount Note	399,432	A	-	-	-	-	399,432	-	-
Federal Home Loan Bank (FHLB) Note	1,008,835	A	-	1,008,835	-	-	-	-	-
Federal Home Loan Mortgage Corp (FHLMC) Note	1,141,805	A	-	1,141,805	-	-	-	-	-
Federal National Mortgage Association (FNMA) Note	350,329	A	-	350,329	-	-	-	-	-
JP Morgan Chase	506,245	A	-	-	-	506,245	-	-	-
Morgan Stanley	513,965	A	-	-	-	-	-	-	513,965
Goldman Sachs Group Inc	509,680	A	-	-	-	-	-	-	509,680
Wells Fargo and Co	655,612	A	-	-	-	-	-	655,612	-
John Deere Capital Corp	134,848	A	-	-	-	-	-	-	134,848
Toyota Motor Credit Corp	136,565	A	-	-	-	-	-	136,565	-
Qualcomm Inc	136,456	A	-	-	-	-	-	-	136,456
Apple Inc	137,419	A	-	-	137,419	-	-	-	-
Bank of NY Mellon Corp	135,889	A	-	-	-	135,889	-	-	-
Microsoft Corp	140,040	A	-	140,040	-	-	-	-	-
Toronto Dominion Bank	141,563	A	-	-	-	141,563	-	-	-
Held by Fiscal Agents	17,466,000	N/A	17,466,000	-	-	-	-	-	-
Total	\$ 97,411,405		\$ 80,938,390	\$ 11,565,431	\$ 137,419	\$ 783,697	\$ 1,899,342	\$ 792,177	\$ 1,294,949

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Fair Value Measurement

The City implemented GASB Statement No. 72, *Fair Value Measurement and Application*. GASB 72 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

- Level 1 inputs are quoted prices for identical assets or liabilities in active markets that government can access at the measurement date.
- Level 2 inputs are other than quoted prices included in Level 1 that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

Investment Type	Amount	Quoted Prices in Active Markets for Identical Assets (Level 1)	Fair Value Measurement Using Significant other Observable Inputs (Level 2)
BlackRock Liquidity Funds	\$ 5,187,448	\$ 5,187,448	-
First American Govt Obligation Fund	948,392	948,392	-
US Treasury Bill	1,499,910	1,499,910	-
US Treasury Note	7,404,883	7,404,883	-
Federal Farm Credit Bank (FFCB) Note	571,147	571,147	-
Federal Home Loan Bank (FHLB) Discount Note	399,432	399,432	-
Federal Home Loan Bank (FHLB) Note	1,008,835	1,008,835	-
Federal Home Loan Mortgage Corp (FHLMC) Note	1,141,805	1,141,805	-
Federal National Mortgage Association (FNMA) Note	350,329	350,329	-
JP Morgan Chase	506,245	506,245	-
Morgan Stanley	513,965	513,965	-
Goldman Sachs Group Inc	509,680	509,680	-
Wells Fargo and Co	655,612	655,612	-
John Deere Capital Corp	134,848	134,848	-
Toyota Motor Credit Corp	136,565	136,565	-
Qualcomm Inc	136,456	136,456	-
Apple Inc	137,419	137,419	-
Bank of NY Mellon Corp	135,889	135,889	-
Microsoft Corp	140,040	140,040	-
Toronto Dominion Bank	141,563	141,563	-
Held by Fiscal Agents	17,466,000	-	17,466,000
Sub-total	39,126,463	21,660,463	17,466,000
Uncategorized:			
Local Agency Investment Fund	58,284,942		
Total	\$ 97,411,405		

For Level 2 investments, the City and the third-party trustees that hold the City's assets utilize the Market Approach in valuing the investment portfolio through the use of a pricing service that utilized matrix pricing. The market approach utilizes prices and other relevant data from market transactions for similar assets.

NOTE 4 LONG-TERM RECEIVABLES

As of June 30, 2020, the following loans receivable were outstanding:

Pacific Place Expansion Project	\$	4,009,037	
Singing Wood Senior Housing		2,323,311	
First Time Homebuyer Loans		593,000	
San Gabriel Valley Habitat for Humanity, Inc.		300,000	
Various Housing Deferred Loans and Other Assistance		5,750,868	
Mercy Housing, California - Veterans Village Project			
Authority HOME Funds Loan	\$	400,000	
Site Acquisition Loan		288,854	
Special Development Loan		<u>350,000</u>	1,038,854
Mercy Housing, California - Family Veterans Project			
HOME Development Project Loan		1,272,155	
Development Project Mitigation Loan		<u>177,845</u>	1,450,000
Tyler Court Associates, L.P.			
Property Acquisition Loan		610,000	
HOME Project Loan		712,264	
Project Capital Fee Loan		<u>308,987</u>	1,631,251
El Monte Housing Partners LP			
Site Acquisition Loan		4,500,000	
HOME Project Loan		2,500,000	
Project Capital Fee Loan		1,316,057	
Predevelopment Loan		<u>1,500,000</u>	9,816,057
Hollywood Community Housing Corporation			358,618
TELACU Housing-El Monte II, Inc.			125,000
TDF Senior Housing			
Special Construction Loan		454,129	
Project Gap Loan		1,141,338	
Long-term Project Note		<u>395,704</u>	1,991,171
El Monte Metro Family Housing (FH)			
Site Mortgage Note		1,489,600	
Deferred Developer Fee		272,293	
HOME Development Project Loan		<u>2,000,000</u>	3,761,893
El Monte Metro Veteran Housing (VH)			
Site Mortgage Note		1,170,400	
Deferred Developer Fee		<u>167,918</u>	1,338,318
			<u>34,487,378</u>
Allowance for doubtful accounts			<u>(20,249,736)</u>
Total	\$		<u>14,237,642</u>

Allowance for doubtful accounts was provided for certain borrowers for which full collection is uncertain.

Pacific Place Expansion Project

On September 14, 2005, the City of El Monte provided a loan to JT LLC for the Pacific Place Expansion Project. Principal payments are due annually beginning July 15, 2007, and range from \$130,000 to \$340,000 over the term of the loan which ends March 14, 2023. Interest payments on this note are due in quarterly installments on the first day of every calendar year quarter at a rate equal to the rate payable by the City to HUD. No payment was received during the fiscal year 2019-2020.

NOTE 4 LONG-TERM RECEIVABLES (CONTINUED)

Singing Wood Senior Housing

On July 15, 2002, the City provided a loan to Singing Wood Senior Housing, a California Limited Partnership, in the amount of \$650,000. Interest is to accrue on the loan at the rate of 3% per annum until the loan is paid in full. Annual payments are to commence on or before April 15 of the first full year after the first residential unit is rented and continue on April 15 each year thereafter until all principal and interest accrued thereon has been repaid. The annual payment shall be derived from 50% of annual residual receipts derived from the operation of the project. All outstanding indebtedness, including interest, must be repaid in full at the end of the 30-year term of the loan.

In addition, the former El Monte Community Redevelopment Agency provided a loan to Singing Wood Senior Housing, a California Limited Partnership, in the amount of \$440,143. Interest is to accrue on the loan at the rate of 3% per annum until the loan is paid in full. Annual payments are to commence on or before April 15 of the first full year after the first residential unit is rented and continue on April 15 each year thereafter until all principal and interest accrued thereon has been repaid. The annual payment shall be generated from 50% of annual residual receipts generated from the operation of the project. All outstanding indebtedness, including interest, must be repaid in full at the end of the 30-year term of the loan.

The City provided an additional loan from HOME program funds amounting to \$500,000 to assist Singing Wood Senior Housing to acquire certain real property and construct affordable senior citizen rental housing. The loan bears an interest rate of 1%. An additional \$175,000 loan, which bears an interest of 3% was provided. Annual payments are to commence on or before April 15 of the first full year after the first residential unit is rented and after the repayment in full by Singing Wood Senior Housing of its loans from the former Community Redevelopment Agency of the City of El Monte amounting to \$440,143 and the CDBG loan amounting to \$650,000, and continue on April 15 each year thereafter until all principal and interest accrued thereon has been repaid. The annual payment shall be derived from 50% of annual residual receipts derived from the operation of the project. All outstanding indebtedness, including interest, must be repaid in full at the end of the 55-year term of the loan.

First-time Homebuyer Program and Various Deferred Loans

Housing loans receivable consist of low interest and no interest home assistance loans which are due and payable in full when the borrower's legal interest in the property, which is security for the loan, is sold, transferred or conveyed.

San Gabriel Valley Habitat for Humanity, Inc.

On December 5, 2000, the San Gabriel Valley Habitat for Humanity executed a promissory note amounting to \$300,000 in accordance with an affordable housing agreement related to 2504 Burkett Road property. The note is secured by a deed of trust.

NOTE 4 LONG-TERM RECEIVABLES (CONTINUED)

Mercy Housing California - Veterans Village Project

The El Monte Housing Authority entered into a disposition and development agreement with Mercy Housing California on November 1, 2011, related to the construction of Mercy Housing Veterans Affordable Rental Housing Community Initiative Project. As part of the Authority's financial assistance, the Authority provided a loan in the amount of \$400,000 as an Authority HOME Funds loan on December 1, 2012. The proceeds of the loan were used to pay portion of the site purchase of \$700,000. The Authority provided a second loan amounting to \$300,000 as a Site Acquisition Loan to be used to pay the remaining portion of the purchase price. The Authority provided a third loan amounting to \$350,000 as a Special Development Loan to be used to pay for the development project capital fees. Mercy Housing executed a non-interest bearing promissory note for each loan for a term of 55 years. The promissory notes are payable from 50% of the residual receipts of the housing project.

Mercy Housing California - Family Veterans Project

The El Monte Housing Authority entered into a disposition and development agreement with Mercy Housing California on October 14, 2015, related to the construction of Mercy Housing Family Veterans Affordable Rental Housing Project. As part of the Authority's financial assistance, the Authority provided a HOME Development Project Loan in the amount of \$1,272,155 on December 14, 2017. The proceeds of the loan were used to acquire the land and improve an affordable rental housing development project. The Authority provided a second loan, the Development Project Mitigation Fee Loan amounting to \$177,845. Mercy Housing executed promissory notes for each loan bearing 2% interest for a term of 57 years. The promissory notes are payable from not less than 12.51% of the residual receipts of the housing project.

Tyler Court Associates, L.P.

The El Monte Housing Authority entered into a disposition and development agreement with Tyler Court Associates, L.P. on March 20, 2012, related to the sale of 3348 Tyler Avenue in El Monte, California 91731 and subsequent construction of 20 units of senior affordable rental units, known as Tyler Court Apartments. The Authority sold the site to Tyler Court Associates, L.P. for \$610,000 in the form of a loan from the Authority. To enable the construction of the project, the Authority provided a HOME Project Loan amounting to \$712,164 and a Project Capital Fee Loan amounting to \$308,987. These loans were evidenced by three promissory notes bearing interest of 2% simple interest which shall accrue and be payable to the Authority on the outstanding principal balance of the note. Installment payments of principal and interest shall be payable from 50% of residual receipts of the project on or before 90 days after the end of the project accounting year. The notes and the remaining principal balance and all accrued and unpaid interest shall be due and payable after 55 years.

NOTE 4 LONG-TERM RECEIVABLES (CONTINUED)

El Monte Housing Partners LP

The City entered into an affordable rental project acquisition and financing agreement with El Monte Housing Partners LP on September 25, 2013 for purposes of the Gateway Phase 1A Housing, a HOME Investment Partnership Program (HOME) – funded activity that would result in the development of a 132 unit workforce family housing building and amenities (the “Jamboree Project” To enable the construction of the project, the City provided a HOME Project Loan amounting to \$2,500,000, Site Acquisition Loan amounting to \$4,500,000 and a Project Capital Fee Loan amounting to \$1,410,673. In December 31, 2013, the City provided a Predevelopment Loan amounting to \$1,500,000. These loans were evidenced by four promissory notes bearing a rate of 2% simple interest which shall accrue and be payable to the City on the outstanding principal balance of the note. Installment payments of principal and interest shall be payable from 50% of residual receipts of the project on or before 90 days after the end of the project accounting year. The notes and the remaining principal balance and all accrued and unpaid interest shall be due and payable after 55 years.

Hollywood Community Housing Corporation

The City provided an affordable rental housing development loan to Hollywood Housing Corporation (HCHC) in support of the development of a forty-nine unit apartment complex on the property generally located at 4704-4716 Peck Road, El Monte California, 91732 in the amount of \$358,618 to finance a portion of the total cost of the Project on December 1, 2016. The proceeds of the loan were used and applied by HCHC solely to pay certain development project fees assessed to the project by the City as follows: (1) public park impact mitigation fees in the amount of \$270,480; and (2) an art in public places fee in the amount of \$88,137. The loan was evidenced by an HCHC promissory note, secured by a deed of trust and bearing a rate of 2% simple interest which shall accrue and be payable to the City on the outstanding principal balance of the note. Installment payments by HCHC to the City shall be made annually from the available residual receipts of the project beginning on the June 30 following the date when the City issues a certificate of occupancy for the completed project and on each June 30 thereafter, through and until the maturity of the note. The principal and accrued interest payable on the loan shall be due and payable on the earlier of (i) 55 years from the date of the note; (ii) the sale or other transfer of the Property by HCC, or (iii) refinancing of the Property by HCHC.

TELACU Housing-El Monte II, Inc.

The City entered into an agreement with TELACU Housing-El Monte II, Inc. (TELACU) to develop and operate a senior housing complex consisting of 70 affordable senior housing units known as TELACU-El Monte. The City provided \$125,000 HOME funds assistance to aid in the construction of the project and to defray a portion of the cost of construction on February 8, 1999. The City's HOME funds shall be reimbursed to the City by TELACU and shall be due and payable immediately if the project, or any portion thereof or interest therein, is sold, transferred, assigned or refinanced without prior written consent of the City; provided however, that during the term that HUD holds a security interest in the site under the HUD Section 202 Capital Advance Documents, the foregoing shall not apply to a transfer to HUD or to a transferee approved by HUD. In the event the project is

NOTE 4 LONG-TERM RECEIVABLES (CONTINUED)

TELACU Housing-El Monte II Inc. (Continued)

acquired by any entity which is not a HUD permitted transferee, the outstanding principal balance of City's HOME funds shall be repaid to the City together with interest thereon at the rate equal to the then Federal Default Rate per annum commencing on the date of the sale or transfer of the project. Any such repayment during the term of the HUD Capital Advance Documents shall be from residual receipts as defined by HUD, provided that an approval has been obtained from HUD for such repayment. The right of the City to recover the amount of the HOME Funds shall be in existence for 40 years from the date of issuance of the Certificate of Completion for the Project.

TDF Senior Housing

The "Original Project Gap Loan" was approved on January 1, 2003. The Long-term Project Note" and the "Special Construction Loan" were originated in March 2004. The notes bear interest at 5% for a term of 45 years. On February 5, 2015, the City and TDF Senior Housing entered into an agreement affirming principal and interest owed by TDF on its loans.

El Monte Metro Family Housing, L.P.

The City entered into a disposition, development and affordable rental housing loan agreement with El Monte Metro Family Housing, L.P. on March 18, 2020 for purposes of the El Monte Metro Family Housing (FH) Project Gateway Phase 1A Housing, a HOME Investment Partnership Program (HOME) – funded activity that would result in the development of a 25 rental dwelling units. To enable the development of the project, the City provided a HOME FH Development Project Loan amounting to \$2,000,000, Site Mortgage Note amounting to \$1,489,600, and a Deferred developer fee amounting to \$272,293. These loans were evidenced by two promissory notes bearing a rate of 1.93% and 3% for Site Mortgage Note and Development Project Loan respectively. Installment payments of principal and interest shall be payable from 50% of residual receipts of the project due on June 1st annually. The notes and the remaining principal balance and all accrued and unpaid interest shall be due and payable after 57 years.

El Monte Metro Veteran Housing, L.P.

The City entered into a disposition, development and affordable rental housing loan agreement with El Monte Metro Veteran Housing, L.P. on March 18, 2020 for purposes of the El Monte Metro Veteran Housing (VH) Project that would result in the development of a 28 rental dwelling units. To enable the development of the project, the City provided a Site Mortgage Note amounting to \$1,170,400, and a Deferred developer fee amounting to \$167,918. The loan was evidenced by a promissory note bearing a rate of 1.93%. Installment payments of principal and interest shall be payable from 50% of residual receipts of the project due on June 1st annually. The notes and the remaining principal balance and all accrued and unpaid interest shall be due and payable after 57 years.

NOTE 4 LONG-TERM RECEIVABLES (CONTINUED)

Capital lease receivable

A lease receivable is recorded in the City's General Fund. The lease is the remainder due to the City from the sale of the water rights to the Water Authority. The Water Authority is obligated to pay this lease from surplus revenues over the 50-year life of the lease ending September 1, 2049. Payments vary with the level of surplus revenues. There were no surplus revenues for the year ended June 30, 2020. The balance of the lease at June 30, 2020 is \$17,977,364. The lease receivable and capitalized lease obligation have been eliminated similar to internal balances in the government-wide statement of net position.

NOTE 5 LAND HELD FOR RESALE

The carrying amount of land is reported at cost which approximates fair value. As of June 30, 2020, the details of the City's investment in land held for resale are as follows:

General Fund	\$ 138,266
Housing and Community Development Fund	420,000
Housing Asset Fund	<u>1,504,095</u>
	<u>\$ 2,062,361</u>

NOTE 6 CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2020:

<u>Governmental Activities</u>	<u>Beginning Balance</u> (Restated)	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$ 74,442,896	\$ 3,538,117	\$ 666,554	\$ 77,314,459
Rights-of-way	266,801,532	-	-	266,801,532
Construction-in-progress	2,451,402	9,738,662	-	12,190,064
Total capital assets not being depreciated	<u>343,695,830</u>	<u>13,276,779</u>	<u>666,554</u>	<u>356,306,055</u>
Capital assets being depreciated:				
Land improvements	11,065,876	166,476	-	11,232,352
Structures and improvements	42,567,100	-	-	42,567,100
Machinery and equipment	20,743,837	1,980,736	680,528	22,044,045
Infrastructure	137,800,898	136,560	-	137,937,458
Total capital assets being depreciated	<u>212,177,711</u>	<u>2,283,772</u>	<u>680,528</u>	<u>213,780,956</u>
Less accumulated depreciation:				
Land improvements	6,020,805	349,860	-	6,370,665
Structures and improvements	18,818,965	1,132,126	-	19,951,090
Furniture and equipment	14,547,751	1,669,392	655,403	15,561,740
Infrastructure	72,384,244	3,060,019	-	75,444,263
Total accumulated depreciation	<u>111,771,765</u>	<u>6,211,396</u>	<u>655,403</u>	<u>117,327,758</u>
Capital assets being depreciated, net	<u>100,405,946</u>	<u>(3,927,624)</u>	<u>25,125</u>	<u>96,453,197</u>
Governmental activities capital assets, net	<u>\$ 444,101,776</u>	<u>\$ 9,349,156</u>	<u>\$ 691,679</u>	<u>\$ 452,759,252</u>

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

Governmental Activities:	
General government	\$ 1,705,083
Parks and recreation	198,351
Economic development	519,252
Public works	914,419
Public safety	2,874,291
Total	<u>\$ 6,211,396</u>

NOTE 6 CAPITAL ASSETS (CONTINUED)

In accordance with and as allowed by GASB Statement No. 34, the City capitalizes and reports general infrastructure assets acquired in the current year and prior years. Infrastructure assets recorded in prior years as part of implementing GASB Statement No. 34 included rights-of-way which amounted to \$266,801,532.

<u>Business-type Activities</u>	<u>Beginning Balance</u> (Restated)	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Capital assets not being depreciated:				
Land	\$ 310,748	\$ -	\$ -	\$ 310,748
Construction-in-progress	506,157	695,860	-	1,202,017
Total capital assets not being depreciated	<u>816,905</u>	<u>695,860</u>	<u>-</u>	<u>1,512,765</u>
Capital assets being depreciated:				
Water rights	34,152,450	-	-	34,152,450
Structures and improvements	677,349	15,553	-	692,902
Land improvements	2,801,281	-	-	2,801,281
Machinery and equipment	4,056,828	89,781	118,483	4,028,126
Infrastructure	25,215,687	-	-	25,215,687
Total capital assets being depreciated	<u>66,903,595</u>	<u>105,335</u>	<u>118,483</u>	<u>66,890,446</u>
Less accumulated depreciation:				
Water rights	13,660,980	683,049	-	14,344,029
Structures and improvements	203,062	13,584	-	216,646
Land improvements	2,331,903	42,783	-	2,374,686
Furniture and equipment	2,185,982	393,262	118,483	2,460,761
Infrastructure	12,611,599	483,858	-	13,095,457
Total accumulated depreciation	<u>30,993,527</u>	<u>1,616,536</u>	<u>118,483</u>	<u>32,491,579</u>
Capital assets being depreciated, net	<u>35,910,068</u>	<u>(1,511,201)</u>	<u>-</u>	<u>34,398,867</u>
Business-type activities capital assets, net	<u>\$ 36,726,973</u>	<u>\$ (815,341)</u>	<u>\$ -</u>	<u>\$ 35,911,632</u>

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

Business-type Activities:	
Water Fund	\$ 997,866
Sewer Fund	618,670
Total	<u>\$ 1,616,536</u>

NOTE 7 INTERFUND RECEIVABLE, PAYABLE AND TRANSFERS

The composition of interfund balances as of June 30, 2020, is as follows:

Advances To/From Other Funds

Advances From Other Funds	Advances To Other Funds Internal Service Fund
General Fund	\$ 300,000
	\$ 300,000

The amount owed by the Internal Service Fund to the General Fund was due to temporary deficit cash balance in the Self Insurance Fund, which the City expects to eliminate with future revenues.

Due To/From Other Funds

Due from Other Funds	Due to Other Funds Nonmajor Governmental Funds
General Fund	\$ 6,871,727
	\$ 6,871,727

Amounts due to the General Fund represent short-term borrowings by the Nonmajor Funds. These balances are expected to be repaid within the next fiscal year.

Interfund Transfers

Transfers Out:	Transfers In				Total
	General Fund	Nonmajor Governmental Funds	Total Governmental Funds	Internal Service Funds	
Governmental Funds:					
General Fund	\$ -	\$ 1,900,976	\$ 1,900,976	\$ -	\$ 1,900,976
Retirement Fund	3,482,000	-	3,482,000	-	3,482,000
Nonmajor governmental funds	2,590,251	193,720	2,783,971	-	2,783,971
Business-type funds:					
Sewer Fund	-	-	-	100,000	100,000
	\$ 6,072,251	\$ 2,094,696	\$ 8,166,947	100,000	\$ 8,266,947

For record-keeping purposes, the City accounts for its Gas Tax monies in a separate fund. Each year, the City transfers these monies into the General Fund to fund allowable projects. In fiscal year 2019-2020, the City transferred \$3.5 million from the Retirement Fund and \$2.6 million from its special revenue funds (nonmajor governmental funds) into its General Fund. The City transferred \$3.5 million from the Retirement Fund bond proceeds to General Fund to pay for a portion of the CalPERS normal costs. The City also transferred \$242,837 from the General Fund to Storm Drain Fund to fund deficits in the Storm Drain Fund during fiscal year 2019-2020.

NOTE 8 ADVANCES TO THE FORMER COMMUNITY REDEVELOPMENT AGENCY

During the previous fiscal years, the City of El Monte made loans to the former Redevelopment Agency. These loans provided for interest at rates up to 12% per annum depending upon when the loan was initiated.

In June 2011, AB X1 26 dissolved the former Redevelopment Agency, effective (after some litigation on the matter) February 1, 2012. As part of the dissolution process set forth in that bill and a later bill clarifying and modifying the terms of the dissolution (Assembly Bill 1484, adopted in June 2012), the existing loan from the City to the Agency was considered by the Department of Finance to be unenforceable. The successor agency to the former redevelopment agency has sought reconsideration by the Department of Finance as to the enforceability of the loan. With the issuance of Findings of Completion to the Successor Agency in April 2013, the Department of Finance allowed the inclusion of the loan agreements between the former Redevelopment Agency and the City on the Recognized Obligation Payment Schedule (ROPS), as an enforceable obligation, provided the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes per HSC Section 34191.4(b) (1). During fiscal year 2020, the Successor Agency recorded interest on the loans amounting to \$1,142,163. Because of the uncertainty as to when the former Redevelopment Agency will have excess property tax distribution to pay for the loan, the full amount of the loan of \$41.6 million (including \$15.1 million of adjusted accrued interest) has been reserved as potentially uncollectible as of June 30, 2020. (See Note 17).

NOTE 9 LONG-TERM DEBT

Governmental Activities

The following is a schedule of changes in long-term debt for the fiscal year ended June 30, 2020:

	Balance at July 1, 2019	Additions	Retirements	Balance at June 30, 2020	Amount due within one Year
Other debt:					
2010 Lease Revenue Bonds	\$ 16,545,000	\$ -	\$ 435,000	\$ 16,110,000	\$ 455,000
Lease Revenue Bonds, 2020 Series A	-	21,000,000	-	21,000,000	-
Taxable Pension Obligation Bonds, Series 2020	-	118,725,000	-	118,725,000	-
Notes and loans payable	1,543,000	-	337,000	1,206,000	361,000
Accrued compensated absences	7,012,193	3,332,125	2,481,242	7,863,076	1,965,769
Net pension liability	134,715,287	47,162,255	45,875,320	136,002,222	-
Net OPEB liability	95,970,653	12,503,716	3,502,499	104,971,870	-
Claims and judgments	15,480,210	4,444,123	2,564,802	17,359,531	4,218,399
	<u>271,266,343</u>	<u>207,167,219</u>	<u>55,195,863</u>	<u>423,237,699</u>	<u>\$ 7,000,168</u>
Unamortized bond discount	(334,055)	-	(24,097)	(309,958)	
Unamortized bond premium	-	204,298	-	204,298	
	<u>\$ 270,932,288</u>	<u>\$ 207,371,517</u>	<u>\$ 55,171,766</u>	<u>\$ 423,132,039</u>	

NOTE 9 LONG-TERM DEBT (CONTINUED)

The City has no available, unused lines of credit.

There are no assets pledged as collateral for debt.

The General Fund and Enterprise Funds have been used in prior years to liquidate the pension liability and net OPEB liability.

Agency Cooperation Agreement and the 2010 Taxable Lease Revenue Bonds

The El Monte Public Financing Authority has issued taxable lease revenue bonds on behalf of the City of El Monte, part of the proceeds of which were loaned to the former Redevelopment Agency to finance certain redevelopment activities. The Taxable Recovery Zone Economic Development Lease Revenue Bonds, Series 2010A and the Taxable Lease Revenue Build America Bonds, Series 2010B were issued on December 13, 2010 to provide funds to the Agency to (1) finance the acquisition and development of the City of El Monte Maintenance Yard Facility; (2) fund reserve account; (3) pay for cost of issuance.

These bonds are special obligations of the Authority payable from and secured by revenues consisting primarily of amounts payable by the City under the Lease Agreement.

The 2010 Lease Revenue Bonds are backed by a City General Fund pledge, which shall be payable from any source of available funds to the City. However, the bonds were structured with 2 primary sources of revenue (lease payments) and Federal Direct payments:

1. Agency Cooperation Agreement – The former Redevelopment Agency pays for a portion of the costs to acquire and construct the project in the form of annual lease payments, summarized below:
 - \$245,000 from the Northwest project area
 - \$485,000 from the Valley/Durfee project area

2. City Enterprise Sublease Agreement – The City Water Enterprise and City Sewer Enterprise will lease a portion of the property from the City, and shall make sublease payments to the City Debt Service Fund to be applied by the City for the payment of the lease payments as follows:
 - \$200,000 Water Enterprise Fund
 - \$300,000 Sewer Enterprise Fund

The Agency Cooperation Agreement provides that the Agency may incur bonded indebtedness superior to any Agency obligation under the Agency Cooperation Agreement.

If the City defaults on its obligations to make lease payments, the Trustee, as assignee of the Authority, has the right to accelerate lease payments.

NOTE 9 LONG-TERM DEBT (CONTINUED)

\$14,790,000 – Taxable Recovery Zone Economic Development Lease Revenue Bonds, Series 2010A

The following schedule illustrates the debt service requirements to maturity for the bonds as of June 30, 2020:

Year Ending June 30,	2010 Lease Revenue Bonds Series A	
	Principal	Interest
2021	\$ -	\$ 1,318,263
2022	-	1,318,263
2023	120,000	1,318,263
2024	530,000	1,307,763
2025	555,000	1,261,387
2026-2030	3,195,000	5,531,250
2031-2035	4,045,000	3,980,212
2036-2040	5,155,000	1,971,450
2041-2045	1,190,000	107,100
Total	\$ 14,790,000	\$ 18,113,950

Note: Net interest is gross interest minus the 45% subsidy from the U.S. Treasury Department pursuant to the "Build America Bonds" program which was created by the American Recovery and Reinvestment Act of 2009. City Management expects approximately \$8.7 million of the interest amount to be repaid using the Recovery Zone Economic Development subsidy.

Based on the annual payments expected from the former Redevelopment Agency, City management expects \$24.8 million of the above debt to be repaid using the Agency's tax increment revenues.

NOTE 9 LONG-TERM DEBT (CONTINUED)

\$4,465,000 – Taxable Lease Revenue Build America Bonds, Series 2010B

The following schedule illustrates the debt service requirements to maturity for the bonds as of June 30, 2020:

Year Ending June 30,	2010 Lease Revenue Bonds Series B	
	Principal	Interest
2021	\$ 455,000	\$ 100,980
2022	480,000	66,172
2023	385,000	29,453
Total	\$ 1,320,000	\$ 196,605

Note: Net interest is gross interest minus the 35% subsidy from the U.S. Treasury Department pursuant to the "Build America Bonds" program which was created by the American Recovery and Reinvestment Act of 2009. City Management expects approximately \$68,812 of the interest amount to be repaid using the Buy America Bonds subsidy.

Based on the annual payments expected from the Agency, City management expects \$1.4 million to be repaid using the Agency's tax increment revenues.

NOTE 9 LONG-TERM DEBT (CONTINUED)

Lease Revenue Bonds, 2020 Series A

On June 18, 2020, the El Monte Public Financing Authority issued taxable lease revenue bonds on behalf of the City of El Monte, to provide funds to (i) finance a substantial portion of the City of El Monte’s Public Agency Retirement System (PARS) Obligation, (ii) fund a reserve for the 2020A Bonds, (iii) fund certain expenses of the City of El Monte, (iv) fund capitalized interest through June 1, 2021, and (v) pay the related costs of issuing the 2020A Bonds.

These bonds are special obligations of the Authority payable from and secured by revenues consisting primarily of amounts payable by the City under the Lease Agreement.

Lease Agreement and Site and Facility Lease – The City will lease a portion of the property from the Authority, and shall make sublease payments to the City Debt Service Fund to be applied by the City for the payment of principal and interest

If the Authority defaults on its obligations, the Trustee, shall be obligated to exercise such one or more of the rights and powers conferred in Article VIII of the Indenture. The Trustee shall have no right to declare the principal or interest on the bonds to be due and payable immediately.

The debt service payment requirements with respect to above bonds are as follows:

Year Ending June 30,	Lease Revenue Bonds, 2020 Series A	
	Principal	Interest
2021	\$ -	\$ 754,468
2022	710,000	820,569
2023	740,000	792,169
2024	770,000	762,569
2025	800,000	731,769
2026-2030	4,505,000	3,152,847
2031-2035	5,445,000	2,212,796
2036-2040	6,560,000	1,089,703
2041-2045	1,470,000	58,801
Total	\$ 21,000,000	\$ 10,375,691

NOTE 9 LONG-TERM DEBT (CONTINUED)

Taxable Pension Obligation Bonds, Series 2020

On June 9, 2020, the City issued \$118,725,000 Taxable Pension Obligation Bonds, Series 2020 to: (i) refinance a portion of the City's outstanding obligation to the California Public Employees' Retirement System with respect to certain of the City's defined benefit retirement plans for its current and retired public safety employees and miscellaneous employees, and (ii) pay the costs of issuing the Series 2020 Bonds.

The City will take all action to levy, or cause to be levied, the Retirement Tax in accordance with applicable law, including the Constitution of the State, in an amount sufficient to pay debt service on all outstanding bonds.

Under the terms of the Insurance Policy, the Insurer guarantees the scheduled payment of principal and interest on the Series 2020 Bonds when due but shall be unpaid by reason of nonpayment by the City.

The debt service payment requirements with respect to above bonds are as follows:

Year Ending June 30,	Taxable Pension Obligation Bonds, Series 2020	
	Principal	Interest
2021	\$ -	\$ 2,568,886
2022	875,000	4,140,072
2023	1,470,000	4,120,554
2024	1,580,000	4,093,390
2025	1,695,000	4,061,404
2026-2030	10,515,000	19,613,121
2031-2035	14,740,000	17,812,228
2036-2040	20,400,000	14,860,833
2041-2045	26,570,000	10,548,534
2046-2050	33,290,000	4,856,957
2051	7,590,000	148,612
Total	\$ 118,725,000	\$ 86,824,591

NOTE 9 LONG-TERM DEBT (CONTINUED)

Notes and Loans Payable

HUD Section 108 Loan 2011-A

On August 9, 2001, the City issued \$2,500,000 of U.S. Government Guaranteed Notes, Series 2001-A, guaranteed by the Secretary of Housing and Urban Development.

In November 2011, the notes were refinanced through the issuance of \$1,561,000 Guaranteed Notes, Series 2011-A. The U.S. Government Guaranteed Notes, Series 2001-A outstanding balance of \$ 1,561,000 were considered defeased. The principal balance outstanding of the Series 2011-A note as of June 30, 2020, was \$221,000.

The debt service payment requirements with respect to the Series 2011-A note are as follows:

Ending June 30,	HUD Section 108 Loan 2011-A	
	Principal	Interest
2021	\$ 221,000	\$ 2,707
Total	\$ 221,000	\$ 2,707

Upon the Secretary of Housing and Urban Development (HUD) giving notice that the Borrower is in default under this Contract or the Note, all right, title, and interest of the Borrower in and to the Guaranteed Loan Funds and Guaranteed Loan Funds Investment Accounts shall immediately vest in the Secretary for use in making payment on the Note, purchase of Government Obligations in accordance with paragraph 10 of the contract, or payment of any other obligations of the Borrower under this Contract or the Fiscal Agency/Trust Agreements, in each case as elected by the Secretary in his sole discretion.

HUD Section 108 Loan 2015-A

On June 16, 2004, the City issued \$2,200,000 of U.S. Government Guaranteed Notes, Series 2004-A, guaranteed by the Secretary of Housing and Urban Development.

In May 2015, the notes were refinanced through the issuance of \$1,420,000 Guaranteed Notes, Series 2015-A. The U.S. Government Guaranteed Notes, series 2004-A were considered defeased. The principal balance outstanding of the Series 2015-A note as of June 30, 2020, was \$835,000.

NOTE 9 LONG-TERM DEBT (CONTINUED)

The total debt service payment requirements with respect to the loan are as follows:

Ending June 30,	HUD Section 108 Loan 2015-A	
	Principal	Interest
2021	\$ 140,000	\$ 19,736
2022	150,000	16,588
2023	155,000	12,926
2024	175,000	8,578
2025	215,000	3,064
Total	\$ 835,000	\$ 60,892

Upon the Secretary of Housing and Urban Development (HUD) giving notice that the Borrower is in default under this Contract or the Note, all right, title, and interest of the Borrower in and to the Guaranteed Loan Funds and Guaranteed Loan Funds Investment Accounts shall immediately vest in the Secretary for use in making payment on the Note, purchase of Government Obligations in accordance with paragraph 10 of the contract, or payment of any other obligations of the Borrower under this Contract or the Fiscal Agency/Trust Agreements, in each case as elected by the Secretary in his sole discretion.

Alameda Corridor East Construction Authority (ACE) Promissory Note

On December 21, 2012, the City, through the El Monte Housing Authority, issued a non-interest bearing Note as evidence of the indebtedness of the Housing Authority to ACE incurred in connection with the purchase by the Housing Authority of certain land from ACE. The purchase price of the property was \$700,000 and the first installment payment of \$400,000 was paid on December 17, 2012. The remaining \$300,000 was secured in the form of a promissory note. The payment of outstanding principal under this Note shall be made as follows:

Ending June 30,	Principal
2022	\$ 150,000
Total	\$ 150,000

Claims and Judgments

As of June 30, 2020, the City is a party to certain lawsuits. After reviewing these lawsuits with legal counsel, management has estimated the potential claims against the City, not covered by insurance, resulting from such litigation. These claims and judgments are generally liquidated by the Internal Service Fund. At June 30, 2020, the total estimated liability for claims was \$17,359,531. (See Note 12).

NOTE 9 LONG-TERM DEBT (CONTINUED)

Business-type Activities

The following is a schedule of changes in long-term debt for the fiscal year ended June 30, 2020:

	Balance at July 1, 2019	Additions	Retirements	Balance at June 30, 2020	Amount due within one Year
Other debt:					
Revenue bonds series 2018A	\$ 18,880,000	\$ -	\$ 495,000	\$ 18,385,000	\$ 535,000
Accrued compensated absences	324,841	107,509	127,625	304,725	76,181
Net pension liability	3,560,397	1,320,905	1,545,587	3,335,715	-
Net OPEB liability	5,051,086	1,347,876	171,818	6,227,144	-
Capital lease payable	17,977,364	-	-	17,977,364	-
	<u>\$ 45,793,688</u>	<u>\$ 2,776,290</u>	<u>\$ 2,340,030</u>	<u>\$ 46,229,948</u>	<u>\$ 611,181</u>
Unamortized bond premium	2,542,462	-	65,191	2,477,271	
	<u>\$ 48,336,150</u>	<u>\$ 2,776,290</u>	<u>\$ 2,405,221</u>	<u>\$ 48,707,219</u>	

Revenue Bonds Series 2018A

On August 23, 2018, the El Monte Water Authority has issued \$18,880,000 Revenue Bonds Series 2018A to: (i) refund all of the outstanding El Monte Water Authority Refunding Revenue Bonds, 2006 Series; (ii) finance the cost of certain improvements to the City's Water Enterprise; (iii) purchase a municipal bond insurance policy from Build America Mutual Assurance Company to guarantee the scheduled payment of principal of and interest on the 2018 Bonds; (iv) purchase a municipal bond debt service reserve insurance policy from Build America Mutual Assurance Company for deposit in the Reserve Fund; and (v) pay costs of issuance of the 2018 Bonds.

The reacquisition price was less than the net carrying amount of the old debt by \$63,901, which resulted in the recognition of deferred inflow of resources (Note 15). The difference between the reacquisition price and the net carrying amount of the old debt is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter. An economic gain of \$18,557 was recognized as a result of defeasance.

Under the terms of the Reserve Surety Policy, the Insurer will unconditionally and irrevocably guarantee to pay that portion of the scheduled payments of principal and interest on the 2018 Bonds that becomes due for payment but shall be unpaid by reason of nonpayment by the Authority.

NOTE 9 LONG-TERM DEBT (CONTINUED)

The total debt service payment requirements with respect to above bonds are as follows:

Year Ending June 30,	Revenue Bonds Series 2018A	
	Principal	Interest
2021	\$ 535,000	\$ 867,575
2022	555,000	845,775
2023	570,000	823,275
2024	600,000	796,875
2025	625,000	766,250
2026-2030	3,655,000	3,314,250
2031-2035	4,660,000	2,279,375
2036-2040	2,065,000	1,495,113
2041-2045	2,565,000	971,625
2046-2050	2,555,000	263,125
Total	\$ 18,385,000	\$ 12,423,238

Capital lease payable

A lease payable is recorded in the City's Water Fund. The lease is the remainder due to the City from the sale of the water rights to the Water Authority. The Water Authority is obligated to pay this lease from surplus revenues over the 50-year life of the lease ending September 1, 2049. Payments vary with the level of surplus revenues. The balance of the lease at June 30, 2020 is \$17,977,364.

NOTE 10 NON-COMMITTAL DEBT

Certificates of Participation, Series 1999

On January 15, 1999, the City issued Certificates of Participation, Series 1999 (Department of Public Social Services Facility) in the amount of \$38,690,000. Proceeds of the sale of the certificates were used to finance the acquisition of real property and to construct a Department of Public Social Services building to be occupied by the County of Los Angeles. The balance outstanding on these bonds at June 30, 2020, is \$19,375,000. The City is not liable for the repayment of this debt. For this reason, neither the debt nor the related debt service payments are recorded in the City's financial statements.

NOTE 11 DEFINED BENEFIT PENSION PLANS

Public Employees Retirement System (PERS) and Public Agency Retirement System (PARS)

General Information about the Pension Plans

Plan Description

All qualified permanent and probationary employees are eligible to participate in the City's separate Safety (police) and Miscellaneous (all other) Plans, an agent multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Effective July 2000, the City of El Monte entered into a multi-employer agreement with a Public Agency Retirement System (PARS) program, an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for participating public entities within the State of California. The City participates in CalPERS 2% at 55 retirement plan for miscellaneous employees. PARS provides an addition to CalPERS benefit for a maximum of 3% retirement.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

Upon retirement at age 55, PARS plan provides the eligible employees with 1% times their years of service times their highest annual salary. To receive benefits, the miscellaneous employees must be at least 55 years of age, have at least five years full-time employment with the City of El Monte and have terminated his or her employment with the City of El Monte and concurrently retire from PERS. The benefit is equal to a percentage of highest pay multiplied by years of service with the percentage varying by retirement age based on a 3.0% at 55 target offset by CalPERS 2% at 55 formula. The plan does not include a withdrawal benefit, death benefit or disability benefit other than a refund of employee contribution with interest credited at 3% per year. Benefits are increased by 2% annual cost of living adjustments after retirement.

NOTE 11 DEFINED BENEFIT PENSION PLANS (CONTINUED)

The Plans' provisions and benefits in effect at June 30, 2020, are summarized as follows:

	CalPERS				PARS
	Miscellaneous		Safety		
	Prior to January 1, 2013	On or after January 1, 2013	Prior to January 1, 2013	On or after January 1, 2013	
Hire date					
Benefit formula	2% @ 55	2% @ 62	3% @ 50	2.7% @ 57	1% @ 55
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	50 - 67 & up	52 - 67 & up	50 - 55 & up	50 - 57 & up	55
Monthly benefits, as a % of eligible compensation	1.4% to 2.4%	1.0% to 2.5%	3%	2.0% to 2.7%	1%
Required employee contribution rates	7%	7%	9%	13.75%	1% (1)
Required employer contribution rates	10.266%	10.266%	25.722%	25.722%	42.52%

(1) Employee contributions commence January 1, 2020 at a rate of 1% of pay, increasing to 2% on January 1, 2021, and 3% on January 1, 2022.

Employees Covered

At June 30, 2018 (valuation date), the following employees were covered by the benefit terms of the Plan:

	CalPERS	
	Miscellaneous	Safety
Inactive employees or beneficiaries currently receiving benefits	351	279
Inactive employees entitled but not yet receiving benefits	209	52
Active employees	166	118
Total	<u>726</u>	<u>449</u>

At June 30, 2019 (valuation date), the following employees were covered by the benefit terms of the Plan:

	PARS
Inactive employees or beneficiaries currently receiving benefits	125
Inactive employees entitled but not yet receiving benefits	17
Active employees	77
Total	<u>219</u>

NOTE 11 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are 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. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

Net Pension Liability

The City's net pension liability for the Plans is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the CalPERS Plans is measured as of June 30, 2019, using an annual actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 using standard update procedures. The net pension liability of PARS Plan is measured as of June 30, 2019 using an actuarial valuation date of June 30, 2019. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions

The total pension liability was determined using the following actuarial assumptions:

	CalPERS		PARS
	<u>Miscellaneous</u>	<u>Safety</u>	
Valuation Date	June 30, 2018	June 30, 2018	June 30, 2019
Measurement Date	June 30, 2019	June 30, 2019	June 30, 2019
Actuarial Cost Method	Entry-Age Normal Cost Method		Entry-Age Normal Cost Method
Actuarial Assumptions:			
Discount Rate	7.15%	7.15%	6.50%
Inflation	2.50%	2.50%	2.50%
Projected Salary Increase	Varies by entry age and service		3.4% after 22 years of service (1)
Mortality Rate Table (1)	Derived using CalPERS' membership data for all funds		Consistent with the Non-Industrial rates used to value the Miscellaneous Agency CalPERS Pension Plans after June 30, 2017.

(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. Preretirement and Post-retirement mortality rates include 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.

NOTE 11 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Discount Rate

The discount rate used to measure the total pension liability was 7.15% for each CalPERS Plan.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all 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 table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

<u>Asset Class</u>	<u>Assumed asset allocation</u>	<u>Real return years 1-10 ²</u>	<u>Real return years 11+ ³</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%	4.93%
Liquidity	1.00%	-	-0.92%
Total	<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 2.00% used for this period.

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

NOTE 11 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Discount Rate (Continued)

For PARS Plan, the discount rate used to measure total pension liability was 6.5%. The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

The assumption for the long-term expected rate of return was selected by the City. Below is a projection of the 30 year average return derived by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation on the Plan's current asset allocation. The capital market assumptions are per Milliman's investment consulting practice as of June 30, 2020.

<u>Asset Class</u>	<u>Index</u>	<u>Estimated Allocation**</u>	<u>Long-Term Expected Arithmetic Real Rate of Return</u>	<u>Long-Term Expected Geometric Real Rate of Return</u>
US Cash	BAML 3-Mon Tbill	2.35%	-0.22%	-0.22%
US Core Fixed Income	Barclays Aggregate	46.43%	0.92%	1.73%
US Equity Market	Russell 3000	38.69%	4.82%	3.52%
Foreign Developed Equity	MSCI EAFE NR	5.81%	6.32%	4.55%
Emerging Markets Equity	MSCI EM NR	4.34%	8.35%	5.43%
US REITs	FTSE NAREIT Equity REIT	2.38%	5.32%	3.42%
Assumed Inflation - Mean			2.21%	2.20%
Assumed Inflation - Standard Deviation			1.65%	1.65%
Portfolio Real Mean Return			3.14%	2.76%
Portfolio Nominal Mean Return (50th Percentile) *			5.35%	5.03%
Portfolio Standard Deviation				8.49%
Long-term Expected Rate of Return				6.50%

*Milliman's capital market analysis as of June 30, 2020 of the 30 year average returns determined that the long term expected rate of return of 6.50% does not fall within the 75th percentile of average annualized returns.

** The allocation of international equities for excess accounts are based on the qualified asset

NOTE 11 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Changes in the Net Pension Liability

The following tables show the changes in net pension liability over the measurement period:

CalPERS – Miscellaneous Plan

	Total Pension Liability (Asset)	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	<u> </u>	<u> </u>	<u> </u>
Balance at June 30, 2018 (Measurement date)	\$ 158,466,633	\$ 118,736,248	\$ 39,730,385
Changes Recognized for the			
Service Cost	2,110,567	-	2,110,567
Interest on the total pension liability	11,240,731	-	11,240,731
Differences between expected and actual experiences	2,070,227	-	2,070,227
Changes of assumptions	-	-	-
Net plan to plan resource movement	-	3,997	(3,997)
Contributions from the employer	-	4,797,362	(4,797,362)
Contributions from the employee	-	951,813	(951,813)
Net investment income	-	7,738,382	(7,738,382)
Benefit payments	(8,758,226)	(8,758,226)	-
Administrative expenses	-	(84,733)	84,733
Other miscellaneous expense	-	276	(276)
Net Changes during measurement period 2018-2019	<u>6,663,299</u>	<u>4,648,871</u>	<u>2,014,428</u>
Balance at June 30, 2019 (Measurement date)	<u>\$ 165,129,932</u>	<u>\$ 123,385,119</u>	<u>\$ 41,744,813</u>

City of El Monte
Notes to Financial Statements
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NOTE 11 DEFINED BENEFIT PENSION PLANS (CONTINUED)

CalPERS – Safety Plan

	Total Pension Liability (Asset)	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	<u> </u>	<u> </u>	<u> </u>
Balance at June 30, 2018 (Measurement date)	\$ 314,744,658	\$ 234,564,328	\$ 80,180,330
Changes Recognized for the			
Service Cost	5,112,385	-	5,112,385
Interest on the total pension liability	22,237,353	-	22,237,353
Differences between expected and actual experiences	1,881,382	-	1,881,382
Changes of assumptions	-	-	-
Net plan to plan resource movement	-	(3,997)	3,997
Contributions from the employer	-	10,651,799	(10,651,799)
Contributions from the employee	-	1,535,596	(1,535,596)
Net investment income	-	15,347,021	(15,347,021)
Benefit payments	(16,340,609)	(16,340,609)	-
Administrative expenses	-	(167,390)	167,390
Other miscellaneous expense	-	547	(547)
Net Changes during measurement period 2018-2019	<u>12,890,511</u>	<u>11,022,967</u>	<u>1,867,544</u>
Balance at June 30, 2019 (Measurement date)	<u>\$ 327,635,169</u>	<u>\$ 245,587,295</u>	<u>\$ 82,047,874</u>

PARS

	Total Pension Liability (Asset)	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	<u> </u>	<u> </u>	<u> </u>
Balance at June 30, 2018 (Measurement date)	\$ 42,115,726	\$ 23,750,757	\$ 18,364,969
Changes Recognized for the			
Service Cost	340,582	-	340,582
Interest on the total pension liability	2,690,111	-	2,690,111
Changes of assumptions	297,709	-	297,709
Plan changes	(91,583)	-	(91,583)
Economic/demographic gains or losses	(1,720,986)	-	(1,720,986)
Contributions from the employer	-	2,869,992	(2,869,992)
Net investment income	-	1,473,170	(1,473,170)
Benefit payments	(2,174,206)	(2,174,206)	-
Administrative expenses	-	(7,610)	7,610
Net Changes during measurement period 2018-2019	<u>(658,373)</u>	<u>2,161,346</u>	<u>(2,819,719)</u>
Balance at June 30, 2019 (Measurement date)	<u>\$ 41,457,353</u>	<u>\$ 25,912,103</u>	<u>\$ 15,545,250</u>

NOTE 11 DEFINED BENEFIT PENSION PLANS (CONTINUED)

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

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

	<u>CalPERS</u>		<u>PARS</u>
	<u>Miscellaneous</u>	<u>Safety</u>	
1% Decrease	6.15%	6.15%	5.50%
Net Pension Liability	\$ 63,650,187	\$ 126,313,758	\$ 20,498,967
Current Discount Rate	7.15%	7.15%	6.50%
Net Pension Liability	\$ 41,744,813	\$ 82,047,874	\$ 15,545,250
1% Increase	8.15%	8.15%	7.50%
Net Pension Liability	\$ 23,708,535	\$ 45,765,406	\$ 11,395,468

Pension Plan Fiduciary Net Position

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

Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

For the year ended June 30, 2020, the City recognized pension expense of \$5,800,989 and \$12,844,537 for CalPERS Miscellaneous Plan and Safety Plan, respectively. The City recognized pension expense of \$1,334,931 for PARS Plan for the year ended June 30, 2020. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>CalPERS</u>				<u>PARS</u>	
	<u>Miscellaneous</u>		<u>Safety</u>		<u>Deferred</u>	<u>Deferred</u>
	<u>Deferred</u>	<u>Deferred</u>	<u>Deferred</u>	<u>Deferred</u>	<u>Outflows of</u>	<u>Inflows of</u>
	<u>Outflows of</u>	<u>Inflows of</u>	<u>Outflows of</u>	<u>Inflows of</u>	<u>Resources</u>	<u>Resources</u>
	<u>Resources</u>	<u>Resources</u>	<u>Resources</u>	<u>Resources</u>	<u>Resources</u>	<u>Resources</u>
Pension contributions subsequent to measurement date	\$ 44,550,670	\$ -	\$ 85,315,686	\$ -	\$ 15,577,249	\$ -
Differences between actual and expected experience	1,242,136	(167,041)	1,209,104	-	30,615	(1,059,068)
Changes in assumptions	-	(1,104,657)	-	(2,304,907)	183,206	-
Net differences between projected and actual earnings on plan investments	-	(665,691)	-	(1,093,754)	299,965	-
Total	\$ 45,792,806	\$ (1,937,389)	\$ 86,524,790	\$ (3,398,661)	\$ 16,091,035	\$ (1,059,068)

NOTE 11 DEFINED BENEFIT PENSION PLANS (CONTINUED)

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

\$145,443,605 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2020. The \$145,443,605 includes the following amounts transferred from the bond proceeds:

	CaIPERS		PARS
	Miscellaneous	Safety	
Taxable Pension Obligation Bonds, Series 2020	\$ 39,095,958	\$ 73,652,408	\$ -
Lease Revenue Bonds, 2020 Series A	-	-	21,000,000

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense (income) as follows:

Year Ending June 30	Amount		
	CaIPERS		PARS
	Miscellaneous	Safety	
2021	\$ 19,481	\$ (579,776)	\$ (326,518)
2022	(633,242)	(1,502,722)	(316,870)
2023	(206,889)	(360,742)	79,579
2024	125,397	253,683	18,527
2025	-	-	-
Thereafter	-	-	-

Payable to the Pension Plan

At June 30, 2020, the City reported a payable of \$605,477 for the outstanding amount of contributions to the pension plans required for the year ended June 30, 2020.

Allocation to Proprietary Funds

The City allocated net pension liability and related costs to the Water Fund and Sewer Fund based upon the enterprise funds' proportionate share of the total pension contribution during the fiscal year ended June 30, 2020.

NOTE 12 INSURANCE

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 is self-insured for the first \$250,000 on each general liability claim and the first \$400,000 of each worker's compensation claim against the City. The insurance coverage in excess of the self-insured amount is provided by The Independent Cities Risk Management Authority (ICRMA) up to a limit of \$37,000,000 for general liability. For worker's compensation, the City is self-insured for the first \$400,000 on each worker's compensation claim through the Public Risk Innovation, Solutions, and Management (PRISM), formerly known as California State Association of Counties Excess Insurance Authority (CSAC-EIA).

In 1986, the City became a member of the ICRMA, a public entity risk pool currently operating as a common risk management and insurance program for 16 California cities. The City pays an annual premium to the pool for its excess general liability insurance coverage. The agreement for formation of the ICRMA provides that the pool will be self-sustaining through member premiums. The ICRMA publishes its own financial report for the year ended June 30, 2020, which can be obtained from ICRMA website. The City continues to carry commercial companies for all other risks of loss, including property insurance, auto physical damage insurance and special events insurance. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Effective July 1, 2006, the City became a member of PRISM, a public entity risk pool currently operating as a common risk management and insurance program for nearly 2,000 public entities which includes California counties, cities, school districts, special districts, housing authorities, fire districts, and joint power authorities. The City pays an annual premium to the pool for its excess worker's compensation insurance coverage. The agreement for information of the PRISM provides that the pool will be self-sustaining through member premiums. PRISM publishes its own financial report for the year ended June 30, 2020, which can be obtained from CSAC-EIA website.

Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. These losses include an estimate of claims that have been incurred, but not reported.

The City has accrued for its anticipated liability with respect to claims filed and claims incurred but not reported to the City as of year-end. The accruals are in the amounts of \$12.0 million and \$5.4 million for the worker's compensation claims and general liability claims, respectively, for a total of \$17.4 million.

A reconciliation of changes in aggregate liabilities for claims for the current fiscal year and the prior three fiscal years is as follows:

NOTE 12 INSURANCE (CONTINUED)

Fiscal Year	Liability at Beginning	Claims Incurred (Including IBNRs)	Claim Payments	Liability at End
2017	\$ 12,445,000	\$ 4,782,122	\$ (3,426,122)	\$ 13,801,000
2018	13,801,000	4,224,165	(2,509,433)	15,515,732
2019	15,515,732	2,939,331	(2,974,853)	15,480,210
2020	15,480,210	4,444,123	(2,564,802)	17,359,531

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description

The City participates in the CalPERS medical program in which the City provides other postemployment benefits (OPEB) through a single-employer defined benefit healthcare plan. The plan provides health care benefits to retired public safety and management employees in accordance with City MOUs. To be eligible, the employee must be at least 50 years of age and have five years of service.

The City contributes the CalPERS Minimum Employer Contribution (PEMHCA). Employees who retire from the City, receive a PERS pension and continue their CalPERS medical coverage, are eligible to receive the PEMHCA minimum benefit. This benefit continues throughout the life of the retiree and surviving spouse.

Benefits Provided

All retiring employees are eligible to receive the PEMHCA minimum benefit.

Employees who retired prior to July 2, 2000

Retirees receive a benefit which, when added to the PEMHCA minimum, brings the total up to the Los Angeles Area Kaiser Premium rate. When a retiree becomes eligible for Medicare, the benefit will be limited to the Kaiser Medicare Supplement rate. This additional retiree and spousal benefit ceases when the retiree reaches age 70.

Employees who retire after July 2, 2000

Employees who receive a service retirement at age 50 or older with at least 10 years of service with the City, or a nonindustrial disability retirement with at least 10 years of service with the City or an industrial disability annuity from PERS receive a lifetime benefit which, when added to the PEMHCA minimum benefit, brings the total up to the Los Angeles Area Kaiser single employee premium rate. Retirees who live outside the Los Angeles Area receive a benefit up to the "Other Southern California" Kaiser single employee rate. When a retiree becomes eligible for Medicare the benefit will be limited to the Kaiser Medicare Supplement rate.

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Spousal and dependent child benefits are provided if the employee receives a service retirement after 25 or more years of continuous service with the City, or a disability pension annuity with at least 10 years of service with the City or an industrial disability annuity from PERS. The City contributes a benefit which, when added to the PEMHCA minimum benefit, brings the total up to the Los Angeles Area Kaiser Premium rate. Spouses and dependent children of retirees who live outside the Los Angeles Area receive a benefit up to the "Other Southern California" Kaiser rates. When a participating spouse becomes eligible for Medicare, the benefit will be limited to the Kaiser Medicare Supplement rate.

Retirees between 2000 and December 2015 receive Medicare reimbursement when qualified under their MOU. Current POA MOU no longer provides this benefit. Employees hired after July 2012, upon retirement, will be eligible to purchase medical benefits at City rates and will receive a Retiree Medical Subsidy equal to the CalPERS PEMHCA. This is for a Regular Service Retirement and not an Industrial Disability Retirement. Industrial Disability Retirement benefits will not be altered.

Firefighters who retired prior to outsourcing

Benefits are provided to a closed group of retired Firefighters. These retirees are eligible to receive the PEMHCA minimum benefit. In addition, they receive City-paid coverage which, when added to the PEMHCA minimum benefit, brings the total up to 100% of the premium rate for the CalPERS medical plan they select. Both the retiree and spouse are covered. This additional benefit ends when the retiree reaches age 70. Since all retired Firefighters have reached the age of 70, no one is receiving this additional coverage.

Mid Management Employees

All retiring employees are eligible to receive the PEMHCA minimum benefit. In addition, employees who retire at age 55 or older with at least 15 years of service with the City are eligible to receive a benefit which, when added to the PEMHCA minimum benefit, brings the total up to the CalPERS Los Angeles Area single party Kaiser premium rate. Retirees who live outside the Los Angeles Area receive a benefit up to the "Other Southern California" single-party Kaiser rate. When a retiree becomes eligible for Medicare the benefit will be limited to the single party Kaiser Medicare Supplement rate.

SEIU, General Unit Employees

All retiring employees are eligible to receive the PEMHCA minimum benefit. In addition, employees who retire from the City and receive a PERS pension are eligible to receive a benefit which, when added to the PEMHCA minimum benefit, brings the total up to the CalPERS single party Kaiser premium rate. This is paid out of the SEIU Retiree Medical Insurance Fund, to which the City currently contributes \$235,000. Separately, retirees must contribute \$40 per month to the SEIU Retiree Medical Insurance Fund (actives also contribute \$40 per month).

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Top Management and City Council

All retiring employees are eligible to receive the PEMHCA minimum benefit. Up to 2014, retirees, their spouses and surviving spouses receive full CalPERS medical benefit coverage (including, not in addition to, the PEMHCA minimum benefit.) Medicare Part B premiums, CalPERS long-term care coverage, full dental and vision benefits are provided for retirees and their spouses. 100% of the above benefits are paid by the City. In addition, the City will pay retirees \$50 per month toward a life insurance plan until age 70.

Funding Policy and Contributions

The contribution requirements of plan members and the City are established and may be amended by the City, City Council, and/or employee associations. The Plan is not funded. The required contribution is based on projected pay-as-you-go financing requirements with additional amounts to prefund benefits as determined annually by the City pursuant to actuarial valuations. The City intends to pay benefit costs as they occur.

Net OPEB Liability

The City’s net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2018.

Employees Covered by Benefit Terms

At June 30, 2018 (the valuation date), the following employees were covered by the benefit terms:

Category	Count
Active employees	299
Inactive employees or beneficiaries currently receiving benefit payments	258
Inactive employees entitled to but not yet receiving benefit payment	-

Actuarial Assumptions

Projection of benefits are based on the substantive plan (the plan as understood by the employer and the plan members) based on written plan documents and historical information regarding practices with respect to employer and employee contributions and other factors. In the June 30, 2018 actuarial valuation, the Entry Age Normal method was used. This is an actuarial cost method under which the Actuarial Present Value of the projected benefits of each individual included in the valuation is allocated on a level basis over the earnings or service of the individual between entry age and assumed exit age(s). The portion of this Actuarial Present Value allocated to a valuation year is called the Normal Cost.

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

The total OPEB liability for the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.26%
Salary increases	3.25% annual increases
Discount Rate	3.50%
Healthcare cost trend rates	actual in 2019, trending down to 5% over 10 years

Mortality rates were based on the most CalPERS valuations.

Discount Rate

The Plan is not funded. The discount rate used to measure the total OPEB liability was 3.50%. The discount rate is based on a yield or index for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or better for benefits not covered by plan assets. The Bond Buyer 20-Bond General Obligation Index was used in determining the discount rate used to measure the Total OPEB Liability as of June 30, 2019.

Change in the Net OPEB Liability

	<u>Increases (Decreases)</u>		
	<u>Total OPEB Liability</u>	<u>Plan Fiduciary Net Position</u>	<u>Net OPEB Liability</u>
Balance at June 30, 2018 (measurement date)	\$ 101,021,739	\$ -	\$ 101,021,739
Changes for the year:			
Service cost	2,733,424	-	2,733,424
Interest on the total OPEB liability	3,958,268	-	3,958,268
Difference between actual and expected experience	(91,228)	-	(91,228)
Changes in assumptions	6,553,770	-	6,553,770
Contribution - employer	-	2,976,959	(2,976,959)
Benefit payments	(2,976,959)	(2,976,959)	-
Net Changes	<u>10,177,275</u>	<u>-</u>	<u>10,177,275</u>
Balance at June 30, 2019 (measurement date)	<u>\$ 111,199,014</u>	<u>\$ -</u>	<u>\$ 111,199,014</u>

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

Sensitivity of the net OPEB liability to changes in the discount rate

The following presents the City's Net OPEB Liability if it were calculated using a discount rate that is 1% point lower (2.50%) or 1% point higher (4.50%) than the current rate:

	<u>1% Decrease</u> <u>2.50%</u>	<u>Discount Rate</u> <u>3.50%</u>	<u>1% Increase</u> <u>4.50%</u>
Net OPEB liability	\$ 132,529,769	\$ 111,199,014	\$ 94,578,267

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates

The following presents the City's Net OPEB Liability if it were calculated using a healthcare cost trend rates that is 1% point lower or 1% point higher than the current rate:

	<u>1% Decrease</u>	<u>Healthcare</u> <u>Cost Trend</u> <u>Rate</u>	<u>1% Increase</u>
Net OPEB liability	\$ 93,493,208	\$ 111,199,014	\$ 134,352,359

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

For the year ended June 30, 2020, the City recognized OPEB expense of \$789,912. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Contributions subsequent to measurement date	\$ 3,077,542	\$ -
Differences between actual and expected experience	-	784,320
Change of assumptions	5,638,950	13,513,467
	<u>\$ 8,716,492</u>	<u>\$ 14,297,787</u>

\$3,077,542 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2021.

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

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

Year Ending June 30	Deferred Outflows/ (Inflows) of Resources
2021	\$ (5,083,265)
2022	(1,238,825)
2023	(1,238,825)
2024	(1,238,825)
2025	(909,123)
Thereafter	1,050,026
	\$ (8,658,837)

NOTE 14 COMMITMENTS AND CONTINGENCIES

The City of El Monte has been named as defendant in numerous lawsuits and claims arising in the course of operations. In the aggregate, these claims seek monetary damages in significant amounts. To the extent the outcome of such litigation has been determined to result in probable financial loss to the City; such loss has been accrued in the accompanying government-wide financial statements.

For other pending or threatened litigation, it is the opinion of outside counsel and the City Attorney that potential liability of the City for such claims will not have a material effect on the City's financial statements.

Due to other governments

On October 23, 2014, the City received the final audit report from the State Controller's Office (SCO) pertaining to its audit of the Special Gas Tax Street Improvement Fund, Traffic Congestions Relief Fund Allocations and Proposition 1B allocations. The report reflected a determination by the SCO that the City did not meet the maintenance-of-effort required by Streets and Highways Code section 2182.1(b) for two fiscal years. As a result, the City was required to return \$2,051,605 to the SCO. As of December 23, 2015, the City has not received any instructions from the SCO regarding the return of the funds. Hence, the City accrued the \$2,051,605 in the June 30, 2015 financial statements. On September 23, 2016, the City received a legislative extension to utilize these funds by June 30, 2021. The City will recognize revenue and a reduction in this liability in future years as expenditures occur. During FY19-20 the City spent the remaining balance of \$1,155,610.

NOTE 15 DEFERRED OUTFLOWS AND INFLOWS OF RESOURCES

Pursuant to GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position" and GASB Statement No. 65, "Items Previously Reported as Assets and Liabilities," the City recognized deferred outflows and inflows of resources in the City's financial statements.

The deferred outflow and inflow of resources pertain to the unamortized difference between the reacquisition price and the net carrying amount of the refunded debt. Previous financial reporting standards require this amount to be presented as part of the City's long-term debt. This deferred outflow of resources is recognized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter.

Business-type activities:	Deferred Outflow of Resources	Deferred Inflow of Resources
Unamortized difference between the reacquisition amount and the net carrying amount of the refunded debt	\$ <u>492,348</u>	\$ <u>(57,688)</u>

The deferred inflow of resources in the governmental funds balance sheet pertains to unavailable revenues which represent receivables that were not received within the availability period.

Governmental Funds:	Deferred Inflow of Resources
Unavailable revenue - receivables that were not collected within the availability period and were not recognized as revenues	\$ <u>(3,517,385)</u>

Refer to Note 11 for deferred outflows and inflows of resources related to pensions.

Refer to Note 13 for deferred outflows and inflows of resources related to OPEB.

NOTE 16 SUBSEQUENT EVENTS

On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, and quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries. On November 19, 2020, Governor Gavin Newsom and the California Department of Public Health (CDPH) announced a limited Stay at Home Order. The order is effective November 21, 2020. It is unknown how long these conditions will last and what the complete financial effect will be to businesses and other affected organizations, including local governmental entities.

The City has evaluated events subsequent to June 30, 2020 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through December 17, 2020, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that, no subsequent events occurred that require recognition or additional disclosure in the financial statements, other than the above.

NOTE 17 SUCCESSOR AGENCY DISCLOSURES

The accompanying financial statements also include the Private-purpose Trust Fund for the Successor Agency to the City's former Redevelopment Agency (Successor Agency). The City, as the Successor Agency, serves in a fiduciary capacity, as custodian for the assets and to wind down the affairs of the former Redevelopment Agency. Its assets are held in trust for the benefit of the taxing entities within the former Redevelopment Agency's boundaries and as such, are not available for the use of the City.

Disclosures related to the certain assets and long-term liabilities of the Successor Agency are as follows:

Notes and Loans Receivable

Details of loans receivable as of June 30, 2020 were as follows:

RHCDC Working Capital	\$ <u>222,840</u>
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Rio Hondo Community Development Corporation (RHCDC) Working Capital

On January 12, 2004, the former El Monte Community Redevelopment Agency provided a loan to RHCDC for the purchase of rental properties. The loan amount was \$820,350 at an interest rate of 5.65% per annum. The outstanding balance as of June 30, 2020 was \$222,840. The promissory note expires on January 12, 2024.

Land Held for Resale

The former Redevelopment Agency acquired several parcels of land or initiated condemnation proceedings to acquire land for redevelopment purposes. The carrying amount of land is reported at cost which approximates fair value.

NOTE 17 SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Long-term Liabilities

The long-term liabilities of the Successor Agency at June 30, 2020 were as follows:

	Balance at July 1, 2019	Additions	Retirements	Balance at June 30, 2020	Amount due within one Year
2017 Tax allocation refunding bonds	\$ 30,845,000	-	\$ 1,105,000	\$ 29,740,000	\$ 1,135,000
Loans from other governments					
County of Los Angeles	850,286	42,514	-	892,800	-
Advances from City of El Monte	<u>42,832,720</u>	<u>1,142,163</u>	<u>2,360,144</u>	<u>41,614,739</u>	<u>-</u>
	<u>\$ 74,528,006</u>	<u>\$ 1,184,677</u>	<u>\$ 3,465,144</u>	<u>\$ 72,247,539</u>	<u>\$ 1,135,000</u>
Unamortized bond discount	<u>(818,955)</u>	<u>-</u>	<u>(29,338)</u>	<u>(789,617)</u>	
	<u>\$ 73,709,051</u>	<u>1,184,677</u>	<u>3,435,806</u>	<u>\$ 71,457,922</u>	

Taxable Tax Allocation Refunding Bonds Payable, Series of 2017

The Bonds are dated May 1, 2017, and were issued to provide funds to the Agency (i) to refund certain obligations of the El Monte Community Redevelopment Agency currently outstanding in the aggregate principal of \$33,190,000 as follows: (1) the \$20,680,000 Senior Tax Allocation Revenue Bonds, Series 2007 (Multiple Redevelopment Project Area Loans), \$2,510,000 Subordinate Tax Allocation Revenue Bonds, Series 2007 (Multiple Redevelopment Project Area Subordinate Loans), and \$10,000,000 Revenue Bond, Series 2011 (CMB Infrastructure Investment Group V, LP, City Projects) (collectively the "Refunded Bonds"), (ii) to purchase a debt service reserve insurance policy to be credited to a debt service reserve account for the 2017 Bonds and (iii) to pay costs of issuance of the 2017 Bonds. The 2017 Bonds are secured by the pledged of tax revenues.

The following schedule illustrates the debt service requirements to maturity for the bonds as of June 30, 2020:

Year Ending June 30,	Taxable Tax Allocation Refunding Bond, Series 2017	
	Principal	Interest
2021	\$ 1,135,000	\$ 1,126,238
2022	1,155,000	1,099,031
2023	1,180,000	1,068,369
2024	1,220,000	1,033,844
2025	1,260,000	995,856
2026-2030	6,935,000	4,295,844
2031-2035	3,490,000	3,277,431
2036-2040	4,290,000	2,461,288
2041-2045	5,305,000	1,425,047
2046-2050	<u>3,770,000</u>	<u>252,000</u>
Total	<u>\$ 29,740,000</u>	<u>\$ 17,034,948</u>

NOTE 17 SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

County of Los Angeles Reimbursement Agreement

Northwest El Monte Project Area

During 2007-08, the County of Los Angeles entered into an agreement with the Agency - Northwest El Monte Project Area. The agreement related to tax increment adjustments and overpayments during 2007-08 to assist in funding the Gibson Park improvements in the amount of \$254,530. The terms of this repayment are presently being negotiated between the Agency and the County. At June 30, 2020, the principal balance outstanding was \$892,800.

The schedules of debt service requirements for the County of Los Angeles Reimbursement Agreements were not included because the debt service payments are not on a fixed schedule.

Advances from the City of El Monte

During the previous fiscal years, the City of El Monte made loans to the former Redevelopment Agency. With the dissolution of all redevelopment agencies in California effective February 1, 2012, the existing loan from the City to the Agency was considered by the Department of Finance to be unenforceable. The successor agency to the former redevelopment agency has sought reconsideration by the Department of Finance as to the enforceability of the loan. In addition, the loan may be reinstated (but is not required to be) under Assembly Bill 1484 following the completion of a due diligence process and issuance of Finding of Completion by the Department of Finance. During fiscal year 2020, the Successor Agency recorded interest on the loans amounting to \$1,142,163. Details of the balance of the loan of \$41.6 million at June 30, 2020 (including \$15.1 million of adjusted accrued interest) are as follows:

Loan No.	SOI Loan Letter	Date	Description	Principal Amount	Coupon	Unpaid Interest as of 6/30/2020 at statutory 3%	Outstanding Balance as of 6/30/20
El Monte Center							
3	1-C	9/1/1988	Loans From the City of El Monte (R-383, 222)	\$ 1,313,497	10%	\$ 1,210,527	\$ 2,524,024
4	1-D	4/1/1998	Loan from City to K-mart Deferred Fees	133,560	LAIF + 2.00%	88,840	222,400
5	1-E	1/6/2000	Loan from the City of El Monte Longo Expansion	2,800,000	6.5%	1,718,967	4,518,967
7	1-I	5/10/1993	Loan from the City of El Monte - ERAF	50,561	6%, 7.5%	40,657	91,218
8	2-A/D/G	2003/2004	Loan from the City of El Monte - Nelson Honda Jobs Grant	1,444,234	4%	745,465	2,189,699
9	2-C	Feb. 4, 2004	City Cooperation Agreement Longo New Jobs Grant Agreement	2,500,000	5%	1,164,167	3,664,167
10	2-E	Feb. 3, 2004	Longo Construction Loan	3,000,000	LAIF + 2.00%	1,476,750	4,476,750
Loan Totals				\$ 11,241,852		\$ 6,445,373	\$ 17,687,225
Center Amended							
3	1-C	1998/1989	Loans From the City of El Monte (R-356, 385)	\$ 702,000	10%	\$ 650,300	\$ 1,352,300
4	1-I	3/25/1997	CDBG Loan From Bank	694,602	LAIF + 2.00%	484,774	1,179,376
Loan Totals				\$ 1,396,602		\$ 1,135,074	\$ 2,531,676

City of El Monte
Notes to Financial Statements
Year ended June 30, 2020

NOTE 17 SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Advances from the City of El Monte (Continued)

Details of Outstanding Loans (Continued)

Loan No.	SOI Loan Letter	Date	Description	Principal Amount	Coupon	Unpaid Interest as of 6/30/2020 at statutory 3%	Outstanding Balance as of 6/30/20
Downtown El Monte							
3	1-A	4/6/2005	Loans from the City of El Monte - King Court (Home Fund)	\$ 513,000	10%	\$ 234,484	\$ 747,484
4	1-D	1986-1990	Loans From the City of El Monte (R-360, 364) Downtown Project Area	1,350,590	10%	1,298,960	2,649,550
5	1-E	11/12/1991	Loan from the City of El Monte (R-428) Nelson Honda	222,950	LAIF + 2.00%	191,514	414,464
6	1-F	12/1/1991	Loan from the City of El Monte (R-436) Orchard	15,000	8%	12,861	27,861
7	1-G	6/1/1995	Loan from the City of El Monte (R-598) Food Barn	75,000	7.5%	56,525	131,525
11	2-F	1991-1992	Loan from the City of El Monte R-432 - Edwards Theater	725,000	9%	621,929	1,346,929
12	2-F	1991-1992	Loans from the City of El Monte UDAG (R417)	20,000	9%	17,432	37,432
13	2-G	5/3/1993	Loan from the City of El Monte - SERAF	59,549	6%, 7.5%	47,527	107,076
14	2-K	2003/2004	Gabae Loan and Section 108 Loan - Peck/Ramona Triangle	2,018,674	5%	96,000	2,114,674
15	3-A	6/1/07	DDA- Agreement- Festial -Capri Santa Fe Trail Associates	5,390,000	4.5% & LAIF + 2.00%	2,115,126	7,505,126
Loan Totals				\$ 10,389,763		\$ 4,692,358	\$ 15,082,121
Northwest El Monte							
1	1-A	1986-1990	Loans From the City of El Monte (R-221, 296, 323, 337, 391)	\$ 1,723,954	12%	\$ 1,688,368	\$ 3,412,322
2	1-B	1991/1992	Loans From the City of El Monte (R-411, 465)	500,000	12% & 7%	421,475	921,475
3	1-C	1992/1993	Loan From the City of El Monte (R-484)	350,000	7%	284,521	634,521
4	1-D	1992	Loan From the City of El Monte (R-463)	90,000	8%	74,828	164,828
5	1-F	1994-1995	Loan from the City of El Monte - Water Fund (R-570)	150,000	7%	115,125	265,125
6	1-I	2005-2006	Loan from the City of El Monte - ERAF	213,231	LAIF + 2.00%	95,954	309,185
Loan Totals				\$ 3,027,185		\$ 2,680,271	\$ 5,707,456
Valley/Durfee							
1	1-C	4/16/2006	Loan from the City of El Monte - ERAF	\$ 213,231	LAIF + 2.00%	\$ 84,788	\$ 298,019
2	1-D	9/19/2006	Loan from the City of El Monte For Improvement Costs	217,406	LAIF + 2.00%	90,836	308,242
Loan Totals				\$ 430,637		\$ 175,624	\$ 606,261
Grand total				\$ 26,486,039		\$ 15,128,700	\$ 41,614,739

NOTE 17 SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Advances from the City of El Monte

Details of Outstanding Loans (Continued)

El Monte Center

Loan (1-C)

This loan is composed of three loans to Star Cash Wash. The first two loans were issued on October 2, 1990, with an original principal value of \$670,061 and \$343,436. The third loan was issued in 1986 with a principal value of \$300,000. The loans carry an interest rate of 10%, with a final maturity on June 30, 2029.

Loan (1-D)

This loan was issued in 1998 to finance development fees for K-Mart. The original principal value of loan was \$133,560 with a variable rate of interest equal to LAIF plus 200 bps, to be repaid by 2029.

Loan (1-E)

This loan was issued on January 6, 2000 to fund the Longo Expansion. The loan with principal amount of \$2.8 million carries an interest rate of 6.5%, with a final maturity in 2029.

Loan (1-I)

The City has combined two loans to finance past SERAF payments to the State of California for fiscal years 1992-93 and 1994-95 for the Center Project Area. The original principal value on the loans was \$42,207 and \$8,354, respectively. The loans carry an interest rate of 6.0% and 7.5%, due in 2029.

Loan (2-A/D/G)

The three loans (2-A / 2-D / 2-G) were issued over a 10-year period to facilitate the Nelson Honda Jobs Grant program. The loans had seven installment payments made totaling \$1,444,234 in principal value. The loans carry an interest rate of 4% with a final maturity in 2029.

Loan (2-C)

The City loaned the Agency an aggregate of \$2.5 million in order to provide a New Jobs Grant Loan to Longo, commencing in 2004. The Agency made three (3) installment payments to Longo totaling \$2.5 million over 3 years. The loans are to be repaid over a 20 year period (2024), with a 5% interest rate.

Loan (2-E)

An additional construction loan was issued to Longo. The original principal value of the loan was \$3,000,000, with adjustable interest rate equal to LAIF plus 200 bps, to be repaid by 2024.

NOTE 17 SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Details of Outstanding Loans (Continued)

Center Amended

Loan (1-C)

The City provided two loans in order to purchase two properties (11923 Landsdale and Djanogly Property) needed to expand and improve Fire Station No. 3. The loans were issued in 1988 with an original principal value of \$102,000 and in 1989 for \$600,000. Both loans carry an interest rate of 10% to be repaid by 2029.

Loan (1-I)

The loan to the Community Reinvestment Fund (CRF) was issued on March 25, 1997 which replaced the original loan (1-F) made to Gunderson Nissan totaling \$694,602. The loan will be repaid by 2029 at an interest rate equal to LAIF plus 200 bps.

Downtown El Monte

Loan (1-A)

In 2005, the City provided a loan to the Agency in the amount of \$513,000 for the purchase of a real property at King Court. The loan carries an interest rate of 10%, to be repaid by 2042.

Loan (1-D)

The loan is composed of two loans for the purchase of real property in the Downtown Project Area in 1988. The first loan original principal value was \$100,000 and the second loan was \$1,250,590. Both loans carry an interest rate of 10% and are due in 2042.

Loan (1-E)

In 1991, the City issued a Loan to the Agency to purchase land for Nelson Honda in the amount of \$222,950. The outstanding loan balance is to be repaid by 2042 and carry an interest rate of LAIF plus 200 bps.

Loan (1-F)

In 1991, the City issued a loan to the Agency to purchase land for additional Orchard street extension in the amount of \$15,000. The loan has a maturity date of 2042 with an interest rate of 8%.

Loan (1-G)

The City issued a Loan to the Agency in 1995, in the Downtown Project area for Food Barn. The loan amount of \$75,000 carry an interest rate of 7.5% to be repaid by 2042.

NOTE 17 SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Details of Outstanding Loans (Continued)

Loan (2-F)

The loan is composed of two loans. The first loan was issued in 1991 for Peck/Triangle enhancement in the Downtown Project area. The loan original principal value was \$20,000 and carries an interest rate of 9% to be repaid by 2011. The second loan was issued in 1991 for the Edwards Theater project. The loan original principal value was \$725,000 with an interest rate of 9% to be repaid by 2011.

Loan (2-G)

The City combined two loans used to finance past SERAF payments to the State of California for fiscal years 1992-93 and 1994-95 for the Downtown Project Area. The original principal values on the loans were \$43,823 and \$15,726, respectively. The loans carry an interest rate of 6% and 7.5%, due in 2042.

Loan (2-K)

The loan is composed of HUD Section 108 (Peck/Ramona) which have two components: (1) Cash grant, (2) Land assembly, issued in 2004. The first loan has an original principal value of \$2,200,000 with an adjustable interest rate to be repaid by 2024. The second loan was \$200,000 and carries an interest rate of 5% to be repaid by 2024. During fiscal year 2019-2020, the Successor Agency paid the City \$477,344.

Loan (3-A)

The loan is composed of two loans issued in 2007. The first loan original principal value was \$4,400,000 and carries an interest rate of 4.5% with a maturity date of 2032. The second loan amount was \$990,000 has a variable interest rate equal to LAIF plus 200 bps to be repaid by 2032.

Northwest El Monte

Loan (1-A)

The loan is composed of five loans to purchase real property on West Valley Boulevard for Longo Toyota totaling \$1,723,954. The loans were issued between 1986 and 1990 and mature in 2044, with a stated interest rate of 12%.

Loan (1-B)

The loan is composed of several amendments to 1-A loans, for the Longo Toyota Project. The first loan was issued in 1991. The original principal value of loan was \$150,000 with an interest rate of 12% to be repaid by 2044. The second loan was issued in 1992. The original principal value of the loan was \$350,000 with an interest rate of 7% to be repaid by 2044.

Loan (1-C)

In 1993, the City issued a Loan to the Agency to purchase property of the former site of Longo Toyota for the Titan Unlimited partnership. The original principal value of loan was \$350,000 with an interest rate of 7% to be repaid by 2044.

NOTE 17 SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Details of Outstanding Loans (Continued)

Loan (1-D)

In 1992, the City issued a Loan to the Agency for third party environmental consultant fees in the Northwest Project area. The original principal value of loan was \$90,000 with an interest rate of 8% to be repaid by 2044.

Loan (1-F)

In 1994, the City issued a Loan to the Agency for costs associated with groundwater investigation. The original principal value of loan was \$150,000 with an interest rate of 7% to be repaid by 2044.

Loan (1-I)

The City has SERAF payment to the State of California for fiscal year 2005-06 for the Northwest Project Area. The original principal value on the loan was \$213,321. The loan has a final maturity date of 2044 and carries an interest rate of LAIF plus 200 bps.

Valley / Durfee

Loan (1-C)

The City has SERAF payment to the State of California for fiscal year 2004-05 for the Valley/Durfee Project Area. The original principal value on the loan was \$213,231. The loan has a final maturity date of 2048 and carries an interest rate of LAIF plus 200 bps.

Loan (1-D)

In 2006 the City issued a loan to the Agency for sewer improvements. The original principal value was \$217,406 with an interest rate of LAIF plus 200 bps to be repaid by 2048.

Management's Evaluation of Outstanding Loans

Management believes, in consultation with legal counsel, that the above obligations of the Dissolved RDA to the City are valid enforceable obligations payable by the Successor Agency under the requirements of the Dissolution Act and AB 1484.

With the issuance of Findings of Completion to the Successor Agency in April 2013, the Department of Finance allowed the inclusion of the loan agreements between the former Redevelopment Agency and the City on the Recognized Obligation Payment Schedule (ROPS), as an enforceable obligation, provided the Oversight Board makes a finding that the loan was for legitimate redevelopment purposes per HSC Section 34191.4(b)(1). As of December 17, 2020, the Oversight Board has not yet made findings that all the loans were for legitimate redevelopment purposes.

**NOTE 18 GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) STATEMENTS
ISSUED, NOT YET EFFECTIVE**

The Governmental Accounting Standards Board (GASB) has issued several pronouncements, that have effective dates that may impact future financial presentations. Management has not yet determined any impact the implementation of the following statements may have on the financial statements of the City.

GASB No. 84

In January 2017, the Governmental Accounting Standards Board issued Statement No. 84 "Fiduciary Activities". The requirements of this Statement are effective for reporting periods beginning after December 15, 2019. Earlier application is encouraged.

GASB No. 87

In June 2017, the Governmental Accounting Standards Board issued Statement No. 87 "Leases". The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

GASB No. 89

In June 2018, the Governmental Accounting Standards Board issued Statement No. 89 "Accounting for Interest Cost Incurred before the End of a Construction Period". The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.

GASB No. 90

In August 2018, the Governmental Accounting Standards Board issued Statement No. 90 "Majority Equity Interests-an amendment of GASB Statements No. 14 and No. 61". The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

GASB No. 91

In May 2019, the Governmental Accounting Standards Board issued Statement No. 91, "Conduit Debt Obligations." The requirements of this Statement are effective for reporting periods beginning after December 15, 2021.

GASB No. 92

In January 2020, the Governmental Accounting Standards Board issued Statement No. 92, "Omnibus 2020." The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

GASB No. 93

In March 2020, the Governmental Accounting Standards Board issued Statement No. 93, "Replacement of Interbank Offered Rates." The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

NOTE 18 GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) STATEMENTS ISSUED, NOT YET EFFECTIVE (CONTINUED)

GASB No. 94

In May 2020, the Governmental Accounting Standards Board issued Statement No. 94, "Public-Private and Public-Public Partnerships and Availability Payment Arrangements." The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

GASB No. 96

In May 2020, the Governmental Accounting Standards Board issued Statement No. 96, "Subscription-Based Information Technology Arrangements." The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

GASB No. 97

In June 2020, the Governmental Accounting Standards Board issued Statement No. 97, "Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plan – an amendment of GASB Statements No. 14, 84, and a suppression of GASB Statement No. 32." The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

NOTE 19 SALE OF PROPERTY

On March 18, 2020, the City entered into a disposition, development and affordable rental housing loan agreement with El Monte Metro Family Housing, L.P. for purposes of the El Monte Metro Family Housing (FH) Project that would result in the development of a 25 rental dwelling units. As part of the agreement, the City sold certain property to the developer for a purchase price of \$2,049,600. The purchase price is payable to the City as follows: (i) \$560,000 cash and (ii) delivery of FH Site Mortgage Note in the amount of \$1,489,600.

On March 18, 2020, the City entered into a disposition, development and affordable rental housing loan agreement with El Monte Metro Veteran Housing (VH) Project that would result in the development of a 28 rental dwelling units. As part of the agreement, the City sold certain property to the developer for a purchase price of \$1,610,400. The purchase price is payable to the City as follows: (i) \$440,000 cash and (ii) delivery of VH Site Mortgage Note in the amount of \$1,170,400.

During the fiscal year 2019-2020, the City received a total cash of \$1,000,000 for the sale of the property. The cash was allocated to the Funds which funded the acquisition of the property sold. Details of the sale of property are as follows:

Proposition A Fund	\$ 620,346
Proposition C Fund	48,326
Housing and Community Development Funds	120,875
General Fund	210,453
	\$ 1,000,000

NOTE 20 RESTATEMENT OF BEGINNING NET POSITION

The accompanying financial statements reflect adjustments that resulted in the restatement of beginning net position in the proprietary funds financial statements and net position of Governmental and Business-type Activities in the government-wide financial statements. The following schedule summarizes the effect of the restatement of the fund balances and net position as of July 1, 2019:

Proprietary Funds

	Water Fund	Sewer Fund
Net position at July 1, 2019, as previously reported	\$ (9,626,379)	\$ 19,641,994
Prior Period Adjustment:		
Write-off of capital assets (1)	(253,998)	(1,002,659)
Net position at July 1, 2019, as restated	\$ (9,880,377)	\$ 18,639,335

Government-wide Financial Statements

	Governmental Activities	Business-type Activities
Net Position at July 1, 2019, as previously reported	\$ 273,357,457	\$ 9,269,155
Prior Period Adjustment:		
Write-off of capital assets (1)	(878,156)	(1,256,657)
Net Position at July 1, 2019, as restated	\$ 272,479,301	\$ 8,012,498

- 1) This adjustment is to retire capital assets as a result of the physical count as of June 30, 2019 and to write-off certain construction-in-progress.

REQUIRED SUPPLEMENTARY INFORMATION

City of El Monte
Budgetary Comparison Schedule
General Fund
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Taxes	\$ 56,181,000	\$ 54,030,000	\$ 56,602,177	\$ 2,572,177
Licenses and permits	5,096,200	1,406,200	1,465,504	59,304
Intergovernmental	485,000	485,000	658,720	173,720
Charges for services	4,251,500	3,234,500	4,117,381	882,881
Fines and forfeitures	864,000	864,000	708,518	(155,482)
Use of money and property	490,000	250,000	1,123,812	873,812
Miscellaneous	5,854,072	12,594,072	4,857,084	(7,736,988)
Total revenues	73,221,772	72,863,772	69,533,196	(3,330,576)
Expenditures				
Current:				
General government	12,395,930	12,740,090	11,143,872	1,596,218
Parks and recreation	3,055,697	3,328,331	2,831,806	496,525
Economic development	7,421,422	7,671,022	4,460,551	3,210,471
Public works	8,844,799	9,347,345	8,392,674	954,671
Public safety	42,204,046	46,433,585	46,135,448	298,137
Capital outlay	2,170,443	1,880,486	1,400,581	479,905
Debt service:				
Interest and fiscal charges	-	410,500	410,330	170
Total expenditures	76,092,337	81,811,359	74,775,262	7,036,097
Excess (deficiency) of revenues over expenditures	(2,870,565)	(8,947,587)	(5,242,066)	3,705,521
Other financing sources (uses)				
Transfers in	2,900,000	5,882,000	6,072,251	190,251
Transfers out	(28,600)	(1,667,217)	(1,900,976)	(233,759)
Long-term debt proceeds	-	21,000,000	21,000,000	-
Premium on bonds issued	-	204,298	204,298	-
Settlement of unfunded pension liability	-	(14,000,000)	(14,000,000)	-
Net other financing sources (uses)	2,871,400	11,419,081	11,375,573	(43,508)
Change in fund balance	835	2,471,494	6,133,507	3,662,013
Fund balances, beginning of year	39,971,617	39,971,617	39,971,617	-
Fund balances, end of year	\$ 39,972,452	\$ 42,443,111	\$ 46,105,124	\$ 3,662,013

City of El Monte
Budgetary Comparison Schedule
Retirement Fund
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Taxes	\$ 12,495,000	\$ 12,495,000	\$ 12,898,362	\$ 403,362
Intergovernmental	85,000	85,000	85,614	614
Miscellaneous	-	-	38,085	38,085
Total revenues	<u>12,580,000</u>	<u>12,580,000</u>	<u>13,022,061</u>	<u>442,061</u>
Expenditures				
Current:				
General government	19,469,752	19,469,752	15,917,898	3,551,854
Debt service:				
Interest and fiscal charges		1,158,562	1,158,562	-
Total expenditures	<u>19,469,752</u>	<u>20,628,314</u>	<u>17,076,460</u>	<u>3,551,854</u>
Excess (deficiency) of revenues over expenditures	<u>(6,889,752)</u>	<u>(8,048,314)</u>	<u>(4,054,399)</u>	<u>(3,109,793)</u>
Other financing sources (uses)				
Transfers out	-	(3,482,000)	(3,482,000)	-
Long-term debt proceeds	-	118,725,000	118,725,000	-
Settlement of unfunded pension liability	-	(112,748,366)	(112,748,366)	-
Net other financing sources (uses)	<u>-</u>	<u>2,494,634</u>	<u>2,494,634</u>	<u>-</u>
Change in fund balance	(6,889,752)	(5,553,680)	(1,559,765)	3,993,915
Fund balances, beginning of year	4,334,923	4,334,923	4,334,923	-
Fund balances, end of year	<u>\$ (2,554,829)</u>	<u>\$ (1,218,757)</u>	<u>\$ 2,775,158</u>	<u>\$ 3,993,915</u>

City of El Monte
Budgetary Comparison Schedule
Housing and Community Development Fund
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Intergovernmental	\$ 7,251,098	\$ 7,251,098	\$ 3,213,347	\$ (4,037,751)
Use of money and property	100,000	100,000	470,859	370,859
Miscellaneous	102,000	102,000	411,965	309,965
Total revenues	<u>7,453,098</u>	<u>7,453,098</u>	<u>4,096,171</u>	<u>(3,356,927)</u>
Expenditures				
Current:				
Parks and recreation	-	150,000	67,490	82,510
Economic development	4,316,569	5,259,623	3,895,641	1,363,982
Public works	-	2,046,989	8,118	2,038,871
Capital outlay	3,018,754	2,808,533	1,088,238	1,720,295
Debt service:				
Principal retirement	353,612	353,612	337,000	16,612
Interest and fiscal charges	13,269	13,269	29,880	(16,611)
Total expenditures	<u>7,702,204</u>	<u>10,632,026</u>	<u>5,426,367</u>	<u>5,205,659</u>
Change in fund balance	(249,106)	(3,178,928)	(1,330,196)	1,848,732
Fund balances, beginning of year	<u>2,562,113</u>	<u>2,562,113</u>	<u>2,562,113</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,313,007</u>	<u>\$ (616,815)</u>	<u>\$ 1,231,917</u>	<u>\$ 1,848,732</u>

**City of El Monte
Budgetary Comparison Schedule
Housing Assets Fund
Year ended June 30, 2020**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
venues				
Use of money and property	\$ 30,000	\$ 30,000	\$ 66,395	\$ 36,395
Miscellaneous	-	-	125,000	125,000
Total revenues	<u>30,000</u>	<u>30,000</u>	<u>191,395</u>	<u>161,395</u>
penditures				
Current:				
Economic development	201,600	201,600	16,178	185,422
Total expenditures	<u>201,600</u>	<u>201,600</u>	<u>16,178</u>	<u>185,422</u>
change in fund balance	(171,600)	(171,600)	175,217	346,817
fund balances, beginning of year	3,449,460	3,449,460	3,449,460	-
fund balances, end of year	<u>\$ 3,277,860</u>	<u>\$ 3,277,860</u>	<u>\$ 3,624,677</u>	<u>\$ 346,817</u>

City of El Monte
California Public Retirement System (CalPERS)
Schedule of Changes in the Net Pension Liability and Related Ratios
Miscellaneous Plan
Last Ten Years*

	Measurement Period					
	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Total Pension Liability						
Service Cost	\$ 1,413,675	\$ 1,398,531	\$ 1,649,003	\$ 1,808,688	\$ 2,073,719	\$ 2,110,567
Interest on total pension liability	10,356,614	10,529,069	10,734,759	10,805,162	10,779,948	11,240,731
Differences between expected and actual experience	-	(1,904,480)	(1,557,996)	(2,848,478)	(644,299)	2,070,227
Changes in assumptions	-	(2,620,669)	-	9,183,934	(4,260,821)	-
Benefit payments, including refunds of employee contributions	(7,622,269)	(7,759,491)	(7,852,687)	(8,150,427)	(8,237,351)	(8,758,226)
Net change in total pension liability	<u>4,148,020</u>	<u>(357,040)</u>	<u>2,973,079</u>	<u>10,798,879</u>	<u>(288,804)</u>	<u>6,663,299</u>
Total pension liability - beginning	<u>141,192,499</u>	<u>145,340,519</u>	<u>144,983,479</u>	<u>147,956,558</u>	<u>158,755,437</u>	<u>158,466,633</u>
Total pension liability - ending (a)	<u>\$ 145,340,519</u>	<u>\$ 144,983,479</u>	<u>\$ 147,956,558</u>	<u>\$ 158,755,437</u>	<u>\$ 158,466,633</u>	<u>\$ 165,129,932</u>
Plan Fiduciary Net Position						
Contributions - employer	\$ 2,469,291	\$ 2,877,899	\$ 3,606,881	\$ 4,322,644	\$ 4,360,371	\$ 4,797,362
Contributions - employee	849,234	726,230	753,952	806,051	880,614	951,813
Net investment income	16,546,367	2,394,089	507,287	11,531,597	9,577,509	7,738,382
Benefit payments	(7,622,269)	(7,759,491)	(7,852,687)	(8,150,427)	(8,237,351)	(8,758,226)
Administrative expenses	-	(120,827)	(65,429)	(154,004)	(175,562)	(84,733)
Net plan to plan resource movement	-	-	-	-	(276)	3,997
Other miscellaneous expense	-	-	-	-	(333,395)	276
Net change in plan fiduciary net position	<u>12,242,623</u>	<u>(1,882,100)</u>	<u>(3,049,996)</u>	<u>8,355,861</u>	<u>6,071,910</u>	<u>4,648,871</u>
Plan fiduciary net position - beginning	<u>96,997,950</u>	<u>109,240,573</u>	<u>107,358,473</u>	<u>104,308,477</u>	<u>112,664,338</u>	<u>118,736,248</u>
Plan fiduciary net position - ending (b)	<u>\$ 109,240,573</u>	<u>\$ 107,358,473</u>	<u>\$ 104,308,477</u>	<u>\$ 112,664,338</u>	<u>\$ 118,736,248</u>	<u>\$ 123,385,119</u>
Net pension liability - ending (a)-(b)	<u>\$ 36,099,946</u>	<u>\$ 37,625,006</u>	<u>\$ 43,648,081</u>	<u>\$ 46,091,099</u>	<u>\$ 39,730,385</u>	<u>\$ 41,744,813</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>75.16%</u>	<u>74.05%</u>	<u>70.50%</u>	<u>70.97%</u>	<u>74.93%</u>	<u>74.72%</u>
Covered payroll	\$ 9,288,883	\$ 9,287,631	\$ 10,689,767	\$ 10,659,405	\$ 12,164,717	\$ 12,262,186
Net pension liability as percentage of covered payroll	<u>388.64%</u>	<u>405.11%</u>	<u>408.32%</u>	<u>432.40%</u>	<u>326.60%</u>	<u>340.44%</u>

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, 2018 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 in assumption - None in 2019. 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 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amounts reported were based on the 7.5 percent discount rate.

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

**City of El Monte
California Public Retirement System (CalPERS)
Schedule of Plan Contributions
Miscellaneous Plan
Last Ten Years***

	Fiscal Year					
	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Actuarially determined contributions	\$ 2,877,899	\$ 3,606,881	\$ 5,032,657	\$ 5,132,314	\$ 5,427,806	\$ 5,454,712
Contributions in relation to the actuarially determined contributions	(2,877,899)	(3,606,881)	(5,032,657)	(5,132,314)	(5,427,806)	(5,454,712)
Contribution deficiency / (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 9,286,371	\$ 9,853,856	\$ 10,684,485	\$ 11,970,320	\$ 12,098,906	\$ 12,831,648
Contributions as a percentage of Covered Payroll	30.99%	36.60%	47.10%	42.88%	44.86%	42.51%

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2019-20 were from the June 30, 2017 funding valuation report.

Actuarial Cost Method	Entry age normal
Amortization method / Period	For details, see June 30, 2017 Funding Valuation Report.
Asset valuation method	Market Value of Assets. For details, see June 30, 2017 Funding Valuation Report.
Inflation	2.63%
Salary increases	Varies by Entry age and Service
Payroll Growth	2.88%
Investment rate of return	7.25%, net of pension plan investment expense and administrative expenses; includes inflation
Retirement age	The probabilities of retirement are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011.
Mortality	Pre-Retirement Mortality: Non-industrial death rates vary by age and gender. Industrial death rates vary by age. Post Retirement: Rates vary by age, type of retirement, and gender.

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

City of El Monte
California Public Retirement System (CalPERS)
Schedule of Changes in the Net Pension Liability and Related Ratios
Safety Plan
Last Ten Years*

	Measurement Period					
	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Total Pension Liability						
Service Cost	\$ 4,209,379	\$ 4,080,356	\$ 3,854,169	\$ 4,712,074	\$ 4,781,609	\$ 5,112,385
Interest on total pension liability	20,146,739	20,530,962	21,083,754	21,269,142	21,373,803	22,237,353
Differences between expected and actual experience	-	(5,343,596)	(2,506,398)	(6,149,797)	94,618	1,881,382
Changes in assumptions	-	(5,126,822)	-	18,142,293	(8,890,355)	-
Benefit payments, including refunds of employee contributions	(13,982,615)	(14,149,001)	(15,382,567)	(15,604,395)	(15,908,506)	(16,340,609)
Net change in total pension liability	10,373,503	(8,101)	7,048,958	22,369,317	1,451,169	12,890,511
Total pension liability - beginning	273,509,812	283,883,315	283,875,214	290,924,172	313,293,489	314,744,658
Total pension liability - ending (a)	<u>\$ 283,883,315</u>	<u>\$ 283,875,214</u>	<u>\$ 290,924,172</u>	<u>\$ 313,293,489</u>	<u>\$ 314,744,658</u>	<u>\$ 327,635,169</u>
Plan Fiduciary Net Position						
Contributions - employer	\$ 5,853,271	\$ 6,433,171	\$ 7,088,089	\$ 8,168,448	\$ 9,279,382	\$ 10,651,799
Contributions - employee	1,231,838	1,219,054	1,145,343	1,209,042	1,341,650	1,535,596
Net investment income	32,363,060	4,802,759	987,096	22,641,870	18,728,046	15,347,021
Benefit payments	(13,982,615)	(14,149,001)	(15,382,567)	(15,604,395)	(15,908,506)	(16,340,609)
Administrative expense	-	(238,927)	(129,391)	(304,170)	(346,136)	(167,390)
Net plan to plan resource movement	-	-	-	-	(547)	(3,997)
Other miscellaneous expense	-	-	-	-	(657,319)	547
Net change in plan fiduciary net position	25,465,554	(1,932,944)	(6,291,430)	16,110,795	12,436,570	11,022,967
Plan fiduciary net position - beginning	188,775,783	214,241,337	212,308,393	206,016,963	222,127,758	234,564,328
Plan fiduciary net position - ending (b)	<u>\$ 214,241,337</u>	<u>\$ 212,308,393</u>	<u>\$ 206,016,963</u>	<u>\$ 222,127,758</u>	<u>\$ 234,564,328</u>	<u>\$ 245,587,295</u>
Net pension liability - ending (a)-(b)	<u>\$ 69,641,978</u>	<u>\$ 71,566,821</u>	<u>\$ 84,907,209</u>	<u>\$ 91,165,731</u>	<u>\$ 80,180,330</u>	<u>\$ 82,047,874</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>75.47%</u>	<u>74.79%</u>	<u>70.81%</u>	<u>70.90%</u>	<u>74.53%</u>	<u>74.96%</u>
Covered payroll	\$ 12,907,061	\$ 13,042,114	\$ 12,062,372	\$ 12,935,662	\$ 13,704,028	\$ 14,603,059
Net pension liability as percentage of covered payroll	<u>539.56%</u>	<u>548.74%</u>	<u>703.90%</u>	<u>704.76%</u>	<u>585.09%</u>	<u>561.85%</u>

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, 2018 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 in assumption - None in 2019. 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 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amounts reported were based on the 7.5 percent discount rate.

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

**City of El Monte
California Public Retirement System (CalPERS)
Schedule of Plan Contributions
Safety Plan
Last Ten Years***

	Fiscal Year					
	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Actuarially determined contributions	\$ 6,433,171	\$ 7,088,089	\$ 9,253,254	\$ 10,595,066	\$ 11,903,410	\$ 11,663,278
Contributions in relation to the actuarially determined contributions	(6,433,171)	(7,088,089)	(9,253,254)	(10,595,066)	(11,903,410)	(11,663,278)
Contribution deficiency / (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 11,726,459	\$ 11,417,560	\$ 12,250,848	\$ 13,129,258	\$ 14,146,753	\$ 14,582,551
Contributions as a percentage of Covered Payroll	54.86%	62.08%	75.53%	80.70%	84.14%	79.98%

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2019-2020 were from the June 30, 2017 funding valuation report.

Actuarial Cost Method	Entry age normal
Amortization method / Period	For details, see June 30, 2017 Funding Valuation Report.
Asset valuation method	Market Value of Assets. For details, see June 30, 2017 Funding Valuation Report
Inflation	2.63%
Salary increases	Varies by Entry age and Service
Payroll Growth	2.88%
Investment rate of return	7.25%, net of pension plan investment expense and administrative expenses; includes inflation
Retirement age	The probabilities of retirement are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011.
Mortality	Pre-Retirement Mortality: Non-industrial death rates vary by age and gender. Industrial death rates vary by age. Post Retirement: Rates vary by age, type of retirement, and gender.

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

City of El Monte
Public Agency Retirement System (PARS)
Schedule of Changes in the Net Pension Liability and Related Ratios
Retirement Enhancement Plan
Last Ten Years*

	Measurement Period				
	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019
Total Pension Liability					
Service Cost	\$ 482,698	\$ 497,179	\$ 459,664	\$ 434,485	\$ 340,582
Interest on total pension liability	2,405,253	2,468,145	2,530,571	2,636,103	2,690,111
Effect of plan changes	-	-	202,891	-	(91,583)
Effect of economic/demographic gains or losses	-	-	489,846	-	(1,720,986)
Changes in assumptions	-	-	-	-	297,709
Benefit payments, including refunds of employee contributions	(1,889,598)	(1,981,558)	(1,952,800)	(2,118,266)	(2,174,206)
Net change in total pension liability	<u>998,353</u>	<u>983,766</u>	<u>1,730,172</u>	<u>952,322</u>	<u>(658,373)</u>
Total pension liability - beginning	<u>37,451,113</u>	<u>38,449,466</u>	<u>39,433,232</u>	<u>41,163,404</u>	<u>42,115,726</u>
Total pension liability - ending (a)	<u>\$ 38,449,466</u>	<u>\$ 39,433,232</u>	<u>\$ 41,163,404</u>	<u>\$ 42,115,726</u>	<u>\$ 41,457,353</u>
Plan Fiduciary Net Position					
Contributions - employer	\$ 1,655,324	2,385,392	3,081,984	3,114,449	2,869,992
Contributions - employee	345,022	345,242	-	-	-
Net investment income	345,266	291,774	1,604,645	1,132,316	1,473,170
Administrative expenses	(5,811)	(7,097)	(7,776)	(7,770)	(7,610)
Benefit payments	(1,889,598)	(1,981,558)	(1,952,800)	(2,118,266)	(2,174,206)
Net change in plan fiduciary net position	<u>450,203</u>	<u>1,033,753</u>	<u>2,726,053</u>	<u>2,120,729</u>	<u>2,161,346</u>
Plan fiduciary net position - beginning	<u>17,420,019</u>	<u>17,870,222</u>	<u>18,903,975</u>	<u>21,630,028</u>	<u>23,750,757</u>
Plan fiduciary net position - ending (b)	<u>\$ 17,870,222</u>	<u>\$ 18,903,975</u>	<u>\$ 21,630,028</u>	<u>\$ 23,750,757</u>	<u>\$ 25,912,103</u>
Net pension liability - ending (a)-(b)	<u>\$ 20,579,244</u>	<u>\$ 20,529,257</u>	<u>\$ 19,533,376</u>	<u>\$ 18,364,969</u>	<u>\$ 15,545,250</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>46.48%</u>	<u>47.94%</u>	<u>52.55%</u>	<u>56.39%</u>	<u>62.50%</u>
Covered payroll	\$ 6,900,440	\$ 6,904,840	\$ 6,547,942	\$ 6,809,105	\$ 5,750,581
Net pension liability as percentage of covered payroll	<u>298.23%</u>	<u>297.32%</u>	<u>298.31%</u>	<u>269.71%</u>	<u>270.32%</u>

Notes to Schedule:

Benefit changes - There have been no significant changes between the valuation date of June 30, 2019 and the measurement date of June 30, 2019.

Changes in assumption - There have been no significant changes between the valuation date of June 30, 2019 and June 30, 2017.

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

**City of El Monte
Public Agency Retirement System (PARS)
Schedule of Plan Contribution
Retirement Enhancement Plan
Last Ten Years***

	Fiscal Year					
	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Actuarially determined contributions	\$ 2,047,953	\$ 2,368,360	\$ 2,752,653	\$ 2,715,844	\$ 2,481,762	\$ 1,577,249
Contributions in relation to the actuarially determined contributions	(1,655,324)	(2,385,392)	(2,752,653)	(2,715,844)	(2,481,762)	(1,577,249)
Contribution deficiency / (excess)	<u>\$ 392,629</u>	<u>\$ (17,032)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	<u>\$ 6,896,823</u>	<u>\$ 6,911,135</u>	<u>\$ 7,004,154</u>	<u>\$ 6,910,543</u>	<u>\$ 6,314,914</u>	<u>\$ 6,345,429</u>
Contributions as a percentage of Covered Payroll	<u>24.00%</u>	<u>34.52%</u>	<u>39.30%</u>	<u>39.30%</u>	<u>39.30%</u>	<u>24.86%</u>

Notes to Schedule:

The following actuarial methods and assumptions were used in the June 30, 2019 funding valuation.

Actuarially determined contribution rates were calculated as of January 1, two years prior to the end of the calendar year in which the contributions are reported.

Actuarial Cost Method	Entry age normal
Amortization method / Period	Level dollar, closed, 13 years at 6/30/2019
Asset valuation method	None
Inflation	2.50%
Salary increases	Graded rates based on years of service, 3.40% after 22 years of service
Payroll Growth	2.75%
Investment rate of return	6.50%, net of pension plan investment expense and administrative expenses including inflation.
Retirement age	Retirement rates at 30% per year. At age 70, 100% of all participants are assumed to retire.
Mortality	Pre-Retirement and Post Retirement: Consistent with the Non-Industrial rates used to value the Miscellaneous Agency CalPERS Pension Plans after June 30, 2017.

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

City of El Monte
Postemployment Health Benefits
Schedule of Changes in Net OPEB Liability and Related Ratios
Last Ten Years*

	Measurement Period		
	2016-2017	2017-2018	2018-2019
Total OPEB Liability			
Service cost	\$ 3,217,336	\$ 2,752,460	\$ 2,733,424
Interest on total OPEB liability	3,529,564	4,034,369	3,958,268
Differences between expected and actual experience	(1,096,829)	(610,626)	(91,228)
Changes in assumptions	(14,315,629)	(14,046,049)	6,553,770
Benefit payments, including refunds of employee contributions	(1,971,159)	(2,077,384)	(2,976,959)
Net change in total OPEB liability	<u>(10,636,717)</u>	<u>(9,947,230)</u>	<u>10,177,275</u>
Total OPEB liability - beginning of year	<u>121,605,686</u>	<u>110,968,969</u>	<u>101,021,739</u>
Total OPEB liability - end of year (a)	<u>\$ 110,968,969</u>	<u>\$ 101,021,739</u>	<u>\$ 111,199,014</u>
Plan Fiduciary Net Position			
Net investment income	\$ -	\$ -	\$ -
Contributions - employer	1,971,159	2,077,384	2,976,959
Benefit payments, including refunds of employee contributions	(1,971,159)	(2,077,384)	(2,976,959)
Administrative expenses	-	-	-
Net change in plan fiduciary net position	<u>-</u>	<u>-</u>	<u>-</u>
Plan fiduciary net position - beginning of year	<u>-</u>	<u>-</u>	<u>-</u>
Plan fiduciary net position - end of year (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB liability - end of year (a)-(b)	<u>\$ 110,968,969</u>	<u>\$ 101,021,739</u>	<u>\$ 111,199,014</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>0%</u>	<u>0%</u>	<u>0%</u>
Covered-employee payroll	N/A	\$ 26,195,529	\$ 29,400,620
Net OPEB liability as percentage of covered-employee payroll	N/A	386%	378%

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

Changes in assumption: Discount rate was changed to 3.50% in calculating the total OPEB liability as of measurement date of June 30, 2019.

**City of El Monte
Postemployment Health Benefits
Schedule of OPEB Contribution
Last Ten Years***

	Fiscal Year		
	2017-2018	2018-2019	2019-2020
Actuarially determined contributions	\$ 2,598,298	\$ 2,291,935	\$ 2,307,825
Contributions in relation to the actuarially determined contributions	<u>(2,077,384)</u>	<u>(2,202,423)</u>	<u>(2,328,900)</u>
Contribution deficiency / (excess)	<u>\$ 520,914</u>	<u>\$ 89,512</u>	<u>\$ (21,075)</u>

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

BUDGETARY CONTROL AND ACCOUNTING

The City and its component units' fiscal year begins on July 1 of each year and ends June 30 the following year. The following procedures establish the budgetary data reflected in the financial statements:

- On or before the fifteenth of June of each year, the City Manager submits to the City Council a proposed budget for the next ensuing fiscal year based on a detailed financial plan prepared by the heads of the various offices, agencies and departments of the City and its component units. Upon receipt of the proposed budget, the Council may make modifications with the affirmative vote of at least a majority of its members.
- Before adoption of the budget, the Council holds a public hearing wherein the public is given an opportunity to be heard, after which the Council may make any revisions deemed advisable. On or before July 1 annually, the City Council adopts the budget as amended through a budget resolution passed by the affirmative vote of at least a majority of its members. Upon final adoption, the budget is in effect for the ensuing fiscal year and becomes the authority for the various offices, agencies, and departments to expend subject to controls established by the City's Policy. At any meeting after the adoption of the budget, the City Council may amend or supplement the budget by affirmative vote of the majority of the Council members so as to authorize the transfer of unused balances appropriated for one purpose to another purpose, or to appropriate available revenue not included in the budget.
- The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level, subject to the authority granted to the City Manager to transfer appropriations from account to account as necessary to assure adequate and proper standards of service and to achieve the intent of the City Council in providing municipal services for the fiscal year.

The City's budget is a detailed operating plan, which identifies estimated costs and results in relation to estimated revenues. The budget includes (1) the programs, projects, services, and activities to be provided during the fiscal year, (2) the estimated resources (inflows) and amounts available for appropriation and (3) the estimated charges to appropriations. The budget represents a process through which policy decisions are made, implemented, and controlled.

Annual budgets are legally adopted for the General Fund, Special Revenue Funds, Debt Service Funds and Certain Capital Projects Funds. Although budgets are legally adopted for the City's Proprietary Funds, there is no legal requirement for the fiscal year results to be reported to City Council. Therefore, no budgetary reporting for the Proprietary Funds has been presented in the accompanying financial statements.

Budgets for the General and Special Revenue Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America. The modified accrual basis of accounting is employed in the preparation of the budget.

TRANSFERS OUT IN EXCESS OF APPROPRIATIONS

Transfers out for the year ended June 30, 2020 exceeded the appropriations by the following amounts in the following funds:

Nonmajor Special Revenue Funds		
Special Programs II Fund	\$	80,803
Storm Drain Fund		193,720

These transfers represented costs incurred in the special revenue funds that were funded/matched by general fund. The Special Programs II Fund was closed during the year. The Storm Drain Fund will be funded by Measure W beginning July 1, 2020.

SUPPLEMENTARY INFORMATION

	Special Revenue Funds			
	Parking and Business Improvement	Proposition A	Proposition C	Supplemental Law Enforcement Safety Fund
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Assets:				
Cash and investments	\$ 701,103	\$ 2,843,386	\$ 6,996,663	\$ 1,174,054
Accounts receivable	38	2,737	7,773	-
Taxes receivable	-	-	-	-
Interest receivable	-	-	-	-
Due from other funds	-	-	-	-
Prepaid items	4,557	2,272	-	-
Due from other governments	-	-	-	-
Advances to other funds	-	-	-	-
Notes and loans receivable, net	-	-	-	-
Land held for resale	-	-	-	-
Capital lease receivable	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agent	-	-	-	-
Total assets	705,698	2,848,395	7,004,436	1,174,054
Deferred outflows of resources:				
	-	-	-	-
Total assets and deferred outflows of resources	\$ 705,698	\$ 2,848,395	\$ 7,004,436	\$ 1,174,054
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 73,798	\$ 265,086	\$ 100,670	\$ 5,000
Advances from grantors	-	-	-	-
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	73,798	265,086	100,670	5,000
Deferred inflows of resources:				
Unavailable revenue	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances:				
Restricted				
Special revenue funds	631,900	2,583,309	6,903,766	1,169,054
Capital projects funds	-	-	-	-
Debt service funds	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	631,900	2,583,309	6,903,766	1,169,054
Total liabilities, deferred inflows of resources, and fund balances	\$ 705,698	\$ 2,848,395	\$ 7,004,436	\$ 1,174,054

**City of El Monte
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2020**

Special Revenue Funds						
Special Gas Tax	Transportation Development Act Fund	AB 939	Cable Television Corporation	Art in Public Places	Special Programs	
\$ 525,431	\$ -	\$ 1,402,133	\$ 104,703	\$ 2,254,097	\$ 462,140	
-	-	351,176	47,970	-	31	
-	-	2,810	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	500	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
<u>525,431</u>	<u>-</u>	<u>1,756,119</u>	<u>152,673</u>	<u>2,254,097</u>	<u>462,671</u>	
-	-	-	-	-	-	
<u>\$ 525,431</u>	<u>\$ -</u>	<u>\$ 1,756,119</u>	<u>\$ 152,673</u>	<u>\$ 2,254,097</u>	<u>\$ 462,671</u>	
\$ 211	\$ 10,316	\$ 38,282	\$ 1,700	\$ 236,622	\$ 14,181	
-	-	-	-	-	-	
-	-	-	-	-	55,492	
-	-	-	-	-	-	
-	67,065	-	-	-	-	
<u>211</u>	<u>77,381</u>	<u>38,282</u>	<u>1,700</u>	<u>236,622</u>	<u>69,673</u>	
-	-	-	-	-	-	
-	-	-	-	-	-	
525,220	-	1,717,837	150,973	2,017,475	392,998	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	(77,381)	-	-	-	-	
<u>525,220</u>	<u>(77,381)</u>	<u>1,717,837</u>	<u>150,973</u>	<u>2,017,475</u>	<u>392,998</u>	
<u>\$ 525,431</u>	<u>\$ -</u>	<u>\$ 1,756,119</u>	<u>\$ 152,673</u>	<u>\$ 2,254,097</u>	<u>\$ 462,671</u>	

	Special Revenue Funds			
	Special Programs II	Measure R	Traffic Safety Fund	MTA Call for Projects
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Assets:				
Cash and investments	\$ -	\$ 7,462,160	\$ -	\$ -
Accounts receivable	-	-	6,859	-
Taxes receivable	-	-	-	-
Interest receivable	-	-	-	-
Due from other funds	-	-	-	-
Prepaid items	-	-	-	-
Due from other governments	-	-	-	925,033
Advances to other funds	-	-	-	-
Notes and loans receivable, net	-	-	-	-
Land held for resale	-	-	-	-
Capital lease receivable	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agent	-	-	-	-
Total assets	-	7,462,160	6,859	925,033
Deferred outflows of resources:				
	-	-	-	-
Total assets and deferred outflows of resources	\$ -	\$ 7,462,160	\$ 6,859	\$ 925,033
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ 526,439	\$ -	\$ 204,332
Advances from grantors	-	-	-	-
Deposits payable	-	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	6,859	145,590
Total liabilities	-	526,439	6,859	349,922
Deferred inflows of resources:				
Unavailable revenue	-	-	-	463,708
Total deferred inflows of resources	-	-	-	463,708
Fund Balances:				
Restricted				
Special revenue funds	-	6,935,721	-	111,403
Capital projects funds	-	-	-	-
Debt service funds	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	-	6,935,721	-	111,403
Total liabilities, deferred inflows of resources, and fund balances	\$ -	\$ 7,462,160	\$ 6,859	\$ 925,033

**City of El Monte
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2020**

Special Revenue Funds						
Mountain View CFD 13-1	Road Maintenance and Rehabilitation	Measure M	Affordable Housing	Tree Mitigation & Planting Fund	Air Quality Improvement Fund	
\$ 44,360	\$ 3,899,747	\$ 2,999,147	\$ 122,644	\$ 109,321	\$ 202,452	
-	309,986	-	-	-	173	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	36,549	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
<u>44,360</u>	<u>4,209,733</u>	<u>2,999,147</u>	<u>122,644</u>	<u>109,321</u>	<u>239,174</u>	
-	-	-	-	-	-	
<u>\$ 44,360</u>	<u>\$ 4,209,733</u>	<u>\$ 2,999,147</u>	<u>\$ 122,644</u>	<u>\$ 109,321</u>	<u>\$ 239,174</u>	
\$ -	\$ 898,204	\$ 224,570	\$ -	\$ -	\$ 6,064	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
<u>-</u>	<u>898,204</u>	<u>224,570</u>	<u>-</u>	<u>-</u>	<u>6,064</u>	
-	-	-	-	-	-	
-	-	-	-	-	-	
44,360	3,311,529	2,774,577	122,644	109,321	233,110	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
<u>44,360</u>	<u>3,311,529</u>	<u>2,774,577</u>	<u>122,644</u>	<u>109,321</u>	<u>233,110</u>	
<u>\$ 44,360</u>	<u>\$ 4,209,733</u>	<u>\$ 2,999,147</u>	<u>\$ 122,644</u>	<u>\$ 109,321</u>	<u>\$ 239,174</u>	

	Special Revenue Funds			
	Measure A	Gateway CFD	Federal Stimulus Grant	CallHome Grant
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Assets:				
Cash and investments	\$ -	\$ 52,542	\$ -	\$ 623
Accounts receivable	-	-	-	-
Taxes receivable	-	-	-	-
Interest receivable	-	-	-	-
Due from other funds	-	-	-	-
Prepaid items	-	-	-	-
Due from other governments	579,791	-	-	-
Advances to other funds	-	-	-	-
Notes and loans receivable, net	-	-	-	668,173
Land held for resale	-	-	-	-
Capital lease receivable	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agent	-	-	-	-
Total assets	<u>579,791</u>	<u>52,542</u>	<u>-</u>	<u>668,796</u>
Deferred outflows of resources:				
	-	-	-	-
Total assets and deferred outflows of resources	<u>\$ 579,791</u>	<u>\$ 52,542</u>	<u>\$ -</u>	<u>\$ 668,796</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Advances from grantors	-	-	-	-
Deposits payable	-	-	-	-
Due to other governments	-	-	-	668,173
Due to other funds	579,791	-	726,223	-
Total liabilities	<u>579,791</u>	<u>-</u>	<u>726,223</u>	<u>668,173</u>
Deferred inflows of resources:				
Unavailable revenue	232,602	-	-	-
Total deferred inflows of resources	<u>232,602</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Restricted				
Special revenue funds	-	52,542	-	623
Capital projects funds	-	-	-	-
Debt service funds	-	-	-	-
Assigned	-	-	-	-
Unassigned	(232,602)	-	(726,223)	-
Total fund balances	<u>(232,602)</u>	<u>52,542</u>	<u>(726,223)</u>	<u>623</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 579,791</u>	<u>\$ 52,542</u>	<u>\$ -</u>	<u>\$ 668,796</u>

**City of El Monte
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2020**

Special Revenue Funds					
Urban Development Action Grant	Emergency Solutions Grant	Older Americans Act	Senior Citizen Program	Children's Lunch Program	Asset Forfeiture
\$ 168,839	\$ -	\$ -	\$ 39,345	\$ -	\$ 2,452,258
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	93,720	4,995	70,060	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>168,839</u>	<u>93,720</u>	<u>4,995</u>	<u>109,405</u>	<u>-</u>	<u>2,452,258</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 168,839</u>	<u>\$ 93,720</u>	<u>\$ 4,995</u>	<u>\$ 109,405</u>	<u>\$ -</u>	<u>\$ 2,452,258</u>
\$ -	\$ 17,019	\$ -	\$ 60,562	\$ -	\$ 187,067
-	-	-	-	-	-
-	-	-	-	-	2,375
77,515	-	-	-	-	-
-	76,701	3,628	-	-	-
<u>77,515</u>	<u>93,720</u>	<u>3,628</u>	<u>60,562</u>	<u>-</u>	<u>189,442</u>
<u>-</u>	<u>17,019</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>17,019</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
91,324	-	1,367	48,843	-	2,262,816
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	(17,019)	-	-	-	-
<u>91,324</u>	<u>(17,019)</u>	<u>1,367</u>	<u>48,843</u>	<u>-</u>	<u>2,262,816</u>
<u>\$ 168,839</u>	<u>\$ 93,720</u>	<u>\$ 4,995</u>	<u>\$ 109,405</u>	<u>\$ -</u>	<u>\$ 2,452,258</u>

	Special Revenue Funds			
	Traffic Signals Impact Fee	Street Impact Fee	Sewer Impact Fee	Storm Drain Impact Fee
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Assets:				
Cash and investments	\$ 686,114	\$ 1,088,402	\$ 1,171,595	\$ 1,191,483
Accounts receivable	-	-	-	-
Taxes receivable	-	-	-	-
Interest receivable	-	-	-	-
Due from other funds	-	-	-	-
Prepaid items	-	-	-	-
Due from other governments	-	-	-	-
Advances to other funds	-	-	-	-
Notes and loans receivable, net	-	-	-	-
Land held for resale	-	-	-	-
Capital lease receivable	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agent	-	-	-	-
Total assets	<u>686,114</u>	<u>1,088,402</u>	<u>1,171,595</u>	<u>1,191,483</u>
Deferred outflows of resources:	-	-	-	-
Total assets and deferred outflows of resources	\$ <u>686,114</u>	\$ <u>1,088,402</u>	\$ <u>1,171,595</u>	\$ <u>1,191,483</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Advances from grantors	-	-	-	-
Deposits payable	200,000	-	-	-
Due to other governments	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	<u>200,000</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>
Fund Balances:				
Restricted				
Special revenue funds	486,114	1,088,402	1,171,595	1,191,483
Capital projects funds	-	-	-	-
Debt service funds	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total fund balances	<u>486,114</u>	<u>1,088,402</u>	<u>1,171,595</u>	<u>1,191,483</u>
Total liabilities, deferred inflows of resources, and fund balances	\$ <u>686,114</u>	\$ <u>1,088,402</u>	\$ <u>1,171,595</u>	\$ <u>1,191,483</u>

**City of El Monte
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2020**

Special Revenue Funds					
NPDES Impact Fee	Park Facility Impact Fee	Quimby Fee	Storm Drain	Miscellaneous Grants	Economic Development Corporation
\$ -	\$ 57,970	\$ 2,992,362	\$ 51,814	-	\$ -
-	-	-	-	-	-
-	-	-	-	-	59
-	-	-	-	-	-
-	-	-	-	-	438
-	-	-	-	2,693,782	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	7,051,391
<u>-</u>	<u>57,970</u>	<u>2,992,362</u>	<u>51,814</u>	<u>2,693,782</u>	<u>7,051,888</u>
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ 57,970</u>	<u>\$ 2,992,362</u>	<u>\$ 51,814</u>	<u>\$ 2,693,782</u>	<u>\$ 7,051,888</u>
\$ -	-	\$ 488,763	\$ 51,814	\$ 750,213	\$ -
-	-	-	-	-	-
-	-	-	-	97,212	-
-	-	-	-	65,206	-
-	-	-	-	-	-
-	-	-	-	1,950,803	3,315,067
<u>-</u>	<u>-</u>	<u>488,763</u>	<u>51,814</u>	<u>2,863,434</u>	<u>3,315,067</u>
-	-	-	-	2,663,896	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,663,896</u>	<u>-</u>
-	57,970	2,503,599	-	-	3,736,821
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	(2,833,548)	-
<u>-</u>	<u>57,970</u>	<u>2,503,599</u>	<u>-</u>	<u>(2,833,548)</u>	<u>3,736,821</u>
<u>\$ -</u>	<u>\$ 57,970</u>	<u>\$ 2,992,362</u>	<u>\$ 51,814</u>	<u>\$ 2,693,782</u>	<u>\$ 7,051,888</u>

	<u>Special Revenue Fund</u>	<u>Debt Service Funds</u>	
	El Monte Housing Authority	2010 Lease Revenue Bonds	2020 Lease Revenue Bonds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES			
Assets:			
Cash and investments	\$ 66	\$ 49,664	\$ -
Accounts receivable	-	-	-
Taxes receivable	-	-	-
Interest receivable	-	-	-
Due from other funds	-	-	-
Prepaid items	-	-	-
Due from other governments	-	-	-
Advances to other funds	-	-	-
Notes and loans receivable, net	-	-	-
Land held for resale	-	-	-
Capital lease receivable	-	-	-
Restricted assets:			
Cash and investments with fiscal agent	-	1,274,175	1,591,931
Total assets	<u>66</u>	<u>1,323,839</u>	<u>1,591,931</u>
Deferred outflows of resources:	-	-	-
Total assets and deferred outflows of resources	\$ 66	\$ 1,323,839	\$ 1,591,931
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ -
Advances from grantors	-	-	-
Deposits payable	-	-	-
Due to other governments	-	-	-
Due to other funds	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Deferred inflows of resources:			
Unavailable revenue	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:			
Restricted			
Special revenue funds	66	-	-
Capital projects funds	-	-	-
Debt service funds	-	1,323,839	1,591,931
Assigned	-	-	-
Unassigned	-	-	-
Total fund balances	<u>66</u>	<u>1,323,839</u>	<u>1,591,931</u>
Total liabilities, deferred inflows of resources, and fund balances	\$ 66	\$ 1,323,839	\$ 1,591,931

City of El Monte
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)
June 30, 2020

	<u>Capital Projects Fund</u>		<u>Total</u>
\$	980,925	\$	42,287,543
	-		726,743
	-		2,810
	-		59
	-		-
	-		7,767
	-		4,403,930
	-		-
	-		668,173
	-		-
	-		-
	-		9,917,497
	<u>980,925</u>		<u>58,014,522</u>
	-		-
\$	<u>980,925</u>	\$	<u>58,014,522</u>
\$	156,236	\$	4,317,149
	-		97,212
	-		323,073
	-		745,688
	-		6,871,727
	<u>156,236</u>		<u>12,354,849</u>
	-		3,377,225
	<u>-</u>		<u>3,377,225</u>
	-		42,428,762
	824,689		824,689
	-		2,915,770
	-		-
	-		(3,886,773)
	<u>824,689</u>		<u>42,282,448</u>
\$	<u>980,925</u>	\$	<u>58,014,522</u>

	Special Revenue Funds			
	Parking and Business Improvement	Proposition A	Proposition C	Supplemental Law Enforcement Safety Fund
Revenues				
Taxes	\$ 219,473	\$ 2,271,012	\$ 1,883,809	\$ -
Intergovernmental	-	26,459	31,939	230,505
Charges for services	6,524	4,555	182	-
Fines and forfeitures	-	-	-	-
Use of money and property	4,130	32,156	91,676	13,747
Miscellaneous	-	625,272	48,294	39,900
Total revenues	<u>230,127</u>	<u>2,959,454</u>	<u>2,055,900</u>	<u>284,152</u>
Expenditures				
Current:				
General government	90,021	-	-	-
Parks and recreation	5,444	-	-	-
Economic development	-	-	-	-
Public works	186,476	2,537,649	1,468,548	-
Public safety	-	-	-	106,273
Capital outlay	66,301	15,756	559,192	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>348,242</u>	<u>2,553,405</u>	<u>2,027,740</u>	<u>106,273</u>
Excess (deficiency) of revenues over expenditures	<u>(118,115)</u>	<u>406,049</u>	<u>28,160</u>	<u>177,879</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	(118,115)	406,049	28,160	177,879
Fund balance, beginning of fiscal year	750,015	2,177,260	6,875,606	991,175
Fund balance, end of fiscal year	<u>\$ 631,900</u>	<u>\$ 2,583,309</u>	<u>\$ 6,903,766</u>	<u>\$ 1,169,054</u>

City of El Monte
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
Year ended June 30, 2020

Special Revenue Funds					
Special Gas Tax	Transportation Development Act Fund	AB 939	Cable Television Corporation	Art in Public Places	Special Programs
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2,646,592	73,312	-	-	-	-
-	-	983,697	-	-	-
-	-	-	-	-	-
5,608	-	-	-	4,039	76,852
-	-	-	199,841	163,798	72,772
<u>2,652,200</u>	<u>73,312</u>	<u>983,697</u>	<u>199,841</u>	<u>167,837</u>	<u>149,624</u>
-	-	-	151,651	-	-
-	-	-	-	-	55,956
-	-	-	-	-	-
2,625	1,651	577,632	-	-	-
-	-	-	-	-	36,397
-	134,325	-	-	330,374	10,000
-	-	-	-	-	-
<u>2,625</u>	<u>135,976</u>	<u>577,632</u>	<u>151,651</u>	<u>330,374</u>	<u>102,353</u>
<u>2,649,575</u>	<u>(62,664)</u>	<u>406,065</u>	<u>48,190</u>	<u>(162,537)</u>	<u>47,271</u>
-	-	-	-	-	-
<u>(2,400,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>(2,400,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
249,575	(62,664)	406,065	48,190	(162,537)	47,271
275,645	(14,717)	1,311,772	102,783	2,180,012	345,727
<u>\$ 525,220</u>	<u>\$ (77,381)</u>	<u>\$ 1,717,837</u>	<u>\$ 150,973</u>	<u>\$ 2,017,475</u>	<u>\$ 392,998</u>

	Special Revenue Funds			
	Special Programs II	Measure R	Traffic Safety Fund	MTA Call for Projects
Revenues				
Taxes	\$ -	\$ 1,410,836	\$ -	\$ -
Intergovernmental	-	-	-	461,325
Charges for services	-	-	-	-
Fines and forfeitures	-	-	109,448	-
Use of money and property	-	99,510	-	4,977
Miscellaneous	12,968	-	-	-
Total revenues	<u>12,968</u>	<u>1,510,346</u>	<u>109,448</u>	<u>466,302</u>
Expenditures				
Current:				
General government	-	-	-	-
Parks and recreation	-	-	-	-
Economic development	-	-	-	-
Public works	-	496,279	-	21,060
Public safety	-	-	-	-
Capital outlay	-	1,077,648	-	747,202
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>-</u>	<u>1,573,927</u>	<u>-</u>	<u>768,262</u>
Excess (deficiency) of revenues over expenditures	<u>12,968</u>	<u>(63,581)</u>	<u>109,448</u>	<u>(301,960)</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	(80,803)	-	(109,448)	-
Net other financing sources (uses)	<u>(80,803)</u>	<u>-</u>	<u>(109,448)</u>	<u>-</u>
Change in fund balance	(67,835)	(63,581)	-	(301,960)
Fund balance, beginning of fiscal year	67,835	6,999,302	-	413,363
Fund balance, end of fiscal year	<u>\$ -</u>	<u>\$ 6,935,721</u>	<u>\$ -</u>	<u>\$ 111,403</u>

City of El Monte
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds (Continued)
Year ended June 30, 2020

Special Revenue Funds					
Mountain View CFD 13-1	Road Maintenance and Rehabilitation	Measure M	Affordable Housing	Tree Mitigation & Planting Fund	Air Quality Improvement Fund
\$ 7,746	\$ -	\$ 1,588,769	\$ -	\$ -	\$ -
-	2,029,958	-	-	-	138,758
-	-	-	-	-	-
-	-	-	-	11,211	-
528	44,513	43,486	-	-	2,457
-	-	-	-	-	-
<u>8,274</u>	<u>2,074,471</u>	<u>1,632,255</u>	<u>-</u>	<u>11,211</u>	<u>141,215</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	493,202	-	-	73,751
-	-	-	-	-	-
-	1,611,827	1,086,227	-	-	73,616
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>1,611,827</u>	<u>1,579,429</u>	<u>-</u>	<u>-</u>	<u>147,367</u>
<u>8,274</u>	<u>462,644</u>	<u>52,826</u>	<u>-</u>	<u>11,211</u>	<u>(6,152)</u>
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
8,274	462,644	52,826	-	11,211	(6,152)
36,086	2,848,885	2,721,751	122,644	98,110	239,262
<u>\$ 44,360</u>	<u>\$ 3,311,529</u>	<u>\$ 2,774,577</u>	<u>\$ 122,644</u>	<u>\$ 109,321</u>	<u>\$ 233,110</u>

	Special Revenue Funds			
	Measure A	Gateway CFD	Federal Stimulus Grant	CallHome Grant
Revenues				
Taxes	\$ -	\$ 6,537	\$ -	\$ -
Intergovernmental	347,189	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	-	658	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>347,189</u>	<u>7,195</u>	<u>-</u>	<u>-</u>
Expenditures				
Current:				
General government	-	-	-	-
Parks and recreation	-	-	-	-
Economic development	-	-	-	-
Public works	-	-	-	-
Public safety	-	-	705,873	-
Capital outlay	579,791	-	20,350	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>579,791</u>	<u>-</u>	<u>726,223</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(232,602)</u>	<u>7,195</u>	<u>(726,223)</u>	<u>-</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	<u>(232,602)</u>	<u>7,195</u>	<u>(726,223)</u>	<u>-</u>
Fund balance, beginning of fiscal year	-	45,347	-	623
Fund balance, end of fiscal year	<u>\$ (232,602)</u>	<u>\$ 52,542</u>	<u>\$ (726,223)</u>	<u>\$ 623</u>

City of El Monte
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds (Continued)
Year ended June 30, 2020

		Special Revenue Funds				
Urban Development Action Grant	Emergency Solutions Grant	Older Americans Act	Senior Citizen Program	Children's Lunch Program	Asset Forfeiture	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	221,093	21,724	180,546	-	-	569,638
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,216	-	-	413	-	-	37,586
-	-	-	16,727	-	-	-
<u>2,216</u>	<u>221,093</u>	<u>21,724</u>	<u>197,686</u>	<u>-</u>	<u>-</u>	<u>607,224</u>
-	-	-	-	-	-	-
-	-	41,746	226,530	-	-	-
-	238,112	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	757,794
-	-	-	-	-	-	728,944
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>238,112</u>	<u>41,746</u>	<u>226,530</u>	<u>-</u>	<u>-</u>	<u>1,486,738</u>
2,216	(17,019)	(20,022)	(28,844)	-	-	(879,514)
-	-	20,022	29,256	16,930	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>20,022</u>	<u>29,256</u>	<u>16,930</u>	<u>-</u>	<u>-</u>
2,216	(17,019)	-	412	16,930	-	(879,514)
89,108	-	1,367	48,431	(16,930)	-	3,142,330
<u>\$ 91,324</u>	<u>\$ (17,019)</u>	<u>\$ 1,367</u>	<u>\$ 48,843</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,262,816</u>

Special Revenue Funds				
	Traffic Signals Impact Fee	Street Impact Fee	Sewer Impact Fee	Storm Drain Impact Fee
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-
Charges for services	-	-	-	-
Fines and forfeitures	-	-	-	-
Use of money and property	6,336	12,326	12,947	15,734
Miscellaneous	45,681	399,686	237,438	135,185
Total revenues	<u>52,017</u>	<u>412,012</u>	<u>250,385</u>	<u>150,919</u>
Expenditures				
Current:				
General government	-	-	-	-
Parks and recreation	-	-	-	-
Economic development	-	-	-	-
Public works	-	-	-	-
Public safety	-	-	-	-
Capital outlay	-	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>52,017</u>	<u>412,012</u>	<u>250,385</u>	<u>150,919</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	52,017	412,012	250,385	150,919
Fund balance, beginning of fiscal year	434,097	676,390	921,210	1,040,564
Fund balance, end of fiscal year	<u>\$ 486,114</u>	<u>\$ 1,088,402</u>	<u>\$ 1,171,595</u>	<u>\$ 1,191,483</u>

City of El Monte
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds (Continued)
Year ended June 30, 2020

Special Revenue Funds					
NPDES Impact Fee	Park Facility Impact Fee	Quimby Fee	Storm Drain	Miscellaneous Grants	Economic Development Corporation
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	603,348	-
-	-	-	-	-	-
-	-	-	-	-	-
-	609	14,610	5,659	-	55,886
-	18,096	571,121	2,697	-	-
-	18,705	585,731	8,356	603,348	55,886
-	-	-	-	-	-
-	-	-	-	9,443	-
-	-	-	-	67,187	-
-	-	181	734,808	108,968	-
-	-	-	-	293,035	-
-	-	663,764	-	1,450,612	3,313,589
-	-	-	-	-	-
-	-	-	-	-	313
-	-	663,945	734,808	1,929,245	3,313,902
-	18,705	(78,214)	(726,452)	(1,325,897)	(3,258,016)
193,720	-	-	242,837	-	-
-	-	-	(193,720)	-	-
193,720	-	-	49,117	-	-
193,720	18,705	(78,214)	(677,335)	(1,325,897)	(3,258,016)
(193,720)	39,265	2,581,813	677,335	(1,507,651)	6,994,837
\$ -	\$ 57,970	\$ 2,503,599	\$ -	\$ (2,833,548)	\$ 3,736,821

	Special Revenue Fund	Debt Service Funds	
	El Monte Housing Authority	2010 Lease Revenue Bonds	2020 Lease Revenue Bonds
Revenues			
Taxes	\$ -	\$ -	\$ -
Intergovernmental	-	601,476	-
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Use of money and property	1	1,305,571	-
Miscellaneous	-	-	-
Total revenues	<u>1</u>	<u>1,907,047</u>	<u>-</u>
Expenditures			
Current:			
General government	-	-	-
Parks and recreation	-	-	-
Economic development	-	-	-
Public works	-	-	-
Public safety	-	-	-
Capital outlay	-	-	-
Debt service:			
Principal retirement	-	435,000	-
Interest and fiscal charges	-	1,452,520	-
Total expenditures	<u>-</u>	<u>1,887,520</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>1</u>	<u>19,527</u>	<u>-</u>
Other financing sources (uses)			
Transfers in	-	-	1,591,931
Transfers out	-	-	-
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>1,591,931</u>
Change in fund balance	1	19,527	1,591,931
Fund balance, beginning of fiscal year	65	1,304,312	-
Fund balance, end of fiscal year	<u>\$ 66</u>	<u>\$ 1,323,839</u>	<u>\$ 1,591,931</u>

City of El Monte
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds (Continued)
Year ended June 30, 2020

	<u>Capital Projects Fund</u>		<u>Totals</u>
\$	-	\$	7,388,182
	-		8,183,862
	-		994,958
	-		120,659
	-		1,894,231
	-		2,589,476
	<u>-</u>		<u>21,171,368</u>
	-		241,672
	76,396		415,515
	-		305,299
	178,034		6,880,864
	-		1,899,372
	63,172		12,532,690
	-		435,000
	-		1,452,833
	<u>317,602</u>		<u>24,163,245</u>
	<u>(317,602)</u>		<u>(2,991,877)</u>
	-		2,094,696
	-		(2,783,971)
	<u>-</u>		<u>(689,275)</u>
	(317,602)		(3,681,152)
	1,142,291		45,963,600
\$	<u>824,689</u>	\$	<u>42,282,448</u>

City of El Monte
Budgetary Comparison Schedule
Parking and Business Improvement
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Taxes	\$ -	\$ 215,000	\$ 219,473	\$ 4,473
Licenses and permits	215,000	-	-	-
Charges for services	-	-	6,524	6,524
Use of money and property	-	5,300	4,130	(1,170)
Miscellaneous	5,300	-	-	-
Total revenues	<u>220,300</u>	<u>220,300</u>	<u>230,127</u>	<u>9,827</u>
Expenditures				
Current:				
General government	95,200	114,645	90,021	24,624
Parks and recreation	-	6,975	5,444	1,531
Public works	22,600	122,805	186,476	(63,671)
Capital outlay	432,800	574,200	66,301	507,899
Total expenditures	<u>550,600</u>	<u>818,625</u>	<u>348,242</u>	<u>470,383</u>
Change in fund balance	(330,300)	(598,325)	(118,115)	480,210
Fund balances, beginning of year	<u>750,015</u>	<u>750,015</u>	<u>750,015</u>	<u>-</u>
Fund balances, end of year	<u>\$ 419,715</u>	<u>\$ 151,690</u>	<u>\$ 631,900</u>	<u>\$ 480,210</u>

**City of El Monte
Budgetary Comparison Schedule
Proposition A
Year ended June 30, 2020**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Taxes	\$ 2,369,839	\$ 2,369,839	\$ 2,271,012	\$ (98,827)
Intergovernmental	47,800	47,800	26,459	(21,341)
Charges for services	157,200	157,200	4,555	(152,645)
Use of money and property	15,000	15,000	32,156	17,156
Miscellaneous	38,500	38,500	625,272	586,772
Total revenues	<u>2,628,339</u>	<u>2,628,339</u>	<u>2,959,454</u>	<u>331,115</u>
Expenditures				
Current:				
Public works	2,913,525	2,917,355	2,537,649	379,706
Capital outlay	34,100	30,270	15,756	14,514
Total expenditures	<u>2,947,625</u>	<u>2,947,625</u>	<u>2,553,405</u>	<u>394,220</u>
Change in fund balance	(319,286)	(319,286)	406,049	725,335
Fund balances, beginning of year	2,177,260	2,177,260	2,177,260	-
Fund balances, end of year	<u>\$ 1,857,974</u>	<u>\$ 1,857,974</u>	<u>\$ 2,583,309</u>	<u>\$ 725,335</u>

**City of El Monte
Budgetary Comparison Schedule
Proposition C
Year ended June 30, 2020**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Taxes	\$ 1,965,719	\$ 1,965,719	\$ 1,883,809	\$ (81,910)
Intergovernmental	45,700	45,700	31,939	(13,761)
Charges for services	-	-	182	182
Use of money and property	40,000	40,000	91,676	51,676
Miscellaneous revenue	-	-	48,294	48,294
Total revenues	<u>2,051,419</u>	<u>2,051,419</u>	<u>2,055,900</u>	<u>4,481</u>
Expenditures				
Current:				
Public works	2,249,733	2,276,734	1,468,548	808,186
Capital outlay	<u>3,605,228</u>	<u>3,588,227</u>	<u>559,192</u>	<u>3,029,035</u>
Total expenditures	<u>5,854,961</u>	<u>5,864,961</u>	<u>2,027,740</u>	<u>3,837,221</u>
Change in fund balance	(3,803,542)	(3,813,542)	28,160	3,841,702
Fund balances, beginning of year	<u>6,875,606</u>	<u>6,875,606</u>	<u>6,875,606</u>	<u>-</u>
Fund balances, end of year	<u>\$ 3,072,064</u>	<u>\$ 3,062,064</u>	<u>\$ 6,903,766</u>	<u>\$ 3,841,702</u>

City of El Monte
Budgetary Comparison Schedule
Supplemental Law Enforcement Safety
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Intergovernmental	\$ 275,000	\$ 275,000	\$ 230,505	\$ (44,495)
Use of money and property	-	-	13,747	13,747
Miscellaneous	-	-	39,900	39,900
Total revenues	<u>275,000</u>	<u>275,000</u>	<u>284,152</u>	<u>9,152</u>
Expenditures				
Current:				
Public safety	152,000	152,000	106,273	45,727
Capital outlay	360,000	360,000	-	360,000
Total expenditures	<u>512,000</u>	<u>512,000</u>	<u>106,273</u>	<u>405,727</u>
Change in fund balance	(237,000)	(237,000)	177,879	414,879
Fund balances, beginning of year	991,175	991,175	991,175	-
Fund balances, end of year	<u>\$ 754,175</u>	<u>\$ 754,175</u>	<u>\$ 1,169,054</u>	<u>\$ 414,879</u>

City of El Monte
Budgetary Comparison Schedule
Special Gas Tax
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Intergovernmental	\$ 3,041,816	\$ 3,041,816	\$ 2,646,592	\$ (395,224)
Use of money and property	-	-	5,608	5,608
Total revenues	<u>3,041,816</u>	<u>3,041,816</u>	<u>2,652,200</u>	<u>(389,616)</u>
Expenditures				
Current:				
Public works	-	2,625	2,625	-
Capital outlay	129,903	127,278	-	127,278
Total expenditures	<u>129,903</u>	<u>129,903</u>	<u>2,625</u>	<u>127,278</u>
Excess (deficiency) of revenues over expenditures	<u>2,911,913</u>	<u>2,911,913</u>	<u>2,649,575</u>	<u>(262,338)</u>
Other financing sources (uses)				
Transfers out	<u>(2,900,000)</u>	<u>(2,400,000)</u>	<u>(2,400,000)</u>	<u>-</u>
Change in fund balance	11,913	511,913	249,575	(262,338)
Fund balances, beginning of year	<u>275,645</u>	<u>275,645</u>	<u>275,645</u>	<u>-</u>
Fund balances, end of year	<u>\$ 287,558</u>	<u>\$ 787,558</u>	<u>\$ 525,220</u>	<u>\$ (262,338)</u>

**City of El Monte
Budgetary Comparison Schedule
Transportation Development Act Fund
Year ended June 30, 2020**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Intergovernmental	\$ 84,518	\$ 84,518	\$ 73,312	\$ (11,206)
Total revenues	84,518	84,518	73,312	(11,206)
Expenditures				
Current:				
Public works	-	30,200	1,651	28,549
Capital outlay	300,000	335,114	134,325	200,789
Total expenditures	300,000	365,314	135,976	229,338
Change in fund balance	(215,482)	(280,796)	(62,664)	218,132
Fund balances, beginning of year	(14,717)	(14,717)	(14,717)	-
Fund balances, end of year	\$ (230,199)	\$ (295,513)	\$ (77,381)	\$ 218,132

City of El Monte
Budgetary Comparison Schedule
AB 939
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Charges for services	\$ 1,030,000	\$ 1,030,000	\$ 983,697	\$ (46,303)
Total revenues	<u>1,030,000</u>	<u>1,030,000</u>	<u>983,697</u>	<u>(46,303)</u>
Expenditures				
Current:				
Public works	1,249,876	1,249,876	577,632	672,244
Capital outlay	2,000	2,000	-	2,000
Total expenditures	<u>1,251,876</u>	<u>1,251,876</u>	<u>577,632</u>	<u>674,244</u>
Change in fund balance	(221,876)	(221,876)	406,065	627,941
Fund balances, beginning of year	<u>1,311,772</u>	<u>1,311,772</u>	<u>1,311,772</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,089,896</u>	<u>\$ 1,089,896</u>	<u>\$ 1,717,837</u>	<u>\$ 627,941</u>

**City of El Monte
Budgetary Comparison Schedule
Cable Television Corporation
Year ended June 30, 2020**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Miscellaneous	\$ 146,000	\$ 146,000	\$ 199,841	\$ 53,841
Total revenues	<u>146,000</u>	<u>146,000</u>	<u>199,841</u>	<u>53,841</u>
Expenditures				
Current:				
General government	157,100	157,100	151,651	5,449
Total expenditures	<u>157,100</u>	<u>157,100</u>	<u>151,651</u>	<u>5,449</u>
Change in fund balance	(11,100)	(11,100)	48,190	59,290
Fund balances, beginning of year	102,783	102,783	102,783	-
Fund balances, end of year	<u>\$ 91,683</u>	<u>\$ 91,683</u>	<u>\$ 150,973</u>	<u>\$ 59,290</u>

City of El Monte
Budgetary Comparison Schedule
Art in Public Places
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Use of money and property	\$ 15,000	\$ 15,000	\$ 4,039	\$ (10,961)
Miscellaneous	300,000	300,000	163,798	(136,202)
Total revenues	315,000	315,000	167,837	(147,163)
Expenditures				
Capital outlay	315,000	766,000	330,374	435,626
Total expenditures	315,000	766,000	330,374	435,626
Change in fund balance	-	(451,000)	(162,537)	288,463
Fund balances, beginning of year	2,180,012	2,180,012	2,180,012	-
Fund balances, end of year	\$ 2,180,012	\$ 1,729,012	\$ 2,017,475	\$ 288,463

City of El Monte
Budgetary Comparison Schedule
Special Programs
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Use of money and property	\$ 72,000	\$ 72,000	\$ 76,852	\$ 4,852
Miscellaneous	69,000	69,000	72,772	3,772
Total revenues	<u>141,000</u>	<u>141,000</u>	<u>149,624</u>	<u>8,624</u>
Expenditures				
Current:				
Parks and recreation	187,000	187,000	55,956	131,044
Public safety	40,000	40,000	36,397	3,603
Capital outlay	100,000	100,000	10,000	90,000
Total expenditures	<u>327,000</u>	<u>327,000</u>	<u>102,353</u>	<u>224,647</u>
Change in fund balance	(186,000)	(186,000)	47,271	233,271
Fund balances, beginning of year	<u>345,727</u>	<u>345,727</u>	<u>345,727</u>	<u>-</u>
Fund balances, end of year	<u>\$ 159,727</u>	<u>\$ 159,727</u>	<u>\$ 392,998</u>	<u>\$ 233,271</u>

City of El Monte
Budgetary Comparison Schedule
Special Programs II
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Miscellaneous	\$ -	\$ -	\$ 12,968	\$ 12,968
Total revenues	<u>-</u>	<u>-</u>	<u>12,968</u>	<u>12,968</u>
Expenditures				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	-	12,968	12,968
Other financing sources				
Transfers out	-	-	(80,803)	(80,803)
Change in fund balance	-	-	(67,835)	(67,835)
Fund balances, beginning of year	67,835	67,835	67,835	-
Fund balances, end of year	<u>\$ 67,835</u>	<u>\$ 67,835</u>	<u>\$ -</u>	<u>\$ (67,835)</u>

City of El Monte
Budgetary Comparison Schedule
Measure R
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Taxes	\$ 1,474,448	\$ 1,474,448	\$ 1,410,836	\$ (63,612)
Use of money and property	45,000	45,000	99,510	54,510
Total revenues	<u>1,519,448</u>	<u>1,519,448</u>	<u>1,510,346</u>	<u>(9,102)</u>
Expenditures				
Current:				
Public works	615,069	721,544	496,279	225,265
Capital outlay	2,034,083	3,320,906	1,077,648	2,243,258
Total expenditures	<u>2,649,152</u>	<u>4,042,450</u>	<u>1,573,927</u>	<u>2,468,523</u>
Change in fund balance	(1,129,704)	(2,523,002)	(63,581)	2,459,421
Fund balances, beginning of year	<u>6,999,302</u>	<u>6,999,302</u>	<u>6,999,302</u>	<u>-</u>
Fund balances, end of year	<u>\$ 5,869,598</u>	<u>\$ 4,476,300</u>	<u>\$ 6,935,721</u>	<u>\$ 2,459,421</u>

City of El Monte
Budgetary Comparison Schedule
Traffic Safety Fund
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Fines and forfeitures	\$ 175,000	\$ 175,000	\$ 109,448	\$ (65,552)
Total revenues	<u>175,000</u>	<u>175,000</u>	<u>109,448</u>	<u>(65,552)</u>
Expenditures				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	175,000	175,000	109,448	(65,552)
Other financing sources (uses)				
Transfers out	<u>(175,000)</u>	<u>(175,000)</u>	<u>(109,448)</u>	<u>65,552</u>
Change in fund balance	-	-	-	-
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of El Monte
Budgetary Comparison Schedule
MTA Call for Projects
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Intergovernmental	\$ -	\$ -	\$ 461,325	461,325
Use of money and property	2,555,212	2,555,212	4,977	\$ (2,550,235)
Total revenues	<u>2,555,212</u>	<u>2,555,212</u>	<u>466,302</u>	<u>(2,088,910)</u>
Expenditures				
Current:				
Public works	-	21,000	21,060	(60)
Capital outlay	2,555,212	2,534,212	747,202	1,787,010
Total expenditures	<u>2,555,212</u>	<u>2,555,212</u>	<u>768,262</u>	<u>1,786,950</u>
Change in fund balance	-	-	(301,960)	(301,960)
Fund balances, beginning of year	413,363	413,363	413,363	-
Fund balances, end of year	<u>\$ 413,363</u>	<u>\$ 413,363</u>	<u>\$ 111,403</u>	<u>\$ (301,960)</u>

City of El Monte
Budgetary Comparison Schedule
Mountain View CFD 13-1
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Taxes	\$ 8,000	\$ 8,000	\$ 7,746	\$ (254)
Use of money and property	300	300	528	228
Total revenues	8,300	8,300	8,274	(26)
Expenditures				
Current:				
Public works	8,300	8,300	-	8,300
Total expenditures	8,300	8,300	-	8,300
Change in fund balance	-	-	8,274	8,274
Fund balances, beginning of year	36,086	36,086	36,086	-
Fund balances, end of year	\$ 36,086	\$ 36,086	\$ 44,360	\$ 8,274

**City of El Monte
Budgetary Comparison Schedule
Road Maintenance and Rehabilitation
Year ended June 30, 2020**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Intergovernmental	\$ 1,926,234	\$ 1,926,234	\$ 2,029,958	\$ 103,724
Use of money and property	-	-	44,513	44,513
Total revenues	<u>1,926,234</u>	<u>1,926,234</u>	<u>2,074,471</u>	<u>148,237</u>
Expenditures				
Capital outlay	<u>862,000</u>	<u>3,545,942</u>	<u>1,611,827</u>	<u>1,934,115</u>
Total expenditures	<u>862,000</u>	<u>3,545,942</u>	<u>1,611,827</u>	<u>1,934,115</u>
Change in fund balance	1,064,234	(1,619,708)	462,644	2,082,352
Fund balances, beginning of year	<u>2,848,885</u>	<u>2,848,885</u>	<u>2,848,885</u>	<u>-</u>
Fund balances, end of year	<u>\$ 3,913,119</u>	<u>\$ 1,229,177</u>	<u>\$ 3,311,529</u>	<u>\$ 2,082,352</u>

City of El Monte
Budgetary Comparison Schedule
Measure M
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Taxes	\$ 1,670,861	\$ 1,670,861	\$ 1,588,769	\$ (82,092)
Use of money and property	10,000	10,000	43,486	33,486
Total revenues	<u>1,680,861</u>	<u>1,680,861</u>	<u>1,632,255</u>	<u>(48,606)</u>
Expenditures				
Current:				
Public works	543,544	886,544	493,202	393,342
Capital outlay	1,212,077	1,786,663	1,086,227	700,436
Total expenditures	<u>1,755,621</u>	<u>2,673,207</u>	<u>1,579,429</u>	<u>1,093,778</u>
Change in fund balance	(74,760)	(992,346)	52,826	1,045,172
Fund balances, beginning of year	<u>2,721,751</u>	<u>2,721,751</u>	<u>2,721,751</u>	<u>-</u>
Fund balances, end of year	<u>\$ 2,646,991</u>	<u>\$ 1,729,405</u>	<u>\$ 2,774,577</u>	<u>\$ 1,045,172</u>

**City of El Monte
 Budgetary Comparison Schedule
 Affordable Housing
 Year ended June 30, 2020**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Total revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Total expenditures	-	-	-	-
Change in fund balance	-	-	-	-
Fund balances, beginning of year	122,644	122,644	122,644	-
Fund balances, end of year	\$ 122,644	\$ 122,644	\$ 122,644	\$ -

**City of El Monte
Budgetary Comparison Schedule
Tree Mitigation and Planting Fund
Year ended June 30, 2020**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Fines and forfeitures	\$ 39,000	\$ 39,000	\$ 11,211	\$ (27,789)
Total revenues	39,000	39,000	11,211	(27,789)
Expenditures				
Current:				
Economic development	25,000	25,000	-	25,000
Capital outlay	14,000	14,000	-	14,000
Total expenditures	39,000	39,000	-	39,000
Change in fund balance	-	-	11,211	11,211
Fund balances, beginning of year	98,110	98,110	98,110	-
Fund balances, end of year	\$ 98,110	\$ 98,110	\$ 109,321	\$ 11,211

**City of El Monte
Budgetary Comparison Schedule
Air Quality Improvement Fund
Year ended June 30, 2020**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Intergovernmental	\$ 146,000	\$ 146,000	\$ 138,758	\$ (7,242)
Use of money and property	500	500	2,457	1,957
Total revenues	<u>146,500</u>	<u>146,500</u>	<u>141,215</u>	<u>(5,285)</u>
Expenditures				
Current:				
Public works	122,025	126,248	73,751	52,497
Capital outlay	169,488	165,265	73,616	91,649
Total expenditures	<u>291,513</u>	<u>291,513</u>	<u>147,367</u>	<u>144,146</u>
Change in fund balance	(145,013)	(145,013)	(6,152)	138,861
Fund balances, beginning of year	<u>239,262</u>	<u>239,262</u>	<u>239,262</u>	<u>-</u>
Fund balances, end of year	<u>\$ 94,249</u>	<u>\$ 94,249</u>	<u>\$ 233,110</u>	<u>\$ 138,861</u>

City of El Monte
Budgetary Comparison Schedule
Measure A Fund
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Intergovernmental	\$ -	\$ -	\$ 347,189	\$ 347,189
Total revenues	-	-	347,189	347,189
Expenditures				
Capital outlay	-	-	579,791	(579,791)
Total expenditures	-	-	579,791	(579,791)
Change in fund balance	-	-	(232,602)	(232,602)
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ (232,602)	\$ (232,602)

City of El Monte
Budgetary Comparison Schedule
Gateway CFD
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Taxes	\$ 13,600	\$ 13,600	\$ 6,537	\$ (7,063)
Use of money and property	400	400	658	258
Total revenues	14,000	14,000	7,195	(6,805)
Expenditures				
Current:				
Public works	14,000	14,000	-	14,000
Total expenditures	14,000	14,000	-	14,000
Change in fund balance	-	-	7,195	7,195
Fund balances, beginning of year	45,347	45,347	45,347	-
Fund balances, end of year	\$ 45,347	\$ 45,347	\$ 52,542	\$ 7,195

**City of El Monte
Budgetary Comparison Schedule
Federal Stimulus Grant
Year ended June 30, 2020**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures				
Current:				
Public safety	-	-	705,873	(705,873)
Capital outlay	-	-	20,350	(20,350)
Total expenditures	<u>-</u>	<u>-</u>	<u>726,223</u>	<u>(726,223)</u>
Change in fund balance	-	-	(726,223)	(726,223)
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (726,223)</u>	<u>\$ (726,223)</u>

**City of El Monte
 Budgetary Comparison Schedule
 CalHome Grant
 Year ended June 30, 2020**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Total revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Total expenditures	-	-	-	-
Change in fund balance	-	-	-	-
Fund balances, beginning of year	623	623	623	-
Fund balances, end of year	\$ 623	\$ 623	\$ 623	\$ -

**City of El Monte
Budgetary Comparison Schedule
Urban Development Action Grant
Year ended June 30, 2020**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Use of money and property	\$ -	\$ -	\$ 2,216	\$ 2,216
Total revenues	-	-	2,216	2,216
Expenditures				
Total expenditures	-	-	-	-
Change in fund balance	-	-	2,216	2,216
Fund balances, beginning of year	89,108	89,108	89,108	-
Fund balances, end of year	\$ 89,108	\$ 89,108	\$ 91,324	\$ 2,216

**City of El Monte
Budgetary Comparison Schedule
Emergency Solutions Grant
Year ended June 30, 2020**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Intergovernmental	\$ 146,757	\$ 146,757	\$ 221,093	\$ 74,336
Use of money and property	111,950	111,950	-	(111,950)
Total revenues	258,707	258,707	221,093	(37,614)
Expenditures				
Current:				
Economic development	258,707	310,738	238,112	72,626
Total expenditures	258,707	310,738	238,112	72,626
Change in fund balance	-	(52,031)	(17,019)	35,012
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ (52,031)	\$ (17,019)	\$ 35,012

City of El Monte
Budgetary Comparison Schedule
Older Americans Act
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Intergovernmental	\$ 52,100	\$ 52,100	\$ 21,724	\$ (30,376)
Total revenues	<u>52,100</u>	<u>52,100</u>	<u>21,724</u>	<u>(30,376)</u>
Expenditures				
Current:				
Parks and recreation	65,300	90,243	41,746	48,497
Total expenditures	<u>65,300</u>	<u>90,243</u>	<u>41,746</u>	<u>48,497</u>
Excess (deficiency) of revenues over expenditures	(13,200)	(38,143)	(20,022)	18,121
Other financing sources (uses)				
Transfers in	13,200	22,887	20,022	(2,865)
Net other financing sources (uses)	<u>13,200</u>	<u>22,887</u>	<u>20,022</u>	<u>(2,865)</u>
Change in fund balance	-	(15,256)	-	15,256
Fund balances, beginning of year	1,367	1,367	1,367	-
Fund balances, end of year	<u>\$ 1,367</u>	<u>\$ (13,889)</u>	<u>\$ 1,367</u>	<u>\$ 15,256</u>

City of El Monte
Budgetary Comparison Schedule
Senior Citizen Program
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Intergovernmental	\$ 117,300	\$ 123,600	\$ 180,546	\$ 56,946
Use of money and property	-	-	413	413
Miscellaneous	20,000	8,000	16,727	8,727
Total revenues	<u>137,300</u>	<u>131,600</u>	<u>197,686</u>	<u>66,086</u>
Expenditures				
Current:				
Parks and recreation	132,914	268,314	226,530	41,784
Total expenditures	<u>132,914</u>	<u>268,314</u>	<u>226,530</u>	<u>41,784</u>
Excess (deficiency) of revenues over expenditures	4,386	(136,714)	(28,844)	107,870
Other financing sources (uses)				
Transfers in	15,400	35,400	29,256	(6,144)
Change in fund balance	19,786	(101,314)	412	101,726
Fund balances, beginning of year	48,431	48,431	48,431	-
Fund balances, end of year	<u>\$ 68,217</u>	<u>\$ (52,883)</u>	<u>\$ 48,843</u>	<u>\$ 101,726</u>

City of El Monte
Budgetary Comparison Schedule
Children's Lunch Program
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Total revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources				
Transfers in	-	-	16,930	16,930
Change in fund balance	-	-	16,930	16,930
Fund balances, beginning of year	(16,930)	(16,930)	(16,930)	-
Fund balances, end of year	\$ (16,930)	\$ (16,930)	\$ -	\$ 16,930

**City of El Monte
Budgetary Comparison Schedule
Asset Forfeiture Fund
Year ended June 30, 2020**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Intergovernmental	\$ 1,000,000	\$ 1,000,000	\$ 569,638	\$ (430,362)
Use of money and property	-	-	37,586	37,586
Total revenues	<u>1,000,000</u>	<u>1,000,000</u>	<u>607,224</u>	<u>(392,776)</u>
Expenditures				
Current:				
Public safety	800,000	862,065	757,794	104,271
Capital outlay		637,935	728,944	(91,009)
Total expenditures	<u>800,000</u>	<u>1,500,000</u>	<u>1,486,738</u>	<u>13,262</u>
Change in fund balance	200,000	(500,000)	(879,514)	(379,514)
Fund balances, beginning of year	<u>3,142,330</u>	<u>3,142,330</u>	<u>3,142,330</u>	<u>-</u>
Fund balances, end of year	<u>\$ 3,342,330</u>	<u>\$ 2,642,330</u>	<u>\$ 2,262,816</u>	<u>\$ (379,514)</u>

City of El Monte
Budgetary Comparison Schedule
Traffic Signals Impact Fee
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Use of money and property	\$ -	\$ -	\$ 6,336	\$ 6,336
Miscellaneous	80,000	80,000	45,681	(34,319)
Total revenues	80,000	80,000	52,017	(27,983)
Expenditures				
Capital outlay	80,000	80,000	-	80,000
Total expenditures	80,000	80,000	-	80,000
Change in fund balance	-	-	52,017	52,017
Fund balances, beginning of year	434,097	434,097	434,097	-
Fund balances, end of year	\$ 434,097	\$ 434,097	\$ 486,114	\$ 52,017

City of El Monte
Budgetary Comparison Schedule
Street Impact Fee
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Use of money and property	\$ -	\$ -	\$ 12,326	\$ 12,326
Miscellaneous	25,000	25,000	399,686	374,686
Total revenues	<u>25,000</u>	<u>25,000</u>	<u>412,012</u>	<u>387,012</u>
Expenditures				
Capital outlay	25,000	25,000	-	25,000
Total expenditures	<u>25,000</u>	<u>25,000</u>	<u>-</u>	<u>25,000</u>
Change in fund balance	-	-	412,012	412,012
Fund balances, beginning of year	676,390	676,390	676,390	-
Fund balances, end of year	<u>\$ 676,390</u>	<u>\$ 676,390</u>	<u>\$ 1,088,402</u>	<u>\$ 412,012</u>

**City of El Monte
Budgetary Comparison Schedule
Sewer Impact Fee
Year ended June 30, 2020**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Use of money and property	\$ -	\$ -	\$ 12,947	\$ 12,947
Miscellaneous	90,000	90,000	237,438	147,438
Total revenues	<u>90,000</u>	<u>90,000</u>	<u>250,385</u>	<u>160,385</u>
Expenditures				
Capital outlay	90,000	90,000	-	90,000
Total expenditures	<u>90,000</u>	<u>90,000</u>	<u>-</u>	<u>90,000</u>
Change in fund balance	-	-	250,385	250,385
Fund balances, beginning of year	921,210	921,210	921,210	-
Fund balances, end of year	<u>\$ 921,210</u>	<u>\$ 921,210</u>	<u>\$ 1,171,595</u>	<u>\$ 250,385</u>

**City of El Monte
Budgetary Comparison Schedule
Storm Drain Impact Fee
Year ended June 30, 2020**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Use of money and property	\$ -	\$ -	\$ 15,734	\$ 15,734
Miscellaneous	140,100	140,100	135,185	(4,915)
Total revenues	<u>140,100</u>	<u>140,100</u>	<u>150,919</u>	<u>10,819</u>
Expenditures				
Current:				
Public works	-	22,920	-	22,920
Capital outlay	365,178	342,258	-	342,258
Total expenditures	<u>365,178</u>	<u>365,178</u>	<u>-</u>	<u>365,178</u>
Change in fund balance	(225,078)	(225,078)	150,919	375,997
Fund balances, beginning of year	1,040,564	1,040,564	1,040,564	-
Fund balances, end of year	<u>\$ 815,486</u>	<u>\$ 815,486</u>	<u>\$ 1,191,483</u>	<u>\$ 375,997</u>

**City of El Monte
Budgetary Comparison Schedule
NPDES Impact Fee
Year ended June 30, 2020**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Total revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources (uses)				
Transfers in	-	-	193,720	193,720
Net other financing sources (uses)	-	-	193,720	193,720
Change in fund balance	-	-	193,720	193,720
Fund balances, beginning of year	(193,720)	(193,720)	(193,720)	-
Fund balances, end of year	\$ (193,720)	\$ (193,720)	\$ -	\$ 193,720

**City of El Monte
Budgetary Comparison Schedule
Park Facility Impact Fee
Year ended June 30, 2020**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Use of money and property	\$ -	\$ -	\$ 609	\$ 609
Miscellaneous	50,000	50,000	18,096	(31,904)
Total revenues	50,000	50,000	18,705	(31,295)
Expenditures				
Capital outlay	50,000	50,000	-	50,000
Total expenditures	50,000	50,000	-	50,000
Change in fund balance	-	-	18,705	18,705
Fund balances, beginning of year	39,265	39,265	39,265	-
Fund balances, end of year	\$ 39,265	\$ 39,265	\$ 57,970	\$ 18,705

City of El Monte
Budgetary Comparison Schedule
Quimby Fee
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Use of money and property	\$ -	\$ -	\$ 14,610	\$ 14,610
Miscellaneous	500,000	500,000	571,121	71,121
Total revenues	<u>500,000</u>	<u>500,000</u>	<u>585,731</u>	<u>85,731</u>
Expenditures				
Current:				
Public works	290,040	290,222	181	290,041
Capital outlay	3,630,851	3,630,669	663,764	2,966,905
Total expenditures	<u>3,920,891</u>	<u>3,920,891</u>	<u>663,945</u>	<u>3,256,946</u>
Change in fund balance	(3,420,891)	(3,420,891)	(78,214)	3,342,677
Fund balances, beginning of year	<u>2,581,813</u>	<u>2,581,813</u>	<u>2,581,813</u>	<u>-</u>
Fund balances, end of year	<u>\$ (839,078)</u>	<u>\$ (839,078)</u>	<u>\$ 2,503,599</u>	<u>\$ 3,342,677</u>

City of El Monte
Budgetary Comparison Schedule
Storm Drain
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Taxes	\$ 1,180,000	\$ 1,180,000	\$ -	\$ (1,180,000)
Use of money and property	-	-	5,659	5,659
Miscellaneous	-	-	2,697	2,697
Total revenues	<u>1,180,000</u>	<u>1,180,000</u>	<u>8,356</u>	<u>(1,171,644)</u>
Expenditures				
Current:				
Public works	805,600	806,010	734,808	71,202
Capital outlay	212,135	211,725	-	211,725
Total expenditures	<u>1,017,735</u>	<u>1,017,735</u>	<u>734,808</u>	<u>282,927</u>
Excess (deficiency) of revenues over expenditures	162,265	162,265	(726,452)	(888,717)
Other financing sources (uses)				
Transfers in	-	-	242,837	242,837
Transfers out	-	-	(193,720)	(193,720)
Net other financing sources (uses)	<u>-</u>	<u>-</u>	<u>49,117</u>	<u>49,117</u>
Change in fund balance	162,265	162,265	(677,335)	(839,600)
Fund balances, beginning of year	677,335	677,335	677,335	-
Fund balances, end of year	<u>\$ 839,600</u>	<u>\$ 839,600</u>	<u>\$ -</u>	<u>\$ (839,600)</u>

City of El Monte
Budgetary Comparison Schedule
Miscellaneous Grants
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Intergovernmental	\$ 9,790,328	\$ 9,960,328	\$ 603,348	\$ (9,356,980)
Miscellaneous	18,000	18,000	-	(18,000)
Total revenues	<u>9,808,328</u>	<u>9,978,328</u>	<u>603,348</u>	<u>(9,374,980)</u>
Expenditures				
Current:				
Public safety	207,450	331,150	293,035	38,115
Economic development	137,822	137,822	67,187	70,635
Parks and recreation	-	40,000	9,443	30,557
Public works	63,926	105,926	108,968	(3,042)
Capital outlay	9,399,130	9,363,430	1,450,612	7,912,818
Total expenditures	<u>9,808,328</u>	<u>9,978,328</u>	<u>1,929,245</u>	<u>8,049,083</u>
Change in fund balance	-	-	(1,325,897)	(1,325,897)
Fund balances, beginning of year	(1,507,651)	(1,507,651)	(1,507,651)	-
Fund balances, end of year	<u>\$ (1,507,651)</u>	<u>\$ (1,507,651)</u>	<u>\$ (2,833,548)</u>	<u>\$ (1,325,897)</u>

City of El Monte
Budgetary Comparison Schedule
Economic Development Corporation
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Use of money and property	\$ 40,000	\$ 40,000	\$ 55,886	\$ 15,886
Total revenues	<u>40,000</u>	<u>40,000</u>	<u>55,886</u>	<u>15,886</u>
Expenditures				
Capital outlay	-	3,300,000	3,313,589	(13,589)
Debt service				
Interest and fiscal charges	750	750	313	437
Total expenditures	<u>750</u>	<u>3,300,750</u>	<u>3,313,902</u>	<u>(13,152)</u>
Excess (deficiency) of revenues over expenditures	39,250	(3,260,750)	(3,258,016)	2,734
Other financing sources (uses)				
Transfers out	(6,705,000)	(3,405,000)	-	3,405,000
Net other financing sources (uses)	<u>(6,705,000)</u>	<u>(3,405,000)</u>	<u>-</u>	<u>3,405,000</u>
Change in fund balance	(6,665,750)	(6,665,750)	(3,258,016)	3,407,734
Fund balances, beginning of year	6,994,837	6,994,837	6,994,837	-
Fund balances, end of year	<u>\$ 329,087</u>	<u>\$ 329,087</u>	<u>\$ 3,736,821</u>	<u>\$ 3,407,734</u>

**City of El Monte
 Budgetary Comparison Schedule
 El Monte Housing Authority
 Year ended June 30, 2020**

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Use of money and property	\$ -	\$ -	\$ 1	\$ 1
Total revenues	<u>-</u>	<u>-</u>	<u>1</u>	<u>1</u>
Expenditures				
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	-	-	1	1
Fund balances, beginning of year	65	65	65	-
Fund balances, end of year	<u>\$ 65</u>	<u>\$ 65</u>	<u>\$ 66</u>	<u>\$ 1</u>

City of El Monte
Budgetary Comparison Schedule
2010 Lease Revenue Bonds
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Intergovernmental	\$ 600,515	\$ 600,515	\$ 601,476	\$ 961
Use of money and property	1,288,125	1,288,125	1,305,571	17,446
Total revenues	<u>1,888,640</u>	<u>1,888,640</u>	<u>1,907,047</u>	<u>18,407</u>
Expenditures				
Debt service:				
Principal retirement	435,000	435,000	435,000	-
Interest and fiscal charges	1,452,600	1,452,600	1,452,520	80
Total expenditures	<u>1,887,600</u>	<u>1,887,600</u>	<u>1,887,520</u>	<u>80</u>
Change in fund balance	1,040	1,040	19,527	18,487
Fund balances, beginning of year	<u>1,304,312</u>	<u>1,304,312</u>	<u>1,304,312</u>	<u>-</u>
Fund balances, end of year	<u>\$ 1,305,352</u>	<u>\$ 1,305,352</u>	<u>\$ 1,323,839</u>	<u>\$ 18,487</u>

City of El Monte
Budgetary Comparison Schedule
2020 Lease Revenue Bonds
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Total revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over expenditures	-	-	-	-
Other financing sources				
Transfers in	-	1,591,931	1,591,931	1,591,931
	-	1,591,931	1,591,931	1,591,931
Change in fund balance	-	-	1,591,931	1,591,931
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	\$ -	\$ -	\$ 1,591,931	\$ 1,591,931

City of El Monte
Budgetary Comparison Schedule
Capital Projects
Year ended June 30, 2020

	Original Budget	Final Budget	Actual Amounts	Variance with Final Budget - Positive (Negative)
Revenues				
Total revenues	\$ -	\$ -	\$ -	\$ -
Expenditures				
Current:				
Parks and recreation	-	375,900	76,396	299,504
Public works	-	100,000	178,034	(78,034)
Capital outlay	7,846,450	7,370,550	63,172	7,307,378
Total expenditures	<u>7,846,450</u>	<u>7,846,450</u>	<u>317,602</u>	<u>7,528,848</u>
Excess (deficiency) of revenues over expenditures	(7,846,450)	(7,846,450)	(317,602)	7,528,848
Other financing sources (uses)				
Transfers in	6,705,000	6,705,000	-	(6,705,000)
Net other financing sources (uses)	<u>6,705,000</u>	<u>6,705,000</u>	<u>-</u>	<u>(6,705,000)</u>
Change in fund balance	(1,141,450)	(1,141,450)	(317,602)	823,848
Fund balances, beginning of year	1,142,291	1,142,291	1,142,291	-
Fund balances, end of year	<u>\$ 841</u>	<u>\$ 841</u>	<u>\$ 824,689</u>	<u>\$ 823,848</u>

City of El Monte
Combining Statement of Net Position
All Internal Service Funds
June 30, 2020

	Internal Service Funds			
	Self Insurance	Vehicle Replacement	Equipment Replacement	Total
ASSETS				
Current assets:				
Cash and investments	\$ 83,302	\$ 399,136	\$ 955,215	\$ 1,437,653
Accounts receivable	1,306	-	-	1,306
Total current assets	<u>84,608</u>	<u>399,136</u>	<u>955,215</u>	<u>1,438,959</u>
Capital assets:				
Capital assets	-	823,579	229,915	1,053,494
Accumulated depreciation	-	(148,488)	(4,038)	(152,526)
Total capital assets	<u>-</u>	<u>675,091</u>	<u>225,877</u>	<u>900,968</u>
Total assets	<u>84,608</u>	<u>1,074,227</u>	<u>1,181,092</u>	<u>2,339,927</u>
LIABILITIES				
Current liabilities				
Accounts payable	308	147,643	153,545	301,496
Accrued claims and judgments	4,218,399	-	-	4,218,399
Total current liabilities	<u>4,218,707</u>	<u>147,643</u>	<u>153,545</u>	<u>4,519,895</u>
Noncurrent liabilities				
Advances from other funds	300,000	-	-	300,000
Accrued claims and judgments	13,141,132	-	-	13,141,132
Total noncurrent liabilities	<u>13,441,132</u>	<u>-</u>	<u>-</u>	<u>13,441,132</u>
Total liabilities	<u>17,659,839</u>	<u>147,643</u>	<u>153,545</u>	<u>17,961,027</u>
NET POSITION (DEFICIT)				
Unrestricted	(17,575,231)	926,584	1,027,547	(15,621,100)
Total net position (deficit) \$	<u>(17,575,231)</u>	<u>926,584</u>	<u>1,027,547</u>	<u>(15,621,100)</u>

City of El Monte
Combining Statement of Revenues, Expenses and Changes in Net Position
All Internal Service Funds
Year Ended June 30, 2020

	Internal Service Funds			
	Self Insurance	Vehicle Replacement	Equipment Replacement	Total
Operating revenues				
Charges for services	\$ 5,434,453	\$ -	\$ -	\$ 5,434,453
Total operating revenues	<u>5,434,453</u>	<u>-</u>	<u>-</u>	<u>5,434,453</u>
Operating expenses				
Contractual services	319,911	-	-	319,911
Maintenance and supplies	-	-	8,815	8,815
Claims and settlement	6,779,649	-	-	6,779,649
Depreciation and amortization	-	71,310	-	71,310
Total operating expenses	<u>7,099,560</u>	<u>71,310</u>	<u>8,815</u>	<u>7,179,685</u>
Income (loss) before transfers	(1,665,107)	(71,310)	(8,815)	(1,745,232)
Transfers				
Transfers in	-	50,000	50,000	100,000
Change in net position	(1,665,107)	(21,310)	41,185	(1,645,232)
Net position (deficit), beginning of fiscal year	<u>(15,910,124)</u>	<u>947,894</u>	<u>986,362</u>	<u>(13,975,868)</u>
Net position (deficit), end of fiscal year	<u>\$ (17,575,231)</u>	<u>\$ 926,584</u>	<u>\$ 1,027,547</u>	<u>\$ (15,621,100)</u>

City of El Monte
Combining Statement of Cash Flows
All Internal Service Funds
Year ended June 30, 2020

	Internal Service Funds			Total
	Self Insurance	Vehicle Replacement	Equipment Replacement	
Cash flows from operating activities				
Cash received for interfund service charges	\$ 5,455,628	\$ -	\$ -	\$ 5,455,628
Cash paid to suppliers for goods and services	(5,372,326)	4,769	299,368	(5,068,189)
Net cash provided by operating activities	<u>83,302</u>	<u>4,769</u>	<u>299,368</u>	<u>387,439</u>
Cash flows from non-capital financing activities				
Transfers from other funds	-	50,000	50,000	100,000
Cash provided by non-capital and related financing activities	<u>-</u>	<u>50,000</u>	<u>50,000</u>	<u>100,000</u>
Cash flows from capital and related financing activities				
Acquisition of capital assets	-	(327,769)	(211,279)	(539,048)
Cash used in capital and related financing activities	<u>-</u>	<u>(327,769)</u>	<u>(211,279)</u>	<u>(539,048)</u>
Change in cash and cash equivalents	83,302	(273,000)	138,089	(51,609)
Beginning cash and cash equivalents	-	672,136	817,126	1,489,262
Ending cash and cash equivalents	<u>\$ 83,302</u>	<u>\$ 399,136</u>	<u>\$ 955,215</u>	<u>\$ 1,437,653</u>
Reconciliation of operating loss to net cash provided by operating activities:				
Operating loss	\$ (1,665,107)	\$ (71,310)	\$ (8,815)	\$ (1,745,232)
Adjustments to reconcile operating loss to net cash provided by operating activities:				
Depreciation	-	71,310	-	71,310
(Increase) decrease in:				
Accounts receivable	21,175	-	-	21,175
Prepaid items	2,500	-	-	2,500
Due from other funds	-	-	154,638	154,638
Increase (decrease):				
Accounts payable	51	4,769	153,545	158,365
Due to other funds	(154,638)	-	-	(154,638)
Accrued claims and judgments	1,879,321	-	-	1,879,321
Net cash provided by operating activities	<u>\$ 83,302</u>	<u>\$ 4,769</u>	<u>\$ 299,368</u>	<u>\$ 387,439</u>

STATISTICAL SECTION

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. In contrast to the financial section, the statistical section information is not subject to independent audit.

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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.

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These schedules contain information to help reader assess the City's most significant local revenue source, the property tax.

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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.

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These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and activities it performs.

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Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Report for the relevant year.

City of El Monte
Table 1 - Net Position by Component
Last Ten Fiscal Years

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Governmental activities										
Net Investment in capital assets	\$ 382,386,047	\$ 406,191,154	\$ 408,942,772	\$ 410,145,295	\$ 413,506,843	\$ 417,936,017	\$ 428,069,299	\$ 430,694,629	\$ 429,478,048	\$ 436,882,931
Restricted	66,201,676	71,058,861	67,082,252	62,080,199	63,168,424	59,313,835	60,732,597	55,253,361	57,052,583	50,377,637
Unrestricted	<u>2,156,436</u>	<u>(6,986,991)</u>	<u>(9,978,137)</u>	<u>(4,728,375)</u>	<u>(131,237,522)</u>	<u>(121,391,436)</u>	<u>(119,813,615)</u>	<u>(210,559,952)</u>	<u>(213,173,174)</u>	<u>(220,530,962)</u>
Total governmental activities net position	<u>\$ 450,744,159</u>	<u>\$ 470,263,024</u>	<u>\$ 466,046,887</u>	<u>\$ 467,497,119</u>	<u>\$ 345,437,745</u>	<u>\$ 355,858,416</u>	<u>\$ 368,988,281</u>	<u>\$ 275,388,038</u>	<u>\$ 273,357,457</u>	<u>\$ 266,729,606</u>
Business-type activities										
Net Investment in capital assets	\$ 6,403,743	\$ 5,901,252	\$ 3,846,931	\$ 3,575,181	\$ 2,745,186	\$ 2,641,756	\$ 4,271,724	\$ 6,511,640	\$ (1,416,196)	\$ (2,493,343)
Restricted	403,419	623,422	403,422	403,422	403,445	403,506	404,024	403,491	7,254,671	7,345,640
Unrestricted	<u>7,977,221</u>	<u>7,959,707</u>	<u>9,687,539</u>	<u>10,348,805</u>	<u>3,936,053</u>	<u>4,925,832</u>	<u>3,456,244</u>	<u>(2,083,741)</u>	<u>3,430,680</u>	<u>3,526,239</u>
Total business-type activities net position	<u>\$ 14,784,383</u>	<u>\$ 14,484,381</u>	<u>\$ 13,937,892</u>	<u>\$ 14,327,408</u>	<u>\$ 7,084,684</u>	<u>\$ 7,971,094</u>	<u>\$ 8,131,992</u>	<u>\$ 4,831,390</u>	<u>\$ 9,269,155</u>	<u>\$ 8,378,536</u>
Primary government										
Net Investment in capital assets	\$ 388,789,790	\$ 412,092,406	\$ 412,789,703	\$ 413,720,476	\$ 416,252,029	\$ 420,577,773	\$ 432,341,023	\$ 437,206,269	\$ 428,061,852	\$ 434,389,588
Restricted	66,605,095	71,682,283	67,485,674	62,483,621	63,571,869	59,717,341	61,136,621	55,656,852	64,307,254	57,723,277
Unrestricted	<u>10,133,657</u>	<u>972,716</u>	<u>(290,598)</u>	<u>5,620,430</u>	<u>(127,301,469)</u>	<u>(116,465,604)</u>	<u>(116,357,371)</u>	<u>(212,643,693)</u>	<u>(209,742,494)</u>	<u>(217,004,723)</u>
Total primary government net position	<u>\$ 465,528,542</u>	<u>\$ 484,747,405</u>	<u>\$ 479,984,779</u>	<u>\$ 481,824,527</u>	<u>\$ 352,522,429</u>	<u>\$ 363,829,510</u>	<u>\$ 377,120,273</u>	<u>\$ 280,219,428</u>	<u>\$ 282,626,612</u>	<u>\$ 275,108,142</u>

The City of El Monte implemented GASB 34 Infrastructure Valuation Services for the fiscal year ended June 30, 2007.

The City of El Monte implemented GASB 68 Accounting and Financial Reporting for Pensions for the fiscal year ended June 30, 2015.

The City of El Monte implemented GASB 75 Accounting and Financial Reporting for Postemployment Benefits Other than Pensions (OPEB) for the fiscal year ended June 30, 2018.

Source: Finance Department, City of El Monte

City of El Monte
Table 2 – Changes in Net Position
Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental activities:										
General government	\$ 29,578,242	\$ 31,035,167	\$ 20,788,814	\$ 22,732,447	\$ 23,640,914	\$ 24,848,509	\$ 27,106,832	\$ 33,049,702	\$ 33,668,050	\$ 31,574,100
Parks and recreation	4,745,831	3,292,920	3,163,505	2,928,453	2,968,162	2,792,932	3,037,979	4,839,794	3,685,407	3,537,940
Economic development	3,703,687	3,795,416	4,231,041	5,679,490	2,608,571.00	1,635,333	1,911,677	3,526,468	7,498,438	9,261,787
Public works	10,677,438	12,273,857	15,096,927	16,274,135	15,952,980	16,585,908	19,397,177	22,457,132	14,498,059	17,001,992
Public safety	32,851,129	31,373,685	33,813,668	35,302,886	33,364,275	33,012,638	35,464,248	41,819,319	43,826,465	51,268,177
Interest on long-term debt and issue costs	1,826,698	4,375,648	2,492,205	2,783,650	2,455,645	2,434,888	2,474,698	1,840,106	1,530,412	3,057,726
Total governmental activities expenses	83,383,025	86,146,693	79,586,160	85,701,061	80,990,547	81,310,208	89,392,611	107,532,521	104,706,831	115,701,722
Business-type activities:										
Water authority and sewer fund	6,813,653	6,200,127	6,448,416	6,003,145	6,044,861	5,957,680	6,250,283	6,584,282	6,993,953	8,286,959
Total business-type activities expenses	6,813,653	6,200,127	6,448,416	6,003,145	6,044,861	5,957,680	6,250,283	6,584,282	6,993,953	8,286,959
Total primary government expenses	\$ 90,196,678	\$ 92,346,820	\$ 86,034,576	\$ 91,704,206	\$ 87,035,408	\$ 87,267,888	\$ 95,642,894	\$ 114,116,803	\$ 111,700,784	\$ 123,988,681
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 3,139,208	\$ 2,660,459	\$ 417,889	\$ 377,054	\$ 349,516	\$ 378,402	\$ 326,524	\$ 421,440	\$ 569,481	\$ 1,249,104
Parks and recreation	828,110	899,689	1,337,638	505,314	1,213,806	1,150,647	1,374,211	979,217	1,105,555	950,593
Economic development	3,368,408	3,668,748	1,743,141	2,198,057	1,819,589	3,394,330	3,458,458	3,809,550	4,535,793	4,046,838
Public works	861,338	994,082	1,254,749	1,505,903	3,389,613	1,000,247	2,289,590	1,592,969	2,036,886	2,918,609
Public safety	2,429,210	2,136,780	1,758,649	1,516,786	1,528,004	1,398,239	1,130,297	1,082,746	1,183,932	1,513,261
Operating grants and contributions	6,909,382	9,245,274	12,050,550	12,337,537	12,032,841	9,333,169	7,712,035	9,634,788	21,225,215	22,547,058
Capital grants and contributions	7,471,458	7,219,958	2,961,085	3,788,150	3,712,045	3,938,321	2,143,189	2,259,303	2,241,597	8,484,470
Total governmental activities program revenues	25,007,114	26,824,990	21,523,701	22,228,821	24,045,414	20,593,355	18,434,304	19,780,013	32,898,459	41,709,933
Business-type activities:										
Charges for services:										
Water authority and sewer fund	6,761,971	6,573,474	6,301,092	6,579,007	6,651,294	6,876,895	6,400,515	7,916,503	8,472,443	8,439,820
Operating Contributions and Grants:										
Water authority and sewer fund	87,977	24,995	41,601	62,487	185,197	-	7,500	-	-	-
Total business-type activities program revenues	6,849,948	6,598,469	6,342,693	6,641,494	6,836,491	6,876,895	6,408,015	7,916,503	8,472,443	8,439,820
Total primary government program revenues	\$ 31,857,062	\$ 33,423,459	\$ 27,866,394	\$ 28,870,315	\$ 30,881,905	\$ 27,470,250	\$ 24,842,319	\$ 27,696,516	\$ 41,370,902	\$ 50,149,753
Net (expense) revenue										
Governmental activities	\$ (58,375,911)	\$ (59,321,703)	\$ (58,062,459)	\$ (63,472,240)	\$ (56,945,133)	\$ (60,716,853)	\$ (70,958,307)	\$ (87,752,508)	\$ (71,808,372)	\$ (73,991,789)
Business-type activities	36,295	398,342	(155,723)	638,349	794,630	919,215	157,732	1,332,221	1,478,490	152,861
Total primary government net expense	\$ (58,339,616)	\$ (58,923,361)	\$ (58,218,182)	\$ (62,833,891)	\$ (56,150,503)	\$ (59,797,638)	\$ (70,800,575)	\$ (86,420,287)	\$ (70,329,882)	\$ (73,838,928)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes, levied for general purposes	\$ 32,108,113	\$ 29,761,876	\$ 23,681,773	\$ 24,509,692	\$ 26,099,320	\$ 27,532,723	\$ 28,984,080	\$ 30,744,183	\$ 20,849,324	\$ 21,875,061
Sales taxes	18,365,147	19,908,564	21,908,497	22,812,015	23,527,026	25,664,884	25,478,114	26,818,074	28,987,321	28,968,416
Business licenses taxes	143,629	132,044	2,024,962	2,183,836	2,110,351	2,501,208	2,644,494	2,725,845	2,728,949	2,345,027
Franchise taxes	2,658,124	3,127,463	2,427,661	3,284,097	3,138,337	3,474,799	3,623,293	3,770,535	3,556,359	3,790,554
Utility user taxes	7,436,906	7,129,350	7,087,818	7,134,428	7,177,685	6,869,855	6,824,008	6,644,912	6,169,379	5,939,205
Transient occupancy taxes	266,460	277,629	298,784	318,023	379,991	419,552	475,614	819,545	1,009,950	855,898
Other taxes	496,829	403,452	508,683	608,814	587,024	681,879	729,201	1,420,683	2,908,676	216,188
Motor vehicle in-lieu	406,053	328,956	64,828	53,652	51,826	46,713	51,019	60,149	56,259	92,762
Use of money and property	1,366,333	1,822,085	1,302,410	1,146,044	1,103,442	1,160,164	1,344,967	1,681,735	2,257,146	827,648
Gain on sale of assets	-	-	-	-	-	-	-	1,203,448	1,239,554	210,453
Other	269,038	341,432	597,391	1,581,528	3,085,984	1,421,951	1,920,584	2,182,083	1,366,861	2,741,808
Special item	(864,036)	-	(929,376)	509,360	181,143	98,088	(123,407)	(150,512)	501,645	279,064
Transfers	200,000	283,612	200,000	296,273	100,000	1,265,708	12,136,205	100,000	100,000	100,000
Total governmental activities	62,852,596	63,516,463	59,173,431	64,437,762	67,542,129	71,137,524	84,088,172	78,020,680	71,731,423	68,242,094
Business-type activities:										
Investment earnings	53,387	25,894	42,639	47,440	43,243	60,936	73,603	143,255	394,144	313,177
Other	85,616	20,281	197,930	-	142	6,259	29,563	-	-	-
Transfers	(200,000)	(283,612)	(200,000)	(296,273)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)
Total business-type activities	(60,997)	(237,437)	40,569	(248,833)	(56,615)	(32,805)	3,166	43,255	294,144	213,177
Total primary program	\$ 62,791,599	\$ 63,279,026	\$ 59,214,000	\$ 64,188,929	\$ 67,485,514	\$ 71,104,719	\$ 84,091,338	\$ 78,063,935	\$ 72,025,567	\$ 68,455,271
Change in Net Position										
Governmental activities	\$ 4,476,685	\$ 4,194,760	\$ 1,110,972	\$ 965,522	\$ 10,596,996	\$ 10,420,671	\$ 13,129,865	\$ (9,731,828)	\$ (76,949)	\$ (5,749,695)
Business-type activities	(24,702)	160,905	(115,154)	389,516	738,015	886,410	160,898	1,375,476	1,772,634	366,038
Total primary government program	\$ 4,451,983	\$ 4,355,665	\$ 995,818	\$ 1,355,038	\$ 11,335,011	\$ 11,307,081	\$ 13,290,763	\$ (8,356,352)	\$ 1,695,685	\$ (5,383,657)

* The 2011 and 2010 amounts represent a change in recognition of interest income and interest expense on loans between the General Fund and the Redevelopment Agency.

Source: Finance Department, City of El Monte

City of El Monte
Table 3 – Fund Balances of Governmental Funds
Last Ten Fiscal Years

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
GASB 54 Fund Balance Classification:										
General Fund										
Nonspendable	\$ 18,873,079	\$ 18,886,423	\$ 19,044,938	\$ 22,163,961	\$ 20,920,508	\$ 19,942,149	\$ 20,438,164	\$ 20,194,593	\$ 19,831,616	\$ 19,866,748
Restricted	-	-	-	501,994	370,531	524,431	508,609	494,652	176,511	176,511
Assigned	-	-	-	9,100,000	18,673,000	19,476,714	21,756,795	19,655,898	19,963,490	22,900,630
Unassigned	8,440,216	8,644,339	11,469,215	3,280,429	1,653,074	5,605,880	1,757,121	-	-	3,161,235
Total general fund	<u>27,313,295</u>	<u>27,530,762</u>	<u>30,514,153</u>	<u>35,046,384</u>	<u>41,617,113</u>	<u>45,549,174</u>	<u>44,460,689</u>	<u>40,345,143</u>	<u>39,971,617</u>	<u>46,105,124</u>
All other governmental funds										
Nonspendable	13,525	4,327	-	54,611	29,667	5,065	10,638	-	-	-
Restricted										
Special revenue funds	40,764,700	53,485,668	54,336,711	58,241,106	59,179,911	56,306,497	56,903,361	52,239,054	55,596,511	50,060,514
Capital projects funds	20,786,130	12,688,988	9,783,516	31,216	-	-	1,307,510	1,252,748	1,142,291	824,689
Debt service funds	6,502,042	1,250,933	1,248,318	1,324,843	1,321,941	1,344,174	1,262,856	1,277,033	1,304,312	2,915,770
Committed	78,804,828	-	-	-	-	-	-	-	-	-
Unassigned	(92,056,922)	(915,551)	(1,054,062)	(1,833,890)	(2,696,066)	(722,118)	(656,877)	(1,189,197)	(1,733,018)	(3,886,773)
Total all other governmental funds	<u>54,814,303</u>	<u>66,514,365</u>	<u>64,314,483</u>	<u>57,817,886</u>	<u>57,835,453</u>	<u>56,933,618</u>	<u>58,827,488</u>	<u>53,579,638</u>	<u>56,310,096</u>	<u>49,914,200</u>
Total Governmental Funds	<u>\$ 82,127,598</u>	<u>\$ 94,045,127</u>	<u>\$ 94,828,636</u>	<u>\$ 92,864,270</u>	<u>\$ 99,452,566</u>	<u>\$ 102,482,792</u>	<u>\$ 103,288,177</u>	<u>\$ 93,924,781</u>	<u>\$ 96,281,713</u>	<u>\$ 96,019,324</u>

The City of El Monte implemented GASB 34 for the fiscal year ended June 30, 2003. Information prior to the implementation of GASB is not available.

Source: Finance Department, City of El Monte

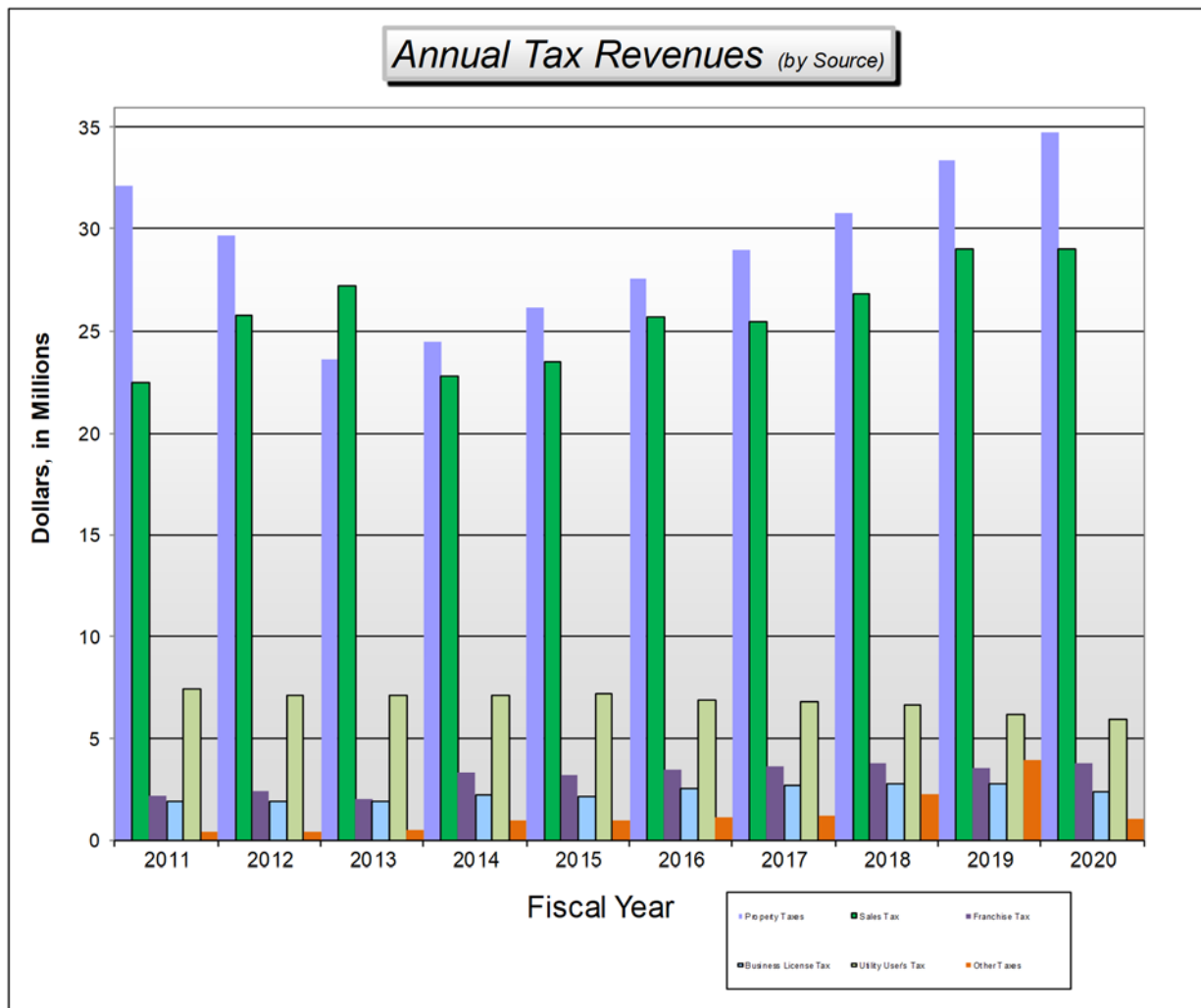
City of El Monte
Table 4 - Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Taxes	\$ 64,650,097	\$ 65,332,159	\$ 62,277,534	\$ 65,841,564	\$ 67,674,576	\$ 70,695,250	\$ 71,828,831	\$ 76,173,496	\$ 77,261,068	\$ 76,888,721
Licenses and permits	2,643,806	2,518,997	762,214	986,933	1,482,638	1,413,277	1,378,163	1,693,143	2,464,508	1,465,504
Intergovernmental	15,543,494	13,218,295	10,862,667	10,322,262	8,368,013	9,841,472	6,225,037	6,886,969	9,621,567	12,141,544
Charges for services	2,747,434	2,760,338	3,019,053	3,866,329	4,790,410	4,205,638	4,822,719	5,203,643	6,388,580	5,112,339
Fines and forfeitures	1,561,288	1,719,778	1,825,943	1,441,434	1,362,878	1,374,249	1,242,529	1,230,538	1,215,560	829,176
Use of money and property	1,608,928	1,776,326	1,048,530	1,124,564	1,044,042	1,160,085	1,267,098	1,646,087	4,006,051	3,555,297
Contributions	193,006	199,637	181,140	89,920	405,663	610,934	674,085	471,462	-	-
Miscellaneous	2,549,143	2,531,484	2,454,371	2,218,961	5,656,492	2,275,396	3,338,694	2,870,370	4,322,254	8,021,610
Net change in fair value of investments	-	-	(929,376)	509,360	181,143	98,088	(123,407)	(150,512)	-	-
Total revenues	91,497,196	90,057,014	81,502,076	86,401,327	90,965,855	91,674,389	90,653,749	96,025,196	105,279,588	108,014,191
Expenditures										
Current:										
General government	27,553,572	29,329,966	19,542,961	20,934,236	20,430,156	22,019,727	24,223,926	26,515,656	29,298,832	27,303,442
Parks and recreation	4,522,463	3,076,821	2,957,309	2,734,176	2,956,668	2,933,995	3,145,497	4,627,936	3,553,928	3,314,811
Economic development	3,703,687	3,431,716	3,984,763	5,430,664	2,694,122	1,740,963	2,022,309	3,416,404	7,230,928	8,677,669
Public works	7,622,183	7,941,927	10,317,511	11,215,809	12,659,130	15,010,029	16,042,485	17,588,228	13,927,793	15,281,656
Public safety	31,049,574	29,393,872	31,562,378	33,276,479	34,296,919	34,910,924	37,007,611	40,060,785	42,262,933	48,034,820
Capital outlay	21,923,576	12,762,314	7,862,196	7,288,106	6,785,299	7,598,789	5,316,396	7,852,892	3,706,867	15,021,509
Debt Service:										
Principal retirement	1,942,000	1,853,000	1,602,000	1,701,000	1,876,000	3,028,000	11,470,000	3,440,000	1,291,000	772,000
Interest and fiscal charges	1,806,114	3,469,859	2,531,116	2,631,674	2,588,865	2,467,444	2,556,345	1,776,691	1,560,375	3,051,605
Bond issuance cost	908,543	-	-	166,147	-	-	-	-	-	-
Total expenditures	101,031,712	91,259,475	80,360,234	85,378,291	84,287,159	89,709,871	101,784,569	105,278,592	102,832,656	121,457,512
Revenues over (under) expenditures	(9,534,516)	(1,202,461)	1,141,842	1,023,036	6,678,696	1,964,518	(11,130,820)	(9,253,396)	2,446,932	(13,443,321)
Other Financing Sources (Uses)										
Transfers in	19,367,784	9,367,779	7,459,364	15,368,873	3,939,319	5,266,600	4,012,800	4,404,818	4,173,496	8,166,947
Transfers out	(19,417,784)	(9,384,167)	(7,559,364)	(15,263,000)	(4,029,719)	(5,366,600)	(4,112,800)	(4,504,818)	(4,273,496)	(8,166,947)
Refunding bonds issued	-	-	-	4,803,723	-	-	-	-	-	-
Proceeds from sale of land held for resale	-	-	300,000	-	-	-	-	-	-	-
Other debts issued	19,255,000	10,000,000	-	(4,372,671)	-	-	-	-	-	139,725,000
Premium on bonds issued	-	-	-	-	-	-	-	-	-	204,298
Payments to long-term debt	-	-	-	-	-	-	-	-	-	(126,748,366)
Miscellaneous	(894,193)	-	-	-	-	1,165,708	12,036,205	-	-	-
Net other financing sources (uses)	18,310,807	9,983,612	200,000	536,925	(90,400)	1,065,708	11,936,205	(100,000)	(100,000)	13,180,932
Change in fund balances	\$ 8,776,291	\$ 8,781,151	\$ 1,341,842	\$ 1,559,961	\$ 6,588,296	\$ 3,030,226	\$ 805,385	\$ (9,353,396)	\$ 2,346,932	\$ (262,389)
Debt service as a percentage of noncapital expenditures	3.82%	7.62%	6.00%	5.44%	5.76%	6.58%	15.02%	5.32%	2.87%	3.57%

Source: Finance Department, City of El Monte

City of El Monte
Table 5 - Tax Revenues by Source - Governmental Activities
Last Ten Fiscal Years

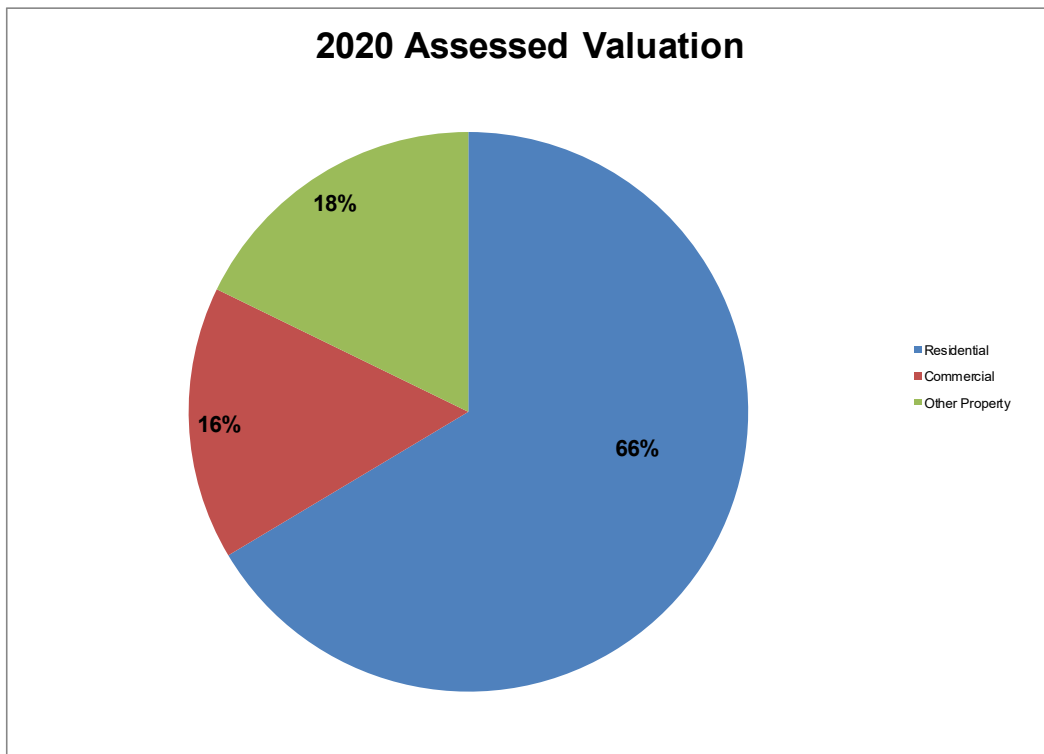
Fiscal Year	Property Taxes	Sales Tax	Franchise Tax	Business License Tax	Utility User's Tax	Other Taxes	Total
2011	\$ 32,111,760	\$22,508,705	\$ 2,172,957	\$ 1,874,218	\$ 7,436,906	\$ 419,768	\$ 66,524,314
2012	29,669,759	25,752,700	2,361,886	1,861,976	7,129,350	418,463	67,194,134
2013	23,639,094	27,212,202	2,008,816	1,866,412	7,087,818	463,191	62,277,533
2014	24,509,692	22,812,015	3,284,097	2,183,836	7,134,428	980,489	60,904,557
2015	26,099,320	23,527,026	3,138,337	2,110,351	7,177,685	967,015	63,019,734
2016	27,532,723	25,664,884	3,474,799	2,501,208	6,869,855	1,101,431	67,144,900
2017	28,984,080	25,478,114	3,623,293	2,644,494	6,824,008	1,204,815	68,758,804
2018	30,744,183	26,818,074	3,770,535	2,725,845	6,644,912	2,240,228	72,943,777
2019	33,378,300	28,987,321	3,556,359	2,728,949	6,169,379	3,918,626	78,738,934
2020	34,773,423	28,968,416	3,790,564	2,345,027	5,939,205	1,072,086	76,888,721



Source: Finance Department, City of El Monte Audited Annual Financial Reports

City of El Monte
Table 6 - Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(rate per \$100 of assessed value)

Fiscal Year	Real Property			Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value (1)
	Residential	Commercial	Other Property				
2011	\$3,801,709,215	\$ 940,004,168	\$ 1,120,153,954	\$ 49,631,071	\$ 5,812,236,266	0.35572%	\$ 5,812,236,266
2012	3,862,423,779	947,932,740	1,048,968,931	49,041,796	5,810,283,654	0.34806%	5,810,283,654
2013	3,924,119,452	965,154,088	1,041,804,256	58,039,660	5,873,038,136	0.34797%	5,873,038,136
2014	4,089,110,471	980,098,697	1,044,567,594	56,126,462	6,057,650,300	0.24770%	6,057,650,300
2015	4,327,685,408	1,018,947,908	1,217,554,355	55,404,795	6,345,825,284	0.24785%	6,345,825,284
2016	4,502,784,697	1,036,602,565	1,022,161,177	(52,992,652)	6,614,541,091	0.24776%	6,614,541,091
2017	4,752,667,452	1,138,193,486	1,271,412,054	183,700,502	6,978,572,490	0.24776%	6,978,572,490
2018	5,001,077,169	1,202,655,929	1,405,155,859	204,663,986	7,404,224,971	0.24776%	7,404,224,971
2019	5,275,529,571	1,284,810,997	1,565,101,503	245,503,428	7,879,938,643	0.24877%	7,879,938,643
2020	5,597,492,578	1,330,583,314	1,498,704,894	45,841,003	8,380,939,783	0.24877%	8,380,939,783



(1) Assessed Value is equal to Estimated Taxable Value and Actual Value
Source: HdL Coren & Cone, Los Angeles County Assessor 2019/20 Combined Tax Rolls

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

<u>Agency</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Basic Levy	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
El Monte City School District	0.12388	0.12733	0.13288	0.12735	0.11822	0.14642	0.14682	0.14616	0.14580	0.10803
El Monte General Fund	0.15000	0.15000	0.15000	0.15000	0.15000	0.15000	0.15000	0.15000	0.15000	0.15000
El Monte Union High School	0.08475	0.09591	0.08992	0.09799	0.08418	0.09155	0.08469	0.08243	0.08793	0.10969
Metropolitan Water District	0.00370	0.00370	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350
Mountain View Sd Ds 2016 Series A	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.04770	0.05534	0.05140
Pasadena Community College District	0.01986	0.01956	0.02056	0.01899	0.01032	0.00872	0.00885	0.00819	0.00767	0.00721
Rio Hondo Community College District	0.03439	0.03418	0.02812	0.02892	0.02821	0.02712	0.02808	0.02748	0.02554	0.02571
Rosemead School District	0.10743	0.10507	0.10240	0.10314	0.09886	0.09997	0.08533	0.11979	0.09260	0.08682
Total Direct & Overlapping Tax Rates	1.52401	1.53575	1.52738	1.52989	1.49329	1.52728	1.50728	1.58524	1.56838	1.54236
City's Share of 1% Levy Per Prop 13	0.09841	0.09841	0.09841	0.09841	0.09841	0.09841	0.09841	0.09841	0.09841	0.09841
Voter Approved City Debt Rate	0.15000	0.15000	0.15000	0.15000	0.15000	0.15000	0.15000	0.15000	0.15000	0.15000
Redevelopment Rate	1.15370	1.15370								
Total Direct Rate	0.35572	0.34806	0.34797	0.24770	0.24785	0.24776	0.24805	0.24707	0.24877	0.24895

Source: HdL, Coren & Cone, Los Angeles County Assessor 2010/11 - 2019/20 Tax Rate Table

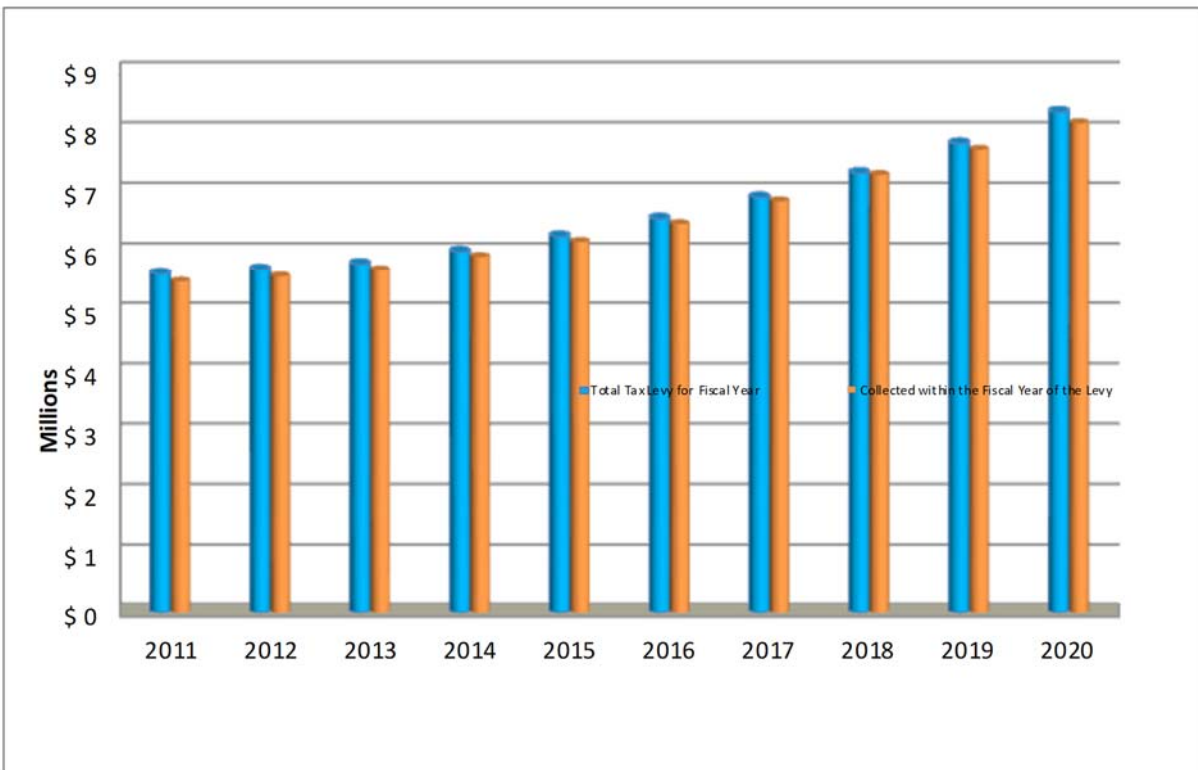
City of El Monte
Table 8 - Principal Property Taxpayers
 Current year and Ten Years Ago

Taxpayer	2020			2010		
	Taxable Assessed Value (USD)	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value (USD)	Rank	Percentage of Total Taxable Assessed Value
GLC El Monte LLC	\$ 98,161,737	1	1.17 %			
MGP XI El Monte Center LLC	89,672,068	2	1.07 %			
Gill Corporation	77,146,298	3	0.92 %			
Brookside MHC LLC	74,037,717	4	0.88 %			
Wells Fargo Bank NA	45,866,663	5	0.55 %	\$ 40,047,423	2	0.69 %
SCRS Santa Fe Trail Plaza LLC	45,500,000	6	0.54 %			
Telstar Investments LP	43,696,800	7	0.52 %			
Penske Realty Inc	43,347,342	8	0.52 %	37,120,463	4	0.64 %
Safeway Inc	43,162,395	9	0.52 %			
Multi Investment Associates	39,369,702	10	0.47 %	33,715,442	6	0.58 %
Von's Companies				95,116,844	1	1.64 %
KW Telstar LLC				39,278,688	3	0.68 %
DMV Arden XC LP				27,199,982	8	0.47 %
KM El Monte Investors LLC				34,684,322	5	0.60 %
Wohl Penwood El Monte Partners LLC				30,465,180	7	0.52 %
Cathay Bank				25,746,444	9	0.44 %
Driftwood Dairy				23,854,622	10	0.41 %
Other Taxpayers	7,780,979,061		92.84 %	5,425,006,856		93.34 %
Totals	\$ 8,380,939,783		100.00 %	\$ 5,812,236,266		100.00 %

Source: HdL Coren & Cone, Los Angeles County Assessor 2019/20 and 2010/2011 Combined Tax Rolls and the SBE Non-Unitary Roll

City of El Monte
Table 9 - Property Tax Levies and Collections
Last Ten Fiscal Years

Year Ended June 30	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy	Percentage of Levy	Collections in Subsequent Years	Total Collections to Date	Percentage of Levy
2011	\$ 5,634,364	\$ 5,500,041	97.62 %	\$ 62,193	\$ 5,562,234	98.72 %
2012	5,703,916	5,585,883	97.93 %	76,733	5,662,616	99.28 %
2013	5,797,183	5,693,897	98.22 %	63,949	5,757,846	99.32 %
2014	6,003,620	5,915,751	98.54 %	81,628	5,997,379	99.90 %
2015	6,258,243	6,168,751	98.57 %	67,921	6,236,672	99.66 %
2016	6,554,310	6,462,057	98.59 %	61,646	6,523,703	99.53 %
2017	6,904,698	6,840,245	99.07 %	62,345	6,902,590	99.97 %
2018	7,307,999	7,274,549	99.54 %	11,699	7,286,248	99.70 %
2019	7,798,929	7,693,092	98.64 %	84,994	7,778,086	99.73 %
2020	8,318,883	8,132,506	97.76 %	139,542	8,272,048	99.44 %



Source: Los Angeles County Auditor-Controller

City of El Monte
Table 10 - Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year	Governmental Activities							Business-type Activities				Total Primary Government	% of Personal Income(1)	Per-Capita (1)
	Revenue Bonds	Certificates of Participation	Tax Allocation Bonds (2)	Taxable Pension Obligation Bonds	Notes and Loans Payable	Capital Leases	Unamortized bond discount / premium	Revenue Bonds	Capital Leases	Notes Payable	Unamortized bond discount / premium / deferred inflow / outflow			
2011	\$ 19,255,000	\$ 5,930,000	\$ 27,250,000	\$ -	\$ 9,427,527	\$ 397,449	\$ (1,586,927)	\$ 17,430,000	\$ 18,390,759	\$ -	\$ (665,582)	\$ 95,828,226	5.61%	758
2012	29,065,000	5,205,000	-	-	7,621,000	370,617	(633,172)	17,010,000	18,390,759	-	(637,660)	76,391,544	4.69%	671
2013	28,755,000	4,435,000	-	-	7,399,000	342,230	(607,322)	16,570,000	18,390,759	-	(609,738)	74,674,929	4.54%	653
2014	28,430,000	3,920,000	-	-	6,843,000	312,197	(468,812)	16,120,000	17,977,364	-	(581,816)	72,551,933	4.31%	631
2015	28,090,000	3,125,000	-	-	6,252,000	280,423	(459,009)	15,655,000	17,977,364	-	95,381	71,016,159	4.21%	617
2016	27,730,000	2,170,000	-	-	4,389,000	-	(451,859)	15,170,000	17,977,364	1,000,000	90,834	68,075,339	3.94%	598
2017	17,355,000	1,335,000	-	-	4,279,000	-	(444,709)	14,665,000	17,977,364	815,483	87,189	56,069,327	3.17%	491
2018	16,960,000	470,000	-	-	1,949,000	-	(328,843)	14,140,000	17,977,364	-	82,456	51,249,977	2.84%	437
2019	16,545,000	-	-	-	1,543,000	-	(334,055)	18,880,000	17,977,364	-	2,542,462	57,153,771	3.02%	488
2020	37,110,000	-	-	118,725,000	1,206,000	-	(105,660)	18,385,000	17,977,364	-	2,042,611	195,340,315	9.79%	1,674

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

- (1) See the Schedule of Demographic and Economic Statistics for personal income and population data.
- (2) Dissolution of RDA

Source: Finance Department, City of El Monte Audited Financial Statements

City of El Monte
Table 11 - Direct and Overlapping Government Activities Debt
As of June 30, 2020

	Gross Bonded Debt Balance	Percent Applicable to City (1)	Net Bonded Debt (2)
Direct Debt:			
EL MONTE 2010 LEASE REVENUE BONDS A	\$ 14,790,000	100.000	\$ 14,790,000
EL MONTE 2010 LEASE REVENUE BONDS B	1,320,000	100.000	1,320,000
EL MONTE 2020 LEASE REVENUE BONDS A	21,000,000	100.000	21,000,000
EL MONTE NOTES AND LOANS PAYABLE	1,206,000	100.000	1,206,000
EL MONTE TAXABLE PENSION OBLIGATION BONDS 2020	118,725,000	100.000	118,725,000
Unamortized bond discount / premium			(105,660)
Total Direct Debt	\$ 157,041,000		\$ 156,935,340
Overlapping Debt:			
METROPOLITAN WATER DISTRICT	\$ 18,151,752	0.556	\$ 100,889
EL MONTE CITY SD DS 2015	10,560,000	62.132	6,561,136
EL MONTE CITY SD DS 2004 SERIES C	453,123	62.132	281,534
EL MONTE CITY SD DS 2016	9,780,000	62.132	6,076,506
EL MONTE CITY SD DS 2008, SERIES B	5,967,741	62.132	3,707,875
EL MONTE CITY SD DS 2012 REFUND BONDS	8,564,121	62.132	5,321,057
EL MONTE CITY SD DS 2014 SERIES A	6,675,000	62.132	4,147,309
EL MONTE CITY SD DS 2015 REF BONDS	31,920,000	62.132	19,832,524
EL MONTE CITY SD DS 2014 SERIES B	5,490,000	62.132	3,411,045
EL MONTE CITY SD DS 2017 REF BOND SER A	4,845,000	62.132	3,010,294
EL MONTE CITY SD DS 2017 REF BOND SER B	17,505,000	62.132	10,876,201
MOUNTAIN VIEW SD DS 2016 SERIES A	16,125,000	73.435	11,841,407
MOUNTAIN VIEW SD DS 2016 SERIES B	25,505,000	73.435	18,729,617
ROSEMEAD SD DS 2011 REF BOND	625,000	17.339	108,372
ROSEMEAD SD DS 2012 REF BONDS	5,110,000	17.339	886,048
ROSEMEAD SD DS 2008 SERIES B	273,740	17.339	47,465
ROSEMEAD SD DS 2014 REF BONDS	5,340,000	17.339	925,929
ROSEMEAD SD DS 2016 REF BONDS	12,075,000	17.339	2,093,744
ROSEMEAD SD DS 2008 SERIES C	1,800,000	17.339	312,111
ROSEMEAD SD DS 2014 SERIES A	25,575,000	17.339	4,434,576
EL MONTE UNION HSD DS 2008 SERIES B	29,820,673	52.812	15,748,919
EL MONTE UNION HSD DS 2015 REF BONDS	25,460,000	52.812	13,445,956
EL MONTE UNION HSD DS 2016 REF DLYD DLVR	3,880,000	52.812	2,049,109
EL MONTE UNION HSD DS 2008 SERIES C	2,550,000	52.812	1,346,708
EL MONTE UNION HSD DS 2016 REF BONDS	48,425,000	52.812	25,574,251
EL MONTE UNION HSD DS 2008 SERIES D	10,500,098	52.812	5,545,321
EL MONTE UNION HSD DS 2018 SERIES A	52,245,000	52.812	27,591,673
PASADENA CCD DS 2014 REF SERIES A	12,405,000	1.976	245,131
PASADENA CCD DS 2016 REF SERIES A	54,045,000	1.976	1,067,964
RIO HONDO CCD DS REF 2004 2019 SER B	124,347,824	15.829	19,682,805
Total - Overlapping Debt	\$ 576,019,072		\$ 215,003,476
Grand Total Direct and Overlapping Debt			\$ 371,938,816

2019/20 Assessed Valuation: \$ 7,137,856,648 after deducting \$1,220,383,872 Incremental Value.

Debt to Assessed Valuation Ratios:

Direct debt 2.20%
Overlapping Debt 3.01%
Total Debt 5.21%

(1) Listed values represent the actual rate, rounded to the nearest 3 decimal places

(2) Listed values are based on the actual rate, not the rounded rate as listed in the table

Source: HdL Coren & Cone, L.A. County Assessor and Auditor Controller's Office

City of El Monte
Table 12 – Legal Debt Margin Information
Last Ten Fiscal Years

Assessed value	\$ 8,380,939,783
Debt limit (15% of assessed value)	1,257,140,967
Net debt applicable to limit:	
Governmental activities debt	156,935,340
Total net debt applicable to limit	<u>156,935,340</u>
Legal debt margin	<u>\$ 1,100,205,627</u>

<u>Fiscal Year</u>	<u>Debt Limit</u>	<u>Total Net Debt Applicable to Limit</u>	<u>Legal Debt Limit</u>	<u>Legal Debt Limit as a percentage of Debt Limit</u>
2011	871,835,440	46,505,000	825,330,440	94.67%
2012	871,542,548	29,065,000	842,477,548	96.67%
2013	880,955,720	28,755,000	852,200,720	96.74%
2014	908,647,545	28,430,000	880,217,545	96.87%
2015	951,873,793	28,090,000	923,783,793	97.05%
2016	992,181,164	27,730,000	964,451,164	97.21%
2017	1,046,785,874	17,355,000	1,029,430,874	98.34%
2018	1,110,633,746	16,960,000	1,093,673,746	98.47%
2019	1,181,990,796	16,545,000	1,165,445,796	98.60%
2020	1,257,140,967	156,935,340	1,100,205,627	87.52%

Source: City of El Monte Finance Department

City of El Monte
Table 13 - Pledged Revenue Coverage
Last Ten Fiscal Years

Water Revenue Bonds								
Fiscal Year	Gross Revenues	Rate Stabilization Fund	Less: Net Operating Expenses	Net Revenues	Principal	Interest	Coverage	
2011	\$ 3,256,851	\$ 400,000	\$ 1,929,974	\$ 1,726,877	\$ 405,000	\$ 804,008	1.43	
2012	3,266,501	403,422	1,879,627	1,790,296	420,000	789,465	1.48	
2013	3,423,700	403,422	1,924,815	1,902,307	445,000	774,100	1.56	
2014	3,199,184	403,422	2,007,543	1,595,063	450,000	784,320	1.29	
2015	3,353,355	403,445	2,081,396	1,675,404	465,000	740,801	1.39	
2016	3,436,627	403,471	2,172,752	1,667,346	485,000	747,709	1.35	
2017	3,926,310	403,491	2,343,925	1,985,876	505,000	724,070	1.62	
2018	4,447,777	404,024	2,383,412	2,468,389	525,000	681,983	2.05	
2019	5,192,542	406,122	2,363,686	3,234,978	545,000	837,552	2.34	
2020	5,359,345	412,047	3,661,398	2,109,994	495,000	843,605	1.58	

Tax Allocation Bonds					
Fiscal Year	Tax Increment	Principal	Interest	Coverage	
2011	\$ 6,803,496	\$ 725,000	\$ 1,271,411	3.41	
2012	-	-	-	-	
2013	-	-	-	-	
2014	-	-	-	-	
2015	-	-	-	-	
2016	-	-	-	-	
2017	-	-	-	-	
2018	-	-	-	-	
2019	-	-	-	-	
2020	-	-	-	-	

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

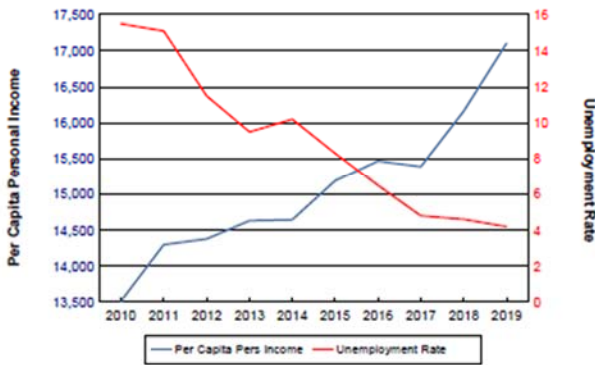
Expenditures do not include interest, depreciation or amortization expense

Source: Finance Department, City of El Monte

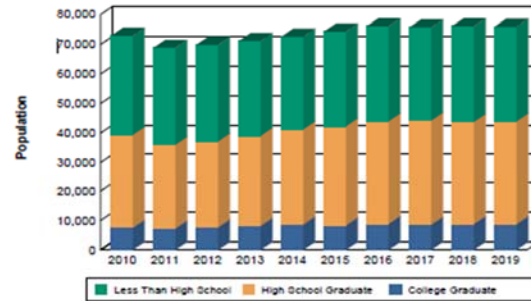
City of El Monte
Table 14 - Demographic and Economic Statistics
Last Ten Fiscal Years

Calendar Year	Population ⁽¹⁾	Personal Income (thousands of dollars) ⁽²⁾	Per-Capita Personal Income ⁽²⁾	School Enrollment ⁽³⁾	Unemployment Rate ⁽⁴⁾	Median Age	% of Pop 25+ with High School Degree	% of Pop 25+ with Bachelor's Degree
2010	126,464	\$1,709,414	\$13,517	19,966	16.00%	30.9	54.0%	10.4%
2011	113,912	\$1,628,942	\$14,300	19,164	15.00%	31.6	52.3%	10.7%
2012	114,436	\$1,645,361	\$14,378	18,893	12.00%	32.2	53.2%	11.1%
2013	115,064	\$1,683,501	\$14,631	26,729	10.00%	32.8	54.9%	11.6%
2014	115,118	\$1,685,788	\$14,644	26,362	10.00%	33.5	56.8%	12.0%
2015	113,885	\$1,729,787	\$15,188	25,764	8.30%	34.7	56.9%	11.3%
2016	114,268	\$1,767,505	\$15,468	24,538	6.50%	35.5	57.8%	11.7%
2017	117,204	\$1,804,044	\$15,392	23,886	4.80%	35.4	58.4%	11.4%
2018	117,204	\$1,894,405	\$16,163	31,509	4.60%	35.4	58.4%	11.6%
2019	116,675	\$1,995,706	\$17,104	31,528	4.20%	35.3	57.8%	11.6%

Personal Income and Unemployment



Education Level Attained for Population 25 and Over



Sources:

Population: California State Department of Finance. Unemployment Data: California Employment Development Department 2000-2009 Income, Age, and Education Data: ESRI - Demographic Estimates are based on the last available Census. Projections are developed by incorporating all of the prior census data released to date. Demographic Data is totaled from Census Block Groups that overlap the City's boundaries 2010 and later - Income, Age and Education Data - US Census Bureau, most recent American Community Survey

Note:

Data are based on information provided by HdL Coren & Cone on calendar year basis. For example, fiscal year 2016 data is from calendar year 2015.

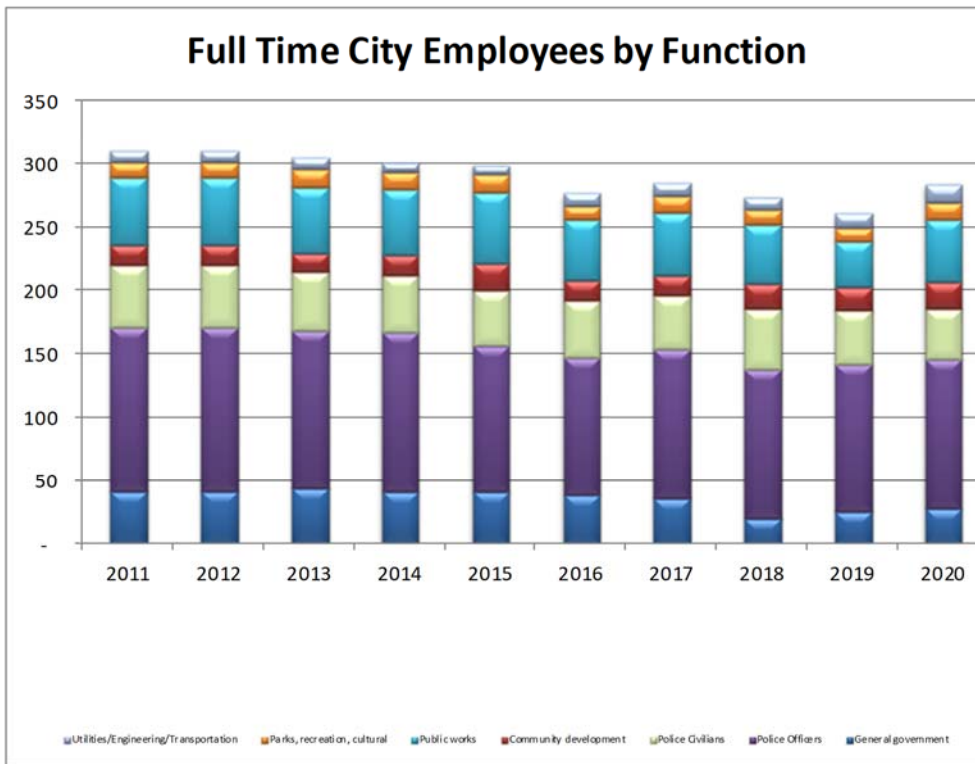
City of El Monte
Table 15 - Principal Employers
Current Year and Nine Years Ago

Employer	2020			2011		
	Employees	Percentage of Total City Employment	Rank	Employees	Percentage of Total City Employment	Rank
EL MONTE CITY SCHOOL DISTRICT	1500	3.731%	1			
LONGO TOYOTA/ LONGO SCION	615	1.530%	2	475	1.935%	4
THE GILL CORPORATION	556	1.383%	3			
CATHAY BANK	400	0.995%	4			
ASIAN PACIFIC HEALTH CARE VENTURE INC	260	0.647%	5			
THE HOME DEPOT #6673	235	0.585%	6			
LONGO LEXUS	218	0.542%	7			
EASTLAND SUBACUTE AND REHABILITATION	205	0.510%	8			
SAM'S CLUB #6614	203	0.505%	9			
RAMONA CARE CENTER	189	0.470%	10			
El Monte City Elementary District				731	2.978%	1
El Monte High School District				623	2.538%	2
Mountain View Elementary				670	2.730%	3
City of El Monte				429	1.748%	5
Gregg Industries				400	1.630%	6
Drftwood Dairy				300	1.222%	7
El Monte Adult School				300	1.222%	8
Spirit Honda				300	1.222%	9
San Gabriel Transit				300	1.222%	10
Total	4,381	10.898%		4,528	18.448%	
Total Employment	40,200	100%		24,545	100%	

Source: Finance Department, City of El Monte
State of California Economic Development Department - Labor Force Information

City of El Monte
Table 16 - Full-time Equivalent City Employees by Function / Program
Last Ten Fiscal Years

<u>Function</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General government	42	42	44	41	41	39	36	20	26	28
Public Safety										
Police Officers	129	129	125	126	116	108	118	118	116	118
Police Civilians	50	50	46	45	43	45	42	48	43	40
Community development	16	16	15	17	22	16	16	20	18	21
Public works	53	53	52	51	56	48	50	46	36	49
Parks, recreation, cultural	12	12	14	14	14	11	13	12	11	14
Utilities/Engineering/Transportation	9	9	9	7	7	10	10	10	11	14
Total full-time equivalent positions	<u>311</u>	<u>311</u>	<u>305</u>	<u>301</u>	<u>299</u>	<u>277</u>	<u>285</u>	<u>274</u>	<u>261</u>	<u>284</u>



Source: Finance Department, City of El Monte

City of El Monte
Table 17 - Operating Indicators by Function / Program
Last Ten Fiscal Years

<u>Function</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Police Department										
Physical arrests	3,126	3,103	3,272	3,370	3,398	3,443	3,269	3,629	3,718	2,870
Parking violations	20,893	18,885	17,719	12,230	17,126	15,374	13,214	15,482	12,739	9,835
Moving violations	12,454	4,682	4,476	4,122	4,129	2,802	2,918	3,696	2,972	2,025
Water Department										
Total number of customers	22,722	22,700	22,968	23,760	22,968	23,653	23,405	22,732	22,968	19,691
Average daily consumption	20,900	20,900	20,900	20,840	18,507	16,275	16,932	17,570	17,374	17,345
Total active domestic service connections	3,536	3,554	3,557	3,578	3,544	3,453	3,575	3,560	3,530	2,895
Volume of water delivered (in acre feet)	2,789	1,996	2,335	2,272	2,331	1,823	1,897	1,968	2,112	1,943
Water supply (in acre feet)	2,254	2,274	2,320	2,294	2,282	2,012	2,204	2,350	2,282	2,223

Source: Finance and Police Departments, City of El Monte
Service connections and water volumes are presented on a calendar year basis.

City of El Monte
Table 18 - Capital Assets by Function
Last Ten Fiscal Years

Function	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public safety										
Police										
Number of Police Stations	1	1	1	1	1	1	1	1	1	1
Number of Police Motor Vehicles	109	95+	95+	97	93	94	101	100	98	98
Fire										
Number of Fire Stations	4	4	4	4	4	4	4	4	4	4
Highways and streets										
Streets (miles)	151.4	151.4	151.4	151.4	151.4	151.7	151.7	151.7	151.7	151.7
Streetlights	4,500	4,500	4,784	4,784	4,784	4,799	4,785	4,785	4,785	4,785
Traffic signals	76	76	81	82	84	85	82	82	82	82
Culture and recreation										
Parks acreage	51	51	51	51	39.8	39.8	39.8	39.8	39.8	39.8
Parks	10	10	10	10	9	9	9	9	9	9
Ball diamonds	6	6	6	6	4	4	4	4	4	4
Basketball courts	5	5	5	5	5	5	5	5	5	5
Craft/Activity buildings	4	4	4	4	4	4	4	4	4	4
Gymnasium	1	1	1	1	1	1	1	1	1	1
Swimming pools	7	7	7	7	6	6	4	4	4	4
Community centers	6	6	6	6	6	6	6	6	6	6
Water										
Water mains (miles)	38.7	38.7	38.7	38.7	38.7	40.8	40.8	40.8	40.8	40.8
Maximum daily treatment capacity (millions of gallons)	6.5	6.5	6.5	6.5	5.6	5.8	5.8	5.8	5.8	5.8

Source: Various departments, City of El Monte

City of El Monte
Table 19 – Water Rates
Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Service connection fee - 1 inch meter	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 3,000	\$ 3,000	\$ 3,000
Monthly Service Charge										
Meter Size										
0 - 75 units ⁽¹⁾	\$ 0.1567	\$ 0.1567	\$ 0.1567	\$ 0.1567						
over 75 units	0.2384	0.2384	0.2384	0.2384						
0 - 125 units					0.1950	0.2140	0.2340	0.2560	0.2800	0.406
over 125 units					0.3380	0.3700	0.4050	0.4440	0.4860	0.517
- Domestic Service										
Meter Size										
5/8 "	\$ 13.3300	\$ 13.3300	\$ 13.3300	\$ 13.3300	\$ 17.3300	\$ 18.9800	\$ 20.7800	\$ 22.7500	\$ 24.9100	\$ 28.9500
1.0"	28.9100	28.9100	28.9100	28.9100	37.5800	41.1500	45.0600	49.3400	54.0300	60.8600
1.5 "	57.8100	57.8100	57.8100	57.8100	75.1500	82.2900	90.1100	98.6700	108.0400	114.0400
2.0 "	92.6400	92.6400	92.6400	92.6400	120.4300	131.8700	144.4000	158.1200	173.1400	177.8500
3.0 "	173.3900	173.3900	173.3900	173.3900	225.4100	246.8200	270.2700	295.9400	324.0600	326.7500
4.0 "	289.0000	289.0000	289.0000	289.0000	375.7000	411.3900	450.4700	493.2700	540.1300	539.4700
6.0 "	577.9800	577.9800	577.9800	577.9800	751.3700	822.7500	900.9200	986.5000	1,080.2200	1,071.2600
8.0 "	924.7500	924.7500	924.7500	924.7500	1,202.1800	1,316.3800	1,441.4400	1,578.3700	1,728.3200	1,709.4100
10.0 "	1,329.3400	1,329.3400	1,329.3400	1,329.3400	1,728.1400	1,892.3200	2,072.0900	2,268.9300	2,484.4800	2,453.9200
- Fire Service										
Meter Size										
2.0 "	\$ 37.0600	\$ 37.0600	\$ 37.0600	\$ 37.0600	\$ 37.6100	\$ 41.1900	\$ 45.1000	\$ 49.3800	\$ 54.0800	\$ 17.5100
3.0 "	69.4300	69.4300	69.4300	69.4300	70.4600	77.1600	84.4900	92.5100	101.3000	44.5600
4.0 "	115.7200	115.7200	115.7200	115.7200	117.4400	128.6000	140.8100	154.1900	168.8400	91.2200
6.0 "	220.6600	220.6600	220.6600	220.6600	223.9300	245.2000	268.4900	294.0000	321.9300	258.6800
8.0 "	370.3100	370.3100	370.3100	370.3100	375.8000	411.5100	450.6000	493.4100	540.2800	547.5100
10.0 "	534.1100	534.1100	534.1100	534.1100	542.0300	593.5200	649.9000	711.6400	779.2500	981.9700

⁽¹⁾ Unit is equal to 100 gallons.

Source: City of El Monte Finance Department

City of El Monte
Table 20 – Top Water Customers
Current Year and Nine Years Ago

Customer	2020			2011		
	Total Revenue	Percentage of Total Water Revenue	Rank	Total Revenue	Percentage of Total Water Revenue	Rank
DRIFTWOOD DAIRY	\$382,466	6.67 %	1	81,690	1.17 %	5
JDH INVESTMENTS LLC	100,769	1.76 %	2			
POIZIN STITCH TRADE LLC	99,921	1.74 %	3			
LACMTA	87,417	1.52 %	4	142,074	2.03 %	3
EL MONTE UNION HI SCH DIST	75,321	1.31 %	5			
TDF-LP	70,341	1.23 %	6			
SINGINGWOOD APTS-PPM	63,970	1.12 %	7	59,126	0.85 %	8
EL MONTE HOUSING PARTNERS LP	59,686	1.04 %	8			
CALIFORNIA 19-01	59,453	1.04 %	9			
SUPERIOR GROCERIES	58,738	1.02 %	10			
FIRE STATION 166 AP C2				1,006,127	14.40 %	1
ANNE LE GORE SCHOOL C2				895,500	12.82 %	2
MIKE NIJJAR				90,137	1.29 %	4
MULHALL ESTATES				61,983	0.89 %	6
LACO INT SVC ATT:UTY CLAIM				61,629	0.88 %	7
RIO VISTA SCHOOL				58,064	0.83 %	9
CONCEPCION SACCO				54,337	0.78 %	10
Other Customers	<u>4,674,768</u>	81.54 %		<u>4,476,281</u>	64.07 %	
Total Water Sales and Service Revenue	<u>\$ 5,732,850</u>	100.00 %		<u>\$6,986,948</u>	100.00 %	

Source: Finance Department, City of El Monte