

CITY OF EL SEGUNDO
C A L I F O R N I A

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

FISCAL YEAR ENDED - JUNE 30, 2024

2024

CITY OF EL SEGUNDO, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED JUNE 30, 2024
PREPARED BY THE CITY'S FINANCE DEPARTMENT

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City of El Segundo

January 21, 2025

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

State law requires that every general-purpose local government publish each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended June 30, 2024.

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

CliftonLarsonAllen LLP (CLA), formerly White Nelson Diehl Evans LLP (WNDE), an Independent CPA Firm, has issued an unmodified (“clean”) opinion on the City of El Segundo’s financial statements for the year ending June 30, 2024. The independent auditor’s report is located at the front of the financial section of this report.

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

City of El Segundo Profile

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

The City has operated under the Council-Manager Form of Government since 1917. Policy-making and legislative authority are vested in the City Council (governing body) consisting of the Mayor and four Councilmembers, all elected on a non-partisan basis. The Council appoints the government's City Manager, who serves as the organization's Chief Executive Officer (CEO) and in turn, appoints the heads of the departments. Council members serve four-year terms and are elected at-large. The election schedule alternates with two seats open during one election cycle and three seats open the next election cycle. The Mayor is selected by the seated City Council every two years.

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

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

Local economy

El Segundo celebrated its centennial anniversary in 2017, commemorating 100 years of innovation, leadership, and growth. In 1911, Standard Oil (Chevron) opened its second refinery in California in what is now El Segundo. The city was incorporated 1917 with its foundation as home to workers in the petroleum industry. Over the last 108 years, El Segundo has become a thriving business center, home to AT&T, Los Angeles Times, Los Angeles Lakers, Los Angeles Kings, Los Angeles Chargers, DaVita Healthcare, and Mattel.

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

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

AAA Credit Rating

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

In the months that followed, including the Fiscal Year 2023-2024, the City's local economy continued to be robust, the median house price remained strong, and major revenues continued to improve. Additionally, during this time, due to the strengthening of its financial performance, the City increased its reserve policy from 20% to 25% and established a 5% General Fund Reserve for CIP.

On August 21, 2023, Standard & Poor's (S&P) Global Ratings raised the City's credit issuer rating from a AA+ to a AAA, the highest rating a municipality can be assigned. S&P credited the City's strong financial policies and practices by an established management team, continued commercial and corporate growth, and the quick revenue recovery of its well diversified and flexible general revenues following a decline during the global pandemic as reasons for the upgrade.

S&P noted a stable outlook that reflects its expectation that the City will maintain a very strong financial position over the outlook period, anchored by the City's strong management profile.

Long-term financial planning

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

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

At a Strategic Planning session held in May 2023, City Council identified its top priorities, one of which supports its multi-year goal to champion economic development and fiscal sustainability. This priority is to *Utilize the City's long-term financial plan to make financial decisions; identify opportunities for new revenues, enhancement of existing revenues, and exploration of potential funding options to support unfunded capital improvements and deferred maintenance to address the aging infrastructure throughout the City.*

Following the Strategic Planning session, staff began the process of working to an update to the City's existing long-range financial plan model. As of the date of this letter of transmittal, the model is being updated to be used for planning purposes.

Through the issuance in May 2021 of pension obligation bonds to prepay the existing UAL, along with a series of other forward-thinking actions taken by City Council over the past few years (including: reduced "Fresh Start" amortization period; past additional discretionary UAL payments; prepaid UAL payments; creation of a Pension Trust Fund; requiring "Classic " employees to pay their full "employee share"; adoption of formal UAL Policies; the Topgolf Revenue Allocation Policy; increasing the reserve policy from 20% to 25%; and establishing a 5% General Fund Reserve for CIP), the City is well-positioned to meet its present and future pension obligations over the next 18 years.

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

In November 2022, El Segundo voters approved Measure BT, amending the City's ordinance governing the City's business tax which will bring in additional ongoing revenues that will continue to support important City services and programs. The business license tax increases took effect in January 2024, and saw a modest growth of 4% in business license tax revenues.

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

Relevant financial policies

The City's general fund reserve policy in FY 2023-24 was 25% of the City's current general fund expenditures for its operating reserves, as well as funding up to \$2 million in a separate Economic Uncertainty Reserve Fund. In planning for the FY 2024-2025 budget and prior to the end of the 2023-2024 Fiscal Year, City Council maintained the reserve policy at 25% and a 5% General Fund Reserve for CIP.

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

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

Major initiatives

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

- Annual Water Main Maintenance; Water Facilities Maintenance
- Annual Sidewalk, ADA ramp installation, Curb and Gutter Restoration Program
- City Hall improvements
- City-wide HVAC Replacement
- EOC Upgrades
- Library Improvements (Elevator & HVAC)
- Local street rehabilitation and slurry seal
- Park Place gap closure project (design phase)
- Plunge Rehabilitation
- Recreation Park Projects
- Sewer main repairs
- Water infrastructure improvements
- Various smaller projects that have provided enhanced benefits to the community

Acknowledgements

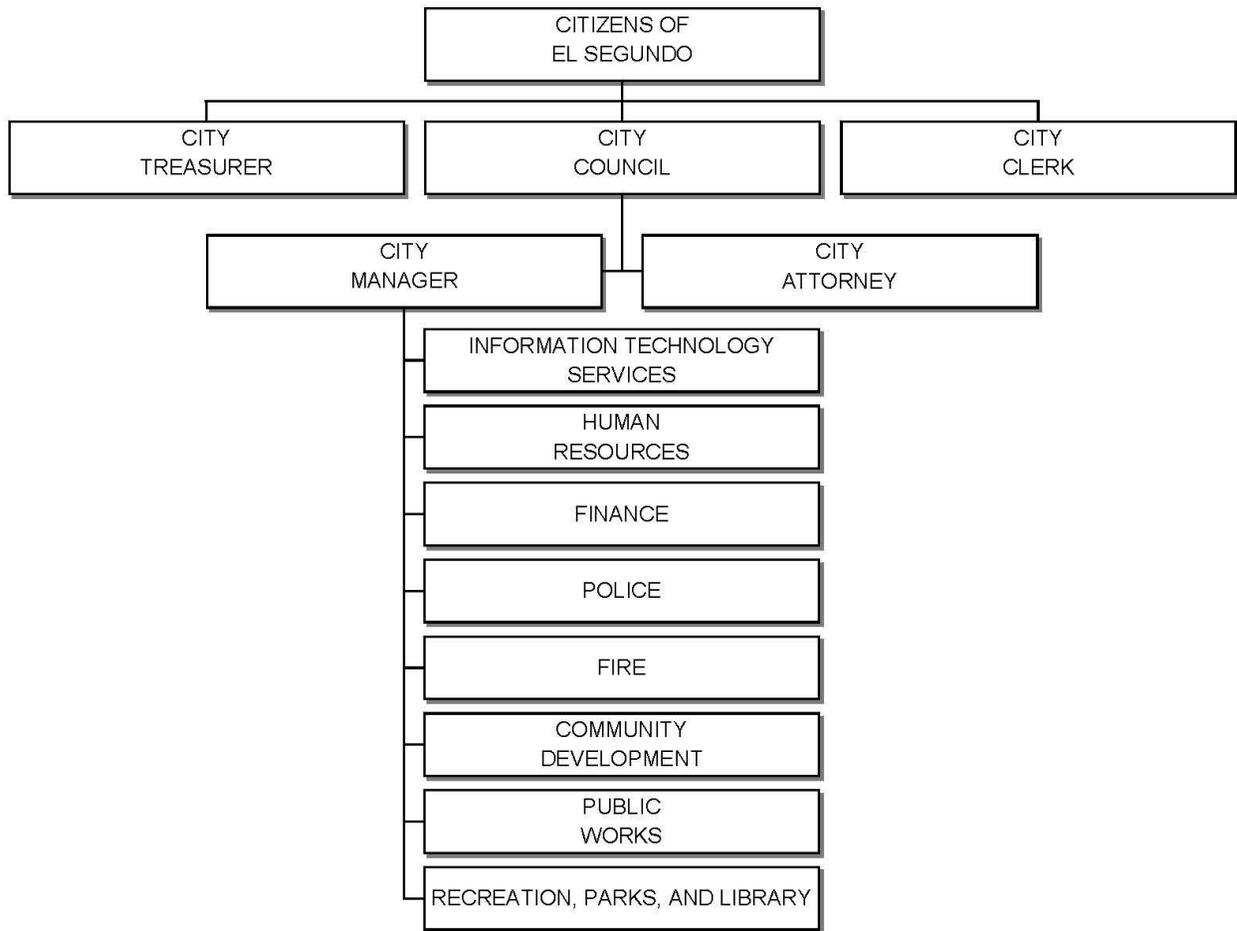
The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the Finance Department. We wish to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must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

Respectfully submitted,



Paul Chung
Chief Financial Officer

CITY OF EL SEGUNDO



CITY OF EL SEGUNDO
OFFICIALS OF THE CITY

CITY COUNCIL MEMBERS

<u>Name</u>		<u>Term Expires</u>
Drew Boyles	Mayor	November 2024
Chris Pimentel	Mayor Pro Tem	November 2026
Carol Pirsztuk	Council Member	November 2024
Lance Giroux	Council Member	November 2024
Ryan Baldino	Council Member	November 2026

CITY OFFICIALS

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

CITY ADMINISTRATION

Barbara Voss	Deputy City Manager
Paul Chung	Chief Financial Officer
Rebecca Redyk	Director of Human Resources
Saul Rodriguez	Chief of Police
George Avery	Fire Chief
Michael Allen	Director of Community Development
Aly Mancini	Director of Recreation, Parks, and Library
Elias Sassoon	Director of Public Works
Jose Calderon	Director of Information Technology Services



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**City of El Segundo
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morrell

Executive Director/CEO



INDEPENDENT AUDITORS' REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of El Segundo (the City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City of El Segundo's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the El Segundo Senior Citizen Housing Corporation (dba: Park Vista), which represents 100% of the assets, net position, and revenues of the El Segundo Senior Citizen Housing Corporation nonmajor enterprise fund as of December 31, 2023. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for El Segundo Senior Citizen Housing Corporation, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements of El Segundo Senior Citizen Housing Corporation nonmajor enterprise fund was not audited in accordance with *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedule – general fund, schedules of changes in net pension liabilities and related ratios – CalPERS miscellaneous rate plan, CalPERS safety rate plan, and public agency retirement system defined benefit plan, schedule of the City's proportionate share of the net pension liability and related ratios – CalPERS safety rate plan, schedule of contributions – CalPERS miscellaneous rate plan, CalPERS safety rate plan, and public agency retirement system defined benefit plan, schedule of changes in total OPEB liability and related ratios, and schedule of contributions – OPEB be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 21, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Irvine, California
January 21, 2025

**CITY OF EL SEGUNDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

As management of the City of El Segundo, California (City) we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of El Segundo for the fiscal year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and the City's financial statements.

FINANCIAL HIGHLIGHTS

The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources by \$108,893,903 of the current fiscal year end (*total net position*). The City had an unrestricted net position of (\$52,150,108). This negative unrestricted net position is the result of GASB 68 implementation in FY 2014-15 that required all government entities to place their unfunded pension liabilities onto their agencies Statement of Net Position.

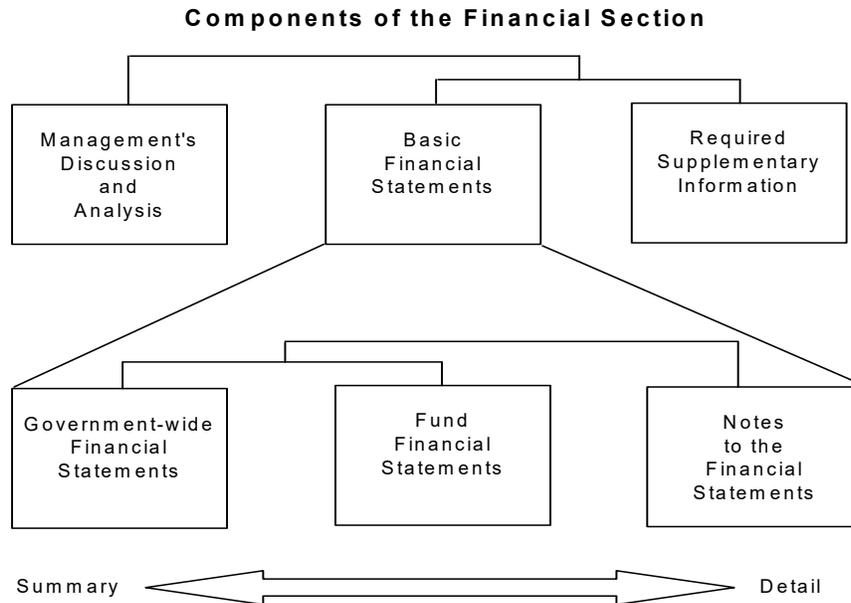
As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$92,893,008. Of this amount, \$36,162,556 (*unrestricted fund balance per GASB 54*) is available for spending at the City's discretion.

At the end of the current year, unrestricted fund balance per GASB 54 for the general fund was \$40,701,761 which represents 53% of total general fund expenditures before other financing sources (uses) for fiscal year 2023-24.

Overview of the Financial Statements

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

**CITY OF EL SEGUNDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**



Government-wide Financial Statements: The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private sector business. These statements include all assets and liabilities of the City.

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

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

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

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

**CITY OF EL SEGUNDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

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

The government-wide financial statements can be found beginning on page 19 of this report.

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

Governmental funds: Most of the City's basic services are reported in governmental funds, which focus on how money flows in and out of those funds and the balances left at year-end that are available for spending. The City's governmental funds in fiscal year 2023-24 are General Fund, Pension Obligation Bonds Debt Service Fund, Capital Improvement Capital Projects Fund, and Non-major Governmental Funds. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The differences between the results in the Governmental Fund financial statements to those in the Government-Wide financial statements are explained in a reconciliation following each Governmental Fund financial statement.

In addition to the major funds reported separately on the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances, the City also maintains twenty-five special revenue funds, ten Developer Impact Fees capital project funds disclosed as one column and one debt service fund. Data from these funds are combined into a single, aggregated presentation referred to as *Nonmajor governmental funds*.

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

The City adopts an annual appropriated budget for all of its governmental and proprietary funds. A budgetary comparison statement has been provided for the general fund and major special revenue funds to demonstrate compliance with this budget. This comparison can be found beginning on page 101 of this report.

The governmental fund financial statements can be found beginning on page 27 of this report.

**CITY OF EL SEGUNDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

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

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

The proprietary fund financial statements can be found beginning on page 33 of this report.

Notes to the financial statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 45 of this report.

Other information: The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found beginning on page 123 of this report.

**CITY OF EL SEGUNDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

Government-wide Financial Analysis

As was referenced earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources by \$108,893,903 at the close of 2024 fiscal year.

A summary of the government-wide *statement of net position* follows:

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Assets:						
Current assets and other assets	195,720,537	113,869,655	66,111,631	57,224,876	261,832,168	171,094,531
Capital assets, net	<u>118,065,918</u>	<u>110,617,754</u>	<u>24,563,081</u>	<u>22,691,886</u>	<u>142,628,999</u>	<u>133,309,640</u>
Total assets	<u>313,786,455</u>	<u>224,487,409</u>	<u>90,674,712</u>	<u>79,916,762</u>	<u>404,461,167</u>	<u>304,404,171</u>
Deferred Outflows of Resources	57,242,986	110,760,794	1,348,720	423,825	58,591,706	111,184,619
Liabilities:						
Current and other liabilities	23,770,372	21,276,041	7,761,776	5,161,581	31,532,148	26,437,622
Noncurrent liabilities	<u>210,782,237</u>	<u>210,698,066</u>	<u>7,311,851</u>	<u>6,549,917</u>	<u>218,094,088</u>	<u>217,247,983</u>
Total liabilities	<u>234,552,609</u>	<u>231,974,107</u>	<u>15,073,627</u>	<u>11,711,498</u>	<u>249,626,236</u>	<u>243,685,605</u>
Deferred Inflows of Resources	104,491,133	148,765,563	41,601	1,124,219	104,532,734	149,889,782
Net position:						
Net investment in capital assets	108,641,202	101,562,280	22,859,587	22,684,209	131,500,789	124,246,489
Restricted	29,543,222	35,416,676	-	-	29,543,222	35,416,676
Unrestricted	<u>(106,198,725)</u>	<u>(110,637,114)</u>	<u>54,048,617</u>	<u>46,893,254</u>	<u>(52,150,108)</u>	<u>(63,743,860)</u>
Total net position	<u>\$ 31,985,699</u>	<u>\$ 26,341,842</u>	<u>\$ 76,908,204</u>	<u>\$ 69,577,463</u>	<u>\$ 108,893,903</u>	<u>\$ 95,919,305</u>

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

**CITY OF EL SEGUNDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

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

	Governmental		Business -Type		Total	
	Activities		Activities		Primary Government	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Revenues						
Program revenues:						
Charges for services	10,521,648	10,938,710	43,160,718	39,062,108	53,682,366	50,000,818
Operating grants and contributions	3,186,914	5,716,659	-	-	3,186,914	5,716,659
Capital grants and contributions	6,374,894	2,510,786	-	-	6,374,894	2,510,786
General revenues and transfers:						
Property taxes	11,646,066	10,750,248	-	-	11,646,066	10,750,248
Transient Occupancy taxes	14,343,804	14,143,605	-	-	14,343,804	14,143,605
Sales taxes	17,436,292	17,424,472	-	-	17,436,292	17,424,472
Utility user taxes	9,110,254	7,963,689	-	-	9,110,254	7,963,689
Franchise taxes	6,637,891	5,738,792	-	-	6,637,891	5,738,792
Business license taxes	14,071,956	12,748,377	-	-	14,071,956	12,748,377
Other taxes	5,249,944	9,880,677	-	-	5,249,944	9,880,677
Motor vehicles in lieu	2,302,513	2,108,064	-	-	2,302,513	2,108,064
Use of money and property, unrestricted	8,809,978	3,982,103	1,295,711	894,511	10,105,689	4,876,614
Other	<u>4,053,680</u>	<u>2,709,006</u>	<u>-</u>	<u>(729,168)</u>	<u>4,053,680</u>	<u>1,979,838</u>
Total revenues	113,745,834	106,615,188	44,456,429	39,227,451	158,202,263	145,842,639
Expenses						
General government	23,086,066	22,930,730	-	-	23,086,066	22,930,730
Public safety	55,541,234	98,918,452	-	-	55,541,234	98,918,452
Public works	13,742,118	11,332,554	-	-	13,742,118	11,332,554
Community & cultural	12,118,350	11,520,553	-	-	12,118,350	11,520,553
Interest on long-term debt	3,467,026	3,253,661	-	-	3,467,026	3,253,661
Water	-	-	31,418,553	28,789,265	31,418,553	28,789,265
Sewer	-	-	5,090,243	4,481,743	5,090,243	4,481,743
Golf Course	-	-	-	-	-	-
Nonmajor fund Senior Housing	-	-	<u>764,075</u>	<u>778,448</u>	<u>764,075</u>	<u>778,448</u>
Total expenses	107,954,794	147,955,950	37,272,871	34,049,456	145,227,665	182,005,406
Excess (deficit) of revenues over expenses	<u>5,791,040</u>	<u>(41,340,762)</u>	<u>7,183,558</u>	<u>5,177,995</u>	<u>12,974,598</u>	<u>(36,162,767)</u>
Transfers	<u>(147,183)</u>	<u>-</u>	<u>147,183</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position	<u>5,643,857</u>	<u>(41,340,762)</u>	<u>7,330,741</u>	<u>5,177,995</u>	<u>12,974,598</u>	<u>(36,162,767)</u>
Net position at beginning of year	<u>26,341,842</u>	<u>67,682,604</u>	<u>69,577,463</u>	<u>64,399,468</u>	<u>95,919,305</u>	<u>132,082,072</u>
Net position at end of year	<u>\$ 31,985,699</u>	<u>\$ 26,341,842</u>	<u>\$ 76,908,204</u>	<u>\$ 69,577,463</u>	<u>\$ 108,893,903</u>	<u>\$ 95,919,305</u>

**CITY OF EL SEGUNDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

Governmental Activities

The City's net position from governmental activities increased \$5,643,857. Details are listed below:

Major Changes in Revenues

- Operating grants decreased by \$2.5 million, mostly in Prop "C" Sales Tax, while capital grants increased by \$3.8 million due to the city having less grants operationally but more larger capital projects utilizing grant funds.
- Utility Users taxes increased by \$1.1 million due to the continually rising commodity prices;
- Franchise taxes increased by \$900,000 due to higher natural gas prices;
- Business license taxes increased by \$1.3 million due to the implementation of a local business license measure which went into effect during the fiscal year;
- Other taxes decreased as the true-up payment for a Tax Resolution Agreement (TRA) came in less than the true-up payment in Fiscal Year 2022-23. However, payments made to other tax sources reflect the total amount received was reached for the TRA.
- Interest and rentals increased by \$4.8 million, as the City invested into higher yielding investments. The City's investments are reported at fair value per GASB 72.
- Other revenues increased by \$1.3 million, due in part to a Prop "A" Funding Swap, and the sale of a City-owned Residential Sound Insulation home.

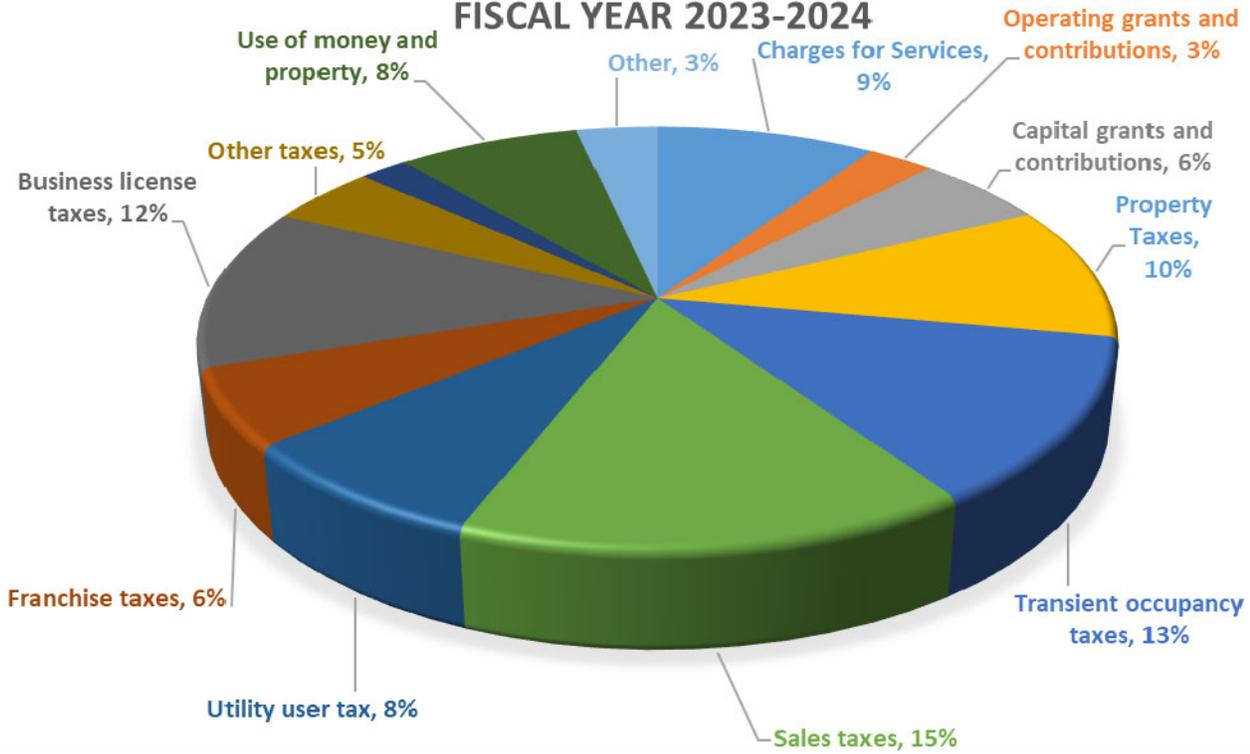
Major Changes in Expenses

- Public safety expenses decreased by \$43 million primarily due to actuarial valuation changes of pension and OPEB from previous to current fiscal year;
- The rest increase of the \$3.3 million was the combination of costs increase of labor, contract, and operating and maintenance materials.

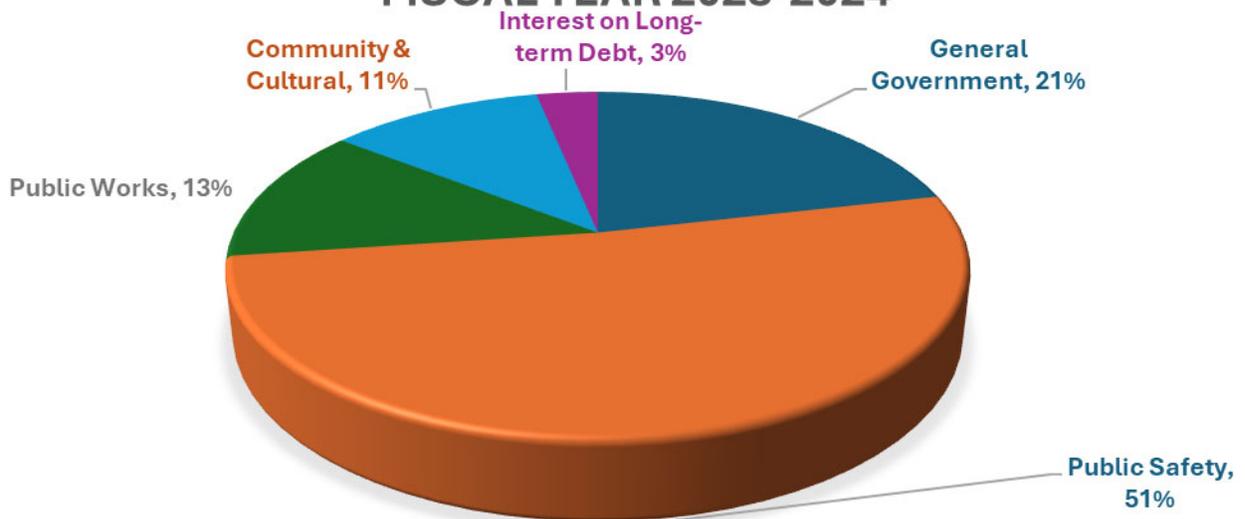
Overall, the \$108 million cost of all "public benefit" governmental activities for the year was financed by the City's governmental program revenues, tax revenues and use of money and property revenues. City collected governmental program revenues of \$20.1 million, which were paid by those who directly benefited from the programs (\$10.5 million) or by other governments and organizations that subsidized certain programs with grants and contributions (\$9.6 million). In 2024 fiscal year the city collected \$78.5 million taxes - business license taxes of \$14.1 million, sales and use taxes of \$17.4 million, property taxes of \$11.7 million, transient occupancy tax of \$14.3 million, utility user taxes of \$9.1 million, franchise taxes of \$6.6 million, and other taxes of \$5.3 million. The city also earned \$8.8 million of interest and rental income, and \$4 million of other revenue in 2024 fiscal year.

**CITY OF EL SEGUNDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

**GOVERNMENT ACTIVITIES
SOURCES OF REVENUE
FISCAL YEAR 2023-2024**



**GOVERNMENT ACTIVITIES EXPENDITURES
FISCAL YEAR 2023-2024**



**CITY OF EL SEGUNDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

Business-Type Activities

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

The City's net position from business-type activities increased by \$7,330,741. The cost of all business-type activities this year was \$37,272,871.

Charges for services are the major revenue source for the City's business-type activities, accounting for \$43,160,718 of total business-type activity revenue.

The Water Utility net cost of service is \$5,014,975, which was very stable with slight decrease comparing to net cost of service of \$5,043,176, in last fiscal year.

The Wastewater (Sewer) Utility net cost of service of \$1,000,363, comparing to net cost of service of \$741,170 in last fiscal year, is attributable to both wastewater rate increases of 9.5% on 01/01/2024 and interest income from investment.

The Senior Housing Corporation net cost of service of \$263,641 comparing to net cost of service of \$122,817 in last fiscal year, is attributable to an increase in revenues related to interest on investments.

Financial Analysis of the Government's Funds

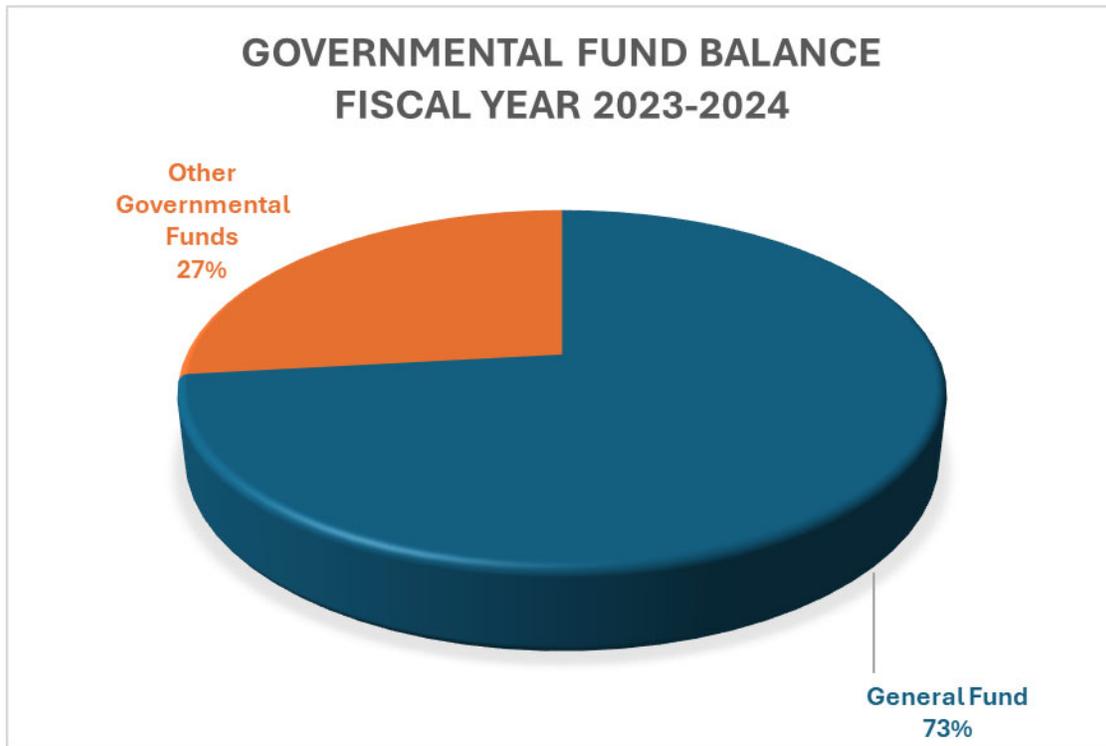
As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$92,893,008, an increase of \$8.2 million or 10% from the previous year. The increase is primarily due to the City's tax revenues (including mainly Utility User Tax, Franchise Tax, and Business License Tax), as well as the peaking interest rate contributing to the increase in the City's Interest and rental income revenues. The fund balance increase is also due to the net effect of a decrease in expenditures primarily due to salary savings in personnel budget. The portion of fund balance that is unreserved, undesignated for all governmental funds is \$36.2 million which represents amounts available for spending at the government's discretion.

Additionally, there are portions of the identified combined ending fund balance that are classified to indicate (1) it represents nonspendable amounts for inventory, notes and loans receivable and prepaid costs \$5,034,175, (2) for a variety of other restricted and assigned purposes \$51.7 million. More details can be found in Note 16.

**CITY OF EL SEGUNDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**



Major Funds: There are three major funds on the balance sheet for governmental funds. They are the general fund (the chief operating fund of the City), the pension obligation bonds debt service fund and the capital improvement fund. At the end of the current fiscal year, the available general fund balance (assigned and unassigned) was \$42,705,680 which represents 79% of total fund balance of \$53,755,599. As a measure of the general fund's available resources, it may be useful to compare unrestricted fund balance in the total fund balance to total fund expenditures. The available fund balance represents 56% of total general fund expenditures before other financing sources (uses), while total general fund balance represents 71% of that same amount.

This year, the capital improvement fund was included as part of the major funds. The primary driver for this increased capital costs are due to the Urho Saari Swim Stadium / Plunge Renovation Project. During the year, the general fund transferred \$12,132,500 to the capital improvement fund due to the appropriation and construction contract execution for the project. The total budget for the project is \$14,617,614. The city is anticipated to raise \$5 million through a fundraising campaign to replenish the general fund before the project is complete in October 2025.

**CITY OF EL SEGUNDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

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

Ending unrestricted net position for the proprietary funds is \$45,121,319 for the Water Utility Fund, \$5,950,753 for the Wastewater (Sewer) Utility Fund and \$1,924,783 for the Senior Housing Corporation. The total change in net position for the City's three proprietary funds is as follows:

- The Water Utility's net position increased by \$5 million or an increase of 10% over net position of the prior year due to an increase of sales and service charges revenue and an increase in interest revenue;
- The Wastewater (Sewer) Utility's net position increased \$1 million or an increase of 6% over net position of the prior year due to an increase of 9.5% for wastewater rate, increase of interest revenue and transfer-in;
- The Senior Housing Corporation's net position increased by \$263,641 or an increase of 13% over net position of the prior year is attributable to a net effect of increase in rental charges and a decrease in operating expenses.

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

General Fund Budgetary Highlights

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

Appropriations

Differences between the original budget and the final amended budget of the General Fund resulted in an increase in appropriations of \$1,039,705, or a net decrease in budgetary fund balance of \$1,039,705.

- General Government appropriations increased \$693,853;
- Public Safety appropriations increased \$416,870;
- Public Works appropriations increased \$451,912;
- Community and Cultural appropriations decreased \$662,120;
- Capital Outlay appropriations increased \$139,190.

**CITY OF EL SEGUNDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

Expenditure

Overall, the general fund expenditure was under budget for \$3,751,084 when comparing final budget to actual. The reasons for the major variances follow:

- The General Government Departments came in \$3,147,454 under budget due to position vacancies;
- The Public Safety Departments came in \$51,150 over budget mainly due to salaries and related benefits;
- The Public Works Departments came in \$993,391 under budget due to position vacancies;
- The Community and Cultural Departments came in \$1,314,373 under budget due to position vacancies.

Revenue

Differences between the final budget and the actual revenues resulted in an increase of \$12,866,319 million or an 14% increase in budgeted revenues.

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

- Taxes increased \$5.7 million above the final budget due to increases in Transient Occupancy Tax (higher hotel occupancy and increased room rates); Franchise Tax (higher natural gas prices); and Sales and Use Tax (reflective of the economy's continued resilience post-COVID pandemic);
- Use of Money and Property increased \$5.9 million above the final budget, as the City invested into higher yielding investments;
- Licenses and Permits increased \$452,023 above the final budget due to increased demand for permits and plan checks during a peak time of development and construction in 2024.

For the City's general fund, amounts available for appropriation of \$89,316,753 was \$12,866,319 lower than actual revenues of \$102,183,072. Actual expenditures excluding other financing sources (uses) were \$76,232,099 which was \$3,751,084 lower than the final budget of \$79,983,183, excluding other financing sources (uses). The net effect of these variances between actual and budgeted was an increase in budgetary fund balance of \$16,617,403.

**CITY OF EL SEGUNDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets: The City's investment in capital assets for its governmental and business-type activities as of June 30, 2024, amounts to \$142,293,914 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, vehicles and equipment, furniture and equipment, park facilities, roads, highways, streets, bridges, right-to-use lease related land and capital assets, right-to-use PPP assets, and subscription assets.

	Governmental		Business-Type		Total	
	Activities		Activities		Primary Government	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Capital assets not being depreciated						
Land	35,522,020	35,522,020	-	-	35,522,020	35,522,020
Construction in progress	10,580,853	4,384,297	1,945,835	14,584	12,526,688	4,398,881
Total capital assets not being depreciated	<u>46,102,873</u>	<u>39,906,317</u>	<u>1,945,835</u>	<u>14,584</u>	<u>48,048,708</u>	<u>39,920,901</u>
Capital assets being depreciated, net						
Buildings and improvements	17,816,817	17,750,829	-	330,228	17,816,817	18,081,057
Furniture and equipment	-	-	-	23,564	-	23,564
Vehicles and equipment	5,532,023	4,969,299	1,160,999	575,404	6,693,022	5,544,703
Infrastructure	41,379,436	40,468,086	21,121,162	21,748,105	62,500,598	62,216,192
Right-to-use Lease Land	83,623	168,005	-	-	83,623	168,005
Right-to-use Lease Vehicles and Equipment	31,110	1,091	-	-	31,110	1,091
Right-to-use PPP Assets	6,177,255	6,506,045	-	-	6,177,255	6,506,045
Subscription Assets	942,781	848,082	-	-	942,781	848,082
Total capital assets being depreciated, net	<u>71,963,045</u>	<u>70,711,437</u>	<u>22,282,161</u>	<u>22,677,302</u>	<u>94,245,206</u>	<u>93,388,738</u>
Total capital assets, net	<u>\$ 118,065,918</u>	<u>\$ 110,617,754</u>	<u>\$ 24,227,996</u>	<u>\$ 22,691,886</u>	<u>\$ 142,293,914</u>	<u>\$ 133,309,640</u>

Additional information on the City's capital assets can be found in Note 8 of the Notes to Financial Statements in this report.

**CITY OF EL SEGUNDO
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2024**

Long-term debt: The City's governmental activities total debt decreased by \$8,300,157, which is primarily attributed to the principal payment to the Pension Obligation Bonds (POBs) of \$6,546,420, and a decrease in claims payable of \$1,526,000. The City's business-type activities total debt had a netted increase of \$344,673, which is mainly attributed to the \$520,695 Finance Purchase Obligation increase for the purchase of a Public Works Jet/Vacuum Truck (sewer equipment), a \$12,558 increase in compensated absences, and a decrease of \$188,580 attributed to the principal payment to the POBs.

	Governmental Activities		Business-Type Activities		Total Primary Government	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Direct Borrowings:						
Finance Purchase Obligation	1,785,158	1,855,162	520,695	-	2,305,853	5,497,738
Loan Obligation	5,142,862	5,497,738	-	-	5,142,862	1,855,162
Other Long-Term Debt:						
Pension Obligation Bonds	127,196,958	133,743,378	3,668,042	3,856,622	130,865,000	137,600,000
Leases Payable	77,040	133,029	0	0	77,040	133,029
Subscription Payable	881,092	852,664			881,092	852,664
Claims Payable	19,064,000	20,590,000	-	-	19,064,000	20,590,000
Compensated Absences	4,923,712	4,699,008	176,467	163,909	5,100,179	4,862,917
Total long-term debt	<u>\$ 159,070,822</u>	<u>\$ 167,370,979</u>	<u>\$ 4,365,204</u>	<u>\$ 4,020,531</u>	<u>\$ 163,436,026</u>	<u>\$ 171,391,510</u>

Additional information on the City's long-term debt can be found in Note 9 of the Notes to Financial Statements in this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

In preparing the budget for 2024-25 the following economic factors significantly impacted the budget process:

- The performance of national, state and primarily local economies and its impact on El Segundo's major revenue sources;
- The inflation impact on the combination of costs increase of labor, operating and maintenance materials and capital assets;
- The City's Capital Improvement Plan (CIP) projects and financing source options.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

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

FINANCIAL STATEMENTS

**CITY OF EL SEGUNDO
STATEMENT OF NET POSITION
JUNE 30, 2024**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
CURRENT ASSETS			
Cash and Investments	\$ 103,203,822	\$ 56,810,301	\$ 160,014,123
Receivables:			
Taxes	6,839,222	-	6,839,222
Accounts	974,714	7,937,897	8,912,611
Interest	1,141,467	-	1,141,467
Notes and Loans	49,405	-	49,405
Leases	96,130	-	96,130
Due from Other Governments	4,648,475	-	4,648,475
Inventories	163,403	26,964	190,367
Prepays	140,778	53,269	194,047
Internal Balances	(1,051,762)	1,051,762	-
Total Current Assets	<u>116,205,654</u>	<u>65,880,193</u>	<u>182,085,847</u>
NONCURRENT ASSETS			
Restricted Cash and Investments	13,952,902	231,438	14,184,340
Leases Receivable	64,797,831	-	64,797,831
Public-Private Partnership (PPP) Receivable	764,150	-	764,150
Capital Assets, Not Being Depreciated/Amortized	46,102,873	1,945,835	48,048,708
Capital Assets, Net of Depreciation/Amortization	71,963,045	22,617,246	94,580,291
Total Noncurrent Assets	<u>197,580,801</u>	<u>24,794,519</u>	<u>222,375,320</u>
 Total Assets	 313,786,455	 90,674,712	 404,461,167
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows of Resources Related to Pensions	55,034,414	1,234,416	56,268,830
Deferred Outflows of Resources Related to OPEB	2,208,572	114,304	2,322,876
Total Deferred Outflows of Resources	<u>57,242,986</u>	<u>1,348,720</u>	<u>58,591,706</u>

See accompanying Notes to Financial Statements.

CITY OF EL SEGUNDO
STATEMENT OF NET POSITION (CONTINUED)
JUNE 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
CURRENT LIABILITIES			
Accounts Payable	\$ 4,272,440	\$ 6,885,954	\$ 11,158,394
Accrued Liabilities	2,651,270	106,035	2,757,305
Retention Payable	75,164	89,465	164,629
Accrued Interest	1,524,653	53,223	1,577,876
Unearned Revenue	121,941	6,402	128,343
Deposits Payable	378,107	234,580	612,687
Long-Term Liabilities - Due Within One Year	14,746,797	386,117	15,132,914
Total Current Liabilities	<u>23,770,372</u>	<u>7,761,776</u>	<u>31,532,148</u>
NONCURRENT LIABILITIES			
Long-Term Liabilities - Due in More Than One Year	144,324,025	3,979,087	148,303,112
Aggregate Net Pension Liability	36,328,412	1,773,413	38,101,825
Net Other Postemployment Benefit Liability	30,129,800	1,559,351	31,689,151
Total Noncurrent Liabilities	<u>210,782,237</u>	<u>7,311,851</u>	<u>218,094,088</u>
Total Liabilities	234,552,609	15,073,627	249,626,236
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows of Resources Related to Pensions	31,851,954	-	31,851,954
Deferred Inflows of Resources Related to OPEB	803,813	41,601	845,414
Deferred Inflows of Resources Related to Leases	64,893,961	-	64,893,961
Deferred Inflows of Resources Related to Public-Private Partnership	6,941,405	-	6,941,405
Total Deferred Inflows of Resources	<u>104,491,133</u>	<u>41,601</u>	<u>104,532,734</u>
NET POSITION			
Net Investment in Capital Assets	108,641,202	22,859,587	131,500,789
Restricted for:			
Public Safety	3,363,491	-	3,363,491
Public Works	4,148,623	-	4,148,623
Economic Development	145,283	-	145,283
Community and Cultural	9,050,709	-	9,050,709
Opioid Crisis Mitigation	100,369	-	100,369
Debt Services	6,819,372	-	6,819,372
Pension	5,915,375	-	5,915,375
Unrestricted (Deficit)	(106,198,725)	54,048,617	(52,150,108)
Total Net Position	<u>\$ 31,985,699</u>	<u>\$ 76,908,204</u>	<u>\$ 108,893,903</u>

See accompanying Notes to Financial Statements.

**CITY OF EL SEGUNDO
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024**

Functions/Programs	Expenses	Program Revenues			Total Program Revenues
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	
GOVERNMENTAL ACTIVITIES					
General Government	\$ 23,086,066	\$ 309,935	\$ 3,802	\$ -	\$ 313,737
Public Safety	55,541,234	1,884,306	327,299	249,944	2,461,549
Public Works	13,742,118	73,572	1,618,300	5,098,237	6,790,109
Community and Cultural	12,118,350	8,253,835	1,237,513	1,026,713	10,518,061
Interest on Long-Term Debt	3,467,026	-	-	-	-
Total Governmental Activities	<u>107,954,794</u>	<u>10,521,648</u>	<u>3,186,914</u>	<u>6,374,894</u>	<u>20,083,456</u>
BUSINESS-TYPE ACTIVITIES					
Water	31,418,553	36,062,306	-	-	36,062,306
Sewer	5,090,243	6,132,995	-	-	6,132,995
El Segundo Senior Citizen Housing Corp.	764,075	965,417	-	-	965,417
Total Business-Type Activities	<u>37,272,871</u>	<u>43,160,718</u>	<u>-</u>	<u>-</u>	<u>43,160,718</u>
 Total Primary Government	 <u>\$ 145,227,665</u>	 <u>\$ 53,682,366</u>	 <u>\$ 3,186,914</u>	 <u>\$ 6,374,894</u>	 <u>\$ 63,244,174</u>

See accompanying Notes to Financial Statements.

**CITY OF EL SEGUNDO
STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED JUNE 30, 2024**

Functions/Programs	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
GOVERNMENTAL ACTIVITIES			
General Government	\$ (22,772,329)	\$ -	\$ (22,772,329)
Public Safety	(53,079,685)	-	(53,079,685)
Public Works	(6,952,009)	-	(6,952,009)
Community and Cultural	(1,600,289)	-	(1,600,289)
Interest on Long-Term Debt	(3,467,026)	-	(3,467,026)
Total Governmental Activities	(87,871,338)	-	(87,871,338)
BUSINESS-TYPE ACTIVITIES			
Water	-	4,643,753	4,643,753
Sewer	-	1,042,752	1,042,752
El Segundo Senior Citizen Housing Corp.	-	201,342	201,342
Total Business-Type Activities	-	5,887,847	5,887,847
Total Primary Government	(87,871,338)	5,887,847	(81,983,491)
GENERAL REVENUES AND TRANSFERS			
Taxes:			
Property Taxes, Levied for General Purpose	11,646,066	-	11,646,066
Transient Occupancy Taxes	14,343,804	-	14,343,804
Sales Taxes	17,436,292	-	17,436,292
Utility User Taxes	9,110,254	-	9,110,254
Franchise Taxes	6,637,891	-	6,637,891
Business Licenses Taxes	14,071,956	-	14,071,956
Other Taxes	5,249,944	-	5,249,944
Total Taxes	78,496,207	-	78,496,207
Intergovernmental -Motor Vehicle In Lieu	2,302,513	-	2,302,513
Use of Money and Property, Unrestricted	8,809,978	1,295,711	10,105,689
Other	4,053,680	-	4,053,680
Transfers	(147,183)	147,183	-
Total General Revenues and Transfers	93,515,195	1,442,894	94,958,089
CHANGE IN NET POSITION	5,643,857	7,330,741	12,974,598
Net Position - Beginning of Year	26,341,842	69,577,463	95,919,305
NET POSITION - END OF YEAR	<u>\$ 31,985,699</u>	<u>\$ 76,908,204</u>	<u>\$ 108,893,903</u>

See accompanying Notes to Financial Statements.

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FUND FINANCIAL STATEMENTS

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GOVERNMENTAL FUNDS FINANCIAL STATEMENTS

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

Pension Obligation Bonds Debt Service Fund – Accounts for the payments of interest and principal of the pension obligation bonds.

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

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

**CITY OF EL SEGUNDO
BALANCE SHEET – GOVERNMENTAL FUNDS
JUNE 30, 2024**

ASSETS	<u>General</u>	<u>Pension Obligation Bonds Debt Service Fund</u>	<u>Capital Improvement Capital Projects Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Cash and Investments	\$ 41,098,215	\$ -	\$ 24,676,953	\$ 16,259,157	\$ 82,034,325
Restricted Cash and Investments	5,915,375	8,037,527	-	-	13,952,902
Receivables:					
Taxes	6,839,222	-	-	-	6,839,222
Accounts	689,968	-	-	22,600	712,568
Interest	1,141,467	-	-	-	1,141,467
Notes and Loans	-	-	-	49,405	49,405
Leases	64,893,961	-	-	-	64,893,961
Public-Private Partnership	764,150	-	-	-	764,150
Due from Other Funds	3,697,684	-	-	-	3,697,684
Due from Other Governments	203,866	-	-	4,444,609	4,648,475
Inventories	163,403	-	-	-	163,403
Prepays	140,778	-	-	-	140,778
Advances to Other Funds	4,729,994	-	-	-	4,729,994
Total Assets	<u>\$ 130,278,083</u>	<u>\$ 8,037,527</u>	<u>\$ 24,676,953</u>	<u>\$ 20,775,771</u>	<u>\$ 183,768,334</u>
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 2,295,249	\$ -	\$ 453,305	\$ 1,209,254	\$ 3,957,808
Accrued Liabilities	2,619,276	-	-	31,994	2,651,270
Retentions Payable	25,774	-	34,468	14,922	75,164
Due to Other Funds	-	-	-	3,697,684	3,697,684
Unearned Revenue	121,941	-	-	-	121,941
Deposits Payable	344,198	-	-	33,909	378,107
Advances From Other Funds	5,330,745	-	4,729,994	-	10,060,739
Total Liabilities	<u>10,737,183</u>	<u>-</u>	<u>5,217,767</u>	<u>4,987,763</u>	<u>20,942,713</u>
 DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenues	127,190	-	-	4,147,312	4,274,502
Related to Leases	64,893,961	-	-	-	64,893,961
Related to Public-Private Partnership	764,150	-	-	-	764,150
Total Deferred Inflows of Resources	<u>65,785,301</u>	<u>-</u>	<u>-</u>	<u>4,147,312</u>	<u>69,932,613</u>
 FUND BALANCES					
Nonspendable	5,034,175	-	-	-	5,034,175
Restricted	6,015,744	8,037,527	-	16,179,901	30,233,172
Assigned	2,003,919	-	19,459,186	-	21,463,105
Unassigned (Deficit)	40,701,761	-	-	(4,539,205)	36,162,556
Total Fund Balances	<u>53,755,599</u>	<u>8,037,527</u>	<u>19,459,186</u>	<u>11,640,696</u>	<u>92,893,008</u>
 Total Liabilities, Deferred Inflows of Resources, and Fund Balances	 <u>\$ 130,278,083</u>	 <u>\$ 8,037,527</u>	 <u>\$ 24,676,953</u>	 <u>\$ 20,775,771</u>	 <u>\$ 183,768,334</u>

See accompanying Notes to Financial Statements.

**CITY OF EL SEGUNDO
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION
JUNE 30, 2024**

Total Fund Balances -Total Governmental Funds \$ 92,893,008

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

Capital assets used in governmental activities are not financial resources and are not reported in the funds:

Amount Reported in Government-Wide Statement of Position:

Capital Assets, Nondepreciable	46,102,873
Capital Assets, Depreciable, Net (Net of \$3,667,895 reported in ISF)	68,295,150

Interest is recognized when due and, therefore, interest payable is not reported in the governmental funds.	(1,524,653)
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Long-term liabilities were not due and payable in the current period. Therefore, they were not reported in the Governmental Funds' Balance Sheet.

Finance Purchase and Loan Obligations	(6,928,020)
Pension Obligation Bonds	(127,196,958)
Leases Payable	(77,040)
Subscriptions Payable	(881,092)
Compensated Absences	(4,923,712)

Pension and OPEB related liabilities applicable to the City's governmental activities are not due and payable in the current period and, therefore, are not reported in the governmental funds. Deferred outflows of resources and deferred inflows of resources related to pension and OPEB are only reported in the government-wide financial statements.

Deferred Outflows of Resources Related to Pensions (Net of \$188,500 reported in ISF.)	54,845,914
Deferred Inflows of Resources Related to Pensions (Net of \$0 reported in ISF.)	(31,851,954)
Aggregate Net Pension Liability (Net of \$270,808 reported in ISF.)	(36,057,604)
Deferred Outflows of Resources Related to OPEB (Net of \$10,785 reported in ISF.)	2,197,787
Deferred Inflows of Resources Related to OPEB (Net of \$3,926 reported in ISF.)	(799,887)
Net OPEB Liability (Net of \$147,133 reported in ISF.)	(29,982,667)

Deferred inflows of resources related to right-to-use PPP assets are not reported in the governmental funds, but are reported in government-wide financial statements.	(6,177,255)
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Internal service funds are used by management to charge the costs of equipment replacement, general liability, and workers' compensation to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Government-Wide Statement of Net Position.

9,777,307

Net Position of Governmental Activities **\$ 31,985,699**

CITY OF EL SEGUNDO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

	General	Pension Obligation Bonds Debt Service Fund	Capital Improvement Capital Projects Fund	Nonmajor Governmental Funds	Total
REVENUES					
Taxes	\$ 64,404,087	\$ -	\$ -	\$ 39,994	\$ 64,444,081
Licenses and Permits	17,109,023	-	-	85,384	17,194,407
Intergovernmental	2,302,513	-	-	3,691,259	5,993,772
Charges for Services	5,611,405	-	-	1,121,814	6,733,219
Use of Money and Property	8,723,431	-	-	389,185	9,112,616
Fines and Forfeitures	382,947	-	-	36,685	419,632
Developer Fees	-	-	-	518,448	518,448
Miscellaneous	3,649,666	-	-	1,076,701	4,726,367
Total Revenues	<u>102,183,072</u>	<u>-</u>	<u>-</u>	<u>6,959,470</u>	<u>109,142,542</u>
EXPENDITURES					
Current:					
General Government	20,682,719	-	-	16,492	20,699,211
Public Safety	36,275,581	-	-	369,639	36,645,220
Public Works	8,470,010	-	-	407,444	8,877,454
Community and Cultural	8,581,615	-	-	2,074,160	10,655,775
Capital Outlay	1,310,687	-	1,829,071	10,201,140	13,340,898
Debt Service:					
Principal Retirement	775,966	6,546,420	-	354,876	7,677,262
Interest	135,521	2,939,130	-	152,693	3,227,344
Total Expenditures	<u>76,232,099</u>	<u>9,485,550</u>	<u>1,829,071</u>	<u>13,576,444</u>	<u>101,123,164</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	25,950,973	(9,485,550)	(1,829,071)	(6,616,974)	8,019,378
OTHER FINANCING SOURCES (USES)					
Subscription and Lease Payable Issuance	741,890	-	-	-	741,890
Transfers In	1,050,500	9,497,707	15,433,230	448,504	26,429,941
Transfers Out	(22,634,454)	-	-	(4,351,231)	(26,985,685)
Total Other Financing Sources (Uses)	<u>(20,842,064)</u>	<u>9,497,707</u>	<u>15,433,230</u>	<u>(3,902,727)</u>	<u>186,146</u>
NET CHANGE IN FUND BALANCES	5,108,909	12,157	13,604,159	(10,519,701)	8,205,524
Fund Balances - Beginning of Year,					
As Originally Reported	48,646,690	8,025,370	-	28,015,424	84,687,484
Adjustment	<u>-</u>	<u>-</u>	<u>5,855,027</u>	<u>(5,855,027)</u>	<u>-</u>
Fund Balances - Beginning of Year, As Adjusted	<u>48,646,690</u>	<u>8,025,370</u>	<u>5,855,027</u>	<u>22,160,397</u>	<u>84,687,484</u>
FUND BALANCES - END OF YEAR	<u>\$ 53,755,599</u>	<u>\$ 8,037,527</u>	<u>\$ 19,459,186</u>	<u>\$ 11,640,696</u>	<u>\$ 92,893,008</u>

See accompanying Notes to Financial Statements.

**CITY OF EL SEGUNDO
RECONCILIATION OF THE GOVERNMENT FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE GOVERNMENT-WIDE
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2024**

Net Change in Fund Balances - Total Governmental Funds \$ 8,205,524

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

Acquisition of capital assets was reported as expenditures in the governmental funds. However, in the Government-Wide Statement of Activities, the cost of those assets was allocated over the estimated useful lives as depreciation/amortization expense. The following is the amount by which capital outlays exceeded depreciation in the current period:

Capital Outlay	11,761,316
Depreciation/Amortization (Net of \$497,251 reported in ISF)	(4,958,202)

Long-term compensated absences expense was reported in the Government-Wide Statement of Activities, but it did not require the use of current financial resources. Therefore, the change in long-term compensated absences was not reported in the governmental funds. (224,704)

OPEB and pension expenses were reported in the Government-Wide Statement of Activities, but it did not require the use of current financial resources. Therefore, the increase in OPEB liability and net pension liabilities were not reported as an expenditure in the governmental funds.

OPEB credit (expense) net of reporting contribution made after measurement date reported in deferred outflows of resources in the Government-Wide Statement of Net Position, but reported as OPEB expense in the governmental fund.	890,196
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Pension credit (expense) net of reporting contribution made after measurement date reported in deferred outflows of resources in the Government-Wide Statement of Net Position, but reported as pension expense in the governmental fund.	(25,038,189)
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Proceeds from long-term debt provided current financial resources to governmental funds, but issuing debt increased long-term liabilities in the Government-Wide Statement of Net Position. Principal repayment was an expenditure in the governmental funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of Net Position.

Subscription and Lease Payable Issuance	(741,890)
Principal Repayments of Long-Term Debt	7,677,262
Interest Accrual on Long-Term Debt	(239,682)

Amortization of deferred inflows of resources related to the right-to-use PPP assets.	328,790
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Certain revenues in the governmental funds are unavailable if they are not collected within the prescribed time period after year-end. Those revenues are recognized on the accrual basis in the Government-Wide Statements. 4,274,502

Internal service funds were used by management to charge the costs of certain activities, such as equipment replacement and insurance, to individual funds. The net revenue of the internal service funds was reported with governmental activities.	3,708,934
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Change in Net Position of Governmental Activities	\$ 5,643,857
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PROPRIETARY FUNDS FINANCIAL STATEMENTS

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

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

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

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

CITY OF EL SEGUNDO
STATEMENT OF NET POSITION – PROPRIETARY FUNDS
JUNE 30, 2024

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	El Segundo Senior Citizen Housing Corporation December 31, 2023	Nonmajor Enterprise Funds Business-Type Activities - Enterprise Funds Total
ASSETS				
Current Assets:				
Cash and Investments	\$ 47,569,441	\$ 7,277,011	\$ 1,963,849	\$ 56,810,301
Accounts Receivable	6,969,670	968,227	-	7,937,897
Inventories	26,964	-	-	26,964
Prepays	-	-	53,269	53,269
Total Current Assets	<u>54,566,075</u>	<u>8,245,238</u>	<u>2,017,118</u>	<u>64,828,431</u>
Noncurrent Assets:				
Advances to Other Funds	-	-	-	-
Restricted Cash and Investments	140,516	90,922	-	231,438
Capital Assets, Not Being Depreciated/Amortized	840,954	1,104,881	-	1,945,835
Capital Assets, Net of Depreciation/Amortization	<u>12,002,290</u>	<u>10,279,871</u>	<u>335,085</u>	<u>22,617,246</u>
Total Noncurrent Assets	<u>12,983,760</u>	<u>11,475,674</u>	<u>335,085</u>	<u>24,794,519</u>
Total Assets	67,549,835	19,720,912	2,352,203	89,622,950
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows of Resources Related to Pension	720,723	513,693	-	1,234,416
Deferred Outflows of Resources Related to OPEB	<u>64,368</u>	<u>49,936</u>	-	<u>114,304</u>
Total Deferred Outflows of Resources	785,091	563,629	-	1,348,720

See accompanying Notes to Financial Statements.

CITY OF EL SEGUNDO
STATEMENT OF NET POSITION – PROPRIETARY FUNDS (CONTINUED)
JUNE 30, 2024

	Governmental Activities - Internal Service Funds
ASSETS	
Current Assets:	
Cash and Investments	\$ 21,169,497
Accounts Receivable	262,146
Inventories	-
Prepays	-
Total Current Assets	21,431,643
Noncurrent Assets:	
Advances to Other Funds	5,330,745
Restricted Cash and Investments	-
Capital Assets, Not Being Depreciated/Amortized	-
Capital Assets, Net of Depreciation/Amortization	3,667,895
Total Noncurrent Assets	8,998,640
Total Assets	30,430,283
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows of Resources Related to Pension	188,500
Deferred Outflows of Resources Related to OPEB	10,785
Total Deferred Outflows of Resources	199,285

See accompanying Notes to Financial Statements.

CITY OF EL SEGUNDO
STATEMENT OF NET POSITION – PROPRIETARY FUNDS (CONTINUED)
JUNE 30, 2024

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Nonmajor Enterprise Funds El Segundo Senior Citizen Housing Corporation December 31, 2023	Business-Type Activities - Enterprise Funds Total
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 6,567,667	\$ 307,287	\$ 11,000	\$ 6,885,954
Accrued Liabilities	93,992	65,266	-	159,258
Retentions Payable	40,027	49,438	-	89,465
Unearned Revenue	-	-	6,402	6,402
Deposits Payable	159,647	-	74,933	234,580
Claims and Judgments, Current Portion	-	-	-	-
Compensated Absences, Current Portion	66,972	9,237	-	76,209
Note Payable, Current Portion	-	120,628	-	120,628
Pension Obligation Bonds, Current Portion	114,920	74,360	-	189,280
Total Current Liabilities	<u>7,043,225</u>	<u>626,216</u>	<u>92,335</u>	<u>7,761,776</u>
Noncurrent Liabilities:				
Advances from Other Funds	-	-	-	-
Claims and Judgments	-	-	-	-
Compensated Absence	83,317	16,941	-	100,258
Note Payable	-	400,067	-	400,067
Pension Bonds Payable	2,165,383	1,313,379	-	3,478,762
Aggregate Net Pension Liability	1,035,421	737,992	-	1,773,413
Net Other Postemployment Benefit Liability	878,114	681,237	-	1,559,351
Total Noncurrent Liabilities	<u>4,162,235</u>	<u>3,149,616</u>	<u>-</u>	<u>7,311,851</u>
Total Liabilities	11,205,460	3,775,832	92,335	15,073,627
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows of Resources Related to OPEB	23,427	18,174	-	41,601
Total Deferred Inflows of Resources	<u>23,427</u>	<u>18,174</u>	<u>-</u>	<u>41,601</u>
NET POSITION				
Net Investment in Capital Assets	11,984,720	10,539,782	335,085	22,859,587
Unrestricted (Deficit)	45,121,319	5,950,753	1,924,783	52,996,855
Total Net Position	<u>\$ 57,106,039</u>	<u>\$ 16,490,535</u>	<u>\$ 2,259,868</u>	<u>75,856,442</u>
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds				1,051,762
Net Position of Business-Type Activity				<u>\$ 76,908,204</u>

See accompanying Notes to Financial Statements.

CITY OF EL SEGUNDO
STATEMENT OF NET POSITION – PROPRIETARY FUNDS (CONTINUED)
JUNE 30, 2024

	Governmental Activities - Internal Service Funds
LIABILITIES	
Current Liabilities:	
Accounts Payable	\$ 314,632
Accrued Liabilities	-
Retentions Payable	-
Unearned Revenue	-
Deposits Payable	-
Claims and Judgments, Current Portion	4,307,923
Compensated Absences, Current Portion	-
Leases Payable, Current Portion	-
Pension Obligation Bonds, Current Portion	-
Total Current Liabilities	4,622,555
Noncurrent Liabilities:	
Advances from Other Funds	-
Claims and Judgments	14,756,077
Compensated Absence	-
Leases Payable	-
Pension Bonds Payable	-
Aggregate Net Pension Liability	270,808
Net Other Postemployment Benefit Liability	147,133
Total Noncurrent Liabilities	15,174,018
Total Liabilities	19,796,573
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows of Resources Related to OPEB	3,926
Total Deferred Inflows of Resources	3,926
NET POSITION	
Net Investment in Capital Assets	3,566,503
Unrestricted (Deficit)	7,262,566
Total Net Position	\$ 10,829,069

See accompanying Notes to Financial Statements.

CITY OF EL SEGUNDO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION – PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2024

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Nonmajor Enterprise Funds El Segundo Senior Citizen Housing Corporation December 31, 2023	Business-Type Activities - Enterprise Funds Total
OPERATING REVENUES				
Sales and Service Charges	\$ 36,036,885	\$ 6,132,995	\$ 935,427	\$ 43,105,307
Interdepartmental Charges	-	-	-	-
Miscellaneous	25,421	-	29,990	55,411
Total Operating Revenues	<u>36,062,306</u>	<u>6,132,995</u>	<u>965,417</u>	<u>43,160,718</u>
OPERATING EXPENSES				
Personnel Services	2,154,346	1,195,714	-	3,350,060
Materials and Supplies	147,383	155,767	-	303,150
Purchased Water/Utilities	26,595,469	-	135,518	26,730,987
Insurance and Claims	1,000,000	500,000	85,045	1,585,045
Contractual Services	186,085	2,020,949	186,000	2,393,034
Repairs and Maintenance	275,490	318,474	246,674	840,638
Administrative Cost	1,423,750	742,340	74,546	2,240,636
Depreciation/Amortization	266,693	482,717	36,292	785,702
Total Operating Expenses	<u>32,049,216</u>	<u>5,415,961</u>	<u>764,075</u>	<u>38,229,252</u>
OPERATING INCOME (LOSS)	4,013,090	717,034	201,342	4,931,466
NONOPERATING REVENUES (EXPENSES)				
Interest Revenue	1,053,077	180,335	62,299	1,295,711
Interest Expense	(51,192)	(44,189)	-	(95,381)
Total Nonoperating Revenues (Expenses)	<u>1,001,885</u>	<u>136,146</u>	<u>62,299</u>	<u>1,200,330</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	5,014,975	853,180	263,641	6,131,796
TRANSFERS				
Transfers In	-	147,183	-	147,183
Transfers Out	-	-	-	-
Total Transfers	<u>-</u>	<u>147,183</u>	<u>-</u>	<u>147,183</u>
CHANGES IN NET POSITION	5,014,975	1,000,363	263,641	6,278,979
Net Position - Beginning of Year	<u>52,091,064</u>	<u>15,490,172</u>	<u>1,996,227</u>	<u>69,577,463</u>
NET POSITION - END OF YEAR	<u>\$ 57,106,039</u>	<u>\$ 16,490,535</u>	<u>\$ 2,259,868</u>	<u>\$ 75,856,442</u>
ADJUSTMENT TO REFLECT THE CONSOLIDATION OF INTERNAL SERVICE FUND ACTIVITIES RELATED TO ENTERPRISE FUND				\$ 1,051,762
CHANGE IN NET POSITION - ENTERPRISE FUND				<u>6,278,979</u>
CHANGE IN NET POSITION OF BUSINESS-TYPE ACTIVITY				<u>\$ 7,330,741</u>

See accompanying Notes to Financial Statements.

CITY OF EL SEGUNDO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION – PROPRIETARY FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2024

	Governmental Activities - Internal Service Funds
OPERATING REVENUES	
Sales and Service Charges	\$ -
Interdepartmental Charges	8,559,994
Miscellaneous	462,609
Total Operating Revenues	9,022,603
OPERATING EXPENSES	
Personnel Services	297,089
Materials and Supplies	78,801
Purchased Water/Utilities	-
Insurance and Claims	3,797,327
Contractual Services	-
Repairs and Maintenance	-
Administrative Cost	-
Depreciation/Amortization	497,251
Total Operating Expenses	4,670,468
OPERATING INCOME (LOSS)	4,352,135
NONOPERATING REVENUES (EXPENSES)	
Interest Revenue	-
Interest Expense	-
Total Nonoperating Revenues (Expenses)	-
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	4,352,135
TRANSFERS	
Transfers In	555,744
Transfers Out	(147,183)
Total Transfers	408,561
CHANGES IN NET POSITION	4,760,696
Net Position - Beginning of Year	6,068,373
NET POSITION - END OF YEAR	\$ 10,829,069

See accompanying Notes to Financial Statements.

CITY OF EL SEGUNDO
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2024

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Nonmajor Enterprise Funds El Segundo Senior Citizen Housing Corporation December 31, 2023	Business-Type Activities - Enterprise Funds Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	\$ 34,836,667	\$ 6,038,986	\$ 967,435	\$ 41,843,088
Payments for Insurance Claims	-	-	-	-
Payments to Suppliers	(28,144,602)	(3,767,487)	(728,722)	(32,640,811)
Payments to Employees	(1,783,362)	(999,873)	-	(2,783,235)
Net Cash Provided by Operating Activities	4,908,703	1,271,626	238,713	6,419,042
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash Receipts from Other Funds	-	147,183	-	147,183
Cash Receipts Payments to Other Funds	-	-	-	-
Repayments of Bonds Payable	(114,496)	(74,085)	-	(188,581)
Interest Expense	(51,192)	(44,189)	-	(95,381)
Net Cash Provided (Used) by Noncapital Financing Activities	(165,688)	28,909	-	(136,779)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	(66,006)	(1,497,924)	(17,585)	(1,581,515)
Proceeds From Issuance of Notes Payable	-	667,878	-	667,878
Repayments of Notes Payable	-	(147,183)	-	(147,183)
Net Cash Used by Capital and Related Financing Activities	(66,006)	(977,229)	(17,585)	(1,060,820)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	1,053,077	180,335	62,299	1,295,711
Net Cash Provided by Investing Activities	1,053,077	180,335	62,299	1,295,711
NET CHANGE IN CASH AND CASH EQUIVALENTS	5,730,086	503,641	283,427	6,517,154
Cash and Cash Equivalents - Beginning of Year	41,979,871	6,864,292	1,680,422	50,524,585
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 47,709,957</u>	<u>\$ 7,367,933</u>	<u>\$ 1,963,849</u>	<u>\$ 57,041,739</u>
CASH AND CASH EQUIVALENTS				
Cash and Investments	\$ 47,569,441	\$ 7,277,011	\$ 1,963,849	\$ 56,810,301
Restricted Cash	140,516	90,922	-	231,438
	<u>\$ 47,709,957</u>	<u>\$ 7,367,933</u>	<u>\$ 1,963,849</u>	<u>\$ 57,041,739</u>

See accompanying Notes to Financial Statements.

**CITY OF EL SEGUNDO
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Customers and Users	\$ 8,760,457
Payments for Insurance Claims	(5,086,875)
Payments to Suppliers	(47,168)
Payments to Employees	(208,424)
Net Cash Provided by Operating Activities	<u>3,417,990</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Cash Receipts from Other Funds	802,909
Cash Receipts Payments to Other Funds	(147,183)
Repayments of Bonds Payable	-
Interest Expense	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>655,726</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition and Construction of Capital Assets	(1,104,398)
Proceeds From Issuance of Notes Payable	-
Repayments of Notes Payable	-
Net Cash Used by Capital and Related Financing Activities	<u>(1,104,398)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	-
Net Cash Provided by Investing Activities	<u>-</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	2,969,318
Cash and Cash Equivalents - Beginning of Year	<u>18,200,179</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 21,169,497</u>
CASH AND CASH EQUIVALENTS	
Cash and Investments	\$ 21,169,497
Restricted Cash	-
	<u>\$ 21,169,497</u>

See accompanying Notes to Financial Statements.

CITY OF EL SEGUNDO
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2024

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Nonmajor Enterprise Funds El Segundo Senior Citizen Housing Corporation December 31, 2023	Business-Type Activities - Enterprise Funds Total
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ 4,013,090	\$ 717,034	\$ 201,342	\$ 4,931,466
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:				
Depreciation/Amortization	266,693	482,717	36,292	785,702
(Increase) Decrease in:				
Accounts Receivable	(1,225,639)	(94,009)	4,000	(1,315,648)
Inventory	9,315	-	-	9,315
Prepaid Items	-	-	(11,506)	(11,506)
Deferred Outflows of Resources - Pension	112,725	21,362	-	134,087
Deferred Outflows of Resources - OPEB	27,535	(12,690)	-	14,845
Increase (Decrease) in:				
Accounts Payable	1,388,598	(102,459)	4,856	1,290,995
Accrued Liabilities	20,203	23,064	-	43,267
Retentions Payable	40,027	49,438	-	89,465
Unearned Revenue	-	-	(1,982)	(1,982)
Deposits Payable	25,432	-	5,711	31,143
Claims and Judgements	-	-	-	-
Compensated Absences Payable	43,905	(31,347)	-	12,558
Net Pension Liability	240,426	260,105	-	500,531
Net Other Postemployment Liability	(6,388)	(4,956)	-	(11,344)
Deferred Inflows of Resources - Pension	-	(36,633)	-	(36,633)
Deferred Inflows of Resources - OPEB	(47,219)	-	-	(47,219)
Total Adjustments	<u>895,613</u>	<u>554,592</u>	<u>37,371</u>	<u>1,487,576</u>
Net Cash Provided by Operating Activities	<u>\$ 4,908,703</u>	<u>\$ 1,271,626</u>	<u>\$ 238,713</u>	<u>\$ 6,419,042</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Capital Assets in Accounts Payable	<u>\$ 800,545</u>	<u>\$ 274,836</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**CITY OF EL SEGUNDO
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

	Governmental Activities - Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating Income (Loss)	\$ 4,352,135
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:	
Depreciation/Amortization	497,251
(Increase) Decrease in:	
Accounts Receivable	(262,146)
Inventory	-
Prepaid Items	-
Deferred Outflows of Resources - Pension	43,975
Deferred Outflows of Resources - OPEB	4,614
Increase (Decrease) in:	
Accounts Payable	279,308
Accrued Liabilities	(11,223)
Retentions Payable	-
Unearned Revenue	-
Deposits Payable	-
Claims and Judgements	(1,526,000)
Compensated Absences Payable	-
Net Pension Liability	49,058
Net Other Postemployment Liability	(1,071)
Deferred Inflows of Resources - Pension	-
Deferred Inflows of Resources - OPEB	(7,911)
Total Adjustments	(934,145)
Net Cash Provided by Operating Activities	<u>\$ 3,417,990</u>
 NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES	
Capital Assets in Accounts Payable	<u>\$ 101,392</u>

See accompanying Notes to Financial Statements.

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NOTES TO THE FINANCIAL STATEMENTS

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**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Financial Reporting Entity

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

Blended Component Unit

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

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

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

Basis of Accounting and Measurement Focus

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. City resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The statement of net position reports separate sections for Deferred Outflows of Resources and Deferred Inflows of Resources, when applicable.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

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

Basis of Accounting and Measurement Focus (Continued)

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

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

Government–Wide Financial Statements

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

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

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

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

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

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

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

Basis of Accounting and Measurement Focus (Continued)

Governmental Fund Financial Statements

All governmental funds are accounted for on a spending, or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the balance sheet. The statement of revenues, expenditures, and changes in fund balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balances. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

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

Reconciliations of the fund financial statements to the government-wide financial statements are provided to explain the differences. Certain indirect costs are included as part of the program expenses reported for individual functions and activities.

The City’s fund structure includes the following fund types:

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

The City reports the following major governmental fund:

- General Fund – The General Fund is used to account for and report all financial resources not accounted for and reported in another fund.
- Pension Obligation Bonds Debt Service Fund – Accounts for the payments of interest and principal of the pension obligation bonds.
- Capital Improvement Capital Projects Fund – Accounts for construction of capital facilities typically financed by the City’s General Fund and any grant not accounted for in a special revenue fund.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

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

Basis of Accounting and Measurement Focus (Continued)

Proprietary Fund Financial Statements

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

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

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

The City reports the following proprietary funds:

Enterprise Funds

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

Internal Service Funds

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

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

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

Cash and Investments

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

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

Fair Value Measurement

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

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

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

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

Interfund Transactions

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

Inventories and Prepaid Items

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

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

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

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

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

Capital Assets

In the government-wide financial statements, capital assets are recorded at cost where historical records are available and at an estimated original cost where no historical records exist. Donated capital assets are valued at their acquisition value. City policy has set the capitalization threshold for reporting capital assets at \$5,000.

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

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

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

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

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Subscription assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. Subscription assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

Compensated Absences

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

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

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

Compensated Absences (Continued)

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

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans (Note 10). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

The following timeframes are used for pension reporting:

CalPERS

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Measurement Period	July 1, 2022 to June 30, 2023

PARS

Valuation Date	June 30, 2022
Measurement Date	September 30, 2023
Measurement Period	October 1, 2022 to September 30, 2023

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

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

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

Other Postemployment Benefits (OPEB) Plan

For the purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's OPEB Plan and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan (Note 11). For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments, which are reported at amortized cost.

The following timeframes are used for reported OPEB reporting:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Measurement Period	July 1, 2023 to June 30, 2024

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

Claims Payable

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

Long-Term Debt

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

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

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

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

Property Taxes

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

Net Position and Fund Balances

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

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

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

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

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

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

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

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

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

Net Position and Fund Balances (Continued)

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

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

Unassigned – This amount is for any portion of the fund balances that do not fall into one of the above categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund. The General Fund has established a target fund balance of a minimum of 25% of General Fund expenditures each fiscal year in addition to maintaining a \$2,000,000 fund balance for economic uncertainty.

Spending Policy

Government-Wide Financial Statements and the Proprietary Fund Financial Statements

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

Governmental Fund Financial Statements

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

- Restricted
- Committed
- Assigned
- Unassigned

Use of Estimates

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

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 BUDGETARY COMPLIANCE AND DEFICIT FUND BALANCES

Excess of Expenditures Over Appropriations

The following funds had expenditures in excess of appropriations:

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Excess of Expenditures Over Appropriations</u>
Major Governmental Funds:			
General Fund			
General Government:			
City Attorney	\$ 835,450	\$ 892,398	\$ (56,948)
Nondepartmental	7,935,201	8,634,526	(699,325)
Public Safety:			
Police	19,364,059	19,463,754	(99,695)
Capital Outlay	569,190	1,310,687	(741,497)
Debt Service:			
Principal Retirement	-	775,966	(775,966)
Interest	-	135,521	(135,521)
Pension Obligation Bonds			
Debt Service Fund			
Debt Service:			
Interest	2,926,986	2,939,130	(12,144)
Nonmajor Governmental Funds:			
Certified Union Program Agencies			
Special Revenue Fund			
Community and Cultural	537,828	569,658	(31,830)
Prop A Special Revenue Fund			
Community and Cultural	1,103,273	1,109,641	(6,368)
State Grants Special Revenue Fund			
Community and Cultural	43,086	46,315	(3,229)
PSAF Property Tax Public Safety			
Special Revenue Fund			
Public Safety	75,000	75,309	(309)
Senior Housing Special Revenue Fund			
Community and Cultural	8,981	11,743	(2,762)
SB 1 Special Revenue Fund			
Capital Outlay	800,000	802,743	(2,743)
Facility Loan Debt Service Fund			
General Government	-	16,492	(16,492)

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 BUDGETARY COMPLIANCE AND DEFICIT FUND BALANCES (CONTINUED)

Deficit Fund Balances and Net Positions

Funds with deficit fund balances and net position at June 30, 2024 are as follows:

	Deficit
Proc C Special Revenue Fund	\$ 1,099,405
State and County Grants Special Revenue Fund	384,348
Measure M Special Revenue Fund	3,055,452
Liability Insurance Internal Service Fund	4,602,068
Workers' Compensation Internal Service Fund	3,120,898

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

For the year ended June 30, 2024, the Governmental Activities of the City reported a deficit unrestricted net position of \$(105,794,104). This deficit is largely a result of the implementation of GASB Statement No. 68 in 2015 and GASB Statement No. 75 in 2018 that required the City to report aggregate net pension liabilities and net OPEB liability on the financial statements. At June 30, 2024, the City has an aggregate net pension liability and a net OPEB liability of \$36,328,412 and \$30,129,800, respectively, that is payable from Governmental Activities.

NOTE 3 CASH AND INVESTMENTS

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

Primary Government

Cash and investments as of June 30, 2024 are classified in the accompanying financial statements as follows:

	Government-Wide Statement of Net Position		
	Governmental Activities	Business-Type Activities	Total
Cash and Investments	\$ 103,203,822	\$ 56,810,301	\$ 160,014,123
Restricted Cash and Investments	13,952,902	231,438	14,184,340
Total Cash and Investments	\$ 117,156,724	\$ 57,041,739	\$ 174,198,463

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Primary Government (Continued)

Cash and investments, excluding cash held by the El Segundo Senior Citizen Housing Corporation, as of June 30, 2024 consist of the following:

Cash and Cash Equivalents:	
Petty Cash	\$ 15,054
Demand Deposits	8,211,502
Total Cash and Cash Equivalents	<u>8,226,556</u>
Investments:	
CAMP	17,982,202
CalTrust	10,354,937
Corporate Notes	22,554,395
Negotiable Certificates of Deposit	39,614,361
Local Agency Investment Fund	43,332
State Obligations	1,486,070
U.S. Treasury Bills	57,049,560
U.S. Government Sponsored Enterprise Securities	1,973,650
Section 115 Pension Trust	5,915,375
Held by Bond Trustee:	
Money Market Mutual Funds	8,268,965
Total Investments	<u>165,242,847</u>
Total Cash and Investments	<u><u>\$ 173,469,403</u></u>

Blended Component Unit

Cash and investments held by the El Segundo Senior Citizen Housing Corporation as of December 31, 2023 consist of the following:

Deposits with Financial Institutions	\$ 729,060
Investments held by the City, part of investments disclosed above	1,234,789
Total Cash and Investments	<u><u>\$ 1,963,849</u></u>

Deposits

The carrying amounts of the City's demand deposits were \$8,214,327 at June 30, 2024. Bank balances at that date were \$8,014,764, the total amount of which was collateralized or insured with accounts held by the pledging financial institutions in the City's name as discussed below.

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

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Deposits (Continued)

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

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

Investments Authorized by the City's Investment Policy

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

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio *</u>	<u>Maximum Investment in One Issuer</u>
United States Treasury Obligations	5 Years	No Limit	No Limit
U.S. Government Sponsored Enterprise Securities	5 Years	No Limit	No Limit
State and Local Agency Bonds	5 Years	No Limit	1%
Negotiable Certificates of Deposit	5 Years	30%	\$250K
Local Agency Investment Fund (LAIF)	N/A	No Limit	\$75M
Nonnegotiable Certificates of Deposits	5 Years	No Limit	\$250K
Medium-Term Notes	5 Years	30%	1%
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Supranational Obligations	5 Years	30%	1%
County Pooled Investment Funds	N/A	No Limit	50%
Joint Powers Authority Pool	N/A	No Limit	50%

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

Investment in State Investment Pool

The City is a participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the state of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's prorata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Investments Authorized by the City's Investment Policy (Continued)

Investment in Section 115 Pension Trust

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

Investment in California Asset Management Program (CAMP)

The City is a voluntary participant in the California Asset Management Program (CAMP) that is regulated by the California Government Code. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro rata share of the fair value provided by CAMP for the entire CAMP portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by CAMP, which are recorded on an amortized cost basis.

Fair Value Measurement

As of June 30, 2024, investments are reported at fair value. The following table presents the fair value measurements of investments on a recurring basis and the levels with GASB 72 fair value hierarchy in which the fair value measurements fall at June 30, 2024:

Investment Type	Measurement Input		
	Significant Other Observable Inputs (Level 2)	Uncategorized	Total
	CAMP	\$ -	\$ 17,982,202
CalTrust	-	10,354,937	10,354,937
Corporate Notes ⁽¹⁾	22,554,395	-	22,554,395
Negotiable CDs ⁽¹⁾	39,614,361	-	39,614,361
LAIF	-	43,332	43,332
State Obligations ⁽¹⁾	1,486,070	-	1,486,070
U.S. Treasury Bills ⁽¹⁾	57,049,560	-	57,049,560
U.S. Government Sponsored Enterprise Securities ⁽¹⁾	1,973,650	-	1,973,650
Section 115 Pension Trust	-	5,915,375	5,915,375
Held by Bond Trustee:			
Money Market Mutual Funds	-	8,268,965	8,268,965
Total	<u>\$ 122,678,036</u>	<u>\$ 42,564,811</u>	<u>\$ 165,242,847</u>

⁽¹⁾ Pricing based on Interactive Data Corporation

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

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Risk Disclosures

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits investments to a maximum maturity of five years. At June 30, 2024, the City had the following investment maturities:

Investment Type	Fair Value	Investment Maturities (in Years)				
		Less Than 1 Year	1 to 2 Years	2 to 3 Years	3 to 4 Years	4 to 5 Years
CAMP	\$ 17,982,202	\$ 17,982,202	\$ -	\$ -	\$ -	\$ -
CalTrust	10,354,937	10,354,937	-	-	-	-
Corporate Notes	22,554,395	1,978,120	5,362,370	5,805,340	9,408,565	-
Negotiable CDs	39,614,361	9,044,769	10,954,640	8,306,706	8,066,559	3,241,687
LAIF	43,332	43,332	-	-	-	-
State Obligations	1,486,070	1,486,070	-	-	-	-
U.S. Treasury Bills	57,049,560	23,437,200	11,131,920	10,662,720	-	11,817,720
U.S. Government Sponsored						
Enterprise Securities	1,973,650	1,973,650	-	-	-	-
Section 115 Pension Trust	5,915,375	5,915,375	-	-	-	-
Held by Bond Trustee:						
Money Market Mutual Funds	8,268,965	8,268,965	-	-	-	-
Total	<u>\$ 165,242,847</u>	<u>\$ 80,484,620</u>	<u>\$ 27,448,930</u>	<u>\$ 24,774,766</u>	<u>\$ 17,475,124</u>	<u>\$ 15,059,407</u>

Custodial Credit Risk

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

Concentration of Credit Risk

The City did not have any investments in any one issuer that represent 5% or more of the City's total investments as of June 30, 2024.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 3 CASH AND INVESTMENTS (CONTINUED)

Risk Disclosures (Continued)

Credit Risk

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

Investment Type	Minimum Legal Rating	Total	AAA	AA	A	BBB	Unrated or Exempt (1)
CAMP	N/A	\$ 17,982,202	\$ 17,982,202	\$ -	\$ -	\$ -	\$ -
CalTrust	N/A	10,354,937	10,354,937	-	-	-	-
Corporate Notes	A	22,554,395	-	1,434,715	18,684,260	2,435,420	-
Negotiable CDs	A	39,614,361	-	-	-	-	39,614,361
LAIF	N/A	43,332	-	-	-	-	43,332
State Obligations	N/A	1,486,070	-	1,486,070	-	-	-
U.S. Treasury Bills	N/A	57,049,560	-	-	-	-	57,049,560
U.S. Government Sponsored							
Enterprise Securities	N/A	1,973,650	-	1,973,650	-	-	-
Section 115 Pension Trust	N/A	5,915,375	-	-	-	-	5,915,375
Held by Bond Trustee:							
Money Market Mutual Funds	A	8,268,965	8,268,965	-	-	-	-
Total		<u>\$ 165,242,847</u>	<u>\$ 36,606,104</u>	<u>\$ 4,894,435</u>	<u>\$ 18,684,260</u>	<u>\$ 2,435,420</u>	<u>\$ 102,622,628</u>

(1) U.S. Treasury Bills are exempt from disclosure.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 4 LEASE RECEIVABLES

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

In addition to the ground lease noted above, the City, acting as lessor, leases land under long-term, noncancelable lease agreements. The leases expire at various dates through 2034 and provide for renewal options of up to 15 years. At June 30, 2024, the City has \$64,893,961 in both lease receivables and deferred inflows of resources in the General Fund.

During the year ended June 30, 2024, the City recognized \$201,514 and \$1,859,684 in lease revenue and interest revenue, respectively, pursuant to all of its lease contracts.

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

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 96,130	\$ 1,714,217	\$ 1,810,347
2026	100,791	1,714,649	1,815,440
2027	108,467	1,711,025	1,819,492
2028	242,570	1,704,354	1,946,924
2029	299,238	1,696,689	1,995,927
2030-2034	1,868,913	8,353,346	10,222,259
2035-2039	2,648,298	8,055,577	10,703,875
2040-2044	3,950,791	7,620,239	11,571,030
2045-2049	5,355,752	7,016,436	12,372,188
2050-2054	7,284,782	6,189,735	13,474,517
2055-2059	9,600,173	5,084,290	14,684,463
2060-2064	12,367,597	3,644,993	16,012,590
2065-2069	15,663,084	1,807,423	17,470,507
2070-2072	5,307,375	114,624	5,421,999
Total	<u>\$ 64,893,961</u>	<u>\$ 56,427,597</u>	<u>\$ 121,321,558</u>

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 5 PUBLIC-PRIVATE PARTNERSHIP

In February 2021, together with the ground lease agreement with ES CenterCal, the City entered into a public-private partnership (PPP) arrangement with Topgolf, under which Topgolf will make certain improvements to, operate, maintain and retain the net profits from the City’s Golf Course Facility during the term of the PPP arrangement, which commenced upon Topgolf’s completion of the Golf Course Facility in April 2022 and is conterminous with the term of the ES CenterCal ground lease of potentially 50 years, unless earlier terminated. At the end of the arrangement, operation of the Golf Course Facility will be transferred to the City. The City reports the improvements to the Golf Course Facility as capital assets with a carrying amount and a related deferred inflow of resources of \$6,177,255 as of June 30, 2024.

At the end of each year during the PPP arrangement, Topgolf will remit \$20,000 per annum to the City, with a 10% every five years. At June 30, 2023, the City has recognized a PPP receivable and a deferred inflow of resources in the amount of \$764,150. The discount rate used to measure the receivable was 2.64%. The agreement requires variable payments related to revenue sharing arrangements based on future Gross Receipts from all beverages sold by Topgolf at the Golf Course Facility. Those variable payments are recognized as inflows of resources in the period in which the obligation for those payments relate.

NOTE 6 NOTES AND LOANS RECEIVABLES

Residential Rehabilitation Program

The balance of notes receivable in the nonmajor governmental funds consists of minor home repair loans made to qualifying homeowners residing within the City. The balance at June 30, 2024, was \$49,405.

	Balance June 30, 2023	Additions	Deletions	Balance June 30, 2024
Residential Rehabilitation Program:				
CDBG Loans	\$ 49,405	\$ -	\$ -	\$ 49,405
Total	<u>\$ 49,405</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,405</u>

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 7 INTERFUND ACTIVITIES

Fund Financial Statements

Due From/To Other Funds

At June 30, 2024, the City had the following due from/to other funds:

	Due From Other Funds
Due to Other Funds	General Fund
Nonmajor Governmental Funds	\$ 3,697,684

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

Advance From/To Other Funds

At June 30, 2024, the City has the following advance from/advance to other funds:

	Advance From Other Funds		
	General Fund	Nonmajor Governmental Fund	Total
Internal Service Fund	\$ 5,330,745	\$ -	\$ 5,330,745
General Fund	-	4,729,994	4,729,994
Total	\$ 5,330,745	\$ 4,729,994	\$ 10,060,739

- Advance from Equipment Replacement Internal Service Fund to fund cash flows in the previously reported Golf Course Enterprise Fund, which was absorbed into the General Fund in fiscal year 22-23.
- Advance from General Fund to Capital Improvement Nonmajor Capital Projects Funds to fund the Plunge rehabilitation capital project.

Transfers In/Out

At June 30, 2024, the City had the following transfers in/out, which arise in the normal course of operations:

	Transfers In					
	Governmental Funds			Proprietary Funds		
Transfers Out	General Fund	Pension Obligation Bonds Debt Service Fund	Nonmajor Governmental Funds	Sewer	Internal Service	Total
Governmental Funds:						
General Fund	\$ -	\$ 9,497,707	\$ 12,581,003	\$ -	\$ 555,744	\$ 22,634,454
Nonmajor Governmental Funds	1,050,500	-	3,300,730	-	-	4,351,230
Proprietary Funds:						
Internal Service Funds	-	-	-	147,183	-	147,183
Total	\$ 1,050,500	\$ 9,497,707	\$ 15,881,733	\$ 147,183	\$ 555,744	\$ 27,132,867

CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 INTERFUND ACTIVITIES (CONTINUED)

Fund Financial Statements (Continued)

Transfers In/Out (Continued)

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

- The General Fund transferred \$151,973 to Federal Grants Nonmajor Special Revenue Fund for expenditures that are not covered by the grants due to changes in the grant agreements.
- The General Fund transferred \$9,497,707 to the Pension Obligation Bonds Debt Service Fund for debt service payments.
- The General Fund transferred \$12,132,500 to Capital Improvement Nonmajor Capital Projects Fund to fund capital projects.
- The General Fund transferred \$200,000 to Senior Housing Nonmajor Special Revenue Fund to fund reserves for construction projects.
- The General Fund transferred \$96,530 to Special Revenues/Donations Nonmajor Special Revenue Fund for donations.
- The General Fund transferred \$555,744 to Equipment Replacement Internal Service Fund to fund capital projects.
- The Special Revenues/Donations Nonmajor Special Revenue Fund transferred \$1,000,500 to General Fund to fund capital projects.
- The Special Revenues/Donations Nonmajor Special Revenue Fund transferred \$2,500,730 to Capital Improvement Nonmajor Capital Projects Fund to fund capital projects.
- The Traffic Safety Nonmajor Special Revenue Fund transferred \$50,000 to General Fund to for eligible expenditures.
- The Senior Housing Nonmajor Special Revenue Fund transferred \$800,000 to Capital Improvement Nonmajor Capital Projects Fund to fund capital projects.
- The Equipment Replacement Internal Service Fund transferred \$147,183 to the Sewer Enterprise Fund to purchase capital assets.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8 CAPITAL ASSETS

Governmental Activities

A summary of changes in capital assets for the governmental activities for the year ended June 30, 2024 was as follows:

	Governmental Activities			Balance June 30, 2024
	Balance June 30, 2023	Additions	Deletions	
Capital Assets, Not Being Depreciated:				
Land and Rights of Way	\$ 35,522,020	\$ -	\$ -	\$ 35,522,020
Construction in Progress	4,384,297	12,058,729	(5,862,173) *	10,580,853
Total Capital Assets, Not Being Depreciated	39,906,317	12,058,729	(5,862,173)	46,102,873
Capital Assets, Being Depreciated/Amortized:				
Buildings and Improvements	40,465,566	956,179	-	41,421,745
Vehicles and Equipment	24,724,699	1,562,989	(609,552)	25,678,136
Infrastructure	96,225,299	3,509,903	-	99,735,202
Right-to-Use Lease Land	212,866	-	-	212,866
Right-to-Use Lease Vehicles and Equipment	149,874	38,104	-	187,978
Right-to-Use PPP Assets	6,834,835	-	-	6,834,835
Subscription Assets	1,259,844	703,785	(95,846)	1,867,783
Total Capital Assets, Being Depreciated/Amortized	169,872,983	6,770,960	(705,398)	175,938,545
Less Accumulated Depreciation/Amortization:				
Buildings and Improvements	(22,714,737)	(890,191)	-	(23,604,928)
Vehicles and Equipment	(19,755,400)	(1,000,265)	609,552	(20,146,113)
Infrastructure	(55,757,213)	(2,598,553)	-	(58,355,766)
Right-to-Use Lease Land	(85,984)	(43,259)	-	(129,243)
Right-to-Use Lease Vehicles and Equipment	(107,660)	(49,208)	-	(156,868)
Right-to-Use PPP Assets	(328,790)	(328,790)	-	(657,580)
Subscription Assets	(411,762)	(545,189)	31,949	(925,002)
Total Accumulated Depreciation/Amortization	(99,161,546)	(5,455,455)	641,501	(103,975,500)
Total Capital Assets, Being Depreciated/Amortized, Net	70,711,437	1,315,505	(63,897)	71,963,045
Governmental Activities Capital Assets, Net	<u>\$ 110,617,754</u>	<u>\$ 13,374,234</u>	<u>\$ (5,926,070)</u>	<u>118,065,918</u>

* Amount includes abandonment of a project for \$1,396,093.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8 CAPITAL ASSETS (CONTINUED)

Governmental Activities (Continued)

Depreciation and amortization expenses were charged to functions/programs of the governmental activities for the year ended June 30, 2024 as follows:

General Government	\$ 1,291,692
Public Safety	433,200
Public Works	2,781,628
Community and Cultural	948,935
Total Depreciation and Amortization Expense	<u>\$ 5,455,455</u>

Business-Type Activities

A summary of changes in capital assets for the business-type activities, not including the El Segundo Senior Citizen Housing Corporation, for the year ended June 30, 2024 was as follows:

	<u>Business-Type Activities, Not Including the Corporation</u>			
	<u>Balance June 30, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2024</u>
Capital Assets, Not Being Depreciated:				
Construction in Progress	\$ 14,584	\$ 1,931,251		\$ 1,945,835
Total Capital Assets, Not Being Depreciated	14,584	1,931,251	-	1,945,835
Capital Assets, Being Depreciated/Amortized:				
Buildings and Improvements	3,294,505	-	-	3,294,505
Vehicles and Equipment	1,447,059	667,880	(49,885)	2,065,054
Infrastructure	61,893,356	40,181	-	61,933,537
Total Capital Assets, Being Depreciated/Amortized	66,634,920	708,061	(49,885)	67,293,096
Less Accumulated Depreciation/Amortization:				
Buildings and Improvements	(3,294,505)	-	-	(3,294,505)
Vehicles and Equipment	(871,654)	(82,286)	49,885	(904,055)
Infrastructure	(40,145,251)	(667,124)	-	(40,812,375)
Total Accumulated Depreciation/Amortization	(44,311,410)	(749,410)	49,885	(45,010,935)
Total Capital Assets, Being Depreciated/Amortized, Net	22,323,510	(41,349)	-	22,282,161
Business-Type Activities Capital Assets, Net	<u>\$ 22,338,094</u>	<u>\$ 1,889,902</u>	<u>\$ -</u>	<u>\$ 24,227,996</u>

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8 CAPITAL ASSETS (CONTINUED)

Business-Type Activities (Continued)

Depreciation and amortization expenses for business-type activities, not including the Corporation, for the year ended June 30, 2024, was charged as follows:

Water	\$ 266,693
Sewer	482,717
Total Depreciation and Amortization Expense	<u>\$ 749,410</u>

Blended Component Unit

A summary of changes in capital assets for the El Segundo Senior Citizen Housing Corporation for the year ended December 31, 2023, was as follows:

	El Segundo Senior Citizen Housing Corporation			
	Balance January 1, 2023	Additions	Deletions	Balance December 31, 2023
Capital Assets, Being Depreciated:				
Buildings and Improvements	\$ 1,046,041	\$ -	\$ -	\$ 1,046,041
Furniture and Equipment	321,057	17,585	-	338,642
Total Capital Assets, Being Depreciated	1,367,098	17,585	-	1,384,683
Less Accumulated Depreciation:				
Buildings and Improvements	(715,813)	(30,422)	-	(746,235)
Furniture and Equipment	(297,493)	(5,870)	-	(303,363)
Total Accumulated Depreciation	(1,013,306)	(36,292)	-	(1,049,598)
Total Capital Assets, Being Depreciated, Net	353,792	(18,707)	-	335,085
Total Capital Assets, Net	<u>\$ 353,792</u>	<u>\$ (18,707)</u>	<u>\$ -</u>	<u>\$ 335,085</u>

Depreciation expenses for the Corporation for the fiscal year ended December 31, 2023, was \$36,292.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 9 LONG-TERM LIABILITIES

A summary of changes in long-term liabilities for the year ended June 30, 2024, was as follows:

	Balance June 30, 2023	Additions	Deletions	Balance June 30, 2024	Due within One Year	Due in more than One Year
Governmental Activities:						
Direct Borrowings:						
Financed Purchase Obligation:						
2003 Parking Structure	\$ 1,855,162	\$ -	\$ 70,004	\$ 1,785,158	\$ 74,916	\$ 1,710,242
Loan Obligation:						
2005 Douglas Street Gap Closure Project	5,497,738	-	354,876	5,142,862	365,061	4,777,801
Other Long-Term Debt:						
Pension Obligation Bonds	133,743,378	-	6,546,420	127,196,958	6,570,720	120,626,238
Leases Payable	133,029	38,105	94,094	77,040	57,695	19,345
Subscriptions Payable	852,664	703,785	675,357	881,092	558,012	323,080
Claims Payable	20,590,000	1,604,007	3,130,007	19,064,000	4,307,923	14,756,077
Compensated Absences	4,699,008	401,120	176,416	4,923,712	2,812,470	2,111,242
Total	<u>\$ 167,370,979</u>	<u>\$ 2,747,017</u>	<u>\$ 11,047,174</u>	<u>\$ 159,070,822</u>	<u>\$ 14,746,797</u>	<u>\$ 144,324,025</u>
	Balance June 30, 2023	Additions	Deletions	Balance June 30, 2024	Due within One Year	Due in more than One Year
Business-Type Activities:						
Direct Borrowings:						
Finance Purchase Obligation:						
Jet / Vacuum Truck	\$ -	\$ 667,878	\$ 147,183	\$ 520,695	\$ 120,628	\$ 400,067
Other Long-Term Debt:						
Pension Obligation Bonds	3,856,622	-	188,580	3,668,042	189,280	3,478,762
Compensated Absences	163,909	154,165	141,607	176,467	76,209	100,258
Total	<u>\$ 4,020,531</u>	<u>\$ 822,043</u>	<u>\$ 477,370</u>	<u>\$ 4,365,204</u>	<u>\$ 386,117</u>	<u>\$ 3,979,087</u>

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

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

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Financed Purchase Obligations

Governmental Activities – 2003 Parking Structure

On June 18, 2002, the City entered into a financed purchase agreement with 612 Twin Holdings, LLC to acquire a two story, three level parking structure and certain retail space. The terms of the agreement include an initial payment of \$1,100,000, monthly payments of \$16,167 with an imputed interest rate of 6.80% for 408 months, and a purchase option for \$200,000 due on January 1, 2039. The amount outstanding at June 30, 2024 totaled \$1,785,158. The annual debt service requirements on the finance purchase agreement are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 74,916	\$ 119,084	\$ 194,000
2026	80,172	113,828	194,000
2027	85,797	108,204	194,001
2028	91,816	102,184	194,000
2029	98,258	95,742	194,000
2030-2034	604,892	365,108	970,000
2035-2038	749,307	115,527	864,834
Total	<u>\$ 1,785,158</u>	<u>\$ 1,019,677</u>	<u>\$ 2,804,835</u>

Business-Type Activities – Jet / Vacuum Truck

On February 6, 2024, the City entered into a financed purchase agreement with Bank of America to acquire sewer equipment. Payments are due annually in the amount of \$147,183 February each year at an annual interest rate of 5% with the note payable maturing on February 23, 2028. The amount outstanding at June 30, 2024 totaled \$520,695. The annual debt service requirements on the finance purchase agreement are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 120,628	\$ 26,555	\$ 147,183
2026	126,780	20,403	147,183
2027	133,246	13,938	147,184
2028	140,041	7,142	147,183
Total	<u>\$ 520,695</u>	<u>\$ 68,038</u>	<u>\$ 588,733</u>

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Loan Obligation

2005 Douglas Street Gap Closure Project

On September 1, 2005, the City entered into a loan agreement with the California Infrastructure and Economic Development Bank (CIEDB) whereby CIEDB issued bonds in the amount of \$10,000,000 to finance the Douglas Street Gap Closure Project. The City will make payments over a 30-year period starting on February 1, 2006, at an interest rate of 2.87% per annum. Interest payments on the loan obligation are due on February 1 and August 1 of each year. The amount outstanding at June 30, 2024 totaled \$5,142,862. The annual debt service requirements on the loan are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 365,061	\$ 142,361	\$ 507,422
2026	375,538	131,734	507,272
2027	386,316	120,801	507,117
2028	397,404	109,555	506,959
2029	408,809	97,986	506,795
2030-2034	2,226,919	304,431	2,531,350
2035-2036	982,815	28,406	1,011,221
Total	<u>\$ 5,142,862</u>	<u>\$ 935,274</u>	<u>\$ 6,078,136</u>

Pension Obligation Bonds

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

Governmental Activities	\$ 127,196,958
Business-Type Activities	3,668,042
Total	<u>\$ 130,865,000</u>

The POB is due from 2022 through 2040 in annual principal installments of \$6,535,000 to \$9,265,000. Interest rates range from 0.191% to 2.897% and interest is payable semi-annually on January 1 and July 1. The total outstanding principal as of June 30, 2024, is \$130,865,000. The total annual debt service requirements on the POB are as follows:

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Pension Obligation Bonds (Continued)

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 6,760,000	\$ 2,990,144	\$ 9,750,144
2026	6,805,000	2,937,614	9,742,614
2027	6,865,000	2,863,955	9,728,955
2028	6,945,000	2,769,475	9,714,475
2029	7,055,000	2,655,799	9,710,799
2030-2034	37,440,000	10,989,188	48,429,188
2035-2039	42,465,000	5,773,901	48,238,901
2040-2041	16,530,000	475,684	17,005,684
Total	<u>\$ 130,865,000</u>	<u>\$ 31,455,760</u>	<u>\$ 162,320,760</u>

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

Leases Payable

The City leases land, vehicles, and equipment for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2027 and provide for renewal options ranging up to one year. The right-to-use lease assets and the related accumulated amortization are detailed in Note 8. Total future minimum lease payments under lease agreements are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2025	\$ 57,695	\$ 787	\$ 58,482
2026	15,066	115	15,181
2027	4,279	7	4,286
Total	<u>\$ 77,040</u>	<u>\$ 909</u>	<u>\$ 77,949</u>

Subscription-Based Information Technology Arrangements

The City entered into subscription based-information technology arrangements (SBITAs) for various software. The SBITA arrangements expire at various dates through 2028. The subscription assets and the related accumulated amortization are detailed in Note 8. The future subscription payments under SBITA agreements are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2025	\$ 558,012	\$ 7,342	\$ 565,354
2026	218,239	4,159	222,398
2027	51,191	1,277	52,468
2028	53,650	653	54,303
Total	<u>\$ 881,092</u>	<u>\$ 13,431</u>	<u>\$ 894,523</u>

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 RETIREMENT PLANS

Summary

The following is the summary of the net pension (asset) liability and related deferred outflows of resources and deferred inflows of resources at June 30, 2024, and pension (credit) expense for the year then ended.

	Governmental Activities	Business-Type Activities	Total
Deferred Outflows of Resources:			
Miscellaneous	\$ 8,473,768	\$ 1,234,416	\$ 9,708,184
Safety	46,216,911	-	46,216,911
PARS	343,735	-	343,735
Total Deferred Outflows of Resources	<u>\$ 55,034,414</u>	<u>\$ 1,234,416</u>	<u>\$ 56,268,830</u>
Aggregate Net Pension Liabilities:			
Miscellaneous	\$ 12,173,762	\$ 1,773,413	\$ 13,947,175
Safety	22,360,535	-	22,360,535
PARS	1,794,115	-	1,794,115
Total Aggregate Net Pension Liabilities	<u>\$ 36,328,412</u>	<u>\$ 1,773,413</u>	<u>\$ 38,101,825</u>
Deferred Inflows of Resources:			
Miscellaneous	\$ -	\$ -	\$ -
Safety	31,851,954	-	31,851,954
PARS	-	-	-
Total Deferred Inflows of Resources	<u>\$ 31,851,954</u>	<u>\$ -</u>	<u>\$ 31,851,954</u>
Pension Expense:			
Miscellaneous	\$ 5,497,669	\$ 800,291	\$ 6,297,960
Safety	23,836,889	-	23,836,889
PARS	431,908	-	431,908
Total Pension Expense	<u>\$ 29,766,466</u>	<u>\$ 800,291</u>	<u>\$ 30,566,757</u>

The City elected to contribute to a trust as a means to provide additional funding for the CalPERS Miscellaneous and Safety defined benefit pension plans. The General Fund contains the Section 115 Trust restricted investments balance of \$5,915,375 as of June 30, 2024.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 RETIREMENT PLANS (CONTINUED)

California Public Employees' Retirement System (CalPERS)

General Information about the Pension Plan

Plan Descriptions

The City contributes to the California Public Employees Retirement System (CalPERS), an agent multiple-employer defined benefit pension plan for miscellaneous employees and a cost-sharing multiple-employer defined benefit plan for safety employees. CalPERS acts as a common investment and administrative agent for participating public entities within the state of California. Benefit provisions and all other requirements are established by state statute and City ordinance. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information as well as CalPERS' audited financial statements on the CalPERS website under Forms and Publications.

Benefits Provided

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

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 RETIREMENT PLANS (CONTINUED)

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

General Information about the Pension Plan (Continued)

Benefits Provided (Continued)

The following are the benefit provisions for each plan:

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

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

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

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 RETIREMENT PLANS (CONTINUED)

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

General Information about the Pension Plan (Continued)

Benefits Provided (Continued)

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

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

Employee Covered by Benefit Terms

At June 30, 2023, the measurement date, the following employees were covered by the benefit terms under the miscellaneous plans:

	Miscellaneous Plans
Active Employees	173
Inactive Employees or Beneficiaries Currently Receiving Benefits	353
Inactive Employees Entitled to But Not Yet Receiving Benefits	401
Total	927

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. City contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified in the pension plan terms as plan member contribution requirements are classified as plan member contributions.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 RETIREMENT PLANS (CONTINUED)

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

General Information about the Pension Plan (Continued)

Contributions (Continued)

The required contribution rates are as follows:

	Year Ended June 30, 2024				
	Miscellaneous Plans				
	Classic	PEPRA			
Employer Contribution Rate	10.19%	7.83%			
Employee Contribution Rate	7.00%	6.75%			
	Year Ended June 30, 2023				
	Safety Plans				
	Police - Tier 1	Police - Tier 2	Police PEPRA	Fire - Tier 1	Fire - PEPRA
Employer Contribution Rate	29.09%	26.11%	14.50%	26.11%	14.50%
Employee Contribution Rate	9.00%	9.00%	13.75%	9.00%	13.75%

Employer contributions for the miscellaneous and safety plans for the year ended June 30, 2024, was \$1,457,661 and \$3,059,125, respectively.

Net Pension Liability

The City's net pension liability for each Plan is measured as the total pension liability, less the pension plans' fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2023, using an annual actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 using standard update procedures.

Actuarial Methods and Assumption Used to Determine Total Pension Liability

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

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.50%
Projected Salary Increases	Varies by Entry Age and Service
Mortality Rate Table	(1)
Post Retirement Benefit Increase	(2)

(1) The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 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 November 2021 that can be found on the CalPERS website.

(2) The less of contract COLA or 2.30% until Purchasing Power Protection Allowance Floor on purchasing power applies, 2.30% thereafter.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 RETIREMENT PLANS (CONTINUED)

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

Net Pension Liability (Continued)

Long-Term Expected Rate of Return

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points. The expected real rates of return by asset class are as follows:

<u>Asset Class 1</u>	<u>Assumed Asset Allocation</u>	<u>Real Return (a) (b)</u>
Global Equity - Cap-weighted	30.00 %	4.45 %
Global Equity - Non-Cap-weighted	12.00	3.84
Private Equity	13.00	7.28
Treasury	5.00	0.27
Mortgage-backed Securities	5.00	0.50
Investment Grade Corporates	10.00	1.56
High Yield	5.00	2.27
Emerging Market Debt	5.00	2.48
Private Debt	5.00	3.57
Real Assets	15.00	3.21
Leverage	(5.00)	(0.59)
Total	<u>100.00 %</u>	

(a) An expected inflation of 2.30% used for this period

(b) Figures are based on the 2021 Asset Liability Management study.

Discount Rate

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

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 RETIREMENT PLANS (CONTINUED)

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

Changes in the Net Pension Liability

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

	Miscellaneous Plan		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) - (b)
Balance - June 30, 2022 (Measurement Date)	\$ 136,657,208	\$ 124,367,804	\$ 12,289,404
Changes Recognized for the Measurement Period:			
Service Cost	2,247,119	-	2,247,119
Interest on the Total Pension Liability	9,237,160	-	9,237,160
Changes of Benefit Terms	243,771	-	243,771
Differences Between Expected and Actual Experience	47,648	-	47,648
Changes of Assumptions	-	-	-
Plan to Plan Resource Movement	-	-	-
Contributions from the Employer	-	1,673,991	(1,673,991)
Contributions from Employee	-	1,031,097	(1,031,097)
Net Investment Income	-	7,504,293	(7,504,293)
Benefit Payments, Including Refunds of Employee Contributions	(8,400,601)	(8,400,601)	-
Administrative Expense	-	(91,454)	91,454
Net Changes	<u>3,375,097</u>	<u>1,717,326</u>	<u>1,657,771</u>
Balance - June 30, 2023 (Measurement Date)	<u>\$ 140,032,305</u>	<u>\$ 126,085,130</u>	<u>\$ 13,947,175</u>

Proportionate Share of Net Pension Liability and Pension Expense

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

	Safety Plan Proportionate Share of Net Pension Liability
Balance at June 30, 2023 (Measurement Date)	<u>\$ 22,360,535</u>

The City's net pension liability for the safety plan is measured as the proportionate share of the net pension liability. The City's proportionate share of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 RETIREMENT PLANS (CONTINUED)

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

Changes in the Net Pension Liability (Continued)

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

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

	<u>Safety Plan</u>
June 30, 2022 Measurement Date	0.2149 %
June 30, 2023 Measurement Date	<u>0.2991</u>
Change - Increase (Decrease)	<u><u>0.0843 %</u></u>

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

The following presents the net pension liability of the plans as of the measurement date, calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage-point lower (5.90%) or one percentage-point higher (7.90%) than the current rate:

	<u>Plan's Net Pension Liability/(Asset)</u>		
	<u>Discount Rate - 1% (5.90%)</u>	<u>Current Discount Rate (6.90%)</u>	<u>Discount Rate + 1% (7.90%)</u>
Miscellaneous Plan	<u>\$ 31,698,775</u>	<u>\$ 13,947,175</u>	<u>\$ (671,480)</u>
Safety Plan	<u>\$ 69,951,798</u>	<u>\$ 22,360,535</u>	<u>\$ (16,548,710)</u>

Pension Plan Fiduciary Net Position

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

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 RETIREMENT PLANS (CONTINUED)

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

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

For the year ended June 30, 2024, the City recognized pension expense in the amounts of \$6,297,960 and \$23,836,889 for the miscellaneous plans and safety plans, respectively.

As of year ended June 30, 2024, the City has deferred outflows and deferred inflows of resources related to the pension plans as follows:

	Miscellaneous Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contribution Made After Measurement Date	\$ 1,457,661	\$ -
Difference Between Expected and Actual Experience	57,814	-
Changes of Assumptions	501,501	-
Net Difference Between Projected and Actual Earning on Pension Plan Investments	7,691,208	-
Total	\$ 9,708,184	\$ -

	Safety Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contribution Made After Measurement Date	\$ 3,059,125	\$ -
Difference Between Expected and Actual Experience	1,641,675	(140,545)
Changes of Assumptions	1,304,991	-
Difference Between Projected and Actual Earnings on Pension Plan Investments	3,060,033	-
Change in Employer's Proportion	17,711,369	(16,413,121)
Differences Between the Employer's Contributions and Employer's Proportionate Share of Contributions	19,439,718	(15,298,288)
Total	\$ 46,216,911	\$ (31,851,954)

\$1,457,661 and \$3,059,125 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, 2025.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 RETIREMENT PLANS (CONTINUED)

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

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

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

<u>Fiscal Year Ending June 30.</u>	<u>Deferred Outflows/ (Inflows) of Resources Measurement Plan</u>	<u>Deferred Outflows/ (Inflows) of Resources Safety Plan</u>
2025	\$ 2,424,074	\$ 7,706,462
2026	1,514,962	2,613,800
2027	4,137,881	900,159
2028	173,606	85,411
Total	\$ 8,250,523	\$ 11,305,832

Payable to the Pension Plan

At June 30, 2024, the City had no outstanding amount of contributions to the pension plan required for the year ended June 30, 2024.

Public Agency Retirement System (PARS)

General Information about the Pension Plan

Plan Description

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

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

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 RETIREMENT PLANS (CONTINUED)

Public Agency Retirement System (PARS) (Continued)

General Information about the Pension Plan (Continued)

Plan Description (Continued)

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

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

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

Benefits Provided

Below is the benefits summary provided by the Plan.

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

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 RETIREMENT PLANS (CONTINUED)

Public Agency Retirement System (PARS) (Continued)

General Information about the Pension Plan (Continued)

Employees Covered by Benefit Terms

At September 30, 2023, the measurement date, the following employees were covered by the benefit terms:

Active Employees	4
Inactives Entitled to But Not Yet Receiving Benefits	6
Inactives Currently Receiving Benefits	16
Total	26

Contributions and Funding Policy

The City's funding policy is to make the contribution as determined by the Plan's actuary. There was no employee contribution after Freeze Date. Members may elect to receive lump-sum refund of employee contributions with 4.25% interest in lieu of annuity upon termination, retirement, disability, or death. Employer contributions are determined by actuarial study performed at least every two years. The Plan's annual pension contribution for the measurement date ended September 30, 2023, was based on an actuarial valuation as of June 30, 2022. For the year ended June 30, 2024, the City's contributions totaled \$260,000.

Net Pension Liability

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The City's net pension liability for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan is measured as of September 30, 2023, using an actuarial valuation as of June 30, 2022. A summary of principal assumptions and methods used to determine the net pension liability is as follows:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	5.25%
Investment Return	5.25%
Inflation	2.50%
Mortality, Disability, and Termination	CalPERS 2000-2019 experience study
Mortality Improvement	Projected fully generational with Scale MP-2021
Salary Increases	2.75%

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 RETIREMENT PLANS (CONTINUED)

Public Agency Retirement System (PARS) (Continued)

Net Pension Liability (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 5.25%. The projection of cash flows utilized to determine the discount rate assumed that contributions from the City would be made at the actuarially determined contribution amount. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Real Rate of Return</u>
Global Equity	60.00 %	4.56 %
Fixed Income	35.00	0.78
Cash	5.00	(0.50)
Total	<u>100.00 %</u>	
Assumed Long-Term Rate of Inflation		2.50 %
Expected Long-Term Net Rate of Return, Rounded		5.25 %

Subsequent Events

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

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 RETIREMENT PLANS (CONTINUED)

Public Agency Retirement System (PARS) (Continued)

Changes in Net Pension Liability

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

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) - (b)
Balance - September 30, 2022 (Measurement Date)	\$ 3,119,525	\$ 1,183,298	\$ 1,936,227
Changes Recognized for the Measurement Period:			
Interest on the Total Pension Liability	159,346	-	159,346
Contributions from the Employer	-	189,000	(189,000)
Net Investment Income	-	118,789	(118,789)
Benefit Payments, Including Refunds of Employee Contributions	(168,711)	(168,711)	-
Administrative Expense	-	(6,331)	6,331
Net Changes	<u>(9,365)</u>	<u>132,747</u>	<u>(142,112)</u>
Balance - September 30, 2023 (Measurement Date)	<u>\$ 3,110,160</u>	<u>\$ 1,316,045</u>	<u>\$ 1,794,115</u>

Sensitivity of Net Pension Liability to Changes in the Discount Rate

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

	Discount Rate -1% (4.25%)	Current Discount Rate (5.25%)	Discount Rate 1% (6.25%)
Plan's Net Pension Liability	<u>\$ 2,176,681</u>	<u>\$ 1,794,115</u>	<u>\$ 1,476,960</u>

Pension Plan Fiduciary Net Position

Detailed information about the PARS California defined benefit pension program's fiduciary net position, the most recent available audited information is as of June 30, 2023, and is as follows: total assets: \$634,431,429 (cash and cash equivalents of \$16,175,362, contributions receivable of \$682,616, investments of \$617,056,325, and investment income receivable of \$517,126); total accrued liabilities: \$44,621; and fiduciary net position: \$634,386,808. This audited information is on an accrual basis of accounting and investments are reported at fair value.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 RETIREMENT PLANS (CONTINUED)

Public Agency Retirement System (PARS) (Continued)

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

For the year ended June 30, 2024, the City incurred pension expense of \$431,908 and reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contribution Made After Measurement Date	\$ 260,000	\$ -
Net Difference Between Projected and Actual Earning on Pension Plan Investments	83,735	-
Total	\$ 343,735	\$ -

\$260,000 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, 2025. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

<u>Fiscal Year Ending June 30,</u>	Deferred Outflows/ (Inflows) of Resources
2025	\$ 20,313
2026	21,788
2027	52,098
2028	(10,464)
Total	\$ 83,735

Payable to the Pension Plan

At June 30, 2024, the City had no outstanding amount of contributions to the pension plan required for the year ended June 30, 2024.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 11 OTHER POSTEMPLOYMENT HEALTH BENEFITS

At June 30, 2024, net OPEB liability and related deferred outflows of resources and deferred inflows of resources are as follows:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Deferred Outflows of Resources	<u>\$ 2,208,572</u>	<u>\$ 114,304</u>	<u>\$ 2,322,876</u>
Net Other Postemployment Benefit Liability	<u>\$ 30,129,800</u>	<u>\$ 1,559,351</u>	<u>\$ 31,689,151</u>
Deferred Inflows of Resources	<u>\$ 803,813</u>	<u>\$ 41,601</u>	<u>\$ 845,414</u>
OPEB Expense	<u>\$ 3,076,473</u>	<u>\$ 159,221</u>	<u>\$ 3,235,694</u>

General Information About the OPEB Plan

Plan Description

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

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

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

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

Funding Policy and Contributions

The contribution requirements of plan members and the City are established and may be amended by City Council. The annual contribution is based on the actuarially determined contribution. For the year ended June 30, 2024, the City's contributions totaled \$4,176,556.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 11 OTHER POSTEMPLOYMENT HEALTH BENEFITS (CONTINUED)

General Information About the OPEB Plan (Continued)

Employees Covered

At June 30, 2024, the measurement date, membership in the Plan consisted of the following:

Inactive Plan Member Currently Receiving Benefits	352
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	-
Active Plan Members	<u>230</u>
Total	<u><u>582</u></u>

Net OPEB Liability

The City's total OPEB liability was measured as of June 30, 2024, and was determined by an actuarial valuation as of June 30, 2023, rolled forward to June 30, 2024, using standard update procedures. A summary of the principal assumptions and methods used to determine the total OPEB liability is shown below.

Actuarial Methods and Assumptions

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

Actuarial Cost Method	Entry Age Method
Actuarial Assumption:	
Discount Rate	6.25% - Pre-funded through CalPERS CERBT Asset Strategy #1
Inflation	2.50%
Salary Increases	2.75% per year
Mortality Improvement	Projected fully generational with Scale MP-2021
Medical Trend	Non-Medicare 8.50% for 2025, Medicare (Non-Kaiser): 7.50% for 2025, Medicare (Kaiser) 6.25% for 2025, all decreasing to an ultimate rate of 3.45% in 2076.

The actuarial assumptions used in the June 30, 2023 valuation were based on a standard set of assumptions the actuary has used for similar valuations, modified as appropriate for the City.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 11 OTHER POSTEMPLOYMENT HEALTH BENEFITS (CONTINUED)

Net OPEB Liability (Continued)

Actuarial Methods and Assumptions (Continued)

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

Asset Class	Allocation	Expected Real Rate of Return
CERBT Strategy 1:		
Global Equity	49.00 %	4.56 %
Fixed Income	23.00	1.56
TIPS	5.00	(0.08)
Commodities	3.00	1.22
REITs	20.00	4.06
Total	100.00 %	
Assumed Long-Term Rate of Inflation		2.50%
Expected Long-Term Net Rate of Return, Rounded		6.25%

Discount Rate

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

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 11 OTHER POSTEMPLOYMENT HEALTH BENEFITS (CONTINUED)

Changes in Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (c) = (a) - (b)
Balance - June 30, 2023 (Measurement Date)	\$ 62,510,785	\$ 30,591,111	\$ 31,919,674
Changes Recognized for the Measurement Period:			
Service Cost	1,425,839	-	1,425,839
Interest on the Net OPEB Liability	3,865,934	-	3,865,934
Change in Benefit Terms	587,415		587,415
Differences Between Expected and Actual Experience	957,038	-	957,038
Changes of Assumptions	440,068	-	440,068
Contributions from the Employer	-	4,176,556	(4,176,556)
Net Investment Income	-	3,359,005	(3,359,005)
Benefit Payments, Including Refunds of Employee Contributions	(4,163,355)	(4,163,355)	-
Administrative Expense	-	(28,746)	28,746
Net Changes	<u>3,112,939</u>	<u>3,343,460</u>	<u>(230,521)</u>
Balance - June 30, 2024 (Measurement Date)	<u>\$ 65,623,724</u>	<u>\$ 33,934,571</u>	<u>\$ 31,689,153</u>

Changes of Assumptions

Medical plan at retirement assumed to be based on current election, updated medical trend rates, and PEMHCA minimum increases updated to 3.50% annually.

Changes of Benefit Terms

The following changes were made to the maximum City contributions towards retiree monthly medical premiums:

- SPEA and PSSEA were increased from \$1,650 to \$1,850
- PMA was increased from \$1,650 to \$1,850
- Police was increased from \$1,750 to \$1,800
- Fire was decreased from \$1,750 to \$1,700

Subsequent Events

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

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 11 OTHER POSTEMPLOYMENT HEALTH BENEFITS (CONTINUED)

Changes in Net OPEB Liability (Continued)

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

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

	Discount Rate -1% (5.25%)	Current Discount Rate (6.25%)	Discount Rate +1% (7.25%)
Net OPEB Liability	\$ 39,335,984	\$ 31,689,153	\$ 25,290,187

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

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are one-percentage point lower (5.50% Non-Medicare, 4.65% Medicare Non-Kaiser, 3.60% Medicare Kaiser, decreasing to an ultimate rate of 2.75% in 2076) or one-percentage point higher (7.50% Non-Medicare, 6.65% Medicare Non-Kaiser, 5.60% Medicare Kaiser, decreasing to an ultimate rate of 4.75% in 2076) than the current healthcare cost trend rates:

	Healthcare Cost Trend Rate -1%	Current Rate	Healthcare Cost Trend +1%
Net OPEB Liability	\$ 27,475,399	\$ 31,689,153	\$ 35,482,684

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

For the year ended June 30, 2024, the City' recognized OPEB expense of \$3,235,694. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 1,030,641	\$ 244,046
Change of Assumptions	954,999	601,367
Net Difference Between Projected and Actual Earning on Pension Plan Investments	337,236	-
Total	\$ 2,322,876	\$ 845,413

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 11 OTHER POSTEMPLOYMENT HEALTH BENEFITS (CONTINUED)

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

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

<u>Fiscal Year Ending June 30,</u>	<u>Deferred Outflows/ (Inflows) of Resources OPEB Plan</u>
2025	\$ 257,815
2026	1,237,721
2027	(90,776)
2028	(30,788)
2029	103,491
Total	\$ 1,477,463

Payable to the OPEB Plan

At June 30, 2024, the City had no outstanding amount of contributions to the OPEB plan required for the year ended June 30, 2024.

NOTE 12 DEFERRED COMPENSATION PLAN

For the benefit of its employees, the City has established deferred compensation plans in accordance with the Internal Revenue Code (IRC) Section 457 and 401(a). Generally, the amount of compensation subject to deferral by a participant may not exceed the legal limits set by the IRC. Funds may be withdrawn by participants upon termination of employment, retirement, death, or an unforeseeable emergency. The City's contributions to the 401(a) plan for the year ended June 30, 2024, was \$93,385. The City does not contribute to the 457 plan. The deferred compensation plan assets are held in a trust account for the sole benefit of the employees and their beneficiaries and have been excluded from the City's reported assets accordingly.

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 13 RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City maintains self-insurance programs for workers' compensation and general liability up to a maximum of \$500,000 and \$750,000 per occurrence, respectively. General liability claims, which exceed the self-insurance retention, are insured through Independent Cities Risk Management Authority (ICRMA) up to \$30,000,000. Workers compensation claims that exceed the limit are insured by ICRMA up to the California statutory limits for workers' compensation.

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

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

The ICRMA has published its own financial report for the year ended June 30, 2024, which can be obtained from Independent Cities Risk Management Authority, 14156 Magnolia Park, Sherman Oaks, California.

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

Fiscal Year Ending	Claims Payable				
	Annual Claims Payable Beginning	Current Year Claims and Changes in Estimates	Current Year Claims Payments	Balance Ending	Due within One Year
June 30, 2021	\$ 16,187,000	\$ 3,899,160	\$ (2,656,160)	\$ 17,430,000	\$ 3,321,068
June 30, 2022	17,430,000	6,735,199	(3,575,199)	20,590,000	4,493,894
June 30, 2023	20,590,000	1,604,007	(3,130,007)	19,064,000	4,307,923

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 14 JOINT POWERS AGREEMENT

Los Angeles Interagency Metropolitan Police Apprehension Crime Task Force

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

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

NOTE 15 COMMITMENTS AND CONTINGENCIES

Litigation

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

Federal and State Grants

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

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 16 CLASSIFICATION OF FUND BALANCES

At June 30, 2024, fund balances are classified in the governmental funds as follows:

	General Fund	Pension Obligation Bonds Debt Service Fund	Capital Improvement Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:					
Advances to Other Funds	\$ 4,729,994	\$ -	\$ -	\$ -	\$ 4,729,994
Inventories	163,403	-	-	-	163,403
Prepays	140,778	-	-	-	140,778
Total Nonspendable	<u>5,034,175</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,034,175</u>
Restricted:					
Police	-	-	-	1,631,759	1,631,759
Fire	-	-	-	1,604,108	1,604,108
Public Works	-	-	-	3,441,545	3,441,545
Economic Development	-	-	-	145,283	145,283
Community and Cultural	-	-	-	9,050,708	9,050,708
Opioid Crisis Mitigation	100,369	-	-	-	100,369
Debt Service	-	8,037,527	-	306,498	8,344,025
Pension	5,915,375	-	-	-	5,915,375
Total Restricted	<u>6,015,744</u>	<u>8,037,527</u>	<u>-</u>	<u>16,179,901</u>	<u>30,233,172</u>
Assigned:					
Police	235,903	-	-	-	235,903
Fire	204,031	-	-	-	204,031
Public Works	926,827	-	-	-	926,827
Tobacco License	33,573	-	-	-	33,573
Parks and Recreation	283,072	-	-	-	283,072
Library	76,327	-	-	-	76,327
Computer Refresh	244,186	-	-	-	244,186
Capital Outlay	-	-	19,459,186	-	19,459,186
Total Assigned	<u>2,003,919</u>	<u>-</u>	<u>19,459,186</u>	<u>-</u>	<u>21,463,105</u>
Unassigned	<u>40,701,761</u>	<u>-</u>	<u>-</u>	<u>(4,539,205)</u>	<u>36,162,556</u>
Total Fund Balance	<u>\$ 53,755,599</u>	<u>\$ 8,037,527</u>	<u>\$ 19,459,186</u>	<u>\$ 11,640,696</u>	<u>\$ 92,893,008</u>

**CITY OF EL SEGUNDO
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 17 ACCOUNTING CHANGES

Changes to or within Financial Reporting Entity

Change in Fund Presentation from Major to Nonmajor

Capital Improvement Capital Project Fund previously did not meet the criteria to be reported as a major governmental fund. However, effective July 1, 2023, the fund met the criteria to be reported as a major fund and is reported as a major governmental fund for the fiscal year ended June 30, 2024. The effect of that change to or within the financial reporting entity is shown in the table below.

Adjustments to Beginning Balances

During fiscal year 2024, changes to or within the financial reporting entity for the implementation of GASB Statement No. 100 resulted in adjustments to beginning fund balance, as follows:

	Capital Improvement Capital Projects Fund	Nonmajor Governmental Funds
	<u> </u>	<u> </u>
June 30, 2023, As Previously Reported	\$ -	\$ 28,015,424
Change in Fund Presentation from Nonmajor to Major	5,855,027	(5,855,027)
July 1, 2023, As Adjusted	<u>\$ 5,855,027</u>	<u>\$ 22,160,397</u>

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**REQUIRED SUPPLEMENTARY
INFORMATION (UNAUDITED)**

**CITY OF EL SEGUNDO
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 58,729,050	\$ 58,729,050	\$ 64,404,087	\$ 5,675,037
Licenses and Permits	16,537,000	16,657,000	17,109,023	452,023
Intergovernmental	2,138,755	2,063,755	2,302,513	238,758
Charges for Services	5,246,040	5,371,039	5,611,405	240,366
Use of Money and Property	2,844,120	2,844,120	8,723,431	5,879,311
Fines and Forfeitures	327,101	327,101	382,947	55,846
Miscellaneous	2,693,944	3,324,688	3,649,666	324,978
Total Revenues	<u>88,516,010</u>	<u>89,316,753</u>	<u>102,183,072</u>	<u>12,866,319</u>
EXPENDITURES				
Current:				
General Government				
City Council	235,330	235,330	202,644	32,686
City Treasurer	307,474	307,474	240,457	67,017
City Clerk	516,545	516,545	352,660	163,885
City Manager	2,873,271	2,873,270	2,756,842	116,428
City Attorney	835,450	835,450	892,398	(56,948)
Planning	1,378,691	1,366,866	924,405	442,461
Building and Safety	1,681,804	1,679,238	811,278	867,960
Administrative Services	7,976,739	8,080,799	5,867,509	2,213,290
Nondepartmental	7,331,016	7,935,201	8,634,526	(699,325)
Public Safety:				
Police	19,360,025	19,364,059	19,463,754	(99,695)
Fire	14,196,505	14,514,832	14,470,012	44,820
Animal Control	31,500	36,500	35,722	778
Communications Center	2,219,531	2,309,040	2,306,093	2,947
Public Works:				
Administration	348,069	348,069	313,783	34,286
Government Buildings	2,557,958	2,589,757	2,283,853	305,904
Engineering	1,016,996	1,298,245	1,115,882	182,363
Streets	2,408,958	2,394,622	2,276,628	117,994
Solid Waste	725,053	776,253	744,990	31,263
Storm Drain	354,244	456,244	263,836	192,408
Equipment Maintenance	1,600,211	1,600,211	1,471,038	129,173
Community and Cultural:				
Recreation and Parks	7,786,083	7,015,244	5,842,399	1,172,845
Library	2,447,003	2,557,101	2,525,400	31,701
Health	325,022	323,643	213,816	109,827
Capital Outlay	430,000	569,190	1,310,687	(741,497)
Debt Service:				
Principal Retirement	-	-	775,966	(775,966)
Interest	-	-	135,521	(135,521)
Total Expenditures	<u>78,943,478</u>	<u>79,983,183</u>	<u>76,232,099</u>	<u>3,751,084</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	9,572,532	9,333,570	25,950,973	16,617,403
OTHER FINANCING SOURCES (USES)				
Subscription Payable Issuance	-	-	741,890	741,890
Transfers In	50,000	50,000	1,050,500	(1,000,500)
Transfers Out	(17,330,206)	(17,885,950)	(22,634,454)	4,748,504
Total Other Financing Uses	<u>(17,280,206)</u>	<u>(17,835,950)</u>	<u>(20,842,064)</u>	<u>4,489,894</u>
NET CHANGE IN FUND BALANCES	<u>\$ (7,707,674)</u>	<u>\$ (8,502,380)</u>	5,108,909	<u>\$ 21,107,297</u>
Fund Balance - Beginning of Year			<u>48,646,690</u>	
FUND BALANCE - END OF YEAR			<u>\$ 53,755,599</u>	

See accompanying Note to Budgetary Comparison Schedule.

**CITY OF EL SEGUNDO
NOTE TO BUDGETARY COMPARISON SCHEDULE
JUNE 30, 2024**

NOTE 1 BUDGETARY CONTROL AND ACCOUNTING POLICY

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

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

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

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

Measurement Period	2022-23	2021-22	2020-21	2019-20	2018-19
Total Pension Liability:					
Service Cost	\$ 2,247,119	\$ 2,395,337	\$ 2,167,601	\$ 2,088,245	\$ 2,026,099
Interest on Total Pension Liability	9,237,160	8,996,884	8,786,372	8,447,044	8,219,352
Changes of Benefit Terms	243,771	-	-	-	-
Changes of Assumptions	-	3,844,839	-	-	-
Differences Between Expected and Actual Experience	47,648	243,988	1,386,728	(221,184)	(38,811)
Benefit Payments, Including Refunds of Employee Contributions	(8,400,601)	(7,853,920)	(7,452,811)	(6,978,924)	(6,762,739)
Net Change in Total Pension Liability	3,375,097	7,627,128	4,887,890	3,335,181	3,443,901
Total Pension Liability - Beginning	136,657,208	129,030,080	124,142,190	120,807,009	117,363,108
Total Pension Liability - Ending (a)	\$ 140,032,305	\$ 136,657,208	\$ 129,030,080	\$ 124,142,190	\$ 120,807,009
Pension Fiduciary Net Position:					
Contributions - Employer	\$ 1,673,991	\$ 1,424,177	\$ 36,323,729	\$ 3,584,857	\$ 3,597,197
Contributions - Employee	1,031,097	948,037	996,706	946,546	878,016
Net Investment Income	7,504,293	(10,344,392)	20,615,898	4,398,867	5,537,029
Benefit Payments, Including Refunds of Employee Contributions	(8,400,601)	(7,853,920)	(7,452,811)	(6,978,924)	(6,762,739)
Net Plan to Plan Resource Movement	-	-	-	3,966	(127,504)
Administrative Expense	(91,454)	(87,387)	(89,792)	(124,138)	(60,654)
Other Miscellaneous Expense	-	-	-	-	198
Net Change in Plan Fiduciary Net Position	1,717,326	(15,913,485)	50,393,730	1,831,174	3,061,543
Plan Fiduciary Net Position - Beginning	124,367,804	140,281,289	89,887,559	88,056,385	84,994,842
Plan Fiduciary Net Position - Ending (b)	\$ 126,085,130	\$ 124,367,804	\$ 140,281,289	\$ 89,887,559	\$ 88,056,385
Plan Net Pension (Asset) Liability - Ending (a) - (b)	\$ 13,947,175	\$ 12,289,404	\$ (11,251,209)	\$ 34,254,631	\$ 32,750,624
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	90.04%	91.01%	108.72%	72.41%	72.89%
Covered Payroll	\$ 15,064,145	\$ 14,700,313	\$ 14,246,696	\$ 14,212,445	\$ 12,851,508
Plan Net Pension Liability as a Percentage of Covered Payroll	92.59%	83.60%	-78.97%	241.02%	254.84%

Notes to Schedule:

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

Changes of Assumptions: There were no significant changes in assumptions in 2019 to 2021. In 2022, the discount rate and long-term rate of return decreased from 7.15% to 6.90% and the inflation rate decreased from 2.50% to 2.30%. There were no significant changes in assumptions in 2023.

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

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

Measurement Period	2017-18	2016-17	2015-16	2014-15	2013-14
Total Pension Liability:					
Service Cost	\$ 2,002,276	\$ 2,022,687	\$ 1,836,590	\$ 1,892,820	\$ 1,992,358
Interest on Total Pension Liability	7,976,930	7,747,566	7,584,214	7,355,288	7,137,756
Changes of Benefit Terms	-	-	-	-	-
Changes of Assumptions	(464,769)	6,199,889	-	(1,728,307)	-
Differences Between Expected and Actual Experience	8,203	(813,832)	(899,552)	(1,400,892)	-
Benefit Payments, Including Refunds of Employee Contributions	(6,360,824)	(5,830,361)	(5,534,415)	(5,121,477)	(4,825,880)
Net Change in Total Pension Liability	3,161,816	9,325,949	2,986,837	997,432	4,304,234
Total Pension Liability - Beginning	114,201,292	104,875,343	101,888,506	100,891,074	96,586,840
Total Pension Liability - Ending (a)	\$ 117,363,108	\$ 114,201,292	\$ 104,875,343	\$ 101,888,506	\$ 100,891,074
Pension Fiduciary Net Position:					
Contributions - Employer	\$ 3,291,215	\$ 2,381,409	\$ 2,189,606	\$ 1,990,762	\$ 2,229,759
Contributions - Employee	905,313	975,818	850,845	883,340	1,271,008
Net Investment Income	6,839,662	8,294,674	375,088	1,743,059	11,605,717
Benefit Payments, Including Refunds of Employee Contributions	(6,360,824)	(5,830,361)	(5,534,415)	(5,121,477)	(4,825,880)
Net Plan to Plan Resource Movement	(198)	(31,271)	(256)	161,952	-
Administrative Expense	(125,728)	(110,739)	(47,032)	(86,704)	-
Other Miscellaneous Expense	(238,760)	-	-	-	-
Net Change in Plan Fiduciary Net Position	4,310,680	5,679,530	(2,166,164)	(429,068)	10,280,604
Plan Fiduciary Net Position - Beginning	80,684,162	75,004,632	77,170,796	77,599,864	67,319,260
Plan Fiduciary Net Position - Ending (b)	\$ 84,994,842	\$ 80,684,162	\$ 75,004,632	\$ 77,170,796	\$ 77,599,864
Plan Net Pension Liability - Ending (a) - (b)	\$ 32,368,266	\$ 33,517,130	\$ 29,870,711	\$ 24,717,710	\$ 23,291,210
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.42%	70.65%	71.52%	75.74%	76.91%
Covered Payroll	\$ 12,875,891	\$ 13,007,635	\$ 12,983,105	\$ 13,129,083	\$ 13,163,041
Plan Net Pension Liability as a Percentage of Covered Payroll	251.39%	257.67%	230.07%	188.27%	176.94%

Notes to Schedule:

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

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

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

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

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

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

Notes to Schedule:

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

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

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

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

Measurement Period	2022-23	2021-22	2020-21	2019-20
City Proportion of the Net Pension Liability	0.2149%	0.2149%	-1.2460%	1.7727%
City's Proportionate Share of the Net Pension (Asset) Liability	<u>\$ 22,360,535</u>	<u>\$ 14,766,473</u>	<u>\$ (43,727,085)</u>	<u>\$ 118,102,353</u>
City's Covered Payroll	<u>\$ 14,502,235</u>	<u>\$ 14,704,735</u>	<u>\$ 13,463,828</u>	<u>\$ 13,583,547</u>
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	<u>154.19%</u>	<u>100.42%</u>	<u>-324.77%</u>	<u>869.45%</u>
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Total Pension Liability	<u>93.55%</u>	<u>95.60%</u>	<u>88.29%</u>	<u>75.10%</u>

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

Changes in Assumptions:

From Measurement Period 2020-21 to 2021-22: The discount rate was reduced from 7.15% to 6.90% and inflation rate decreased from 2.50% to 2.30%

From Measurement Period 2021-22 to 2022-23: There were no significant changes in assumptions.

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

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

Measurement Period	2018-19	2017-18	2016-17
City Proportion of the Net Pension Liability	1.7839%	1.1081%	1.0764%
City's Proportionate Share of the Net Pension (Asset) Liability	<u>\$ 111,360,318</u>	<u>\$ 106,775,573</u>	<u>\$ 106,751,685</u>
City's Covered Payroll	<u>\$ 12,490,385</u>	<u>\$ 12,742,792</u>	<u>\$ 12,697,818</u>
City's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	<u>891.57%</u>	<u>837.93%</u>	<u>840.71%</u>
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Total Pension Liability	<u>75.26%</u>	<u>75.26%</u>	<u>73.31%</u>

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

Changes in Assumptions:

From Measurement Period 2016-17 to 2017-18: The discount rate was reduced from 7.65% to 7.15%.

From Measurement Period 2017-18 to 2020-21: There were no significant changes in assumptions.

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

Public Agency Retirement System Defined Benefit Plan

Fiscal Year	2023-24	2022-23	2021-22	2020-21	2019-20
Measurement Period	2022-23	2021-22	2020-21	2019-20	2018-19
Total Pension Liability:					
Service Cost	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	159,346	133,216	126,814	127,254	126,122
Changes of Assumptions	-	29,748	353,856	(18,261)	-
Differences Between Expected and Actual Experience	-	496,804	-	12,206	-
Benefit Payments, Including Refunds of Employee Contributions	(168,711)	(155,358)	(142,018)	(115,700)	(97,156)
Net Change in Total Pension Liability	(9,365)	504,410	338,652	5,499	28,966
Total Pension Liability - Beginning	3,119,525	2,615,115	2,276,463	2,270,964	2,241,998
Total Pension Liability - Ending (a)	\$ 3,110,160	\$ 3,119,525	\$ 2,615,115	\$ 2,276,463	\$ 2,270,964
Pension Fiduciary Net Position:					
Contributions - Employer	\$ 189,000	\$ 189,000	\$ -	\$ 158,000	\$ 158,000
Contributions - Employee	-	-	-	-	-
Net Investment Income	118,789	(236,068)	222,960	84,790	53,443
Benefit Payments, Including Refunds of Employee Contributions	(168,711)	(155,358)	(142,018)	(115,700)	(97,156)
Administrative Expense	(6,331)	(6,505)	(6,184)	(6,076)	(5,517)
Net Change in Plan Fiduciary Net Position	132,747	(208,931)	74,758	121,014	108,770
Plan Fiduciary Net Position - Beginning²	1,183,298	1,392,229	1,317,471	1,196,457	1,087,687
Plan Fiduciary Net Position - Ending (b)	\$ 1,316,045	\$ 1,183,298	\$ 1,392,229	\$ 1,317,471	\$ 1,196,457
Plan Net Pension Liability - Ending (a) - (b)	\$ 1,794,115	\$ 1,936,227	\$ 1,222,886	\$ 958,992	\$ 1,074,507
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	42.31%	37.93%	53.24%	57.87%	52.68%
Covered Payroll	\$ 471,484	\$ 495,251	\$ 592,104	N/A	N/A
Plan Net Pension Liability as a Percentage of Covered Payroll	380.53%	390.96%	206.53%	N/A	N/A
Changes in Assumptions:					
Actuarial Valuation Date	June 30, 2022				
Fiscal Year	2023-24				
Measurement Period	October 1, 2022, to September 30, 2023				
Discount Rate	5.25%				
Rate of Return on Assets	5.25%				
Inflation Rate	2.50%				
Mortality, Retirement, Disability, and Termination	CalPERS 2000-2019 Experience Study				
Mortality Improvement Scale	Scale MP-2021				

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

Public Agency Retirement System Defined Benefit Plan

Fiscal Year	2018-19	2017-18	2016-17	2015-16	2014-15
Measurement Period	2017-18	2016-17	2015-16	2014-15	2013-14
Total Pension Liability:					
Service Cost	\$ -	\$ -	\$ -	\$ -	\$ 54,000
Interest	115,441	119,000	121,000	113,000	110,000
Changes of Assumptions	(62,152)	-	-	140,000	-
Differences Between Expected and Actual Experience	187,849	-	-	93,000	-
Benefit Payments, Including Refunds of Employee Contributions	(196,140)	(174,000)	(141,000)	(81,000)	(37,000)
Net Change in Total Pension Liability	44,998	(55,000)	(20,000)	265,000	127,000
Total Pension Liability - Beginning	2,197,000	2,252,000	2,272,000	2,007,000	1,880,000
Total Pension Liability - Ending (a)	\$ 2,241,998	\$ 2,197,000	\$ 2,252,000	\$ 2,272,000	\$ 2,007,000
Pension Fiduciary Net Position:					
Contributions - Employer	\$ 158,000	\$ 236,000	\$ -	\$ -	\$ -
Contributions - Employee	-	-	16,000	167,000	193,000
Net Investment Income	69,282	91,000	72,000	(11,000)	52,000
Benefit Payments, Including Refunds of Employee Contributions	(196,140)	(174,000)	(141,000)	(81,000)	(37,000)
Administrative Expense	(5,455)	(5,000)	(5,000)	(5,000)	(5,000)
Net Change in Plan Fiduciary Net Position	25,687	148,000	(58,000)	70,000	203,000
Plan Fiduciary Net Position - Beginning²	1,062,000	914,000	972,000	902,000	699,000
Plan Fiduciary Net Position - Ending (b)	\$ 1,087,687	\$ 1,062,000	\$ 914,000	\$ 972,000	\$ 902,000
Plan Net Pension Liability - Ending (a) - (b)	\$ 1,154,311	\$ 1,135,000	\$ 1,338,000	\$ 1,300,000	\$ 1,105,000
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	48.51%	48.34%	40.59%	42.78%	44.94%
Covered Payroll	N/A	N/A	N/A	N/A	N/A
Plan Net Pension Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A

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

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

Fiscal Year	2023-24	2022-23	2021-22	2020-21 ²	2019-20
Actuarially Determined Contribution	\$ 1,457,661	\$ 1,667,117	\$ 1,420,434	\$ 965,277	\$ 3,695,146
Contributions in Relation to the Actuarially Determined Contribution	<u>(1,457,661)</u>	<u>(1,667,117)</u>	<u>(1,420,434)</u>	<u>(33,525,869)</u>	<u>(3,695,146)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (32,560,592)</u>	<u>\$ -</u>
Covered Payroll	<u>\$ 15,064,145</u>	<u>\$ 14,700,313</u>	<u>\$ 14,246,696</u>	<u>\$ 10,498,129</u>	<u>\$ 14,446,483</u>
Contributions as a Percentage of Covered Payroll	9.68%	11.34%	9.97%	319.35%	25.58%

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

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

Notes to Schedule:

Valuation Date	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2018
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Methods and Assumptions Used to

Determine Contribution Rates:

Actuarial Cost Method	Entry Age				
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value				
Inflation	2.30%	2.50%	2.50%	2.50%	2.50%
Salary Increases	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	6.80% (3)	7.00% (3)	7.00% (3)	7.00% (3)	7.00% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

(1) Level percentage of payroll, closed

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

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

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

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

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

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

Fiscal Year	2018-19	2017-18	2016-17	2015-16	2014-15
Actuarially Determined Contribution	\$ 3,421,223	\$ 2,712,223	\$ 2,360,497	\$ 2,267,956	\$ 2,047,988
Contributions in Relation to the Actuarially Determined Contribution	<u>(3,728,014)</u>	<u>(3,291,215)</u>	<u>(2,360,497)</u>	<u>(2,267,956)</u>	<u>(2,047,988)</u>
Contribution Deficiency (Excess)	<u>\$ (306,791)</u>	<u>\$ (578,992)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	<u>\$ 13,136,731</u>	<u>\$ 12,842,526</u>	<u>\$ 11,980,872</u>	<u>\$ 12,484,558</u>	<u>\$ 12,279,995</u>
Contributions as a Percentage of Covered Payroll	28.38%	25.63%	19.70%	18.17%	16.68%

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

Notes to Schedule:

Valuation Date	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
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Methods and Assumptions Used to

Determine Contribution Rates:

Actuarial Cost Method	Entry Age				
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value				
Inflation	2.625%	2.75%	2.75%	2.75%	2.75%
Salary Increases	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	7.25% (3)	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

(1) Level percentage of payroll, closed

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

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

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

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

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

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

Fiscal Year	2023-24	2022-23	2021-22	2020-21 ²	2019-20
Actuarially Determined Contribution	\$ 3,059,125	\$ 3,518,856	\$ 3,186,142	\$ 1,955,086	\$ 10,830,665
Contributions in Relation to the Actuarially Determined Contribution	(3,059,125)	(3,518,856)	(3,186,142)	(112,915,194)	(10,830,665)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ (110,960,108)	\$ -
Covered Payroll	\$ 14,502,235	\$ 14,704,735	\$ 13,463,828	\$ 10,018,467	\$ 13,606,528
Contributions as a Percentage of Covered Payroll	21.09%	23.93%	23.66%	1127.07%	79.60%

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

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

Notes to Schedule:

Valuation Date	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2018
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Methods and Assumptions Used to Determine Contribution Rates:

	Entry Age				
Actuarial Cost Method	(1)	(1)	(1)	(1)	(1)
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value				
Inflation	2.30%	2.30%	2.50%	2.50%	2.50%
Salary Increases	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	6.80% (3)	7.00% (3)	7.00% (3)	7.00% (3)	7.00% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

(1) Level percentage of payroll, closed

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

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

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

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

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

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

Fiscal Year	2018-19	2017-18	2016-17	2015-16	2014-15
Actuarially Determined Contribution	\$ 9,186,753	\$ 8,480,050	\$ 5,282,029	\$ 6,581,713	\$ 6,355,099
Contributions in Relation to the Actuarially Determined Contribution	(10,424,853)	(8,500,586)	(5,282,029)	(6,581,713)	(6,355,099)
Contribution Deficiency (Excess)	\$ (1,238,100)	\$ (20,536)	\$ -	\$ -	\$ -
Covered Payroll	\$ 12,668,674	\$ 12,614,944	\$ 12,410,252	\$ 13,711,733	\$ 13,863,160
Contributions as a Percentage of Covered Payroll	82.29%	67.39%	42.56%	48.00%	45.84%

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

Notes to Schedule:

Valuation Date	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013
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Methods and Assumptions Used to Determine Contribution Rates:

	Entry Age				
Actuarial Cost Method	(1)	(1)	(1)	(1)	(1)
Amortization Method	Fair Value				
Asset Valuation Method	2.625%	2.75%	2.75%	2.75%	2.75%
Inflation	(2)	(2)	(2)	(2)	(2)
Salary Increases	7.25% (3)	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Investment Rate of Return	(4)	(4)	(4)	(4)	(4)
Retirement Age	(5)	(5)	(5)	(5)	(5)
Mortality					

- (1) Level percentage of payroll, closed
- (2) Depending on age, service, and type of employment
- (3) Net of pension plan investment expense, including inflation
- (4) 3% @ 50, 3% @ 55, and 2.7% @ 57
- (5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

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

Public Agency Retirement System Defined Benefit Plan

Fiscal Year	2023-24	2022-23	2021-22	2020-21 ¹	2019-20
Actuarially Determined Contribution	\$ 189,000	\$ 189,000	\$ 189,000	\$ 118,500	\$ 158,000
Contributions in Relation to the Actuarially Determined Contribution	(189,000)	(189,000)	(189,000)	-	(158,000)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ 118,500	\$ -
Covered Payroll	\$ 405,346	\$ 471,484	\$ 495,251	\$ 592,104	N/A
Contributions as a Percentage of Covered Payroll	46.63%	40.09%	38.16%	0.00%	N/A

¹ Determined for the nine month period ended on June 30 (fiscal year-end).

Notes to Schedule:

Valuation Date	6/30/2022	6/30/2022	6/30/2020	6/30/2018	6/30/2018
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Methods and Assumptions Used to

Determine Contribution Rates:

Actuarial Cost Method	Entry Age				
Amortization Method	Level Dollar				
Asset Valuation Method	Fair Value				
Inflation	2.50%	2.50%	2.75%	2.75%	2.75%
Investment Rate of Return	5.25%	5.25%	5.75%	5.75%	5.75%
Mortality, Retirement, Disability, and Termination	(3)	(3)	(2)	(2)	(2)
Mortality Improvement Scale	(7)	(7)	(6)	(5)	(5)

(1) CalPERS 1997-2011 Experience Study

(2) CalPERS 1997-2015 Experience Study

(3) CalPERS 2000-2019 Experience Study

(4) Scale MP-2014

(5) Scale MP-2018

(6) Scale MP-2020

(7) Scale MP-2021

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

Public Agency Retirement System Defined Benefit Plan

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

Notes to Schedule:

Valuation Date	6/30/16	6/30/16
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Methods and Assumptions Used to

Determine Contribution Rates:

Actuarial Cost Method	Entry Age	Entry Age
Amortization Method	Level Dollar	Level Dollar
Asset Valuation Method	Fair Value	Fair Value
Inflation	3.00%	3.00%
Investment Rate of Return	5.50%	5.50%
Mortality, Retirement, Disability, and Termination	(1)	(1)
Mortality Improvement Scale	(4)	(4)

- (1) CalPERS 1997-2011 Experience Study
- (2) CalPERS 1997-2015 Experience Study
- (3) CalPERS 2000-2019 Experience Study
- (4) Scale MP-2014
- (5) Scale MP-2018
- (6) Scale MP-2020
- (7) Scale MP-2021

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

Other Postemployment Benefits (OPEB) Plan

Measurement Period and Fiscal Year	2023-24	2022-23
Total OPEB Liability:		
Service Cost	\$ 1,425,839	\$ 1,387,678
Interest	3,865,934	3,793,974
Changes of Benefit Terms	587,415	-
Changes of Assumptions	440,068	-
Differences Between Expected and Actual Experience	957,038	-
Benefit Payments, Including Refunds	(4,163,355)	(3,973,532)
Net Change in Total OPEB Liability	3,112,939	1,208,120
 Total OPEB Liability - Beginning	 62,510,785	 61,302,665
Total OPEB Liability - Ending (a)	\$ 65,623,724	\$ 62,510,785
 OPEB Fiduciary Net Position:		
Contributions - Employer	\$ 4,176,556	\$ 3,985,790
Net Investment Income	3,359,005	1,847,181
Benefit Payments, Including Refunds of Employee Contributions	(4,163,355)	(3,973,532)
Administrative Expense	(28,746)	(26,618)
Net Change in Plan Fiduciary Net Position	3,343,460	1,832,821
 Plan Fiduciary Net Position - Beginning	 30,591,111	 28,758,290
Plan Fiduciary Net Position - Ending (b)	\$ 33,934,571	\$ 30,591,111
 Plan Net OPEB Liability - Ending (a) - (b)	\$ 31,689,153	\$ 31,919,674
 Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	 51.71%	 48.94%
 Covered-Employee Payroll	 \$ 35,988,803	 \$ 36,783,511
 Plan Net OPEB Liability as a Percentage of Covered-Employee Payroll	 88.05%	 86.78%

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

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

Other Postemployment Benefits (OPEB) Plan

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

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

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

Other Postemployment Benefits (OPEB) Plan

Notes to Schedule:

Changes in Benefit Terms:

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

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

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

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

From measurement period ended June 30, 2023 to June 30, 2024:

- The following changes were made to the maximum City contributions towards retiree monthly medical premiums:
- SPEA and PSSEA were increased from \$1,650 to \$1,850
- PMA was increased from \$1,650 to \$1,850
- Police was increased from \$1,750 to \$1,800
- Fire was decreased from \$1,750 to \$1,700

Changes in Assumptions

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

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

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

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

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

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

From measurement period ended June 30, 2023 to June 30, 2024:

Medical plan at retirement assumed to be based on current election. Updated medical trend rates. PEMHCA minimum increases updated to 3.50% annually

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

Other Postemployment Benefits (OPEB) Plan

Fiscal Years	2023-24	2022-23
Actuarially Determined Contribution	\$ 3,902,000	\$ 3,761,000
Contributions in Relation to the Actuarially Determined Contribution	(4,176,556)	(3,985,790)
Contribution Deficiency (Excess)	\$ (274,556)	\$ (224,790)
Covered Employee Payroll	\$ 35,988,803	\$ 36,783,511
Contributions as a Percentage of Covered-Employee Payroll	11.61%	10.84%

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

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

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

Notes to Schedule:

Valuation Date	6/30/2023	6/30/2021
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Methods and Assumptions Used to

Determine Contribution Rates:

Actuarial Cost Method	Entry Age		
Amortization Method	Level Percentage of Payroll		
Amortization Period		18 Years	19 Years
Asset Valuation Method	Investment Gains and Losses Spread Over 5-Year Rolling Period		
Discount Rate		6.25%	6.25%
General Inflation		2.50%	2.50%
Medical Trend		(4)	(4)
Mortality, Withdrawal, Disability		(8)	(8)

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

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

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

(4) 6.50% (Non-Medicare), 5.65% (Medicare Non-Kaiser) for 2023, and 4.60% (Medicare Kaiser) for 2023, decreasing to an ultimate rate of 3.75% in 2076.

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

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

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

(8) CalPERS 2000-2019 experience study. Mortality Improvement Scale MP-2021.

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

Other Postemployment Benefits (OPEB) Plan

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

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

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

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

Notes to Schedule:

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

Determine Contribution Rates:

Actuarial Cost Method	Entry Age				
Amortization Method	Level Percentage of Payroll				
Amortization Period	20 Years	21 Years	22 Years	23 Years	25 Years
Asset Valuation Method	Investment Gains and Losses Spread Over 5-Year Rolling Period				
Discount Rate	6.75%	6.75%	6.75%	6.75%	7.50%
General Inflation	2.75%	2.75%	2.75%	2.75%	3.00%
Medical Trend	(3)	(3)	(2)	(2)	(1)
Mortality, Withdrawal, Disability	(7)	(7)	(6)	(6)	(5)

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

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

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

(4) 6.50% (Non-Medicare), 5.65% (Medicare Non-Kaiser) for 2023, and 4.60% (Medicare Kaiser) for 2023, decreasing to an ultimate rate of 3.75% in 2076.

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

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

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

(8) CalPERS 2000-2019 experience study. Mortality Improvement Scale MP-2021.

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SUPPLEMENTARY INFORMATION

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF BALANCE SHEET
GENERAL FUND COMPONENTS
JUNE 30, 2024**

ASSETS	General	Economic Uncertainty Fund	Hyperion Mitigation Fund	Project Deposits Fund
Cash and Investments	\$ 37,180,260	\$ 2,000,004	\$ 61,803	\$ 1,489,234
Restricted Cash and Investments	5,915,375	-	-	-
Receivables:				
Taxes	6,839,222	-	-	-
Accounts	666,455	-	-	23,513
Interest	1,141,467	-	-	-
Leases	64,893,961	-	-	-
PPP	764,150	-	-	-
Due from Other Funds	3,937,534	-	-	-
Due from Other Governments	203,866	-	-	-
Inventories	163,403	-	-	-
Prepays	140,778	-	-	-
Advances to Other Funds	4,729,994	-	-	-
	<u>\$ 126,576,465</u>	<u>\$ 2,000,004</u>	<u>\$ 61,803</u>	<u>\$ 1,512,747</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 2,129,295	\$ -	\$ 64	\$ 165,890
Accrued Liabilities	2,619,276	-	-	-
Retentions Payable	5,985	-	-	19,789
Due to Other Funds	-	-	-	-
Unearned Revenue	100,369	-	-	-
Deposits Payable	71,812	-	-	272,386
Advances from Other Funds	5,330,745	-	-	-
Total Liabilities	<u>10,257,482</u>	<u>-</u>	<u>64</u>	<u>458,065</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues	127,190	-	-	-
Related to Leases	64,893,961	-	-	-
Related to PPP	764,150	-	-	-
Total Deferred Inflows of Resources	<u>65,785,301</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	5,034,175	-	-	-
Restricted	6,015,744	-	-	-
Assigned	2,003,919	-	-	-
Unassigned (Deficit)	37,479,844	2,000,004	61,739	1,054,682
Total Fund Balances	<u>50,533,682</u>	<u>2,000,004</u>	<u>61,739</u>	<u>1,054,682</u>
	<u>\$ 126,576,465</u>	<u>\$ 2,000,004</u>	<u>\$ 61,803</u>	<u>\$ 1,512,747</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 126,576,465</u>	<u>\$ 2,000,004</u>	<u>\$ 61,803</u>	<u>\$ 1,512,747</u>

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF BALANCE SHEET
GENERAL FUND COMPONENTS (CONTINUED)
JUNE 30, 2024**

ASSETS	Solid Waste Fund	Golf Course Fund	Intrafund Eliminations	Total
Cash and Investments	\$ -	\$ 366,914	\$ -	\$ 41,098,215
Restricted Cash and Investments	-		-	5,915,375
Receivables:				
Taxes	-	-	-	6,839,222
Accounts	-	-	-	689,968
Interest	-	-	-	1,141,467
Leases	-	-	-	64,893,961
PPP	-	-	-	764,150
Due from Other Funds	-	-	(239,850)	3,697,684
Due from Other Governments	-	-	-	203,866
Inventories	-	-	-	163,403
Prepays	-	-	-	140,778
Advances to Other Funds	-	-	-	4,729,994
	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,729,994</u>
Total Assets	<u>\$ -</u>	<u>\$ 366,914</u>	<u>\$ (239,850)</u>	<u>\$ 130,278,083</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ -	\$ -	\$ -	\$ 2,295,249
Accrued Liabilities	-	-	-	2,619,276
Retentions Payable	-	-	-	25,774
Due to Other Funds	239,850	-	(239,850)	-
Unearned Revenue	-	21,572	-	121,941
Deposits Payable	-	-	-	344,198
Advances from Other Funds	-	-	-	5,330,745
Total Liabilities	<u>239,850</u>	<u>21,572</u>	<u>(239,850)</u>	<u>10,737,183</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues	-	-	-	127,190
Related to Leases	-	-	-	64,893,961
Related to PPP	-	-	-	764,150
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,785,301</u>
FUND BALANCES				
Nonspendable	-	-	-	5,034,175
Restricted	-	-	-	6,015,744
Assigned	-	-	-	2,003,919
Unassigned (Deficit)	(239,850)	345,342	-	40,701,761
Total Fund Balances	<u>(239,850)</u>	<u>345,342</u>	<u>-</u>	<u>53,755,599</u>
	<u>-</u>	<u>366,914</u>	<u>(239,850)</u>	<u>130,278,083</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ -</u>	<u>\$ 366,914</u>	<u>\$ (239,850)</u>	<u>\$ 130,278,083</u>

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND COMPONENTS
YEAR ENDED JUNE 30, 2024**

	General	Economic Uncertainty Fund	Hyperion Mitigation Fund	Project Deposits Fund
REVENUES				
Taxes	\$ 64,404,087	\$ -	\$ -	\$ -
Licenses and Permits	17,109,023	-	-	-
Intergovernmental	2,302,513	-	-	-
Charges for Services	5,329,350	-	-	282,055
Use of Money and Property	8,721,879	-	1,552	-
Fines and Forfeitures	382,947	-	-	-
Developer Fees	-	-	-	-
Miscellaneous	3,649,666	-	-	-
Total Revenues	<u>101,899,465</u>	<u>-</u>	<u>1,552</u>	<u>282,055</u>
EXPENDITURES				
Current:				
General Government	20,682,719	-	-	-
Public Safety	36,275,581	-	-	-
Public Works	8,166,169	-	15,739	-
Community and Cultural	8,581,615	-	-	-
Capital Outlay	771,889	-	-	538,798
Debt Service:				
Principal Retirement	775,966	-	-	-
Interest	135,521	-	-	-
Total Expenditures	<u>75,389,460</u>	<u>-</u>	<u>15,739</u>	<u>538,798</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	26,510,005	-	(14,187)	(256,743)
OTHER FINANCING SOURCES (USES)				
Subscription Payable Issuance	741,890	-	-	-
Transfers In	1,050,500	-	-	-
Transfers Out	(28,812,360)	-	-	-
Total Other Financing Sources (Uses)	<u>(27,019,970)</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(509,965)	-	(14,187)	(256,743)
Fund Balance - Beginning of Year	<u>51,043,647</u>	<u>2,000,004</u>	<u>75,926</u>	<u>1,311,425</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 50,533,682</u></u>	<u><u>\$ 2,000,004</u></u>	<u><u>\$ 61,739</u></u>	<u><u>\$ 1,054,682</u></u>

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND COMPONENTS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

	Solid Waste Fund	Golf Course Fund	Intrafund Eliminations	Total
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ 64,404,087
Licenses and Permits	-	-	-	17,109,023
Intergovernmental	-	-	-	2,302,513
Charges for Services	-	-	-	5,611,405
Use of Money and Property	-	-	-	8,723,431
Fines and Forfeitures	-	-	-	382,947
Developer Fees	-	-	-	-
Miscellaneous	-	-	-	3,649,666
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>102,183,072</u>
EXPENDITURES				
Current:				
General Government	-	-	-	20,682,719
Public Safety	-	-	-	36,275,581
Public Works	288,102	-	-	8,470,010
Community and Cultural	-	-	-	8,581,615
Capital Outlay	-	-	-	1,310,687
Debt Service:				
Principal Retirement	-	-	-	775,966
Interest	-	-	-	135,521
Total Expenditures	<u>288,102</u>	<u>-</u>	<u>-</u>	<u>76,232,099</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(288,102)	-	-	25,950,973
OTHER FINANCING SOURCES (USES)				
Subscription Payable Issuance	-	-	-	741,890
Transfers In	600,000	5,577,906	(6,177,906)	1,050,500
Transfers Out	-	-	6,177,906	(22,634,454)
Total Other Financing Sources (Uses)	<u>600,000</u>	<u>5,577,906</u>	<u>-</u>	<u>(20,842,064)</u>
NET CHANGE IN FUND BALANCES	311,898	5,577,906	-	5,108,909
Fund Balance - Beginning of Year	<u>(551,748)</u>	<u>(5,232,564)</u>	<u>-</u>	<u>48,646,690</u>
FUND BALANCE - END OF YEAR	<u>\$ (239,850)</u>	<u>\$ 345,342</u>	<u>\$ -</u>	<u>\$ 53,755,599</u>

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NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds:

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

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

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

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

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

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

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

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

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds (Continued):

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

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

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

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

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

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

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

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

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

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

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds (Continued):

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

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

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

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

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

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

Measure B – Accounts for the special tax levy on building improvements, approved by the voters of Los Angeles County, to be used for countywide system of trauma centers, emergency medical services, and for bioterrorism response throughout the County.

Debt Service Fund:

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

Capital Projects Fund:

Developer Impact Fees – Accounts for the revenues and capital expenditures financed by developer impact fees.

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2024**

	Special Revenue Funds				
	State Gas Tax	Residential Sound Insulation	Certified Union Program Agencies	Community Development Block Grant	Asset Forfeiture
ASSETS					
Cash and Investments	\$ 381,284	\$ 483,035	\$ 1,461,324	\$ -	\$ 920,568
Receivables:					
Accounts	-	-	-	-	-
Notes and Loans	-	-	-	49,405	-
Due from Other Governments	88,181	-	-	-	-
	<u>88,181</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 469,465</u>	<u>\$ 483,035</u>	<u>\$ 1,461,324</u>	<u>\$ 49,405</u>	<u>\$ 920,568</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 41,270	\$ -	\$ 78,964	\$ -	\$ 9,888
Accrued Liabilities	63	-	23,413	-	-
Retentions Payable	-	-	-	775	-
Due to Other Funds	-	-	-	10,235	-
Deposits Payable	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-
Total Liabilities	<u>41,333</u>	<u>-</u>	<u>102,377</u>	<u>11,010</u>	<u>9,888</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted	428,132	483,035	1,358,947	38,395	910,680
Assigned	-	-	-	-	-
Unassigned (Deficit)	-	-	-	-	-
Total Fund Balances	<u>428,132</u>	<u>483,035</u>	<u>1,358,947</u>	<u>38,395</u>	<u>910,680</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 469,465</u>	<u>\$ 483,035</u>	<u>\$ 1,461,324</u>	<u>\$ 49,405</u>	<u>\$ 920,568</u>

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2024**

	Special Revenue Funds				
	Prop A	Prop C	Traffic Safety	Air Pollution Reduction	SB 821 Bikeway
ASSETS					
Cash and Investments	\$ 1,063,076	\$ -	\$ 78,578	\$ 188,815	\$ 30,700
Receivables:					
Accounts	-	-	-	-	-
Notes and Loans	-	-	-	-	-
Due from Other Governments	-	29,515	4,324	-	-
	<u>-</u>	<u>29,515</u>	<u>4,324</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 1,063,076</u>	<u>\$ 29,515</u>	<u>\$ 82,902</u>	<u>\$ 188,815</u>	<u>\$ 30,700</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 37,943	\$ 908,168	\$ -	\$ -	\$ -
Accrued Liabilities	2,905	-	-	-	-
Retentions Payable	-	12,531	-	-	-
Due to Other Funds	-	208,221	-	-	-
Deposits Payable	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-
Total Liabilities	<u>40,848</u>	<u>1,128,920</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted	1,022,228	-	82,902	188,815	30,700
Assigned	-	-	-	-	-
Unassigned (Deficit)	-	(1,099,405)	-	-	-
Total Fund Balances	<u>1,022,228</u>	<u>(1,099,405)</u>	<u>82,902</u>	<u>188,815</u>	<u>30,700</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,063,076</u>	<u>\$ 29,515</u>	<u>\$ 82,902</u>	<u>\$ 188,815</u>	<u>\$ 30,700</u>

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2024**

	Special Revenue Funds				
	C.O.P.S.	MTA Grant	Measure R	Federal Grants	State and County Grants
ASSETS					
Cash and Investments	\$ 544,652	\$ 18,140	\$ 889,226	\$ 7,666	\$ -
Receivables:					
Accounts	-	-	-	-	-
Notes and Loans	-	-	-	-	-
Due from Other Governments	-	-	22,201	18,709	765,272
Total Assets	\$ 544,652	\$ 18,140	\$ 911,427	\$ 26,375	\$ 765,272
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 59,497	\$ -	\$ -	\$ -	\$ 5,762
Accrued Liabilities	-	-	-	-	1,322
Retentions Payable	-	-	-	-	-
Due to Other Funds	-	-	-	-	402,045
Deposits Payable	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-
Total Liabilities	59,497	-	-	-	409,129
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	-	434	740,491
Total Deferred Inflows of Resources	-	-	-	434	740,491
FUND BALANCES					
Restricted	485,155	18,140	911,427	25,941	-
Assigned	-	-	-	-	-
Unassigned (Deficit)	-	-	-	-	(384,348)
Total Fund Balances	485,155	18,140	911,427	25,941	(384,348)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 544,652	\$ 18,140	\$ 911,427	\$ 26,375	\$ 765,272

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2024**

	Special Revenue Funds				
	PSAF Property Tax Public Safety	Senior Housing	Measure M	SB 1	Certified Access Specialist Program
ASSETS					
Cash and Investments	\$ 146,496	\$ 315,141	\$ -	\$ 37,740	\$ 165,264
Receivables:					
Accounts	-	-	-	-	-
Notes and Loans	-	-	-	-	-
Due from Other Governments	7,053	-	3,431,557	77,797	-
Total Assets	\$ 153,549	\$ 315,141	\$ 3,431,557	\$ 115,537	\$ 165,264
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 66	\$ 316	\$ 1,823	\$ 112	\$ -
Accrued Liabilities	-	-	-	-	1,409
Retentions Payable	-	-	1,616	-	-
Due to Other Funds	-	-	3,077,183	-	-
Deposits Payable	-	33,909	-	-	-
Advances to Other Funds	-	-	-	-	-
Total Liabilities	66	34,225	3,080,622	112	1,409
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	3,406,387	-	-
Total Deferred Inflows of Resources	-	-	3,406,387	-	-
FUND BALANCES					
Restricted	153,483	280,916	-	115,425	163,855
Assigned	-	-	-	-	-
Unassigned (Deficit)	-	-	(3,055,452)	-	-
Total Fund Balances	153,483	280,916	(3,055,452)	115,425	163,855
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 153,549	\$ 315,141	\$ 3,431,557	\$ 115,537	\$ 165,264

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2024**

	Special Revenue Funds				
	Affordable Housing	Cultural Development	Special Revenues / Donations	County Storm Water Program	Measure B
ASSETS					
Cash and Investments	\$ 5,608,351	\$ 870,153	\$ 644,768	\$ 1,684,651	\$ -
Receivables:					
Accounts	-	-	22,600	-	-
Notes and Loans	-	-	-	-	-
Due from Other Governments	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 5,608,351</u>	<u>\$ 870,153</u>	<u>\$ 667,368</u>	<u>\$ 1,684,651</u>	<u>\$ -</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ -	\$ 7	\$ 27,943	\$ 37,495	\$ -
Accrued Liabilities	-	2,857	25	-	-
Retentions Payable	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Deposits Payable	-	-	-	-	-
Advances to Other Funds	-	-	-	-	-
Total Liabilities	<u>-</u>	<u>2,864</u>	<u>27,968</u>	<u>37,495</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Restricted	5,608,351	867,289	639,400	1,647,156	-
Assigned	-	-	-	-	-
Unassigned (Deficit)	-	-	-	-	-
Total Fund Balances	<u>5,608,351</u>	<u>867,289</u>	<u>639,400</u>	<u>1,647,156</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 5,608,351</u>	<u>\$ 870,153</u>	<u>\$ 667,368</u>	<u>\$ 1,684,651</u>	<u>\$ -</u>

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2024**

	Debt Service Fund	Capital Projects Fund	
	Facility Loan	Developer Impact Fees	Total
ASSETS			
Cash and Investments	\$ 306,498	\$ 413,031	\$ 16,259,157
Receivables:			
Accounts	-	-	22,600
Notes and Loans	-	-	49,405
Due from Other Governments	-	-	4,444,609
	<u>\$ 306,498</u>	<u>\$ 413,031</u>	<u>\$ 20,775,771</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ -	\$ -	\$ 1,209,254
Accrued Liabilities	-	-	31,994
Retentions Payable	-	-	14,922
Due to Other Funds	-	-	3,697,684
Deposits Payable	-	-	33,909
Advances to Other Funds	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>4,987,763</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	-	-	4,147,312
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>4,147,312</u>
FUND BALANCES			
Restricted	306,498	413,031	16,179,901
Assigned	-	-	-
Unassigned (Deficit)	-	-	(4,539,205)
Total Fund Balances	<u>306,498</u>	<u>413,031</u>	<u>11,640,696</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 306,498</u>	<u>\$ 413,031</u>	<u>\$ 20,775,771</u>

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024**

	Special Revenue Funds				
	State Gas Tax	Residential Sound Insulation	Certified Union Program Agencies	Community Development Block Grant	Asset Forfeiture
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	85,384	-	-
Intergovernmental	477,275	-	-	11,213	113,728
Charges for Services	-	-	1,098,923	-	-
Use of Money and Property	6,173	9,537	19,710	522	21,269
Fines and Forfeitures	-	-	5,946	-	-
Developer Fees	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	<u>483,448</u>	<u>9,537</u>	<u>1,209,963</u>	<u>11,735</u>	<u>134,997</u>
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	99,671
Public Works	182,560	-	-	-	-
Community and Cultural	-	878	569,658	-	-
Capital Outlay	244,625	-	-	-	179,827
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	<u>427,185</u>	<u>878</u>	<u>569,658</u>	<u>-</u>	<u>279,498</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	56,263	8,659	640,305	11,735	(144,501)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	56,263	8,659	640,305	11,735	(144,501)
Fund Balances - Beginning of Year, As Originally Reported	371,869	474,376	718,642	26,660	1,055,181
Adjustment	-	-	-	-	-
Fund Balances - Beginning of Year, As Adjusted	<u>371,869</u>	<u>474,376</u>	<u>718,642</u>	<u>26,660</u>	<u>1,055,181</u>
FUND BALANCES - END OF YEAR	<u>\$ 428,132</u>	<u>\$ 483,035</u>	<u>\$ 1,358,947</u>	<u>\$ 38,395</u>	<u>\$ 910,680</u>

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

	Special Revenue Funds				
	Prop A	Prop C	Traffic Safety	Air Pollution Reduction	SB 821 Bikeway
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-
Intergovernmental	453,006	249,308	-	17,075	15,000
Charges for Services	-	-	-	-	-
Use of Money and Property	34,183	32,703	-	4,011	371
Fines and Forfeitures	-	-	30,739	-	-
Developer Fees	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	<u>487,189</u>	<u>282,011</u>	<u>30,739</u>	<u>21,086</u>	<u>15,371</u>
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	-	-
Community and Cultural	1,109,641	-	-	-	-
Capital Outlay	-	3,116,974	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	<u>1,109,641</u>	<u>3,116,974</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(622,452)	(2,834,963)	30,739	21,086	15,371
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	(50,000)	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(50,000)</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(622,452)	(2,834,963)	(19,261)	21,086	15,371
Fund Balances - Beginning of Year, As Originally Reported	1,644,680	1,735,558	102,163	167,729	15,329
Adjustment	-	-	-	-	-
Fund Balances - Beginning of Year, As Adjusted	<u>1,644,680</u>	<u>1,735,558</u>	<u>102,163</u>	<u>167,729</u>	<u>15,329</u>
FUND BALANCES - END OF YEAR	<u>\$ 1,022,228</u>	<u>\$ (1,099,405)</u>	<u>\$ 82,902</u>	<u>\$ 188,815</u>	<u>\$ 30,700</u>

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

	Special Revenue Funds				
	C.O.P.S.	MTA Grant	Measure R	Federal Grants	State and County Grants
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-
Intergovernmental	186,159	-	431,957	42,657	150,398
Charges for Services	-	-	-	-	-
Use of Money and Property	14,814	411	20,250	-	-
Fines and Forfeitures	-	-	-	-	-
Developer Fees	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	<u>200,973</u>	<u>411</u>	<u>452,207</u>	<u>42,657</u>	<u>150,398</u>
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Safety	146,231	-	-	18,240	30,188
Public Works	-	-	-	-	-
Community and Cultural	-	-	-	-	46,315
Capital Outlay	163,259	-	672,005	-	786,537
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	<u>309,490</u>	<u>-</u>	<u>672,005</u>	<u>18,240</u>	<u>863,040</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(108,517)	411	(219,798)	24,417	(712,642)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	151,973	-
Transfers Out	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>151,973</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(108,517)	411	(219,798)	176,390	(712,642)
Fund Balances - Beginning of Year, As Originally Reported	593,672	17,729	1,131,225	(150,449)	328,294
Adjustment	-	-	-	-	-
Fund Balances - Beginning of Year, As Adjusted	<u>593,672</u>	<u>17,729</u>	<u>1,131,225</u>	<u>(150,449)</u>	<u>328,294</u>
FUND BALANCES - END OF YEAR	<u>\$ 485,155</u>	<u>\$ 18,140</u>	<u>\$ 911,427</u>	<u>\$ 25,941</u>	<u>\$ (384,348)</u>

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

	Special Revenue Funds				Certified Access Specialist Program
	PSAF Property Tax Public Safety	Senior Housing	Measure M	SB 1	
REVENUES					
Taxes	\$ 39,994	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-
Intergovernmental	-	-	432,736	446,393	-
Charges for Services	-	-	-	-	21,993
Use of Money and Property	3,681	55,393	6,100	892	3,531
Fines and Forfeitures	-	-	-	-	-
Developer Fees	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	<u>43,675</u>	<u>55,393</u>	<u>438,836</u>	<u>447,285</u>	<u>25,524</u>
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Safety	75,309	-	-	-	-
Public Works	-	-	-	-	-
Community and Cultural	-	11,743	-	-	-
Capital Outlay	-	-	4,235,170	802,743	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	<u>75,309</u>	<u>11,743</u>	<u>4,235,170</u>	<u>802,743</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(31,634)	43,650	(3,796,334)	(355,458)	25,524
OTHER FINANCING SOURCES (USES)					
Transfers In	-	200,000	-	-	-
Transfers Out	-	(800,000)	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(600,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(31,634)	(556,350)	(3,796,334)	(355,458)	25,524
Fund Balances - Beginning of Year, As Originally Reported	185,117	837,266	740,882	470,883	138,331
Adjustment	-	-	-	-	-
Fund Balances - Beginning of Year, As Adjusted	<u>185,117</u>	<u>837,266</u>	<u>740,882</u>	<u>470,883</u>	<u>138,331</u>
FUND BALANCES - END OF YEAR	<u>\$ 153,483</u>	<u>\$ 280,916</u>	<u>\$ (3,055,452)</u>	<u>\$ 115,425</u>	<u>\$ 163,855</u>

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

	Special Revenue Funds				
	Affordable Housing	Cultural Development	Special Revenues / Donations	County Storm Water Program	Measure B
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-
Intergovernmental	-	-	-	603,971	60,383
Charges for Services	-	-	898	-	-
Use of Money and Property	127,040	-	-	28,594	-
Fines and Forfeitures	-	-	-	-	-
Developer Fees	-	221,948	-	-	-
Miscellaneous	-	-	1,076,701	-	-
Total Revenues	<u>127,040</u>	<u>221,948</u>	<u>1,077,599</u>	<u>632,565</u>	<u>60,383</u>
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	-	-	-	224,884	-
Community and Cultural	-	134,875	201,050	-	-
Capital Outlay	-	-	-	-	-
Debt Service:					
Principal Retirement	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	<u>-</u>	<u>134,875</u>	<u>201,050</u>	<u>224,884</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	127,040	87,073	876,549	407,681	60,383
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	96,531	-	-
Transfers Out	-	-	(3,501,231)	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(3,404,700)</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	127,040	87,073	(2,528,151)	407,681	60,383
Fund Balances - Beginning of Year, As Originally Reported	5,481,311	780,216	3,167,551	1,239,475	(60,383)
Adjustment	-	-	-	-	-
Fund Balances - Beginning of Year, As Adjusted	<u>5,481,311</u>	<u>780,216</u>	<u>3,167,551</u>	<u>1,239,475</u>	<u>(60,383)</u>
FUND BALANCES - END OF YEAR	<u>\$ 5,608,351</u>	<u>\$ 867,289</u>	<u>\$ 639,400</u>	<u>\$ 1,647,156</u>	<u>\$ -</u>

**CITY OF EL SEGUNDO
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

	Debt			
	Service Fund	Capital Projects Funds		
	Facility Loan	Developer Impact Fees	Capital Improvement	Total
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ 39,994
Licenses and Permits	-	-	-	85,384
Intergovernmental	-	-	-	3,691,259
Charges for Services	-	-	-	1,121,814
Use of Money and Property	-	-	-	389,185
Fines and Forfeitures	-	-	-	36,685
Developer Fees	63,785	232,715	-	518,448
Miscellaneous	-	-	-	1,076,701
Total Revenues	<u>63,785</u>	<u>232,715</u>	<u>-</u>	<u>6,959,470</u>
EXPENDITURES				
Current:				
General Government	16,492	-	-	16,492
Public Safety	-	-	-	369,639
Public Works	-	-	-	407,444
Community and Cultural	-	-	-	2,074,160
Capital Outlay	-	-	-	10,201,140
Debt Service:				
Principal Retirement	354,876	-	-	354,876
Interest	152,693	-	-	152,693
Total Expenditures	<u>524,061</u>	<u>-</u>	<u>-</u>	<u>13,576,444</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(460,276)	232,715	-	(6,616,974)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	448,504
Transfers Out	-	-	-	(4,351,231)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,902,727)</u>
NET CHANGE IN FUND BALANCES	(460,276)	232,715	-	(10,519,701)
Fund Balances - Beginning of Year, As Originally Reported	766,774	180,316	5,855,027	28,015,424
Adjustment	-	-	(5,855,027)	(5,855,027)
Fund Balances - Beginning of Year, As Adjusted	<u>766,774</u>	<u>180,316</u>	<u>-</u>	<u>22,160,397</u>
FUND BALANCES - END OF YEAR	<u>\$ 306,498</u>	<u>\$ 413,031</u>	<u>\$ -</u>	<u>\$ 11,640,696</u>

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
STATE GAS TAX SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 461,594	\$ 461,594	\$ 477,275	\$ 15,681
Use of Money and Property	10,000	10,000	6,173	(3,827)
Total Revenues	471,594	471,594	483,448	11,854
EXPENDITURES				
Current:				
Public Works	221,745	282,502	182,560	99,942
Capital Outlay	-	248,768	244,625	4,143
Total Expenditures	221,745	531,270	427,185	104,085
NET CHANGE IN FUND BALANCES	\$ 249,849	\$ (59,676)	56,263	\$ 115,939
Fund Balance - Beginning of Year			371,869	
FUND BALANCE - END OF YEAR			\$ 428,132	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
RESIDENTIAL SOUND INSULATION SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ -	\$ -	\$ 9,537	\$ 9,537
Total Revenues	-	-	9,537	9,537
EXPENDITURES				
Current:				
Community and Cultural	10,000	10,000	878	9,122
Total Expenditures	10,000	10,000	878	9,122
NET CHANGE IN FUND BALANCES	\$ (10,000)	\$ (10,000)	8,659	\$ 18,659
Fund Balance - Beginning of Year			474,376	
FUND BALANCE - END OF YEAR			\$ 483,035	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
CERTIFIED UNION PROGRAM AGENCIES SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Licenses and Permits	\$ 26,600	\$ 26,600	\$ 85,384	\$ 58,784
Charges for Services	419,830	419,830	1,098,923	679,093
Use of Money and Property	1,300	1,300	19,710	18,410
Fines and Forfeitures	5,000	5,000	5,946	946
Total Revenues	452,730	452,730	1,209,963	757,233
EXPENDITURES				
Current:				
Community and Cultural	537,828	537,828	569,658	(31,830)
Total Expenditures	537,828	537,828	569,658	(31,830)
NET CHANGE IN FUND BALANCES	\$ (85,098)	\$ (85,098)	640,305	\$ 725,403
Fund Balance - Beginning of Year			718,642	
FUND BALANCE - END OF YEAR			\$ 1,358,947	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 51,000	\$ 51,000	\$ 11,213	\$ (39,787)
Use of Money and Property	-	-	522	522
Total Revenues	<u>51,000</u>	<u>51,000</u>	<u>11,735</u>	<u>(39,265)</u>
EXPENDITURES				
Capital Outlay	284,139	144,000	-	144,000
Total Expenditures	<u>284,139</u>	<u>144,000</u>	<u>-</u>	<u>144,000</u>
NET CHANGE IN FUND BALANCES	<u>\$ (233,139)</u>	<u>\$ (93,000)</u>	11,735	<u>\$ 104,735</u>
Fund Balance - Beginning of Year			<u>26,660</u>	
FUND BALANCE - END OF YEAR			<u>\$ 38,395</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
ASSET FORFEITURE SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 20,000	\$ 20,000	\$ 113,728	\$ 93,728
Use of Money and Property	2,000	2,000	21,269	19,269
Total Revenues	<u>22,000</u>	<u>22,000</u>	<u>134,997</u>	<u>112,997</u>
EXPENDITURES				
Current:				
Public Safety	500,000	500,000	99,671	400,329
Capital Outlay	300,000	365,453	179,827	185,626
Total Expenditures	<u>800,000</u>	<u>865,453</u>	<u>279,498</u>	<u>585,955</u>
NET CHANGE IN FUND BALANCES	<u>\$ (778,000)</u>	<u>\$ (843,453)</u>	<u>(144,501)</u>	<u>\$ 698,952</u>
Fund Balance - Beginning of Year			<u>1,055,181</u>	
FUND BALANCE - END OF YEAR			<u>\$ 910,680</u>	

**CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
PROP A SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 306,000	\$ 306,000	\$ 453,006	\$ 147,006
Charges for Services	510	510	-	(510)
Use of Money and Property	7,000	7,000	34,183	27,183
Total Revenues	313,510	313,510	487,189	173,679
EXPENDITURES				
Current:				
Community and Cultural	362,281	1,103,273	1,109,641	(6,368)
Total Expenditures	362,281	1,103,273	1,109,641	(6,368)
NET CHANGE IN FUND BALANCES	\$ (48,771)	\$ (789,763)	(622,452)	\$ 167,311
Fund Balance - Beginning of Year			1,644,680	
FUND BALANCE - END OF YEAR			\$ 1,022,228	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
PROP C SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 255,000	\$ 255,000	\$ 249,308	\$ (5,692)
Use of Money and Property	9,000	9,000	32,703	23,703
Total Revenues	264,000	264,000	282,011	18,011
EXPENDITURES				
Capital Outlay	300,000	3,947,826	3,116,974	830,852
Total Expenditures	300,000	3,947,826	3,116,974	830,852
NET CHANGE IN FUND BALANCES	\$ (36,000)	\$ (3,683,826)	(2,834,963)	\$ 848,863
Fund Balance - Beginning of Year			1,735,558	
FUND BALANCE - END OF YEAR			\$ (1,099,405)	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
TRAFFIC SAFETY SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Fines and Forfeitures	\$ 45,000	\$ 45,000	\$ 30,739	\$ (14,261)
Total Revenues	45,000	45,000	30,739	(14,261)
OTHER FINANCING SOURCES				
Transfer Out	-	-	(50,000)	(50,000)
NET CHANGE IN FUND BALANCES	<u>\$ 45,000</u>	<u>\$ 45,000</u>	(19,261)	<u>\$ (64,261)</u>
Fund Balance - Beginning of Year			<u>102,163</u>	
FUND BALANCE - END OF YEAR			<u>\$ 82,902</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
AIR POLLUTION REDUCTION SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 20,000	\$ 20,000	\$ 17,075	\$ (2,925)
Use of Money and Property	510	510	4,011	3,501
Total Revenues	<u>20,510</u>	<u>20,510</u>	<u>21,086</u>	<u>576</u>
EXPENDITURES				
Capital Outlay	100,000	100,000	-	100,000
Total Expenditures	<u>100,000</u>	<u>100,000</u>	<u>-</u>	<u>100,000</u>
NET CHANGE IN FUND BALANCES	<u>\$ (79,490)</u>	<u>\$ (79,490)</u>	21,086	<u>\$ 100,576</u>
Fund Balance - Beginning of Year			<u>167,729</u>	
FUND BALANCE - END OF YEAR			<u>\$ 188,815</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
SB 821 SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 10,000	\$ 10,000	\$ 15,000	\$ 5,000
Use of Money and Property	200	200	371	171
Total Revenues	<u>10,200</u>	<u>10,200</u>	<u>15,371</u>	<u>5,171</u>
EXPENDITURES				
Capital Outlay	15,000	15,000	-	15,000
Total Expenditures	<u>15,000</u>	<u>15,000</u>	<u>-</u>	<u>15,000</u>
NET CHANGE IN FUND BALANCES	<u>\$ (4,800)</u>	<u>\$ (4,800)</u>	15,371	<u>\$ 20,171</u>
Fund Balance - Beginning of Year			<u>15,329</u>	
FUND BALANCE - END OF YEAR			<u>\$ 30,700</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
C.O.P.S. SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 150,000	\$ 150,000	\$ 186,159	\$ 36,159
Use of Money and Property	4,000	4,000	14,814	10,814
Total Revenues	154,000	154,000	200,973	46,973
EXPENDITURES				
Current:				
Public Safety	465,000	450,000	146,231	303,769
Capital Outlay	150,000	165,000	163,259	1,741
Total Expenditures	615,000	615,000	309,490	305,510
NET CHANGE IN FUND BALANCES	\$ (461,000)	\$ (461,000)	(108,517)	\$ 352,483
Fund Balance - Beginning of Year			593,672	
FUND BALANCE - END OF YEAR			\$ 485,155	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
MTA GRANT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 10,000	\$ 10,000	\$ -	\$ (10,000)
Use of Money and Property	200	200	411	211
Total Revenues	<u>10,200</u>	<u>10,200</u>	<u>411</u>	<u>(9,789)</u>
NET CHANGE IN FUND BALANCES	<u>\$ 10,200</u>	<u>\$ 10,200</u>	411	<u>\$ (9,789)</u>
Fund Balance - Beginning of Year			<u>17,729</u>	
FUND BALANCE - END OF YEAR			<u>\$ 18,140</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
MEASURE R SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 500,000	\$ 500,000	\$ 431,957	\$ (68,043)
Use of Money and Property	10,000	10,000	20,250	10,250
Total Revenues	<u>510,000</u>	<u>510,000</u>	<u>452,207</u>	<u>(57,793)</u>
EXPENDITURES				
Capital Outlay	600,000	6,477,515	672,005	5,805,510
Total Expenditures	<u>600,000</u>	<u>6,477,515</u>	<u>672,005</u>	<u>5,805,510</u>
NET CHANGE IN FUND BALANCES	<u>\$ (90,000)</u>	<u>\$ (5,967,515)</u>	<u>(219,798)</u>	<u>\$ 5,747,717</u>
Fund Balance - Beginning of Year			<u>1,131,225</u>	
FUND BALANCE - END OF YEAR			<u>\$ 911,427</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
FEDERAL GRANTS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 396,370	\$ 396,370	\$ 42,657	\$ (353,713)
Total Revenues	<u>396,370</u>	<u>396,370</u>	<u>42,657</u>	<u>(353,713)</u>
EXPENDITURES				
Current:				
Public Safety	418,038	418,038	18,240	399,798
Capital Outlay	322,500	322,500	-	322,500
Total Expenditures	<u>740,538</u>	<u>740,538</u>	<u>18,240</u>	<u>722,298</u>
NET CHANGE IN FUND BALANCES	<u>\$ (344,168)</u>	<u>\$ (344,168)</u>	24,417	<u>\$ 368,585</u>
Fund Balance (Deficit) - Beginning of Year			<u>(150,449)</u>	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (126,032)</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
STATE GRANTS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 140,111	\$ 210,111	\$ 150,398	\$ (59,713)
Total Revenues	<u>140,111</u>	<u>210,111</u>	<u>150,398</u>	<u>(59,713)</u>
EXPENDITURES				
Current:				
Public Safety	148,944	183,656	30,188	153,468
Community and Cultural	-	43,086	46,315	(3,229)
Capital Outlay	180,000	966,537	786,537	180,000
Total Expenditures	<u>328,944</u>	<u>1,193,279</u>	<u>863,040</u>	<u>330,239</u>
NET CHANGE IN FUND BALANCES	<u>\$ (188,833)</u>	<u>\$ (983,168)</u>	<u>(712,642)</u>	<u>\$ 270,526</u>
Fund Balance (Deficit) - Beginning of Year			<u>328,294</u>	
FUND BALANCE (DEFICIT) - END OF YEAR			<u>\$ (384,348)</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
PSAF PROPERTY TAX PUBLIC SAFETY SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 30,000	\$ 30,000	\$ 39,994	\$ 9,994
Use of Money and Property	1,020	1,020	3,681	2,661
Total Revenues	31,020	31,020	43,675	12,655
EXPENDITURES				
Current:				
Public Safety	75,000	75,000	75,309	(309)
Total Expenditures	75,000	75,000	75,309	(309)
NET CHANGE IN FUND BALANCES	\$ (43,980)	\$ (43,980)	(31,634)	\$ 12,346
Fund Balance - Beginning of Year			185,117	
FUND BALANCE - END OF YEAR			\$ 153,483	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
SENIOR HOUSING SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 3,099	\$ 3,099	\$ 55,393	\$ 52,294
Total Revenues	<u>3,099</u>	<u>3,099</u>	<u>55,393</u>	<u>52,294</u>
EXPENDITURES				
Current:				
Community and Cultural	8,981	8,981	11,743	(2,762)
Capital Outlay	142,000	154,480	-	154,480
Total Expenditures	<u>150,981</u>	<u>163,461</u>	<u>11,743</u>	<u>151,718</u>
OTHER FINANCING SOURCES				
Transfer In	200,000	200,000	200,000	-
Transfer Out	(800,000)	(800,000)	(800,000)	-
Total Other Financing Sources	<u>(600,000)</u>	<u>(600,000)</u>	<u>(600,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ (747,882)</u>	<u>\$ (760,362)</u>	<u>(556,350)</u>	<u>\$ (99,424)</u>
Fund Balance - Beginning of Year			<u>837,266</u>	
FUND BALANCE - END OF YEAR			<u>\$ 280,916</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
MEASURE M SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 204,000	\$ 229,000	\$ 432,736	\$ 203,736
Use of Money and Property	5,000	5,000	6,100	1,100
Total Revenues	<u>209,000</u>	<u>234,000</u>	<u>438,836</u>	<u>204,836</u>
EXPENDITURES				
Capital Outlay	200,000	4,541,909	4,235,170	306,739
Total Expenditures	<u>200,000</u>	<u>4,541,909</u>	<u>4,235,170</u>	<u>306,739</u>
NET CHANGE IN FUND BALANCES	<u>\$ 9,000</u>	<u>\$ (4,307,909)</u>	<u>(3,796,334)</u>	<u>\$ 511,575</u>
Fund Balance - Beginning of Year			<u>740,882</u>	
FUND BALANCE - END OF YEAR			<u>\$ (3,055,452)</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
SB 1 SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 368,921	\$ 368,921	\$ 446,393	\$ 77,472
Use of Money and Property	7,000	7,000	892	(6,108)
Total Revenues	<u>375,921</u>	<u>375,921</u>	<u>447,285</u>	<u>71,364</u>
EXPENDITURES				
Capital Outlay	800,000	800,000	802,743	(2,743)
Total Expenditures	<u>800,000</u>	<u>800,000</u>	<u>802,743</u>	<u>(2,743)</u>
NET CHANGE IN FUND BALANCES	<u>\$ (424,079)</u>	<u>\$ (424,079)</u>	<u>(355,458)</u>	<u>\$ 68,621</u>
Fund Balance - Beginning of Year			<u>470,883</u>	
FUND BALANCE - END OF YEAR			<u>\$ 115,425</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
CERTIFIED ACCESS SPECIALIST PROGRAM SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$ 20,000	\$ 20,000	\$ 21,993	\$ 1,993
Use of Money and Property	1,000	1,000	3,531	2,531
Total Revenues	21,000	21,000	25,524	4,524
EXPENDITURES				
Current:				
Community and Cultural	15,000	15,000	-	15,000
Total Expenditures	15,000	15,000	-	15,000
NET CHANGE IN FUND BALANCES	\$ 6,000	\$ 6,000	25,524	\$ 19,524
Fund Balance - Beginning of Year			138,331	
FUND BALANCE - END OF YEAR			\$ 163,855	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
AFFORDABLE HOUSING SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 50,000	\$ 50,000	\$ 127,040	\$ 77,040
Total Revenues	<u>50,000</u>	<u>50,000</u>	<u>127,040</u>	<u>77,040</u>
NET CHANGE IN FUND BALANCES	<u>\$ 50,000</u>	<u>\$ 50,000</u>	127,040	<u>\$ 77,040</u>
Fund Balance - Beginning of Year			<u>5,481,311</u>	
FUND BALANCE - END OF YEAR			<u>\$ 5,608,351</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
CULTURAL DEVELOPMENT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Developer Fees	\$ 500,000	\$ 500,000	\$ 221,948	\$ (278,052)
Total Revenues	500,000	500,000	221,948	(278,052)
EXPENDITURES				
Current:				
Community and Cultural	258,196	258,196	134,875	123,321
Total Expenditures	258,196	258,196	134,875	123,321
NET CHANGE IN FUND BALANCES	\$ 241,804	\$ 241,804	87,073	\$ (154,731)
Fund Balance - Beginning of Year			780,216	
FUND BALANCE - END OF YEAR			\$ 867,289	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
SPECIAL REVENUES AND DONATIONS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	\$ 1,050,000	\$ 1,066,980	\$ 1,076,701	\$ 9,721
Total Revenues	<u>1,050,000</u>	<u>1,066,980</u>	<u>1,077,599</u>	<u>10,619</u>
EXPENDITURES				
Current:				
Public Safety	10,000	10,000	-	10,000
Community and Cultural	159,000	274,931	201,050	73,881
Capital Outlay	40,000	40,000	-	40,000
Total Expenditures	<u>209,000</u>	<u>324,931</u>	<u>201,050</u>	<u>123,881</u>
OTHER FINANCING SOURCES				
Transfer In	-	-	96,531	96,531
Transfer Out	-	-	(3,501,231)	(3,501,231)
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>(3,404,700)</u>	<u>(3,404,700)</u>
NET CHANGE IN FUND BALANCES	<u>\$ 841,000</u>	<u>\$ 742,049</u>	<u>(2,528,151)</u>	<u>\$ (3,517,962)</u>
Fund Balance - Beginning of Year			<u>3,167,551</u>	
FUND BALANCE - END OF YEAR			<u>\$ 639,400</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
COUNTY STORM WATER PROGRAM SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 663,000	\$ 663,000	\$ 603,971	\$ (59,029)
Use of Money and Property	10,200	10,200	28,594	18,394
Total Revenues	<u>673,200</u>	<u>673,200</u>	<u>632,565</u>	<u>(40,635)</u>
EXPENDITURES				
Current:				
Public Works	400,000	407,466	224,884	182,582
Capital Outlay	350,000	350,000	-	350,000
Total Expenditures	<u>750,000</u>	<u>757,466</u>	<u>224,884</u>	<u>532,582</u>
NET CHANGE IN FUND BALANCES	<u>\$ (76,800)</u>	<u>\$ (84,266)</u>	407,681	<u>\$ 491,947</u>
Fund Balance - Beginning of Year			<u>1,239,475</u>	
FUND BALANCE - END OF YEAR			<u>\$ 1,647,156</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
MEASURE B SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES				
Current:				
Public Works	\$ 12,580	\$ 12,580	\$ -	\$ 12,580
Total Expenditures	<u>12,580</u>	<u>12,580</u>	<u>-</u>	<u>12,580</u>
NET CHANGE IN FUND BALANCES	<u>\$ (12,580)</u>	<u>\$ (12,580)</u>	60,383	<u>\$ 72,963</u>
Fund Balance - Beginning of Year			<u>(60,383)</u>	
FUND BALANCE - END OF YEAR			<u>\$ -</u>	

**CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
FACILITY LOAN DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Developer Fees	\$ 367,200	\$ 367,200	\$ 63,785	\$ (303,415)
Total Revenues	<u>367,200</u>	<u>367,200</u>	<u>63,785</u>	<u>(303,415)</u>
EXPENDITURES				
Current:				
General Government	-	-	16,492	(16,492)
Debt Service:				
Principal Retirement	434,000	434,000	354,876	79,124
Interest	169,300	169,300	152,693	16,607
Total Expenditures	<u>603,300</u>	<u>603,300</u>	<u>524,061</u>	<u>79,239</u>
NET CHANGE IN FUND BALANCES	<u>\$ (236,100)</u>	<u>\$ (236,100)</u>	(460,276)	<u>\$ (224,176)</u>
Fund Balance - Beginning of Year			<u>766,774</u>	
FUND BALANCE - END OF YEAR			<u>\$ 306,498</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
PENSION OBLIGATION BONDS DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 10	\$ 10	\$ -	\$ (10)
Total Revenues	<u>10</u>	<u>10</u>	<u>-</u>	<u>(10)</u>
EXPENDITURES				
Debt Service:				
Principal Retirement	6,570,720	6,570,720	6,546,420	24,300
Interest	2,926,986	2,926,986	2,939,130	(12,144)
Total Expenditures	<u>9,497,706</u>	<u>9,497,706</u>	<u>9,485,550</u>	<u>12,156</u>
EXCESS (DEFICIENCY) OF REVENUES UNDER EXPENDITURES	(9,497,696)	(9,497,696)	(9,485,550)	12,146
OTHER FINANCING SOURCES				
Transfers In	9,497,707	9,497,707	9,497,707	-
Total Other Financing Sources	<u>9,497,707</u>	<u>9,497,707</u>	<u>9,497,707</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>\$ 11</u>	<u>\$ 11</u>	12,157	<u>\$ 12,146</u>
Fund Balance - Beginning of Year			<u>8,025,370</u>	
FUND BALANCE - END OF YEAR			<u>\$ 8,037,527</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
DEVELOPMENT IMPACT FEES CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Developer Fees	\$ -	\$ -	\$ 232,715	\$ 232,715
Total Revenues	<u>-</u>	<u>-</u>	<u>232,715</u>	<u>232,715</u>
NET CHANGE IN FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	232,715	<u>\$ 232,715</u>
Fund Balance - Beginning of Year			<u>180,316</u>	
FUND BALANCE - END OF YEAR			<u>\$ 413,031</u>	

CITY OF EL SEGUNDO
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL
CAPITAL IMPROVEMENTS CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES				
Capital Outlay	\$ 16,986,500	\$ 26,839,407	\$ -	\$ 26,839,407
Total Expenditures	<u>16,986,500</u>	<u>26,839,407</u>	<u>-</u>	<u>26,839,407</u>
EXCESS (DEFICIENCY) OF REVENUES UNDER EXPENDITURES	(16,986,500)	(26,839,407)	-	26,839,407
OTHER FINANCING SOURCES:				
Transfers In	8,432,500	8,432,500	-	(8,432,500)
Total Other Financing Sources	<u>8,432,500</u>	<u>8,432,500</u>	<u>-</u>	<u>(8,432,500)</u>
NET CHANGE IN FUND BALANCES	<u>\$ (8,554,000)</u>	<u>\$ (18,406,907)</u>	<u>-</u>	<u>\$ 18,406,907</u>
Fund Balance - Beginning of Year			<u>5,855,027</u>	
FUND BALANCE - END OF YEAR			<u>\$ 5,855,027</u>	

INTERNAL SERVICE FUNDS

Internal Service Funds:

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

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

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

**CITY OF EL SEGUNDO
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2024**

	Equipment Replacement Fund	Liability Insurance Fund	Workers' Compensation Fund	Total
ASSETS				
Current Assets:				
Cash and Investments	\$ 9,816,420	\$ 1,733,688	\$ 9,619,389	\$ 21,169,497
Accounts Receivable	40,000	187,193	34,953	262,146
Total Current Assets	<u>9,856,420</u>	<u>1,920,881</u>	<u>9,654,342</u>	<u>21,431,643</u>
Noncurrent Assets:				
Advance to Other Funds	5,330,745	-	-	5,330,745
Capital Assets, Net of Depreciation/Amortization	3,667,895	-	-	3,667,895
Total Noncurrent Assets	<u>8,998,640</u>	<u>-</u>	<u>-</u>	<u>8,998,640</u>
Total Assets	18,855,060	1,920,881	9,654,342	30,430,283
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Outflows of Resources Related to Pension	-	51,055	137,445	188,500
Deferred Outflows of Resources Related to OPEB	-	5,616	5,169	10,785
Total Deferred Outflows of Resources	<u>-</u>	<u>56,671</u>	<u>142,614</u>	<u>199,285</u>
LIABILITIES				
Current Liabilities:				
Accounts Payable	133,025	11,607	170,000	314,632
Accrued Liabilities	-	-	-	-
Claims and Judgments, Current Portion	-	1,862,298	2,445,625	4,307,923
Total Current Liabilities	<u>133,025</u>	<u>1,873,905</u>	<u>2,615,625</u>	<u>4,622,555</u>
Noncurrent Liabilities:				
Claims and Judgments, Net of Current Aggregate Net Pension Liability	-	4,553,702	10,202,375	14,756,077
Net Other Postemployment Benefit Liability	-	76,620	70,513	147,133
Total Noncurrent Liabilities	<u>-</u>	<u>4,703,671</u>	<u>10,470,347</u>	<u>15,174,018</u>
Total Liabilities	133,025	6,577,576	13,085,972	19,796,573
DEFERRED INFLOWS OF RESOURCES				
Deferred Inflows of Resources Related to OPEB	-	2,044	1,882	3,926
Total Deferred Inflows of Resources	<u>-</u>	<u>2,044</u>	<u>1,882</u>	<u>3,926</u>
NET POSITION (DEFICIT)				
Investment in Capital Assets	3,566,503	-	-	3,566,503
Unrestricted (Deficit)	15,155,532	(4,602,068)	(3,290,898)	7,262,566
Total Net Position (Deficit)	<u>\$ 18,722,035</u>	<u>\$ (4,602,068)</u>	<u>\$ (3,290,898)</u>	<u>\$ 10,829,069</u>

**CITY OF EL SEGUNDO
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2024**

	Equipment Replacement Fund	Liability Insurance Fund	Workers' Compensation Fund	Total
OPERATING REVENUES				
Interdepartmental Charges	\$ 2,161,972	\$ 3,100,000	\$ 3,298,022	\$ 8,559,994
Miscellaneous	152,835	-	309,774	462,609
Total Operating Revenues	<u>2,314,807</u>	<u>3,100,000</u>	<u>3,607,796</u>	<u>9,022,603</u>
OPERATING EXPENSES				
Personnel Services	-	96,721	200,368	297,089
Materials and Supplies	69,352	-	9,449	78,801
Insurance and Claims	-	1,000,737	2,796,590	3,797,327
Depreciation	497,251	-	-	497,251
Total Operating Expenses	<u>566,603</u>	<u>1,097,458</u>	<u>3,006,407</u>	<u>4,670,468</u>
OPERATING INCOME (LOSS)	1,748,204	2,002,542	601,389	4,352,135
NONOPERATING INCOME				
Gain (Loss) on Disposal of Capital Assets	-	-	-	-
Total Nonoperating Income	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
INCOME (LOSS) BEFORE TRANSFERS	1,748,204	2,002,542	601,389	4,352,135
TRANSFERS				
Transfers In	555,744	-	-	555,744
Transfers Out	(147,183)	-	-	(147,183)
Total Transfers	<u>408,561</u>	<u>-</u>	<u>-</u>	<u>408,561</u>
CHANGES IN NET POSITION	2,156,765	2,002,542	601,389	4,760,696
Net Position - Beginning of the Year	<u>16,565,270</u>	<u>(6,604,610)</u>	<u>(3,892,287)</u>	<u>6,068,373</u>
NET POSITION - END OF YEAR	<u>\$ 18,722,035</u>	<u>\$ (4,602,068)</u>	<u>\$ (3,290,898)</u>	<u>\$ 10,829,069</u>

**CITY OF EL SEGUNDO
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2024**

	Equipment Replacement Fund	Liability Insurance Fund	Workers' Compensation Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Users	\$ 2,274,807	\$ 2,912,807	\$ 3,572,843	\$ 8,760,457
Payments for Insurance and Claims	-	(2,463,504)	(2,623,371)	(5,086,875)
Payments to Suppliers	(37,719)	-	(9,449)	(47,168)
Payments to Employees	-	(73,726)	(134,698)	(208,424)
Net Cash Provided by Operating Activities	2,237,088	375,577	805,325	3,417,990
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Cash Received from Other Funds	802,909	-	-	802,909
Cash Payments to Other Funds	(147,183)	-	-	(147,183)
Net Cash Used by Noncapital Financing Activities	655,726	-	-	655,726
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	(1,104,398)	-	-	(1,104,398)
Net Cash Used by Capital and Related Financing Activities	(1,104,398)	-	-	(1,104,398)
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,788,416	375,577	805,325	2,969,318
Cash and Cash Equivalents - Beginning of Year	8,028,004	1,358,111	8,814,064	18,200,179
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 9,816,420</u>	<u>\$ 1,733,688</u>	<u>\$ 9,619,389</u>	<u>\$ 21,169,497</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ 1,748,204	\$ 2,002,542	\$ 601,389	\$ 4,352,135
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	497,251	-	-	497,251
(Increase) Decrease in:				
Accounts Receivable	(40,000)	(187,193)	(34,953)	(262,146)
Deferred Outflows of Resources - Pension	-	13,480	30,495	43,975
Deferred Outflows of Resources - OPEB	-	2,403	2,211	4,614
Increase (Decrease) in:				
Accounts Payable	31,633	79,233	168,442	279,308
Accrued Liabilities	-	-	(11,223)	(11,223)
Claims and Judgments	-	(1,542,000)	16,000	(1,526,000)
Net Pension Liability	-	11,790	37,268	49,058
Net Other Postemployment Liability	-	(558)	(513)	(1,071)
Deferred Inflows of Resources - OPEB	-	(4,120)	(3,791)	(7,911)
Total Adjustments	488,884	(1,626,965)	203,936	(934,145)
Net Cash Provided by Operating Activities	<u>\$ 2,237,088</u>	<u>\$ 375,577</u>	<u>\$ 805,325</u>	<u>\$ 3,417,990</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Capital Assets in Accounts Payable	<u>\$ 101,392</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 101,392</u>

STATISTICAL SECTION

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

This part of the City’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.	180
Revenue Capacity These schedules contain information to help the reader assess the City’s most significant local revenue source, the property tax.	188
Debt Capacity These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.	193
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.	200
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City’s financial report relates to the services the City provides and the activities it performs.	202

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

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

	2015	2016	2017	2018	2019
Governmental activities:					
Net investment in capital assets	90,783,595	90,014,262	92,615,618	93,775,527	93,823,843
Restricted	8,922,448	8,562,915	7,372,369	7,882,394	11,082,956
Unrestricted	<u>(89,732,982)</u>	<u>(86,756,004)</u>	<u>(91,119,511)</u>	<u>(129,410,242)</u>	<u>(125,853,873)</u>
Total governmental activities net position	<u><u>9,973,061</u></u>	<u><u>11,821,173</u></u>	<u><u>8,868,476</u></u>	<u><u>(27,752,321)</u></u>	<u><u>(20,947,074)</u></u>
Business-type activities:					
Net investment in capital assets	22,657,797	25,387,562	27,679,609	30,800,645	31,244,813
Restricted	-	-	-	-	-
Unrestricted	<u>12,247,482</u>	<u>12,855,184</u>	<u>15,808,634</u>	<u>10,485,483</u>	<u>22,534,785</u>
Total business-type activities net position	<u><u>34,905,279</u></u>	<u><u>38,242,746</u></u>	<u><u>43,488,243</u></u>	<u><u>41,286,128</u></u>	<u><u>53,779,598</u></u>
Primary government:					
Net investment in capital assets	113,441,392	115,401,824	120,295,227	124,576,172	125,068,656
Restricted	8,922,448	8,562,915	7,372,369	7,882,394	11,082,956
Unrestricted	<u>(77,485,500)</u>	<u>(73,900,820)</u>	<u>(75,310,877)</u>	<u>(118,924,759)</u>	<u>(103,319,088)</u>
Total primary government net position	<u><u>44,878,340</u></u>	<u><u>50,063,919</u></u>	<u><u>52,356,719</u></u>	<u><u>13,533,807</u></u>	<u><u>32,832,524</u></u>

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

	2020	2021	2022	2023	2024
Governmental activities:					
Net investment in capital assets	91,747,670	93,360,733	91,541,308	101,562,280	108,641,202
Restricted	21,263,102	21,618,456	85,598,580	35,416,676	30,828,193
Unrestricted	<u>(134,494,651)</u>	<u>(125,165,656)</u>	<u>(109,457,284)</u>	<u>(110,637,114)</u>	<u>(107,483,696)</u>
Total governmental activities net position	<u><u>(21,483,879)</u></u>	<u><u>(10,186,467)</u></u>	<u><u>67,682,604</u></u>	<u><u>26,341,842</u></u>	<u><u>31,985,699</u></u>
Business-type activities:					
Net investment in capital assets	30,667,983	27,259,225	26,842,980	22,684,209	22,859,587
Restricted	-	-	1,080,865	-	-
Unrestricted	<u>23,941,178</u>	<u>31,964,172</u>	<u>36,475,623</u>	<u>46,893,254</u>	<u>54,048,617</u>
Total business-type activities net position	<u><u>54,609,161</u></u>	<u><u>59,223,397</u></u>	<u><u>64,399,468</u></u>	<u><u>69,577,463</u></u>	<u><u>76,908,204</u></u>
Primary government:					
Net investment in capital assets	122,415,653	120,619,958	118,384,288	124,246,489	131,500,789
Restricted	21,263,102	21,618,456	86,679,445	35,416,676	30,828,193
Unrestricted	<u>(110,553,473)</u>	<u>(93,201,484)</u>	<u>(72,981,661)</u>	<u>(63,743,860)</u>	<u>(53,435,079)</u>
Total primary government net position	<u><u>33,125,282</u></u>	<u><u>49,036,930</u></u>	<u><u>132,082,072</u></u>	<u><u>95,919,305</u></u>	<u><u>108,893,903</u></u>

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

	2015	2016	2017	2018	2019
Expenses:					
Governmental activities:					
General government	14,984,299	14,165,449	14,869,930	16,215,039	17,788,600
Public safety	41,422,188	35,612,565	42,891,455	44,847,122	40,878,258
Public works	9,150,452	7,440,438	7,474,391	9,413,340	9,534,893
Community development	21,038,253	9,298,275	11,407,811	10,442,877	11,321,339
Interest on long-term debt	457,994	441,712	361,470	242,750	337,350
Total governmental activities expenses	<u>87,053,186</u>	<u>66,958,439</u>	<u>77,005,057</u>	<u>81,161,128</u>	<u>79,860,440</u>
Business-type activities:					
Water	25,035,801	25,454,732	26,508,256	27,907,911	26,525,468
Wastewater	3,484,104	3,517,640	4,048,104	4,164,437	3,336,645
Golf Course	2,190,195	2,136,456	2,017,104	1,990,092	1,674,851
El Segundo Senior Citizen Housing Corp.	-	-	-	-	-
Total business-type activities expenses	<u>30,710,100</u>	<u>31,108,828</u>	<u>32,573,464</u>	<u>34,062,440</u>	<u>31,536,964</u>
Total primary government expenses	<u>117,763,286</u>	<u>98,067,267</u>	<u>109,578,521</u>	<u>115,223,568</u>	<u>111,397,404</u>
Program revenues:					
Governmental activities:					
Charges for services:					
General government	635,350	631,274	445,394	371,345	364,486
Public safety	1,948,464	1,637,884	1,523,519	2,058,888	1,624,718
Public works	267,748	11,199	16,643	1,201	-
Community development	6,733,395	5,708,772	6,516,792	6,477,503	7,473,096
Operating grants and contributions	2,052,527	1,808,463	1,189,900	1,858,256	4,148,187
Capital grants and contributions	14,487,783	2,174,898	1,737,376	1,197,981	2,580,996
Total governmental activities program revenues	<u>26,125,267</u>	<u>11,972,490</u>	<u>11,429,624</u>	<u>11,965,174</u>	<u>16,191,483</u>
Business-type activities:					
Charges for services:					
Water	29,304,012	28,281,456	31,626,637	27,779,828	33,824,119
Wastewater	3,568,042	4,090,187	4,275,264	4,348,849	4,475,896
Golf Course	1,939,165	1,828,549	1,604,258	1,650,376	1,643,682
El Segundo Senior Citizen Housing Corp.	-	-	-	-	-
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	-	-	-	-	375,000
Total business-type activities program revenues	<u>34,811,219</u>	<u>34,200,192</u>	<u>37,506,159</u>	<u>33,779,053</u>	<u>40,318,697</u>
Total primary government program revenues	<u>60,936,486</u>	<u>46,172,682</u>	<u>48,935,783</u>	<u>45,744,227</u>	<u>56,510,180</u>
Net revenues (expenses):					
Governmental activities	(60,927,919)	(54,985,949)	(65,575,433)	(69,195,954)	(63,668,957)
Business-type activities	4,101,119	3,091,364	4,932,695	(283,387)	8,781,733
Total net revenues (expenses)	<u>(56,826,800)</u>	<u>(51,894,585)</u>	<u>(60,642,738)</u>	<u>(69,479,341)</u>	<u>(54,887,224)</u>
General revenues and other changes in net assets:					
Governmental activities:					
Taxes:					
Property taxes	8,380,084	8,884,423	9,093,795	10,444,931	11,138,625
Sales tax	11,442,632	12,089,552	12,201,208	10,636,769	13,023,091
Transient occupancy taxes	5,423,972	7,597,007	12,876,631	13,885,312	14,598,200
Other taxes	27,765,133	26,730,933	27,021,575	29,498,067	28,391,959
Motor vehicle in lieu, unrestricted	-	6,859	7,461	-	-
Investment income	331,238	646,338	532,728	760,598	2,440,102
Other general revenues	813,211	1,396,608	889,337	1,954,399	1,682,211
Transfers	-	-	-	-	-
Total governmental activities	<u>54,156,270</u>	<u>57,351,720</u>	<u>62,622,735</u>	<u>67,180,076</u>	<u>71,274,188</u>
Business-type activities:					
Investment income	254,662	222,348	170,178	176,212	1,139,315
Other	19,730	23,755	142,624	16,929	23,926
Transfers	-	-	-	-	-
Total business-type activities	<u>274,392</u>	<u>246,103</u>	<u>312,802</u>	<u>193,141</u>	<u>1,163,241</u>
Total primary government	<u>54,430,662</u>	<u>57,597,823</u>	<u>62,935,537</u>	<u>67,373,217</u>	<u>72,437,429</u>
Changes in net position:					
Governmental activities	(6,771,649)	2,365,771	(2,952,698)	(2,015,878)	7,605,231
Business-type activities	4,375,511	3,337,467	5,245,497	(90,246)	9,944,974
Total primary government	<u>(2,396,138)</u>	<u>5,703,238</u>	<u>2,292,799</u>	<u>(2,106,124)</u>	<u>17,550,205</u>

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

	2020	2021	2022	2023	2024
Expenses:					
Governmental activities:					
General government	18,698,011	15,339,955	18,434,149	22,930,730	23,086,066
Public safety	43,330,009	21,813,534	(30,085,922)	98,918,452	55,541,234
Public works	11,961,463	8,868,760	12,320,674	11,332,554	13,742,118
Community development	10,058,912	7,026,812	7,277,725	11,520,553	12,118,350
Interest on long-term debt	324,830	500,659	2,924,779	3,253,661	3,467,026
Total governmental activities expenses	<u>84,373,225</u>	<u>53,549,720</u>	<u>10,871,405</u>	<u>147,955,950</u>	<u>107,954,794</u>
Business-type activities:					
Water	25,014,972	18,520,750	30,211,365	28,789,265	31,418,553
Wastewater	4,978,350	3,430,966	4,441,887	4,481,743	5,090,243
Golf Course	1,553,159	4,678,672	239,326		
El Segundo Senior Citizen Housing Corp.	-	597,152	778,977	778,448	764,075
Total business-type activities expenses	<u>31,546,481</u>	<u>27,227,540</u>	<u>35,671,555</u>	<u>34,049,456</u>	<u>37,272,871</u>
Total primary government expenses	<u>115,919,706</u>	<u>80,777,260</u>	<u>46,542,960</u>	<u>182,005,406</u>	<u>145,227,665</u>
Program revenues:					
Governmental activities:					
Charges for services:					
General government	258,538	266,496	286,451	375,649	309,935
Public safety	1,545,947	980,145	1,636,988	1,926,570	1,884,306
Public works	26,524	54,669	54,457	111,720	73,572
Community development	5,390,803	5,639,664	6,474,161	8,524,771	8,253,835
Operating grants and contributions	2,932,318	2,120,276	6,408,261	5,716,659	3,186,914
Capital grants and contributions	7,691,323	2,421,429	2,328,528	2,510,786	6,374,894
Total governmental activities program revenues	<u>17,845,453</u>	<u>11,482,679</u>	<u>17,188,846</u>	<u>19,166,155</u>	<u>20,083,456</u>
Business-type activities:					
Charges for services:					
Water	26,404,788	24,626,599	35,830,853	33,002,111	36,062,306
Wastewater	4,194,630	3,266,685	4,829,814	5,178,951	6,132,995
Golf Course	1,484,846	1,098,917	118,929	-	-
El Segundo Senior Citizen Housing Corp.	-	772,819	815,024	881,046	965,417
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	-	-	-	-	-
Total business-type activities program revenues	<u>32,084,264</u>	<u>29,765,020</u>	<u>41,594,620</u>	<u>39,062,108</u>	<u>43,160,718</u>
Total primary government program revenues	<u>49,929,717</u>	<u>41,247,699</u>	<u>58,783,466</u>	<u>58,228,263</u>	<u>63,244,174</u>
Net revenues (expenses):					
Governmental activities	(66,527,772)	(42,067,041)	6,317,441	(128,789,795)	(87,871,338)
Business-type activities	537,783	2,537,480	5,923,065	5,012,652	5,887,847
Total net revenues (expenses)	<u>(65,989,989)</u>	<u>(39,529,561)</u>	<u>12,240,506</u>	<u>(123,777,143)</u>	<u>(81,983,491)</u>
General revenues and other changes in net assets:					
Governmental activities:					
Taxes:					
Property taxes	11,816,366	12,348,994	12,551,435	10,750,248	11,646,066
Sales tax	12,006,731	8,339,284	13,374,232	17,424,472	17,436,292
Transient occupancy taxes	8,760,763	4,416,020	12,267,534	14,143,605	14,343,804
Other taxes	28,059,801	26,397,089	32,011,867	36,331,535	35,070,045
Motor vehicle in lieu, unrestricted	-	-	-	2,108,064	2,302,513
Investment income	3,420,790	457,980	(465,662)	3,982,103	8,809,978
Other general revenues	1,926,516	1,405,086	1,812,224	1,979,838	4,053,680
Transfers	-	-	-	729,168	(147,183)
Total governmental activities	<u>65,990,967</u>	<u>53,364,453</u>	<u>71,551,630</u>	<u>87,449,033</u>	<u>93,515,195</u>
Business-type activities:					
Investment income	291,780	427,834	(746,994)	894,511	1,295,711
Other	-	-	-	-	-
Transfers	-	-	-	(729,168)	147,183
Total business-type activities	<u>291,780</u>	<u>427,834</u>	<u>(746,994)</u>	<u>165,343</u>	<u>1,442,894</u>
Total primary government	<u>66,282,747</u>	<u>53,792,287</u>	<u>70,804,636</u>	<u>87,614,376</u>	<u>94,958,089</u>
Changes in net position:					
Governmental activities	(536,805)	11,297,412	77,869,071	(41,340,762)	5,643,857
Business-type activities	829,563	2,965,314	5,176,071	5,177,995	7,330,741
Total primary government	<u>292,758</u>	<u>14,262,726</u>	<u>83,045,142</u>	<u>(36,162,767)</u>	<u>12,974,598</u>

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General fund:					
Nonspendable	2,575,497	2,017,346	7,373,109	6,256,640	7,004,769
Restricted	-	-	-	1,000,000	2,643,380
Assigned	3,129,606	2,939,325	3,608,509	2,210,602	2,663,037
Unassigned	<u>14,587,023</u>	<u>17,987,731</u>	<u>17,660,917</u>	<u>24,432,049</u>	<u>26,625,368</u>
Total general fund	<u><u>20,292,126</u></u>	<u><u>22,944,402</u></u>	<u><u>28,642,535</u></u>	<u><u>33,899,291</u></u>	<u><u>38,936,554</u></u>
All other governmental funds:					
Nonspendable	-	-	-	-	115,844
Restricted	5,005,452	6,963,441	6,312,687	6,882,394	8,404,718
Assigned	5,031,396	3,301,813	3,159,860	3,231,083	5,289,298
Unassigned	<u>(78,071)</u>	<u>(1,326,041)</u>	<u>(971,152)</u>	<u>(333,731)</u>	<u>(177,229)</u>
Total all other governmental funds	<u><u>9,958,777</u></u>	<u><u>8,939,213</u></u>	<u><u>8,501,395</u></u>	<u><u>9,779,746</u></u>	<u><u>13,632,631</u></u>

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

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General fund:					
Nonspendable	7,937,643	163,037	310,048	295,310	5,034,175
Restricted	4,482,363	5,144,456	4,543,265	4,795,810	6,015,744
Assigned	2,534,891	2,561,037	1,397,494	2,149,724	2,053,287
Unassigned	<u>20,559,971</u>	<u>29,110,741</u>	<u>34,799,542</u>	<u>41,405,846</u>	<u>40,652,393</u>
Total general fund	<u><u>35,514,868</u></u>	<u><u>36,979,271</u></u>	<u><u>41,050,349</u></u>	<u><u>48,646,690</u></u>	<u><u>53,755,599</u></u>
All other governmental funds:					
Nonspendable	85,049	-	20,442		
Restricted	15,473,650	16,919,139	27,382,627	30,396,599	24,217,428
Assigned	4,161,175	4,314,909	3,587,359	5,855,027	19,459,186
Unassigned	<u>(46,117)</u>	<u>(304,630)</u>	<u>(201,767)</u>	<u>(210,832)</u>	<u>(4,539,205)</u>
Total all other governmental funds	<u><u>19,673,757</u></u>	<u><u>20,929,418</u></u>	<u><u>30,788,661</u></u>	<u><u>36,040,794</u></u>	<u><u>39,137,409</u></u>

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

	2015	2016	2017	2018	2019
Revenues:					
Taxes	42,132,274	43,410,318	49,986,183	53,125,853	55,018,471
Licenses and permits	12,973,204	13,989,221	13,131,485	13,695,476	14,559,036
Intergovernmental	8,919,841	7,751,363	2,805,424	2,400,010	3,635,668
Charges for services	6,197,552	5,214,048	5,811,835	6,053,614	6,179,231
Use of money and property	615,862	682,140	552,662	781,402	2,465,235
Fines and forfeitures	903,172	1,249,820	444,188	831,067	659,653
Developers Fees	432,810	296,427	329,474	262,346	824,075
Other	2,960,332	1,729,917	2,785,946	2,541,114	4,031,022
Total revenues	75,135,047	74,323,254	75,847,197	79,690,882	87,372,391
Expenditures					
Current:					
General government	14,523,141	14,200,855	14,905,246	15,738,556	18,177,843
Public safety	33,694,064	33,166,579	34,682,695	37,595,758	38,014,581
Public works	5,574,118	6,325,541	6,296,743	6,533,963	7,331,278
Community and cultural	19,523,563	8,951,898	10,259,037	9,274,383	10,923,487
Capital outlay	1,021,033	3,389,585	3,930,500	3,426,202	3,328,392
Debt service:					
Principal retirement	282,987	291,109	299,464	355,461	367,627
Interest and fiscal charges	229,674	221,552	213,197	244,223	339,035
Total expenditures	74,848,580	66,547,119	70,586,882	73,168,546	78,482,243
Excess (deficiency) of revenues over (under) expenditures	286,467	7,776,135	5,260,315	6,522,336	8,890,148
Other financing sources (uses):					
Transfers in	10,138,836	2,687,843	2,668,046	3,556,821	4,490,751
Transfers out	(10,338,840)	(2,887,847)	(2,668,046)	(3,556,821)	(4,490,751)
Subscription and Lease Payable Issuance					
Debt proceeds	-	-	-	-	-
Total other financing sources (uses)	(200,004)	(200,004)	-	-	-
Net change in fund balances	86,463	7,576,131	5,260,315	6,522,336	8,890,148
Debt service as a percentage of noncapital expenditures					
	0.69%	0.81%	0.77%	0.86%	0.94%

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

	2020	2021	2022	2023	2024
Revenues:					
Taxes	47,767,783	40,216,556	58,520,315	65,901,483	64,444,081
Licenses and permits	14,237,723	13,568,547	13,633,658	15,959,308	17,194,407
Intergovernmental	2,391,795	3,165,467	6,340,815	9,017,703	5,993,772
Charges for services	4,817,551	4,836,554	5,892,477	7,194,633	6,733,219
Use of money and property	3,472,256	457,983	(499,268)	4,019,927	9,112,616
Fines and forfeitures	367,045	297,702	427,604	464,676	419,632
Developers Fees	6,293,956	977,823	1,442,250	240,864	518,448
Other	3,359,551	2,248,806	3,170,444	2,833,632	4,726,367
Total revenues	<u>82,707,660</u>	<u>65,769,438</u>	<u>88,928,295</u>	<u>105,632,226</u>	<u>109,142,542</u>
Expenditures					
Current:					
General government	18,964,880	32,183,298	19,313,626	19,575,451	20,699,211
Public safety	40,124,678	142,081,284	33,635,862	35,104,337	36,645,220
Public works	7,630,503	13,005,985	9,540,381	7,955,021	8,877,454
Community and cultural	9,499,235	12,616,931	6,686,963	9,888,009	10,655,775
Capital outlay	3,162,263	3,008,119	3,393,300	5,383,125	13,340,898
Debt service:					
Principal retirement	380,281	43,200	458,053	7,350,230	7,677,262
Interest and fiscal charges	326,380	190,955	1,969,789	3,262,777	3,227,344
Total expenditures	<u>80,088,220</u>	<u>203,129,772</u>	<u>74,997,974</u>	<u>88,518,950</u>	<u>101,123,164</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,619,440</u>	<u>(137,360,334)</u>	<u>13,930,321</u>	<u>17,113,276</u>	<u>8,019,378</u>
Other financing sources (uses):					
Transfers in	1,389,000	1,805,956	10,126,878	13,853,856	26,429,941
Transfers out	(1,389,000)	(1,820,956)	(10,126,878)	(18,923,545)	(26,985,685)
Subscription and Lease Payable Issuance				804,887	741,890
Debt proceeds	-	140,095,398	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>140,080,398</u>	<u>-</u>	<u>(4,264,802)</u>	<u>186,146</u>
Net change in fund balances	<u>2,619,440</u>	<u>2,720,064</u>	<u>13,930,321</u>	<u>12,848,474</u>	<u>8,205,524</u>
Debt service as a percentage of noncapital expenditures	0.92%	0.12%	3.39%	12.06%	12.20%

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

2023-24		2014-15	
Taxpayer	Business Type	Taxpayer	Business Type
Aerospace Corporation	Biotechnology	Accuvant	Office Equipment
Calportland Company	Bldg.Matls-Whsle	Aerospace Corporation	Biotechnology
Chevron Service Stations	Service Stations	Best Buy Stores	Furniture/Appliance
Chick-Fil-A	Restaurants	BT Americas	Business Services
Circle K Food Stores	Food Markets	Chevron Service Stations	Service Stations
Dick's Sporting Goods	Recreation Products	Circle K Food Stores	Food Markets
Homegoods	Furniture/Appliance	DDSlab	Light Industry
Impex Technologies	Office Equipment	Dick's Sporting Goods	Recreation Products
In-N-Out Burgers	Restaurants	Fleming's Prime Steakhouse	Restaurants
Insight Direct USA	I.T. Infrastructure	Homegoods	Furniture/Appliance
Insight Public Sector	Office Equipment	Impex Technologies	Office Equipment
Jim and Jacks	Auto Parts/Repair	Interior Officesolutions	Furniture/Appliance
Karl Storz Endoscopy	Office Equipment	Karl Storz Endoscopy	Office Equipment
Kite Pharma	Biotechnology	Lululemon	Apparel Stores
Los Angeles Times Communications	Light Industry	Murad Skin Research Laboratories	Chemical Products
Luna Cycles	Recreation Products	Northrop Grumman Systems	Auto Parts/Repair
Nordstrom Department Store	Department Stores	Patterson Dental Supply	Light Industry
Patterson Dental Supply	Light Industry	PCM Gov	Office Equipment
Raising Cane's Chicken Fingers	Restaurants	Primary Color Systems	Light Industry
Ralph's Grocery Company	Food Markets	Ralph's Grocery Company	Food Markets
Raytheon Company	Office Equipment	Raytheon Company	Office Equipment
Rivian	Auto Sales - New	The Boeing Company	Auto Parts/Repair
The Boeing Company	Auto Parts/Repair	The Container Store	Furniture/Appliance
Topgolf	Miscellaneous Retail	Trace 3	Light Industry
Whole Foods Market	Food Markets	Whole Foods Market	Food Markets

Source: Avenu Insights & Analytics

**CITY OF EL SEGUNDO
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2023-24		2014-15	
	Taxable Value (\$)	Percent of Total City Taxable Value (%)	Taxable Value (\$)	Percent of Total City Taxable Value (%)
Chevron USA Inc	2,748,216,011	15.64%	1,814,187,714	21.50%
SOF XI Pct Two Tower Owner LLC	662,158,990	3.77%		
Raytheon Company	560,612,817	3.19%	251,125,847	2.98%
Boeing Co	492,993,032	2.81%	414,784,681	4.92%
Aerospace Corporation	376,323,403	2.14%	272,011,787	3.22%
FS Creit 555 Aviation LLC	209,610,000	1.19%		
400 CG Owner LLC	185,997,049	1.06%		
SFII Flyte LLC	183,218,922	1.04%		
PES Partners LLC	182,928,824	1.04%	155,594,586	1.84%
LVA5 El Segundo 777 Aviation LP	182,274,354	1.04%		
2121 Park Place Fee Owner CA LLC	164,018,108	0.93%		
TA 101 Continental LLC	148,499,989	0.85%		
Gateway El Segundo Fee Owner LLC	133,862,275	0.76%		
Northrop Grumman Systems Corp	133,365,861	0.76%	101,093,105	1.20%
Kilroy Realty Finance Ptnshp	131,499,771	0.75%	166,802,324	1.98%
800 Apollo Fee Owner Ca LLC	127,937,541	0.73%		
RAR2 Campus 2100 LLC	126,887,945	0.72%		
Equinix LLC	125,436,778	0.71%		
Street Retail Inc	120,817,594	0.69%		
1960 Grand Office Owner 1 LP	107,986,409	0.61%		
Trea Pacific Coast Highway LLC	100,250,896	0.57%		
Nash DC LLC	95,910,629	0.55%		
Hughes Aircraft Co	93,754,121	0.53%	320,156,957	3.79%
HC Hornet Way LLC	90,914,802	0.52%		
Ocotillo La Mariposa LLC	88,298,996	0.50%		
Pacific Corp Towers LLC			169,243,731	2.01%
Space Exploration Technologies			164,564,487	1.95%
Hines Reit El Segundo LP			128,580,894	1.52%
Mattel Inc.			117,043,590	1.39%
LA4 LLC			109,962,425	1.30%
Direct TV			98,041,774	1.16%
Realty Assoc Fund IX LP			77,887,820	0.92%
Air Liquide			75,545,407	0.90%
300 N Sepulveda Owner LLC			74,203,760	0.88%
Plaza CP LLC			73,410,717	0.87%
Digital 2260 East El Segundo L			71,982,874	0.85%
Continental Atrium Corp			69,133,837	0.82%
TRT Noip Maple El Segundo LP			56,848,873	0.67%
101 Continental Partners LLC			55,298,509	0.66%
GII 2160 East Grand LLC			53,510,318	0.63%
CDC Mar Campus LLC			48,368,108	0.57%
Agnl Toys LP			46,108,386	0.55%
Total Top 25 Taxpayers	7,573,775,117	43.11%	4,985,492,511	59.09%
Total Taxable Value	17,568,226,032	100.00%	8,437,404,651	100.00%

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

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

Fiscal Year End	Residential Property	Commercial Property	Industrial Property	Other Property (1)	Unsecured Property	Less Tax-Exempt Property	Taxable Assessed Value	Total Direct Tax Rate (2)	Estimated Actual Taxable Value (3)	Factor of Assessed Value (3)	Assessed Value as a Percentage of Actual Value
2014-15	-	-	-	8,433,859	1,604,574	-	10,038,433	1.115200	-	-	-
2015-16	-	-	-	8,919,245	1,736,530	-	10,655,775	1.115200	-	-	-
2016-17	-	-	-	9,408,029	1,565,767	-	10,973,796	1.115200	-	-	-
2017-18	2,695,443,946	4,056,923,408	1,526,293,700	2,501,109,520	1,480,982,133	34,490,981	12,226,261,726	1.202225	17,863,020,753	1.461037	68.44%
2018-19	2,901,889,931	4,452,614,029	1,785,769,246	2,418,895,212	1,556,962,904	48,412,749	13,067,718,573	1.205652	22,816,281,059	1.746003	57.27%
2019-20	3,059,827,370	5,145,402,602	2,011,925,385	2,466,641,048	1,552,123,561	50,366,079	14,185,553,887	1.202446	22,800,486,298	1.607303	62.22%
2020-21	3,272,541,827	5,624,003,706	1,806,225,832	3,050,851,815	1,682,078,566	32,055,686	15,403,646,060	1.178940	20,376,825,371	1.322857	75.59%
2021-22	3,493,519,690	5,936,659,391	2,046,612,970	2,174,990,747	1,624,771,162	32,620,246	15,243,933,714	1.174948	25,164,151,780	1.650765	60.58%
2022-23	3,733,003,477	6,343,430,626	2,171,490,360	2,064,362,857	1,804,669,235	47,074,440	16,069,882,115	1.196607	32,608,760,333	2.029185	49.28%
2023-24	3,939,075,077	6,693,035,456	2,240,561,848	2,823,771,719	1,913,681,807	41,899,875	17,568,226,032	1.177725	29,213,500,340	1.662860	60.14%

Source: County Assessor data, Avenu Insights & Analytics

Source: 2022-23 and prior years: City of El Segundo - FY 2023 ACFR Publication.

State unitary property of \$15,609,481 is included in other property.

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

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

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

(-) No data available.

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

General	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
COUNTY OF LOS ANGELES										
CITY OF EL SEGUNDO	0.936812	0.936812	0.936812	0.936812	0.936812	0.936812	0.936812	0.936812	0.936812	0.936812
TOTAL	<u>0.063188</u>									
	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
Override Assessments										
Metropolitan Water District	0.003500	0.003500	0.003500	0.003500	0.003500	0.003500	0.003500	0.003500	0.003500	0.003500
El Segundo Unified School District	0.111700	0.111700	0.111700	0.177526	0.179923	0.177391	0.151816	0.148809	0.170118	0.153065
Community College	-	-	-	0.021199	0.022229	0.021555	0.023624	0.022639	0.022989	0.021160
TOTAL	<u>0.115200</u>	<u>0.115200</u>	<u>0.115200</u>	<u>0.202225</u>	<u>0.205652</u>	<u>0.202446</u>	<u>0.178940</u>	<u>0.174948</u>	<u>0.196607</u>	<u>0.177725</u>
TOTAL TAX RATE	<u><u>1.115200</u></u>	<u><u>1.115200</u></u>	<u><u>1.115200</u></u>	<u><u>1.202225</u></u>	<u><u>1.205652</u></u>	<u><u>1.202446</u></u>	<u><u>1.178940</u></u>	<u><u>1.174948</u></u>	<u><u>1.196607</u></u>	<u><u>1.177725</u></u>

Source: County Auditor/Controller data, Avenu Insights & Analytics
Source: 2022-23 and prior years: FY 2023 ACFR Publication.
Tax Rate as represented by TRA 09-849

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

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Amount	Percent of Levy	Collections in Subsequent Years ¹	Amount ¹	Percent of Levy ¹
2015	6,538,375	6,438,118	98.47%	55,500	6,493,618	99.32%
2016	6,728,811	6,637,510	98.64%	59,028	6,696,538	99.52%
2017	6,853,422	6,773,927	98.84%	39,950	6,813,877	99.42%
2018	7,672,612	7,659,388	99.83%	(4,958)	7,654,430	99.76%
2019	8,185,486	8,169,815	99.81%	610,801	8,780,616	107.27%
2020	8,929,004	8,183,987	91.66%	1,237,541	9,421,528	105.52%
2021	9,684,760	8,520,268	87.98%	64,417	8,584,685	88.64%
2022	9,578,660	9,584,651	100.06%	(10,389)	9,574,262	99.95%
2023	10,090,686	10,116,935	100.26%	54,672	10,171,607	100.80%
2024	11,058,531	10,831,602	97.95%		10,831,602	97.95%

Source: Los Angeles County Auditor Controller's Office

¹ Fiscal Years 2021-2023 Collections in Subsequent Years, Amount, and Percent of Levy columns have been updated in Fiscal Year 2024 ACFR Statistical Section

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

Fiscal Year Ended ¹	Outstanding General Bonded Debt					Total	Percent of Assessed Value ²	Per Capita
	General	Tax	Certificates of Participation	Pension Obligation ³				
	Obligation Bonds	Allocation Bonds						
2015	-	-	-	-	-	-	0.000%	-
2016	-	-	-	-	-	-	0.000%	-
2017	-	-	-	-	-	-	0.000%	-
2018	-	-	-	-	-	-	0.000%	-
2019	-	-	-	-	-	-	0.000%	-
2020	-	-	-	-	-	-	0.000%	-
2021	-	-	-	140,095,398	140,095,398	140,095,398	909.500%	-
2022	-	-	-	144,135,000	144,135,000	144,135,000	945.520%	-
2023	-	-	-	137,600,000	137,600,000	137,600,000	856.260%	-
2024	-	-	-	130,865,000	130,865,000	130,865,000	744.900%	-

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

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

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

³ Fiscal Year 2022 Pension Obligation debt ending balance number have been updated in Fiscal Year 2023 ACFR Statistical Section

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

Fiscal Year Ended ^{1 2}	Governmental Activities						Total Governmental Activities
	Financed Purchase Obligation	Loan Obligation	Pension Obligation	Leases Payable	Subscriptions Payable	Leases/ Loans	
2015	-	-	-	-	-	9,982,592	9,982,592
2016	-	-	-	-	-	9,650,093	9,650,093
2017	-	-	-	-	-	9,306,335	9,306,335
2018	-	-	-	-	-	8,950,875	8,950,875
2019	-	-	-	-	-	8,583,247	8,583,247
2020	-	-	-	-	-	8,202,967	8,202,967
2021	-	-	140,095,398	-	-	8,159,767	148,255,165
2022	1,920,577	5,842,713	140,095,398	117,088	-	-	147,975,776
2023	1,855,162	5,497,738	133,743,378	133,029	852,664	-	142,081,971
2024	1,785,158	5,142,862	127,196,958	77,040	881,092	-	135,083,110

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

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

² Office of Economic Development (data shown is for Los Angeles County)

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

Fiscal Year Ended ^{1 2}	Business-type Activities					Total Primary Government	Percentage of Personal Income ²	Debt Per Capita ²
	Financed Purchase Obligation	Loan Obligation	Pension Obligation	Leases Payable	Total Business-type Activities			
2015	-	-	-	-	-	9,982,592	1.3%	214
2016	-	-	-	-	-	9,650,093	1.2%	203
2017	-	-	-	-	-	9,306,335	1.1%	187
2018	-	-	-	-	-	8,950,875	1.0%	169
2019	-	-	-	-	-	8,583,247	0.9%	154
2020	-	-	-	-	-	8,202,967	0.8%	141
2021	-	-	4,039,602	-	4,039,602	152,294,767	14.6%	2,430
2022	-	-	4,039,602	202,186	4,241,788	152,217,564	12.4%	2,114
2023	-	-	3,856,622	-	3,856,622	145,938,593	10.3%	1,738
2024	520,695	-	3,668,042	-	4,188,737	139,271,847	8.7%	1,482

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

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

² Office of Economic Development (data shown is for Los Angeles County)

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**CITY OF EL SEGUNDO
DIRECT AND OVERLAPPING BONDED DEBT
LAST TEN FISCAL YEARS**

2023-2024 Assessed Valuation: \$17,582,758,032

<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	Total Debt		City's Share of
	<u>6/30/2024</u>	<u>% Applicable (1)</u>	<u>Debt 6/30/24</u>
Metropolitan Water District	\$ 18,210,000	0.454%	\$82,673
El Camino Community College District	447,104,356	11.883%	53,129,411
El Segundo Unified School District	103,600,493	100%	103,600,493
Manhattan Beach Unified School District	155,963,234	0.0010%	1,560
Wisburn Unified School District	123,686,771	70.975%	87,786,686
Centinela Valley Union High School District	230,179,380	34.159%	78,626,974
Centinela Valley Union High School District School Facilities Improvement District No. 2016-1	216,840,000	38.675%	83,862,870
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$407,090,667

<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
Los Angeles County General Fund Obligations	\$ 2,479,229,730	0.877%	\$ 21,742,845
Los Angeles County Superintendent of Schools Certificates of Participation	2,857,300	0.88%	25,059
Wisburn Unified School District General Fund Obligations	10,220,476	70.975%	7,253,983
City of El Segundo General Fund Obligations	7,886,152	100%	7,886,152
City of El Segundo Pension Obligation Bonds	127,196,958	100%	127,196,958
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$ 164,104,996

SUBTOTALS:

TOTAL DIRECT DEBT	\$135,083,110
TOTAL OVERLAPPING DEBT	\$ 436,112,554

TOTALS:

COMBINED TOTAL DIRECT AND OVERLAPPING DEBT	\$571,195,664 (2)
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(1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded lease obligations. Also excludes accreted value of capital appreciation bonds.

Ratios to 2023-24 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	2.32%
Total Direct Debt (\$135,083,110)	0.77%
Combined Total Debt	3.25%

Source: Avenu Insights & Analytics, California Municipal Statistics, Inc.

**CITY OF EL SEGUNDO
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	2014-15	2015-16	2016-17	2017-18	2018-19
Assessed valuation	\$ 10,038,433,763	\$ 10,655,775,000	\$ 10,973,796,359	\$ 12,226,261,726	\$ 13,067,718,573
Conversion percentage	25%	25%	25%	25%	25%
Assessed valuation	2,509,608,441	2,663,943,750	2,743,449,090	3,056,565,432	3,266,929,643
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit	376,441,266.11	399,591,563	411,517,363	458,484,815	490,039,446
Total net debt applicable to limit: General obligation bonds	-	-	-	-	-
Legal debt margin	\$ 376,441,266	\$ 399,591,563	\$ 411,517,363	\$ 458,484,815	\$ 490,039,446
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). Although the statutory debt limit has not been amended by the State since this change, the percentages presented in the above computations have been proportionately modified to 3.75% (25% of 15%) for the purpose of this calculation in order to be consistent with the computational effect of the debt limit at the time of the state's establishment of the limit.

**CITY OF EL SEGUNDO
LEGAL DEBT MARGIN INFORMATION (CONTINUED)
LAST TEN FISCAL YEARS**

	2019-20	2020-21	2021-22	2022-23	2023-24
Assessed valuation	\$ 14,185,553,887	\$ 15,403,646,060	\$ 15,243,933,714	\$ 16,069,882,115	\$ 17,568,226,032
Conversion percentage	25%	25%	25%	25%	25%
Assessed valuation	3,546,388,472	3,850,911,515	3,810,983,429	4,017,470,529	4,392,056,508
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit	531,958,271	577,636,727	571,647,514	602,620,579	658,808,476
Total net debt applicable to limit: General obligation bonds	-	140,095,398	144,135,000	137,600,000	130,865,000
Legal debt margin	\$ 531,958,271	\$ 577,636,727	\$ 571,647,514	\$ 602,620,579	\$ 658,808,476
Total debt applicable to the limit as a percentage of debt limit	0.0%	24.3%	25.2%	22.8%	19.9%

**CITY OF EL SEGUNDO
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	City Population (1)	Personal Income (in thousands) (2)	Per Capita Personal Income (2)	Median Age (2)	City Unemployment Rate (%) (3)
2014-15	16,897	787,958	46,633	-	8.2%
2015-16	16,646	790,452	47,486	38.9	3.7%
2016-17	16,717	832,029	49,771	38.9	2.9%
2017-18	16,784	888,503	52,938	39.0	3.3%
2018-19	17,066	952,927	55,838	38.7	3.2%
2019-20	16,777	974,307	58,074	38.7	23.5%
2020-21	16,660	1,044,326	62,685	37.3	13.8%
2021-22	17,084	1,230,071	72,001	36.9	4.5%
2022-23	16,928	1,421,646	83,982	36.8	4.1%
2023-24	16,964	1,593,879	93,957	36.4	4.4%

Source: Avenu Insights & Analytics

Source: 2022-23 and prior years: City of El Segundo - FY 2023 ACFR Publication.

- 1.) Population Projections are provided by the California Department of Finance Projections.
- 2.) Data is provided by the U.S. Census Bureau.
- 3.) Unemployment Data is provided by the EDD's Bureau of Labor Statistics Department.

**CITY OF EL SEGUNDO
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Business Name	2023-24		2017-18	
	Number of Employees	Percent of Total Employment (%)	Number of Employees	Percent of Total Employment (%)
Boeing Satellite Systems*	14,403	144.03%	2959	5.20%
Raytheon Space & Airborne Syst	4,321	43.21%	5189	9.12%
Northrop Grumman Corporation	2,649	26.49%	2960	5.20%
Aerospace Corporation	2,522	25.22%	2711	4.76%
Mattel Inc	1,785	17.85%	1674	2.94%
Chevron Products Company/USA inc	1,216	12.16%	1103	1.94%
Internet Brands Inc	460	4.60%	588	1.03%
Infineon Technologies Americas Corp (formerly International Rectifier)	418	4.18%		
Karl Storz Endoscopy America Inc	378	3.78%		
Big 5 Sporting Goods Corp**	275	2.75%		
Accenture			1685	2.96%
HealthCare Partners LLC			705	1.24%
Time Warner Cable Information Services (CA)			700	1.23%
Total Top 10 Employers	28,427	284.27%	20,274	33.15%
Total City Labor Force (1)	10,000			

Source: Avenu Insights & Analytics

Source: City of El Segundo -- FY 2017-18 ACFR Publication. Historical data unavailable.

(1) Total City Labor Force provided by EDD Labor Force Data.

Results based on direct correspondence with city's local businesses.

*Employee Count is statewide, employment levels are not available by site.

** Includes Corporate office and retail store.

**CITY OF EL SEGUNDO
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

	2015	2016	2017	2018	2019
Police:					
Arrests	1,057	721	592	568	953
Parking Citations Issued	9,404	7,200	8,955	10,227	12,247
Fire:					
Number of Emergency Calls	2,568	2,632	2,807	2,895	893
Inspections	2,203	1,531	1,209	1,919	905
Medical Responses	1,644	1,661	1,847	1,930	502
Public works:					
Street resurfacing (miles)	-	0	1	2	6
Reconstruction (miles)	-	-	-	-	-
New Street (miles)	-	-	-	-	-
Electronic Recycling (pounds)	N/A	N/A	N/A	-	1,480
Paper Shred Recycling (pounds)	10,080	23,000	23,000	20,000	15,400
Parks, Recreation, and Library: <i>(previously named Community Services)</i>					
Number of recreation classes	1,389	1,056	833	997	1,019
Class registrations	8,021	6,657	6,615	7,574	4,098
Recreation Trips participants	1,535	89	20	926	1,784
Number of Reservations	9,342	4,779	5,624	5,397	5,563
Shuttles transported (riders)	30,052	7,320	4,781	6,252	5,532
Dial-A-Ride with Lyft residents	11,206	6,841	5,108	5,189	4,474
Homebound Meals	4,926	5,061	5,497	6,080	6,840
Finance:					
Business Licenses processed	5,812	7,172	7,236	6,610	6,992
Purchase Orders processed	427	476	547	464	416
Purchase Change Orders processed	118	103	136	174	141
Invoices processed	10,189	10,230	9,566	9,762	6,805
Checks processed	5,326	5,849	5,248	5,258	3,790
Cash Receipts processed (excluding Water)	35,143	33,075	31,559	27,722	54,264

Source: City of El Segundo

**CITY OF EL SEGUNDO
OPERATING INDICATORS BY FUNCTION (CONTINUED)
LAST TEN FISCAL YEARS**

	2020	2021 ¹	2022	2023	2024
Police:					
Arrests	1,009		1,084	1,066	1,070
Parking Citations Issued	9,537		10,591	8,904	7,828
Fire:					
Number of Emergency Calls	2,558		2,951	3,174	3,250
Inspections	512		654	580	609
Medical Responses	1,621		1,827	1,989	2,008
Public works:					
Street resurfacing (miles)	1		2.4	1.5	14.9 ²
Reconstruction (miles)	-		-	-	-
New Street (miles)	-		-	-	0.66 ³
Electronic Recycling (pounds)	1,480		4,071	2,516	3,449
Paper Shred Recycling (pounds)	17,340		32,100	30,300	18,000
Parks, Recreation, and Library: <i>(previously named Community Services)</i>					
Number of recreation classes	980		1,517	1157 ⁴	1,690
Class registrations	5,387		18,233	10,873	19,855
Recreation Trips participants	762		*	114	30
Number of Reservations	23,841		29,968	35,419	42,626
Shuttles transported (riders)	1,968		1,782	2,884	4,221
Dial-A-Ride residents	2,194		**	4,718	6,880
Homebound Meals	7,285		5,922	5,180	5,534
Finance:					
Business Licenses processed	6,391		6,191	6,277	6,470
Purchase Orders processed	411		407	412	449
Purchase Change Orders processed	167		89	174	136
Invoices processed	10,501		9,818	9,803	10,811
Checks processed	5,611		5,368	5,288	4,922
Cash Receipts processed (excluding Water)	37,273		118,314	118,856	128,973

Source: City of El Segundo

¹Information not collected from fiscal year 2020-2021 due to pandemic and staff shortages

²Completion of El Segundo Blvd project, and availability of Measure M MSP grant funds resulted in 14.9 miles of street resurfacing

³Completion of Nash St. Exchange Project resulted in 0.66 miles of new streets

⁴Number of recreation classes was incorrectly reported in FY2023, and is corrected in the current report

*Due to COVID-19, this program was not run during 2021/2022 FY

**Dial-A-Ride ended when the pandemic impacted all Recreation & Parks department services;
LYFT and Beach Shuttle (SWOOP) have replaced programs for Dial A Ride

**CITY OF EL SEGUNDO
 FULL-TIME AND PART-TIME CITY EMPLOYEES BY FUNCTION
 LAST TEN FISCAL YEARS**

Function	2015	2016	2017	2018	2019
General Government	69	51	57	53	71
Public Safety	137	123	126	130	143
Public Works	30	31	30	29	26
Community & Cultural	80	76	74	115	106
Water	11	10	10	9	18
Sewer	6	6	10	6	6
Total	333	297	307	342	370

Source: City of El Segundo Payroll Division

**CITY OF EL SEGUNDO
 FULL-TIME AND PART-TIME CITY EMPLOYEES BY FUNCTION (CONTINUED)
 LAST TEN FISCAL YEARS**

Function	2020	2021	2022	2023	2024
General Government	73	59	58	58	64
Public Safety	144	142	131	127	126
Public Works	40	27	24	24	29
Community & Cultural	93	149	152	254 ¹	123
Water	15	10	11	12	10
Sewer	7	6	5	6	6
Total	372	393	381	481	358

Source: City of El Segundo Payroll Division

¹Reported headcount rather than FTE; corrected in subsequent Fiscal Year

**CITY OF EL SEGUNDO
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

	2015	2016	2017	2018	2019
Police:					
Stations	1	1	1	1	1
Fire:					
Fire stations	2	2	2	2	2
Public works:					
Streets (miles)	55	55	55	55	55
Streetlights	1,718	1,718	1,718	1,718	1,718
Traffic signals	55	55	55	55	55
Parks and recreation:					
Parks	22	22	22	22	22
Recreation Facilities	13	13	13	14	14
Number of Acres	91	91	91	91	91

Source: City of El Segundo

**CITY OF EL SEGUNDO
CAPITAL ASSET STATISTICS BY FUNCTION (CONTINUED)
LAST TEN FISCAL YEARS**

	2020	2021	2022	2023	2024
Police:					
Stations	1	1	1	1	1
Fire:					
Fire stations	2	2	2	2	2
Public works:					
Streets (miles)	55	55	55	55	55
Streetlights	1,718	1,718	1718	1718	1742 ¹
Traffic signals	55	55	55	55	58 ¹
Parks and recreation:					
Parks	22	22	22	22	22
Recreation Facilities	14	14	14	14	14
Number of Acres	91	91	91	91	91

Source: City of El Segundo

¹Completion of Nash St. Exchange Project resulted in additions of streetlights and traffic signals