

City of
PICO RIVERA
California

ACFR

Fiscal Year Ended June 30, 2021



ANNUAL COMPREHENSIVE
FINANCIAL REPORT

2021

CITY OF PICO RIVERA, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED JUNE 30, 2021

This page intentionally left blank

**CITY OF PICO RIVERA, CALIFORNIA
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2021**

INTRODUCTORY SECTION

LETTER OF TRANSMITTAL	I
CITY OFFICIALS	X
ORGANIZATIONAL CHART	XI
CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING	XII

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENT'S DISCUSSION AND ANALYSIS	5

FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

STATEMENT OF NET POSITION	19
STATEMENT OF ACTIVITIES	20

FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

DESCRIPTION OF MAJOR FUNDS	23
BALANCE SHEET	24

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION	27
--	----

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES	28
--	----

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES	30
---	----

PROPRIETARY FUNDS

STATEMENT OF NET POSITION	31
---------------------------	----

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	32
--	----

STATEMENT OF CASH FLOWS	33
-------------------------	----

FIDUCIARY FUND

DESCRIPTION OF FIDUCIARY FUND	35
-------------------------------	----

STATEMENT OF FIDUCIARY NET POSITION	36
-------------------------------------	----

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION	37
--	----

NOTES TO FINANCIAL STATEMENTS	39
-------------------------------	----

**CITY OF PICO RIVERA, CALIFORNIA
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2021**

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS – MISCELLANEOUS PLAN	93
SCHEDULE OF CONTRIBUTIONS – MISCELLANEOUS PLAN	94
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS – COUNCIL PLAN	95
SCHEDULE OF CONTRIBUTIONS – COUNCIL PLAN	96
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS	97
SCHEDULE OF CONTRIBUTIONS – OPEB PLAN	98
BUDGETARY COMPARISON SCHEDULES	
GENERAL FUND	99
HOUSING AGENCY SECTION 8 SPECIAL REVENUE FUND	100
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION	101

SUPPLEMENTARY INFORMATION

OTHER GOVERNMENTAL FUNDS	
DESCRIPTION OF OTHER GOVERNMENTAL FUNDS	105
COMBINING BALANCE SHEET	108
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES	114
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	
COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND	120
STATE GAS TAX SPECIAL REVENUE FUND	121
LIGHTING ASSESSMENT DISTRICT SPECIAL REVENUE FUND	122
PARK DEVELOPMENT SPECIAL REVENUE FUND	123
PROP A SPECIAL REVENUE FUND	124
PROP C SPECIAL REVENUE FUND	125
MEASURE R SPECIAL REVENUE FUND	126
MEASURE M SPECIAL REVENUE FUND	127
MEASURE A SPECIAL REVENUE FUND	128
HOME GRANT SPECIAL REVENUE FUND	129
CALHOME GRANT SPECIAL REVENUE FUND	130
AIR QUALITY IMPROVEMENT SPECIAL REVENUE FUND	131

**CITY OF PICO RIVERA, CALIFORNIA
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2021**

COUNTY GRANTS SPECIAL REVENUE FUND	132
STATE GRANTS SPECIAL REVENUE FUND	133
ECONOMIC SUSTAINABILITY SPECIAL REVENUE FUND	134
IMAGE ENHANCEMENT SPECIAL REVENUE FUND	135
SEWER MAINTENANCE SPECIAL REVENUE FUND	136
REACH GRANTS SPECIAL REVENUE FUND	137
CABLE/PEG SUPPORT SPECIAL REVENUE FUND	138
TRANSPORTATION DEVELOPMENT ACT SPECIAL REVENUE FUND	139
MEASURE W SPECIAL REVENUE FUND	140
FEDERAL GRANTS SPECIAL REVENUE FUND	141
CAPITAL IMPROVEMENT CAPITAL PROJECTS FUND	142
PARAMOUNT/MINES LANDSCAPE MAINTENANCE ASSESSMENT CAPITAL PROJECTS FUND	143
OTHER ENTERPRISE FUNDS	
DESCRIPTION OF OTHER ENTERPRISE FUNDS	144
COMBINING STATEMENT OF NET POSITION	145
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	146
COMBINING STATEMENT OF CASH FLOWS	147
STATISTICAL SECTION (UNAUDITED)	
DESCRIPTION OF STATISTICAL SECTION CONTENTS	151
FINANCIAL TRENDS	
NET POSITION BY COMPONENT – LAST TEN FISCAL YEARS	152
CHANGE IN NET POSITION – LAST TEN FISCAL YEARS	154
FUND BALANCES OF GOVERNMENTAL FUNDS – LAST TEN FISCAL YEARS	158
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS – LAST TEN FISCAL YEARS	160
REVENUE CAPACITY	
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE – LAST TEN FISCAL YEARS	162
REVENUE BASE BY CATEGORY – LAST TEN FISCAL YEARS	164
PROPERTY TAX LEVIES AND TAX COLLECTIONS – LAST TEN FISCAL YEARS	165

**CITY OF PICO RIVERA, CALIFORNIA
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2021**

DIRECT AND OVERLAPPING GOVERNMENTS PROPERTY TAX RATES – LAST TEN YEARS	166
PRINCIPAL PROPERTY TAXPAYERS – CURRENT FISCAL YEAR AND NINE FISCAL YEARS AGO	168
TOP 25 SALES TAX PRODUCERS – CURRENT FISCAL YEAR AND NINE FISCAL YEARS AGO	169
DEBT CAPACITY	
RATIOS OF OUTSTANDING DEBT BY TYPE – LAST TEN FISCAL YEARS	170
RATIOS OF GENERAL BONDED DEPT OUTSTANDING – LAST TEN FISCAL YEARS	172
DIRECT AND OVERLAPPING DEBT	173
LEGAL DEBT MARGIN INFORMATION – LAST TEN FISCAL YEARS	174
PLEDGED REVENUE BOND COVERAGE	
WATER AUTHORITY REVENUE BONDS – LAST TEN FISCAL YEARS	176
2001 TAX ALLOCATION REFUNDING BONDS – LAST TEN FISCAL YEARS	176
2016 LEASE REVENUE BONDS	176
2018 CERTIFICATES OF PARTICIPATION	176
DEMOGRAPHIC AND ECONOMIC INFORMATION	
DEMOGRAPHIC AND ECONOMIC STATISTICS – LAST TEN FISCAL YEARS	177
PRINCIPAL EMPLOYERS – CURRENT FISCAL YEAR AND NINE FISCAL YEARS AGO	178
OPERATING INFORMATION	
FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION – LAST TEN FISCAL YEARS	179
OPERATING INDICATORS BY FUNCTION – LAST TEN FISCAL YEARS	180
CAPITAL ASSET STATISTICS BY FUNCTION – LAST TEN FISCAL YEARS	182

INTRODUCTORY SECTION

This page intentionally left blank.



City of Pico Rivera **ADMINISTRATIVE SERVICES**

6615 Passons Boulevard · Pico Rivera, California 90660

(562) 801-4391

Web: www.pico-rivera.org e-mail: angelinag@pico-rivera.org

Angelina Garcia

Administrative Services Director/
Interim Assistant City Manager

City Council

Dr. Monica Sánchez

Mayor

Erik Lutz

Mayor Pro Tem

Gustavo V. Camacho

Councilmember

Raul Elias

Councilmember

Andrew C. Lara

Councilmember

December 27, 2021

Honorable Mayor and City Council
City of Pico Rivera, California

I am pleased to present the Comprehensive Annual Financial Report of the City of Pico Rivera for the fiscal year ended June 30, 2021, as mandated by both local ordinances and state statutes. These ordinances and statutes require that the City of Pico Rivera issue annually a report on its financial position and activity, and that an independent firm of certified public accountants audit this report. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds and component units of the City of Pico Rivera. In addition, to the best of our knowledge, there are no untrue statements of material fact within the financial statements or omissions of material fact to cause the financial statements to be misleading. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Annual Comprehensive Financial Report (ACFR) is prepared using the guidelines set forth by the Government Accounting Standards Board (GASB) and audited by CliftonLarsonAllen LLP. For the year ended June 30, 2021, these financial statements received an unmodified opinion by CliftonLarsonAllen LLP. Their opinion is located at the beginning of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditors' report and provides a narrative overview and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

City of Pico Rivera Profile

The City of Pico Rivera is a thriving community that offers opportunities to all who live, work and visit in the City. Situated on the eastern edge of the Los Angeles basin and the southern edge of

See Management's Discussion and Analysis for additional information

the area known as the San Gabriel Valley, Pico Rivera is approximately 13 miles southeast of downtown Los Angeles, with a population of 63,000. Formed through the merging of two historic communities, Pico and Rivera, the City was officially incorporated in January 1958 as the 61st general law city in Los Angeles County. Originally an agricultural area, the community evolved into a residential and industrial area following the end of World War II. Within the City's nine square miles, more than 120 acres are devoted to recreational uses, including just under 100 acres of local parks.

The City Pico Rivera is a general law city and operates under the Council-Manager form of government whereby the City Council provides policy direction to a City Manager appointed by the Council. As the City's chief administrator, the City Manager is responsible for overseeing City employees who implement all of the City's programs, services and projects. Five City Council members are elected, at large, for staggered four-year terms. The council members select two of the members to serve as Mayor and Mayor Pro Tem.

The City provides a full range of municipal services including public works, water, construction and maintenance of roads and highways, planning and zoning, recreation and cultural activities, and general administrative support such as overall agency management, procurement of goods and services, payroll, recruitment, risk management budget preparation and monitoring and accounting. The City contracts some municipal services with other public agencies, these include: the Los Angeles County Sheriff's Department for law enforcement service, the Los Angeles County Fire Department for fire protection and paramedic emergency services, and the Los Angeles County Library System to operate its two community libraries.

The Annual Comprehensive Financial Report presents the financial status of the City and its component units. Although each component unit is a separate legal entity from the City, their respective financial operations are closely related. This combined presentation better represents the financial activities of the City of Pico Rivera as a whole.

The following component units are reported on a blended basis as part of the primary government because their boards are comprised of all City Council members or they are, in substance, part of the City's operations:

- Pico Rivera Water Authority
- Pico Rivera Housing Assistance Agency
- Pico Rivera Public Financing Authority

FINANCIAL INFORMATION

Budgetary Controls

The City of Pico Rivera maintains strict budgetary controls, with the objective of ensuring compliance with legal provisions contained in the annual appropriated budgets approved by the City Council and the Water Authority. Activities of the General fund, Special Revenue, Enterprise and Capital Projects funds are included in the annual appropriated budgets of the government units. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the

See Management's Discussion and Analysis for additional information

appropriated amount) is established at the department/function level within each fund. Formal budgetary integration is employed as a management control device. Budgetary controls from the Adopted Budget Resolution No. 7135 were formally adopted by the City Council on June 8, 2021, that includes controls such as Department Directors authorized to move appropriations from one object to another, within each budgetary program/division and within the same fund, provided that the total approved appropriations for a budget program and within the same fund are not exceeded. The City also maintains an encumbrance accounting system as one method of maintaining budgetary control. These encumbrances lapse at year-end, and any unexpended balance is eligible to be carried over to the following year's budget appropriations with City Council approval of the Adopted Budget Resolution. As adopted in the resolution, all encumbrances remaining as of June 30, 2021, after thorough review by appropriate Finance Department staff, will either be released or re-appropriated for use in Fiscal Year 2021-22, as appropriate, in the respective funds, departments, programs, and accounts/objects.

Reserves and Fund Balance Policy

In an effort to further secure Pico Rivera's long-term financial health, the City Council first adopted comprehensive reserve policies as part of the Fiscal Year 2016-17 budget adoption process. These policies solidified the City's commitment to setting aside funds for economic uncertainty, while expanding the policy to allow for assignments of fund balance for capital projects, equipment replacement, leave accruals, and other expenses.

The policies were further refined and adopted by City Council as part of the FY 2020-21 budget process. On July 28, 2020, the Pico Rivera City Council adopted revised "risk-based" General Fund and Proprietary Fund Reserve Policies, which increased to the General Fund's Emergencies/Economic Stabilization Reserve from 25 percent to 50 percent. The revised policy also set certain triggers to allow staff and City Council to reassess budgeted service levels during economic downturns to ensure ongoing economic stability. The full set of policies is included as an appendix to the Fiscal Year 2021-22 Budget.

The City strives to be well-positioned to weather potential economic downturns, natural disasters or other calamities which might impinge upon operating revenue. The City's reserves, as governed by the adopted reserve policies, have been classified in an effort to address any number of one-time uses. Future budgets will address these reserves, seeking to further strengthen the City's economic health by setting aside additional fund balance for anticipated uses (i.e., addressing long-term unfunded liabilities).

Internal Control

The Finance Department of the City is responsible for establishing and maintaining an appropriate internal control structure. The internal control system is designed to ensure that the assets of the City are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgements by management.

See Management's Discussion and Analysis for additional information

Significant Financial Events

There were no changes to financial policies that resulted in a significant impact on the June 30, 2021 financial statements.

Long-term Financial Planning

The City utilizes two long-term planning tools that serve as a guide to best allocate resources to meet the City's needs over time. The first of which is the Five-Year Capital Improvement Program (CIP), which provides efficient and effective delivery of resources for improvement and maintaining public infrastructure and facilities. The Five-Year Capital Improvement Plan is updated annually during the budget process.

The second long-term planning tool is the City's Five-Year Financial Forecast (Forecast). The Forecast establishes the foundation for guiding policy and making financial decisions, taking into account any forecasted challenges and opportunities before they arise. This Forecast allows for creation of baseline and alternative revenue and spending forecasts, including historic and projected annual periods for the next five years. The Forecast also allows for testing the impact of assumptions and proposed initiatives on projected budget gaps and fund balances.

Significant City Accomplishments and Initiatives

On March 16th, 2020, the City of Pico Rivera adopted Resolution No. 7054 declaring an emergency due to the Novel Coronavirus Disease 2019 (COVID-19). For the 2020-21 fiscal year, we continued to grapple with the effects of COVID-19. The health, safety, and well-being of our community has continued to be our top priority and our staff continues to provide critically needed programs, services, and resources for all who live, work, and conduct business in the City. As we adapt to the unprecedented situation facing us today, we continue to build a more resilient Pico Rivera tomorrow.

Despite the many challenges experienced due to this pandemic, the City of Pico Rivera can be proud of numerous significant accomplishments in Fiscal Year 2020-21.

COVID-19 Related Accomplishments:

- The City collaborated with the Los Angeles County Department of Public Health to coordinate COVID-19 pop-up vaccination clinics and to schedule vaccine appointments through the Los Angeles registration website myturn.ca.gov. More than 800 seniors, 50 years of age and older, were contacted regarding vaccinations and Senior Center staff directly assisted approximately 400 seniors in getting vaccinated.
- Successfully hosted one of the first, in-person special event experiences within the surrounding area for Halloween at Streamland Park. The drive-thru event brought approximately 1,600 cars and over 4,300 children from all over to participate in the Spooktacular Haunted Road experience.
- Successfully hosted the Easter Eggstravaganza event at the Sports Arena. Approximately 2,000 children participated in the drive-thru, in-person experience.

See Management's Discussion and Analysis for additional information

- For approximately 51 weeks, eight (8) Parks and Recreation staff members were in weekly contact with 100 seniors age 50 and older via telephone through the “Let’s Stay Connected” program. A total of 5,100 phone calls were made for an estimate of 2,850 hours. Through the weekly phone calls, staff provided vital City information and referral services, coordinated delivery of fresh fruits and vegetables, enabled patrons to talk about how they were feeling and provided both emotional and mental support.
- Continued our commitment to ensuring the senior community does not experience food insecurity by continuing the Emergency Senior Meal Program (ESMP). The purpose of this program is to augment the senior center congregate meal program to allow for additional participant registration resulting from the federal, state, and local emergency declarations. From April 1st through June 30, 2021, Recreation and Parks staff delivered 45,904 pre-packed meals, to Senior Citizens 60 years and older as a part of the ESMP.
- In July of 2020, the City partnered with City of Refuge, the Los Angeles County Sheriff’s Department, Heart of Compassion, State Assemblymember Cristina Garcia’s office, State Senator Bob Archuleta’s office and the United States Marine Corp to host a Drive through Food give away that helped feed approximately 1,200 families in the City Of Pico Rivera. Diapers and recyclable bags for 300 families were also donated.
- After being closed for six (6) months due to “Safer at Home” orders caused by the COVID-19 pandemic, parks safely re-opened limited operations for passive use which included walking trails, open green space, and the Community Garden.
- Virtual Special Events were created such as the Facebook Live DJ Party, four (4) Virtual Street Fest Concerts, two (2) Virtual Senior Concerts, Virtual Veteran’s Day, and Virtual Tree Lighting to provide entertainment and engage the community safely.
- During the facility closure, the Senior Center was completely renovated which included new flooring, new front counter, new cubicle office space for Transit, additional parking lot lights, New facility window blinds, and a fresh coat of paint.
- The playground area of the Veterans & Ladies Auxiliary Park was renovated and included a new playground structure, shade canopy, surfacing and new park benches.
- Business assistance to comply with Los Angeles County Public Health Orders:
 - ✓ Expedited 39 outdoor dining and outdoor hair/nail salon permits for local businesses within a 24-48 hour turnaround.
 - ✓ Provided information and assistance regarding federal and local county COVID grant programs to eligible businesses
 - ✓ Disbursed four(4) \$10,000 grants to our veterans service organizations to assist with COVID-19 impacts

Other Notable Accomplishments:

The Community and Economic Development (CED) Department has worked towards attracting national retailers and developers to develop properties that have remained vacant and underutilized. The department has entitled and approved construction, facilitating the process for developers to build within the City. The CED Department Homeless Liaison routinely patrols for homeless encampments throughout the City. The liaison coordinates with the Los Angeles County Sheriff’s Department and several partners such as the Los Angeles Service Homeless Authority (LAHSA), People Assisting the Homeless (PATH) and Whittier First Day to offer services to homeless people within the City. The liaison also coordinates the sanitary clean-up of

See Management’s Discussion and Analysis for additional information

encampments. The team's efforts in addressing homelessness resulted in a reduction in people experiencing homelessness throughout the City.

In collaboration with the Parks and Recreation Department, the CED Department has assisted with the Senior Center ADA repairs and upgrades by securing funding from the Community Development Block Grant (CDBG) program. Through budget monitoring, project management, and assistance in the federal procurement process, the department helped secure over \$300,000 for the renovation and upgrades of the Senior Center to meet ADA compliance.

Additionally, other City accomplishments are as follows:

- Successfully appealed our Regional Housing Needs Allocation numbers from 3,939 to 1,024 (we don't want to give the impression that we are against building new housing units in the City).
- Developed and implemented Pico Rivera's Veterans Census, which will be an ongoing census taken by City staff.
- Adopted ordinance for digital billboards along the 605 freeway to serve as revenue enhancement.
- Completed the citywide parking analysis.
- Exhausted outdated Section 8 housing wait list (clean-up) and opened wait list with preference to existing Pico Rivera residents (332 applications received); wait list had not been reopened since 2011
- Completed the Prepare Pico Rivera Resiliency Plan with the American Red Cross and included input from residents.
- Awarded a \$332,000 Caltrans Grant to develop the Whittier Bl. Multimodal Revitalization Plan.
- Awarded a Metro Grant for the Whittier Bl. Open Streets Event totaling \$500,000. This grant will be shared with the County of Los Angeles and three neighboring cities
- Launched a comprehensive community outreach and education campaign for the Whittier Narrows Dam Safety Project
- Restored Montebello Bus Line 60 to serve local residents and students
- Successfully provided outdoor services for continuity of essential services from October 2020-May 2021.
- In full compliance with Proposition 218, updated an outdated City Fee Schedule; and in doing so, identified and updated fees that had not been updated in years. This, in turn, provides the City with revenues that are more in line with the current cost of providing the related fee.
- Received the California Municipal Treasurers Association (CMTA) Investment Policy Certification on August 15, 2021. This Investment Policy Certification through the CMTA validates that the City's Investment Policy adheres to the State of California Government Code and meets the program requirements within 18 different topics areas deemed to be best practices for investment policies.
- Received the Government Finance Officers Association (GFOA) Distinguished Budget Presentation Award for the FY 2021-2023 Biennial Budget document. The award demonstrates the City's commitment to transparency, fiscal responsibility, efficiency, and accountability while ensuring the budget is accessible to residents.

See Management's Discussion and Analysis for additional information

- Acquired approximately 2,900 streetlights from Southern California Edison and upgraded them to light-emitting diode (LED) fixtures, saving the City an estimated \$8.1 million in energy costs over 20 years.
- Re-negotiated the City's solid waste hauler agreement to increase the franchise fee paid to the City by the hauler, establish monthly reporting procedures, and expand waste collection services to residents and businesses to include organics recycling ahead of CalRecycle regulation deadlines.
- Paid out over \$19,500 in Net Energy Metering (NEM) bill credits to Pico Rivera Innovative Municipal Energy (PRIME) Partner customers that produced more energy than they consumed with their rooftop solar panels.
- Completed the City's first comprehensive Community Needs Survey in 14 years (2007) which showed favorable results for the City including two-thirds of residents indicating they were satisfied with municipal services.
- Installed 5 water bottle refill stations with Beverage Container Recycling (BCR) Grant funds at City Facilities to reduce the number of single-use beverage containers from entering the waste stream.
- Completed a Comprehensive Energy Analysis (CEA) for City Facilities in collaboration with Southern California Regional Energy Network (SoCalREN) to identify high energy use facilities and opportunities to improve energy efficiency.

Capital Projects Accomplishments

During FY 2020-21, the City's Public Works Department completed the following capital projects:

- Annual Signing and Striping
- Annual Sidewalk Repairs
- Traffic improvements to three major intersections at Rosemead Blvd./Slauson Ave., Rosemead Blvd./Whittier Blvd. and Rosemead Blvd./Washington Blvd.
- Security Fencing at Water Authority Plant No. 2 (which houses Well No. 3, Well No. 4, Booster Room, Chlorination Room and a 600,000 Gallon Storage Tank) and Well No. 5 sites with wrought iron fencing and automated gates to prevent trespassing, theft and vandalism from occurring.
- Emergency Rehabilitation and Repair of Well No. 4 and Pump Raising

The City of Pico Rivera will continue working on developing future financial plans that achieve an optimal level of service to the community through efficient, effective and innovative strategies. In order to improve productivity and efficiency, the next six months will be dedicated to preparing a Long-term Strategic Restructuring Plan (LTSRP) for City Council input and consideration. Our goal is not only to ensure financial sustainability, but also strive to strategically position the City to execute on its 21st Century Vision of a sustainable, equitable, and vibrant community to live, work, and visit.

Economic Condition and Outlook

As can be seen in the MD&A, the City's financial condition is sound. The General Fund did see operating revenues exceed operating expenditures by \$7.009 million as of June 30, 2021.

See Management's Discussion and Analysis for additional information

Total fund balance grew by \$8.102 million to \$73.2 million – an amount that represents 162% of operating revenue. Further details of these and related financial statistics can be found in the MD&A and the Notes sections in the following pages.

The relative health of the City's finances can be attributed to three successive fiscal years of focused attention on improving the alignment of ongoing expenditures with ongoing revenues. While Pico Rivera has enjoyed positive financial health in the recent past, it is important that all efforts are made to guard against any future economic downturns which would impinge upon the City's main sources of revenue: sales and property tax. While the nation's economy continues to show relative strength, no City is immune to future slowdowns in the economy.

For this reason it is important that the City continues to develop responsible budgets that provide essential services to our residents and fulfills City Council priorities. The efforts to focus on Pico Rivera's fiscal health will continue as subsequent budgets are developed, with an emphasis on maintaining and ensuring financial sustainability and security.

OTHER INFORMATION

GFOA Certificate of Achievement Award

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Pico Rivera for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2020. This was the 23rd consecutive year that the City has achieved this prestigious award. To be awarded a Certificate of Achievement, a government entity must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe that our CAFR for Fiscal Year 2020-21 continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate, just one more way to celebrate the City's glorious past and prosperous future.

Independent Audit

The City requires an annual audit by independent certified public accountants. The accounting firm of CliftonLarsonAllen LLP conducted this year's audit. The auditors' report on the government-wide financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

Single Audit

As a recipient of federal, state, and county financial assistance, the City is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management. In years when over \$750,000 is expended on Federal financial assistance programs, the City is required to undergo an annual single audit in conformity with the

See Management's Discussion and Analysis for additional information

provisions of the Single Audit Act of 1984 and U.S. Office of Management and the Uniform Guidance. Results of the Single Audit are reported separately and will be available by March 2022.

Acknowledgments

The Finance Department, takes primary responsibility for the preparation and accuracy of this report. The professionalism, commitment and effort of all the members of the Department have made this presentation possible. The assistance from other departments in providing operational information for this report is also appreciated. Finally, we thank the City Council for their prudent financial management and leadership in guiding the City of Pico Rivera and helping ensure the City's continued financial health.



Angelina Garcia
Director of Administrative Services/Interim Assistant City Manager



CITY OF PICO RIVERA

CITY OFFICIALS

City Council

Raul Elias, Mayor

Dr. Monica Sanchez, Mayor Pro-Term

Gustavo V. Camacho, Councilmember

Andrew Lara, Councilmember

Erik Lutz, Councilmember

Executive Team

City Manager

Steve Carmona

Assistant City Manager

Katherine Fuentes

City Clerk

Anna M. Jerome

Community & Economic Development Director

Michael Garcia

Finance Director

Angelina Garcia

Human Resources Director

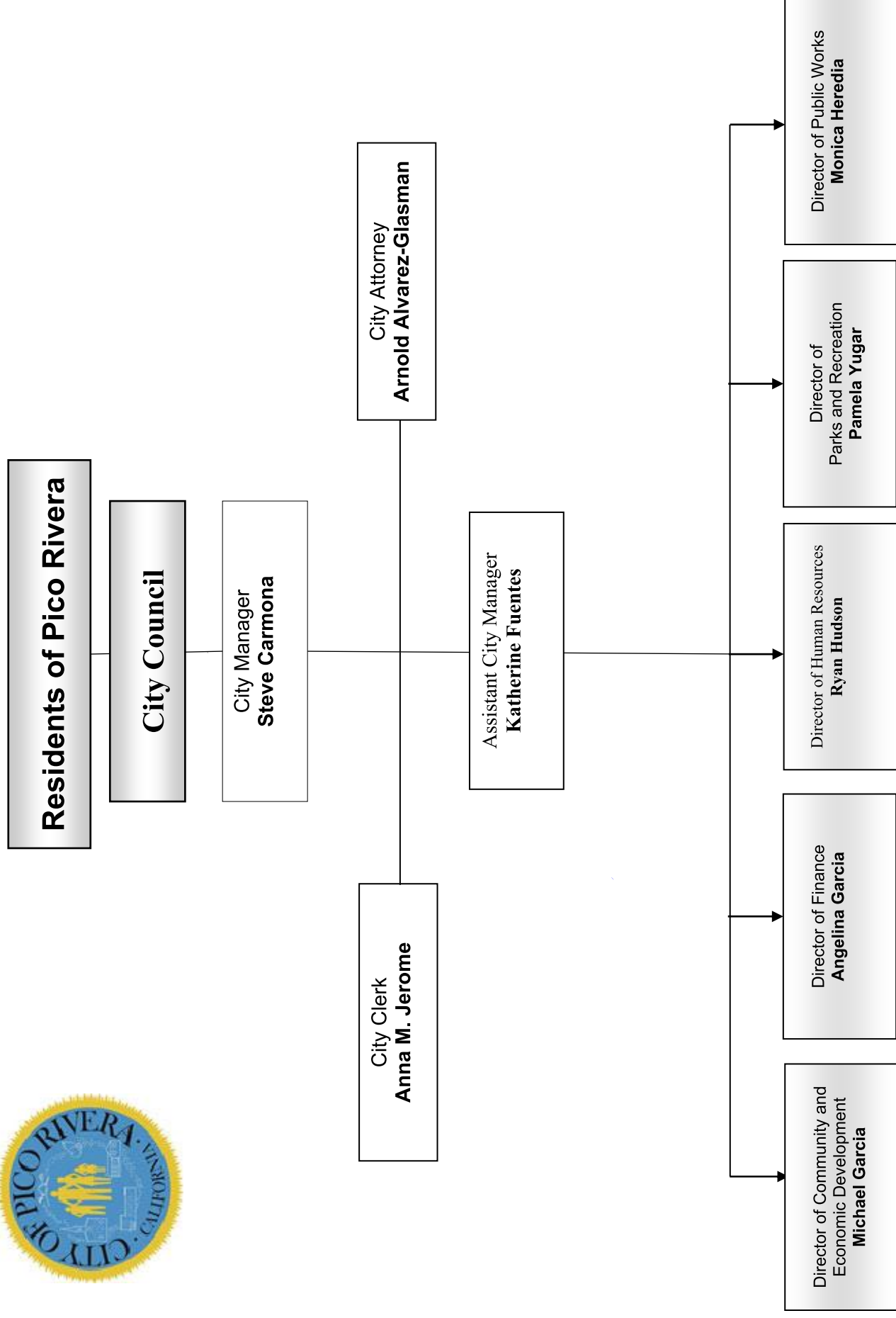
Ryan Hudson

Parks and Recreation Director

Pamela Yugar

Public Works Director

Monica Heredia





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Pico Rivera
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

This page intentionally left blank.



INDEPENDENT AUDITORS' REPORT

Honorable City Council
City of Pico Rivera
Pico Rivera, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pico Rivera (the City) as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pico Rivera as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedules of changes in net pension liability and related ratios for the Miscellaneous and Council Plans, the schedules of contributions for the Miscellaneous and Council Plans, the schedule of changes in net OPEB liability and related ratios, the schedule of contributions - OPEB plan, and the budgetary comparison schedules for the general and major special revenue funds, identified as Required Supplementary Information (RSI) in the accompanying table of contents, be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the RSI in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during the audit of the financial statements. We do not express an opinion or provide any assurance on the RSI because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's financial statements. The introductory section, combining statements and individual fund schedules (supplementary information), and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplementary information, as listed in the accompanying table of contents, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the financial statements as a whole.

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

Honorable City Council
City of Pico Rivera

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2021, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to 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 black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Irvine, California
December 27, 2021

This page intentionally left blank.

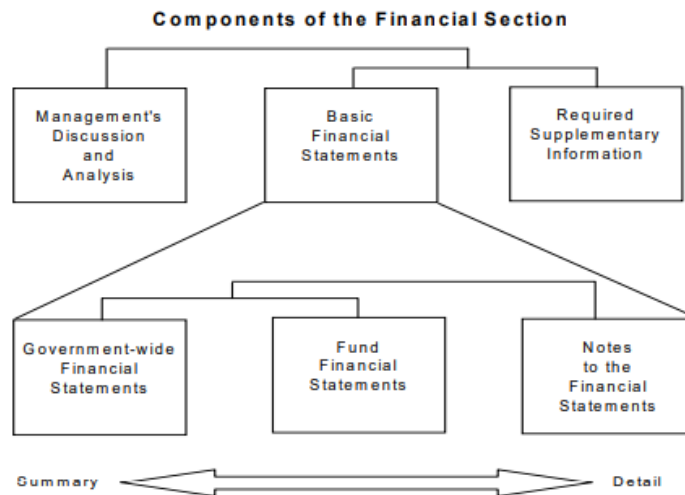
**CITY OF PICO RIVERA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

The Management Discussion and Analysis (MD&A) provides a narrative introduction, overview and analysis that will assist in understanding the City's financial statements. We encourage readers to consider the information presented here in conjunction with the City's financial statements as of June 30, 2021, the transmittal letter and the notes to the basic financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts: the management's discussion and analysis (this portion), the basic financial statements, notes to the basic financial statements and required supplementary information. In addition to the required parts, we have included the optional combining statements for other governmental funds, other enterprise funds, agency funds and a statistical section. This discussion and analysis is 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 basic financial statements. This report also contains supplementary information in addition to the basic financial statements.



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 business in the private sector.

The statement of net position presents information on all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference between the two reported as net position. Net position is then shown as restricted or unrestricted. Over time, increases or decreases in the net position may serve as an 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).

CITY OF PICO RIVERA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities). The governmental activities of the City include general government, public safety, public works, community development, recreation, non-departmental, and interest on long-term debt.

The government-wide financial statements include not only the City itself (known as the primary government), but also three legally separate entities: the Pico Rivera Public Financing Authority, the Pico Rivera Water Authority, and the Pico Rivera Housing Assistance Agency. The City is financially accountable for these entities and financial information for these blended component units is reported within the financial information presented for the primary government itself.

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

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the City's funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financial requirements.

Since the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenue, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

This document reports thirty (30) governmental funds. Information is presented separately in the governmental funds balance sheet (pages 24 - 25) and in the governmental funds statement of revenues, expenditures and changes in fund balances (pages 28 - 29) for the General Fund, the Housing Agency Section 8 Fund, American Rescue Plan Fund, and the 2018 Series A COP Fund since these funds are considered major funds. Data from the additional twenty-six (26) governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these other governmental funds is provided in the form of combining statements in the other governmental funds supplementary information section of this report which begins on page 1066.

The City adopts an annual appropriated budget for its General Fund as well as its other governmental funds. Budgetary comparison statements are presented on pages 99 - 100 and 118 - 141. The governmental fund financial statements can be found on pages 24 through 30 of this report.

**CITY OF PICO RIVERA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Proprietary Funds - Proprietary funds use the accrual basis of accounting, which is the same method used by private businesses. Proprietary funds can be classified as either "enterprise funds" or "internal service funds." The City maintains only one type of proprietary fund: enterprise funds. The City has four enterprise funds: the Water Enterprise Fund, the Golf Course Fund the Sports Arena Fund and the Pico Rivera Innovative Municipal Energy (PRIME) fund. The PRIME fund was established during Fiscal Year 2017- 18 and is utilized to capture activity of the City's Community Choice Aggregate enterprise function. The basic proprietary fund financial statements can be found beginning on pages 31 through 34 and pages 143 through 146 of this report.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The City has one Fiduciary fund: the Successor Agency to the City of Pico Rivera Redevelopment Agency Private-Purpose Trust Fund. This fund is not reflected in the government-wide financial statements because the resources of this fund is not available to support the City's own programs. The accounting used for fiduciary funds is the full accrual accounting method. The fiduciary fund financial statements can be found on pages 36 and 37 of this report.

Notes to Financial Statements

The notes to the financial statements 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 39 of this report.

Required Supplementary Information

The required supplementary information (RSI) schedules further explain and support the information in the financial statements. This section includes the schedules of the City's funding for its employee pension program, other post-employment benefit (OPEB) program and the budgetary comparison for the general and major special revenue funds. The required supplementary information can be found on page 93 through 101 of this report.

Other Supplementary Information

Other supplementary information includes combining and individual budgetary comparison schedules for non-major Governmental Funds, combining statements for other enterprise funds and Agency Funds and Internal Service funds. Other supplementary information can be found on pages 106 through 146 of this report.

FINANCIAL HIGHLIGHTS

Citywide

- Comparing fiscal year ending June 30, 2021 with June 30, 2020, the City's total net position increased by \$9.893 million, from \$303.685 million to \$313.578 million. Of this amount, there was an increase in total assets of \$ 16.835 million to \$470.401 million, an increase in total liabilities of \$6.914 million to \$162.455million, a decrease of deferred outflows of resources of \$659 thousand and a decrease of deferred inflows of resource of \$630 thousand.
- Citywide revenues totaled \$94.571 million, an increase of \$1.407 million over the prior year. Expenses were \$84.679 million, an increase of \$2.117 million over the prior year.

**CITY OF PICO RIVERA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

- Citywide capital assets, after depreciation, decreased \$620 thousand to \$307.141 million. This decrease includes \$7.697 million depreciation offset by street, park, and water system construction projects in progress and completion of street, park, and water system projects partially offset by the auction of obsolete vehicles and equipment.

Citywide – Governmental Activities

Governmental Activities revenues increased \$2.700 million to \$65.649 million (prior to any transfers). This net increase resulted from a combination of two main factors: an increase in sales tax about \$1.961 million and an increase in property tax about \$741 thousand.

Governmental Activities expenses decreased \$2.528 million to \$57.078 million. The Public Work and Health and Welfare activities experienced increases of \$1.147 million and \$740 thousand, respectively. On the flip side, General Government, Parks & Recreation, and Community Development activities experienced reduced expenses of \$3.032 million, \$554 thousand and \$639 thousand, respectively.

Fund Level – General Fund

- General Fund revenues were \$45.236 million, an increase of \$4.120 million over the prior year. The increase was mainly due to higher taxes, licenses and permits and intergovernmental revenues.
- Taxes revenue increased by \$2.780 million as the City received more sales taxes as consumer confidence stabilized and more consumers shopped online in FY 2021. The City also received more property taxes due to increased property assessments compared to the prior fiscal year.
- Intergovernmental revenue increased by \$1.012 million, mainly attributed to the \$920 thousand Coronavirus Aid, Relief, and Economic Security Act (CARES Act) funding and credits.
- Licenses and permits revenue increased by \$997 thousand as more building permits and plan checks were pulled when more residents performed home improvement during the pandemic.
- Fines, forfeitures, and penalties revenue went up by \$156 thousand primarily due to an increase of other court fines.
- Investment and rental revenues were down by \$405 thousand due to much lower investment returns in FY 2021 due to the pandemic.
- Charges for Services and Miscellaneous revenues were also down by \$266 thousand and \$154 thousand, respectively, caused by the COVID-19 lockdown and social distancing.
- General Fund expenditures were \$38.226 million, a \$2.400 million decrease from the prior year. Due to the COVID-19 pandemic, the City had less events and activities and, in turn, less Parks and Recreation expenditures. The City also has less General Government expenditures in the election, legal services and sales tax sharing and less Public Works expenditures in building, ground and signal light maintenance, repair, and utility. Additionally, the salaries and benefits were down for several departments due to a number of unfilled positions.
- The General Fund's fund balance increased \$8.102 million to \$73.200 million as of June 30, 2021.

CITY OF PICO RIVERA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021

Fund Level – Proprietary Funds

The City had four Enterprise Funds in Fiscal Year 2020-21.

Business-type Activities – Enterprise Funds – Overall, the total net position of these funds increased \$1.321 million to \$31.946 million at June 30, 2021.

- Total assets increased \$867 thousand to \$97.816 million primarily due to a \$1.264 million increase in cash and investments, \$1.188 million increase in net capital asset, and \$1.863 million decrease in receivables from Successor Agency, compared to the prior fiscal year.
- Total liabilities decreased \$307 thousand to \$66.562 million mainly due to paying down \$3.018 million bonds payable and \$1.829 million advance from other funds, \$2.893 million increase of current liabilities, and a \$1.457 million increase of net pension liability, compared to the prior fiscal year.
- Total operating revenues decreased \$827 thousand to \$27.282 million, and operating expenses increased \$4.809 million to \$25.755 million. Most changes were related to the operation of Pico Rivera Innovative Municipal Energy (PRIME). The Charges for Services revenue decreased \$1.640 million due to less demand for PRIME. However, the cost of PRIME's power supply has increased by \$2.432 million due to the market conditions and regulatory changes at the California Public Utilities Commission (CPUC). Due to extreme heatwaves in the summer of 2020, CPUC has required load-serving entities such as PRIME to procure additional energy resources to prevent future blackouts related to extreme weather events, which placed constraints on exiting supply and increased prices of available power. On the other hand, the Charges for Services revenues increased \$268 thousand and \$785 thousand for Water Operation and other enterprise funds.

Fund Level – Fiduciary Funds

- The Fiduciary Fund is discussed later in this document.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The City of Pico Rivera is presenting its financial statements under the reporting models required by the Governmental Accounting Standard Board (GASB) pronouncements. The most recent pronouncements implemented by the City, GASB 68 and GASB 75, require the reporting of pension obligations and Other Post Employment Benefit (OPEB) obligations, respectively, on these financial statements. Shown on the next page is the schedule of Statement of Net Position for the years ended June 30, 2021 and 2020, covering Governmental Activities and Business-Type Activities (i.e., enterprise funds).

Net position serves as an indicator of a government's financial position over time. As of June 30, 2021, the City's combined net position (governmental and business-type activities) totaled \$313.578 million, an increase of \$9.893 million from the prior year.

CITY OF PICO RIVERA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021

City of Pico Rivera
Statement of Net Position
Fiscal Year ended June 30, 2021 and June 30, 2020

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Assets:						
Current and Other Assets	\$97,361,551	\$79,105,060	\$31,690,036	\$30,250,173	\$129,051,587	\$109,355,233
Internal Balances	22,198,908	23,311,249	(22,198,908)	(23,311,249)	-	-
Land held for resale	-	600,000	-	-	-	600,000
Receivables from						
Successor Agency	14,716,744	14,596,167	19,491,804	21,253,031	34,208,548	35,849,198
Capital Assets	260,683,238	262,491,466	46,458,063	45,270,044	307,141,301	307,761,510
Total Assets	\$394,960,441	\$380,103,942	\$75,440,995	\$73,461,999	\$470,401,436	\$453,565,941
Deferred Outflow of resources	\$6,867,812	\$7,601,265	\$900,289	826,169	\$7,768,101	\$8,427,434
Liabilities:						
Current liabilities	\$19,960,381	\$13,319,055	\$8,597,709	6,420,802	\$28,558,090	\$19,739,857
Long-term liabilities	44,031,850	45,144,645	26,827,448	29,807,055	70,859,298	74,951,700
Net OPEB Obligation	20,096,119	19,817,325	2,158,719	2,007,923	22,254,838	21,825,248
Net Pension Liabilities	34,179,750	33,878,412	6,603,167	5,146,415	40,782,917	39,024,827
Total Liabilities	\$118,268,100	\$112,159,437	\$44,187,043	43,382,195	\$162,455,143	\$155,541,632
Deferred Inflows of resources	\$1,927,735	\$2,484,401	\$208,612	282,140	\$2,136,347	\$2,766,541
Net Position:						
Net investment in capital assets	\$234,764,478	\$235,399,358	\$36,403,397	\$34,129,206	\$271,167,875	\$269,528,564
Restricted	23,672,803	22,661,392	-	-	23,672,803	22,661,392
Unrestricted	23,195,137	15,000,619	(4,457,768)	(3,505,373)	18,737,369	11,495,246
Total Net Position	\$281,632,418	\$273,061,369	\$31,945,629	\$30,623,833	\$313,578,047	\$303,685,202

Net position consists of three categories: net investment in capital assets, restricted assets, and unrestricted assets. The largest amount of the net position (governmental and business-type activities), approximately \$271.168 million, is the City's investment in capital assets which includes land, buildings, infrastructure, furniture and equipment net of accumulated depreciation and related debt for acquiring these capital assets. Since the capital assets are used to provide services to citizens, these assets are not available to fund the City's day-to-day activities.

CITY OF PICO RIVERA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021

At June 30, 2021, the City's restricted net position was \$23.672 million or 7.5% of the total net position. These are assets subject to external restrictions, constitutional provisions, or enabling legislation that limit how these assets may be used. The restricted net position includes the Housing Section 8 Grant Fund, Home Grant Fund and various other special revenue funds. The remaining balance of net position of \$18.737 million is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors. The unrestricted amount increased \$7.242 million when compared to the June 30, 2010 amount.

Governmental Activities - Governmental activities' assets increased \$14.856 million to \$394.960 million, liabilities increased \$86.108 million to \$118.268 million, and total net position increased \$8.571 million to \$281.632 million when compared to the prior year.

- Unrestricted cash and investments increased \$18.060 million to \$67.150 million primarily due to the receipt of American Rescue Plan Act (ARPA) funding of \$7.386 million and an increase of net position of \$8.571 million. The City's allocation of the ARPA funding was \$14.772 million, with the first 50% allocation of \$7.386 million received in May 2021 and the balance anticipated to be received in June 2022.
- The City has not spent any of the ARPA funding as of June 30, 2021 and included the \$7.386 million as unearned revenue in a new Special Revenue Fund as American Rescue Plan Fund.
- As the City paid down outstanding bond payable principal, long-term liabilities decreased \$1.113 million to \$44.032 million.
- There was \$34.179 million in pension liabilities included in the financial statements along with deferred outflow of resources and deferred inflows of resources that are related to the implementation of GASB 68, which was first effective for fiscal years ending June 30, 2015 and was first reported in the financial statements for Fiscal Years 2014-15.
- There was \$20.096 million in Other Post Employment Benefit (OPEB) liabilities included as part of the implementation of GASB 75, effective for FY 2017-18. Similar to GASB 68, OPEB liabilities, deferred outflows/inflows of resources and expenses related to post-employment benefits (i.e., retiree health care) must be recognized in the financial statements.

Business-Type Activities - Business-type activities assets increased \$1.979 million to \$75.441 million. Liabilities increased \$805 thousand to \$44.187 million.

- The share of Net pension liability, due to required GASB 68 reporting first effective for fiscal years ending June 30, 2015, was \$6.603 million.
- There was \$2.159 million in Other Post Employment Benefit (OPEB) liabilities included as part of the implementation of GASB 75, effective for FY 2017-18.

The Statement of Activities for the Governmental Activities and Business-type Activities is shown on the following page.

**CITY OF PICO RIVERA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

**City of Pico Rivera
Statement of Activities
Fiscal Year ended June 30, 2021 and June 30, 2020**

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues						
Program Revenues:						
Charges for services	3,914,793	3,328,475	27,281,651	28,118,138	31,196,444	31,446,613
Operating grants an contributions	16,416,848	13,826,068	-		16,416,848	13,826,068
Capital grans and contributions	2,986,830	5,855,720	-		2,986,830	5,855,720
General Revenues:					-	-
Property taxes	13,000,934	12,259,774	-		13,000,934	12,259,774
Sales and use taxes	21,325,436	19,364,272	-		21,325,436	19,364,272
Franchise taxes	1,876,407	1,787,568	-		1,876,407	1,787,568
Utility users taxes	3,157,258	3,064,500	-		3,157,258	3,064,500
Other taxes	2,055,932	1,690,687	-		2,055,932	1,690,687
Investment earnings	542,108	1,502,934	1,640,357	2,096,023	2,182,465	3,598,957
Miscellaneous	372,853	269,750			372,853	269,750
					-	-
Total Revenues	65,649,399	62,949,748	28,922,008	30,214,161	94,571,407	93,163,909
Expenses						
General Government	8,799,110	11,832,065			8,799,110	11,832,065
Public safety	12,314,336	12,460,600			12,314,336	12,460,600
Public works	16,834,980	15,688,114			16,834,980	15,688,114
Parks and recreation	6,765,477	7,319,903			6,765,477	7,319,903
Health and welfare	6,248,362	5,508,857			6,248,362	5,508,857
Community development	4,630,014	5,269,424			4,630,014	5,269,424
Interest and fiscal charges	1,486,071	1,527,256			1,486,071	1,527,256
Enterprise operations	-	-	27,600,212	22,955,332	27,600,212	22,955,332
Total Expenses	57,078,350	59,606,219	27,600,212	22,955,332	84,678,562	82,561,551
Increase/Decrease in net position before transfers	8,571,049	3,343,529	1,321,796	7,258,829	9,892,845	10,602,358
transfers	-		-		-	-
Change in net position:	8,571,049	3,343,529	1,321,796	7,258,829	9,892,845	10,602,358
					-	-
Net position-beginning of year	273,061,369	269,717,840	30,623,833	23,365,004	303,685,202	293,082,844
Net position-end of year	281,632,418	273,061,369	31,945,629	30,623,833	313,578,047	303,685,202

**CITY OF PICO RIVERA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

Governmental Activities – Total revenues increased \$2.700 million and expenses decreased \$2.528 million when compared to the previous year.

- Overall, program revenues increased by \$308 thousand due to a slight increase in Charges for Services as the economy slowly rebounded in FY 2021.
- Overall, general revenues increased by \$2.391 million. The sales and use taxes increased by \$1.961 million as consumer confidence stabilized and more consumers shopped online in FY 2021. The property taxes increased \$741 thousand due to a rise in the property assessments.
- Expenses decreased by \$2.527 million. In FY 2021, the City had less General Government expenditures in the election, legal services and sales tax sharing. On the other hand, the City incurred more Health and Welfare expenditures due to the pandemic. Additionally, the salaries and benefits were down due to a number of unfilled positions.

Business-Type Activities - The Water Fund is the primary enterprise fund. Pico Rivera Innovative Municipal Energy (PRIME) operated the third full year in FY 2020-21.

- Revenue decreased by \$1.292 million due to Charges for Services revenue down by \$836 thousand and investment earnings down by \$456 thousand. Expenses increased by \$4.645 million primarily due to the rising cost of the purchased power.

FUND FINANCIAL STATEMENTS

Governmental Funds - The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the City's governmental funds is to provide information on near-term inflows and outflows during the fiscal year and balances of spendable resources at the end of the fiscal year. Such information may be useful in assessing the City's financing requirements to meet the current needs. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for appropriation.

As of June 30, 2021, the City's governmental funds reported a combined ending fund balance of \$107.166 million as shown on page 25. The fund balance categories of governmental funds displayed \$26.356 million as nonspendable, \$36.154 million as restricted, \$20.510 million as committed, \$13.950 million as assigned, and \$10.196 million as unassigned. (Please refer to Note Number 12 of the Notes to Financial Statements for a detailed breakdown.)

The City chooses to report four major governmental funds: the General Fund, the Special Revenue Housing Agency Section 8 Fund, Special Revenue American Rescue Plan Fund, and the Capital Projects 2018 Series A COP which are described below. Major Funds are defined generally as having significant activities or balances in the current year. Other governmental individual funds may be found in the Supplemental section begins on page 106.

CITY OF PICO RIVERA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021

General Fund - The General Fund is the chief operating fund of the City and is used for all the general revenues of the City not specifically levied or collected for other City funds and its related expenditures. At the end of the current fiscal year, the General Fund had a fund balance of \$73.200 million, an increase of \$8.102 million from the previous year. The nonspendable amount is \$26.356 million, the restricted \$1.373 million, the committed amount is \$20.510 million, the assigned amount is \$13.718 million and the unassigned amount is \$11.243 million.

Housing Agency Section 8 Fund – This Fund accounts for monies received from the U.S. Department of Housing and Urban Development for rental assistance for very low income families to meet their housing needs. During the year, \$5.622 million in revenue was received and \$5.776 million was spent. The ending fund balance was \$251 thousand.

The largest source of revenue to this fund is the actual Section 8 Federal Funding used to provide housing assistance to eligible residents. Actual revenue is a function of the number of housing vouchers issued. For FY 2021-22, \$405 thousand more was received when compared to the prior year. Overall expenditures were \$437 thousand higher when compared to the prior year.

American Rescue Plan Special Refund Fund – This fund accounts for funds received from the U.S. (federal) government to address the continued impact of COVID-19 on the economy, public health, state and local governments, individuals, and businesses. The City received half of the allocation, in the amount of \$7.386 million, in May 2021, and anticipated to receive the other half in June 2022. The City will use part of the ARPA allocation in FY 2022 and will obligate all funds by December 31, 2024, and expend all funds by December 31, 2026, per the guidelines set forth by the U.S. Treasury Department.

2018 Series A COP Capital Projects Fund – This fund accounts for activity related to the City's capital projects that are financed with the 2018 Series A Certificates of Participation that were issued in FY 2018-19 in the aggregate outstanding principal amount of \$13.970 million at June 30, 2021.

During the year, there was an interest revenue of \$4 thousand, and there was a bond principal payment of \$265 thousand and interest charges of \$567 thousand in expenditures. The ending fund balance was \$14.709 million.

Business-type Activities – Enterprise Funds

There are two major funds in the enterprise fund group, the Water Operations Enterprise fund and the Pico Rivera Municipal Energy (PRIME) fund, which are discussed below.

Water Operations Enterprise Fund - The Water Operations Enterprise Fund accounts for the operation and maintenance of the City's water treatment, water transmission and distribution system. During the year, \$10.641million was received as revenue mainly from charges for services and expenses were \$7.658 million. During the year, there were a \$1.619 million investment income and \$1.846 million bond interest charges. The Water Fund's net position increased by \$2.757 million from the prior year to \$30.492 million.

Pico Rivera Innovative Municipal Energy (PRIME) Fund – PRIME was created in FY 2017-18. The City established a Community Choice Aggregation (CCA) operation. PRIME is operated as a modified Joint Powers Authority (JPA), with the City of Lancaster as the lead agency of the JPA. CCAs operate such that power purchase and rate setting authority is exercised locally. Southern California Edison (SCE) still provides transmission of all electricity as well as the billing. However, PRIME utilizes third party consultants to purchase power and answer billing inquiries from Pico Rivera residents. The benefit is that the overhead is lower, and those cost savings have been passed on to residential and commercial customers.

CITY OF PICO RIVERA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021

During the year, revenues decreased \$1.886 million to \$14.799 million, and operating expenses increased \$3.316 million to \$16.117 million from prior year.

Please refer to pages 24 and 25 for the Balance Sheet of Governmental Funds, page 27 for the Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position, pages 28 and 29 for the Statement of Revenues, Expenditures and Changes in Fund Balances-Governmental Funds, and page 30 for the Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities. For the Water Operations Enterprise Fund, see pages 31 through 34.

Capital Assets Administration

The City's investment in capital assets at June 30, 2021 were \$260.683 million (net of accumulated depreciation of \$152.188 million) for its governmental activities and \$46.458 million (net of accumulated depreciation of \$23.508 million) for its business-type activities. The investment in capital assets includes land, buildings, structures and improvements, infrastructure (roads, sidewalks, streetlights, etc.), furniture, vehicles, equipment and construction in progress.

(Balance of page intentionally left blank)

CITY OF PICO RIVERA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021

City of Pico Rivera
Capital Assets (Net of Accumulated Depreciation)
Fiscal Year ended June 30, 2021 and June 30, 2020

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land*	\$118,908,710	\$118,908,710	\$18,174,060	\$18,174,060	\$137,082,770	\$137,082,770
Structures & Improvements	25,590,725	25,576,925	5,228,051	5,013,838	30,818,776	30,590,763
Furniture, Equipment & Vehicles	7,021,999	6,985,568	1,081,077	1,081,077	8,103,076	8,066,645
Infrastructure	241,887,977	239,607,520	16,055,216	16,055,216	257,943,193	255,662,736
Construction in progress	19,461,809	16,773,564	2,061,999	217,914	21,523,808	16,991,478
Rights of Way	-	-	5,579,916	5,579,916	5,579,916	5,579,916
Utility Plant	-	-	21,785,673	21,785,673	21,785,673	21,785,673
Total Capital Assets	\$412,871,220	\$407,852,287	\$69,965,992	\$67,907,694	\$482,837,212	\$475,759,981
Less depreciation	(152,187,982)	(145,360,821)	(23,507,929)	(22,637,650)	(175,695,911)	(167,998,471)
Net Capital Assets	\$260,683,238	\$262,491,466	\$46,458,063	\$45,270,044	\$307,141,301	\$307,761,510

*Includes value of "Water Rights" for Business-Type Activities

Additional information on the City's capital assets can be found in Note 5 to the basic financial statements on pages 58 to 59 of this report.

Debt Administration

As of June 30, 2021, the City had total indebtedness of \$138.959 million, a decrease of \$1.628 million. Debt includes bonds, certificates of participation, pension obligation, post-employment benefits, capital lease obligation and compensated absences. State statutes limit the amount of general obligation debt a governmental entity may issue to 15% of its total assessed valuation.

Governmental activities - Overall, governmental activities total indebtedness at year end is \$100.333 million. Governmental activities total indebtedness decreased by \$430 thousand during the year. The decrease is primarily due to reductions in revenue bonds. Please refer to note 6 beginning on page 60 for further detail.

Business-type activities - Overall, business-type debt at year end is \$38.626 million. Business-type activities total indebtedness decreased during the year by \$1.198 million. The decrease is primarily due to reductions in revenue bond debt. Please refer to note 6 beginning on page 60 for further detail.

**CITY OF PICO RIVERA
MANAGEMENT'S DISCUSSION AND ANALYSIS
JUNE 30, 2021**

**City of Pico Rivera
Outstanding Long-Term Liabilities
Fiscal Year ended June 30, 2021 and June 30, 2020**

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Bonded Indebtedness:						
Revenue bonds	\$ 25,915,000	\$ 26,840,000	29,485,000	32,320,000	55,400,000	59,160,000
Certificates of Participation	13,970,000	14,235,000	-	-	13,970,000	14,235,000
Bond premium	3,045,248	3,202,732	312,225	352,083	3,357,473	3,554,815
Bond discount	-	-	(251,506)	(278,214)	(251,506)	(278,214)
Other long-term debt:						
Net pension liabilities	34,179,750	33,878,412	6,603,167	5,146,415	40,782,917	39,024,827
Other post-employment benefits	20,096,119	19,817,325	2,158,719	2,007,923	22,254,838	21,825,248
Claims and judgements	1,696,000	1,404,000	-	-	1,696,000	1,404,000
Compensated absences	1,430,502	1,384,905	318,588	275,762	1,749,090	1,660,667
Total Indebtedness	\$ 100,332,619	\$ 100,762,374	38,626,193	39,823,969	138,958,812	140,586,343

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The General Fund realized a \$7.009 million operating surplus (operating revenues less operating expenditures) as of June 30, 2021. (When Transfer In/Transfer Out are included, the net change in fund balance was \$8.102 million.)

The Fiscal Year 2021-22 General Fund budget is balanced. The City's sales tax and property tax revenues are projected to recover with a 4%-5% increase in FY 2021-22. However, as the City continues to experience challenges due to the COVID-19 pandemic and resulting economic disruption, the revenues to be received may be lower than projected amounts. Additionally, as the City is now transitioning into a phased re-opening, the General Fund expenditure budget is projected a 10% increase from the FY 2020-21 adopted budget.

The budget document will be the basis of an ongoing effort to monitor the City's finances. Staff will bring quarterly updates to the City Council to ensure the City stays on its financial plan. In addition, staff has been working on the City-Wide Long-term Strategic Restructuring Plan (LTSRP) to resolve the structural deficit and get back on the path to a sustainable future.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for readers of the financial statements. Questions concerning any of the information in this report or request for additional financial information should be addressed to the Director of Administrative Services, City of Pico Rivera, California.

This page intentionally left blank.

CITY OF PICO RIVERA
STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments	\$ 67,149,519	\$ 23,096,614	\$ 90,246,133
Restricted Cash and Investments:			
Cash and Investments with Fiscal Agents	16,812,052	3,882,730	20,694,782
Escrow Deposits	20,135	-	20,135
Receivables, Net:			
Accounts	3,332,291	4,680,189	8,012,480
Taxes	5,443,362	-	5,443,362
Interest	24,667	6,498	31,165
Internal Balances	22,198,908	(22,198,908)	-
Inventories	-	24,005	24,005
Prepaid Items	13,759	-	13,759
Long-Term Receivables	4,565,766	-	4,565,766
Receivables from Successor Agency	14,716,744	19,491,804	34,208,548
Capital Assets, Not Depreciated	138,370,519	25,815,975	164,186,494
Capital Assets, Depreciated, Net	122,312,719	20,642,088	142,954,807
Total Assets	394,960,441	75,440,995	470,401,436
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Refunding	1,658,570	-	1,658,570
Amounts Related to OPEB	1,187,530	127,564	1,315,094
Amounts Related to Pension Plans	4,021,712	772,725	4,794,437
Total Deferred Outflows of Resources	6,867,812	900,289	7,768,101
LIABILITIES			
Accounts Payable	4,275,085	4,311,550	8,586,635
Accrued Interest Payable	370,089	194,616	564,705
Accrued Liabilities	392,704	364,390	757,094
Deposits	1,066,065	679,660	1,745,725
Retention Payable	81,984	751	82,735
Unearned Revenue	7,471,218	9,883	7,481,101
Due to Other Agencies	4,278,336	-	4,278,336
Long-Term Liabilities:			
Due Within One Year	2,024,900	3,036,859	5,061,759
Due in More Than One Year:			
Long-Term Liabilities	44,031,850	26,827,448	70,859,298
Net OPEB Liability	20,096,119	2,158,719	22,254,838
Net Pension Liability	34,179,750	6,603,167	40,782,917
Total Liabilities	118,268,100	44,187,043	162,455,143
DEFERRED INFLOWS OF RESOURCES			
Amounts Related to OPEB	1,846,721	198,374	2,045,095
Amounts Related to Pension Plans	81,014	10,238	91,252
Total Deferred Inflows of Resources	1,927,735	208,612	2,136,347
NET POSITION			
Net Investment in Capital Assets	234,764,478	36,403,397	271,167,875
Restricted for Community Development	6,475,853	-	6,475,853
Restricted for Transportation	12,621,325	-	12,621,325
Restricted for Low- and Moderate-Income Housing	2,339,217	-	2,339,217
Restricted for Pension Contribution	1,372,990	-	1,372,990
Restricted for Other Purposes	863,418	-	863,418
Unrestricted	23,195,137	(4,457,768)	18,737,369
Total Net Position	\$ 281,632,418	\$ 31,945,629	\$ 313,578,047

See accompanying Notes to Financial Statements.

**CITY OF PICO RIVERA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021**

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 8,799,110	\$ 415,826	\$ 2,288,203	\$ -
Public Safety	12,314,336	1,160,968	156,727	-
Public Works	16,834,980	878,464	5,993,153	2,986,830
Parks and Recreation	6,765,477	63,530	988,505	-
Health and Welfare	6,248,362	155,361	540,129	-
Community Development	4,630,014	1,240,644	6,450,131	-
Interest and Fiscal Charges	1,486,071	-	-	-
Bond Issuance Costs	-	-	-	-
Total Governmental Activities	57,078,350	3,914,793	16,416,848	2,986,830
Business-Type Activities:				
Water	9,503,242	10,641,130	-	-
Pico Rivera Innovative Municipal Energy	16,116,785	14,798,777	-	-
Sports Arena	684,043	404,706	-	-
Golf	1,296,142	1,437,038	-	-
Total Business-Type Activities	27,600,212	27,281,651	-	-
Total	<u>\$ 84,678,562</u>	<u>\$ 31,196,444</u>	<u>\$ 16,416,848</u>	<u>\$ 2,986,830</u>

GENERAL REVENUES

Taxes:

Property

Sales and Use

Franchise

Utility Users

Other

Unrestricted Investment Earnings

Miscellaneous

Total General Revenues and Transfers

CHANGE IN NET POSITION

Net Position - Beginning of Year

NET POSITION - END OF YEAR

See accompanying Notes to Financial Statements.

CITY OF PICO RIVERA
STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED JUNE 30, 2021

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
\$ (6,095,081)	\$ -	\$ (6,095,081)
(10,996,641)	-	(10,996,641)
(6,976,533)	-	(6,976,533)
(5,713,442)	-	(5,713,442)
(5,552,872)	-	(5,552,872)
3,060,761	-	3,060,761
(1,486,071)	-	(1,486,071)
-	-	-
(33,759,879)	-	(33,759,879)
-	1,137,888	1,137,888
-	(1,318,008)	(1,318,008)
-	(279,337)	(279,337)
-	140,896	140,896
-	(318,561)	(318,561)
(33,759,879)	(318,561)	(34,078,440)
13,000,934	-	13,000,934
21,325,436	-	21,325,436
1,876,407	-	1,876,407
3,157,258	-	3,157,258
2,055,932	-	2,055,932
542,108	1,640,357	2,182,465
372,853	-	372,853
42,330,928	1,640,357	43,971,285
8,571,049	1,321,796	9,892,845
273,061,369	30,623,833	303,685,202
<u>\$ 281,632,418</u>	<u>\$ 31,945,629</u>	<u>\$ 313,578,047</u>

See accompanying Notes to Financial Statements.

This page intentionally left blank.

**CITY OF PICO RIVERA
DESCRIPTION OF MAJOR FUNDS
JUNE 30, 2021**

GOVERNMENTAL FUNDS

General Fund is the City's primary operating fund and accounts for all the financial resources of the general government, except those required to be accounted for in another fund.

Housing Agency Section 8 Special Revenue Fund accounts for rental assistance expenditures incurred to assist very low and low-income families in meeting their housing needs. Funds are provided by the U.S. Department of Housing and Urban Development.

American Rescue Plan Special Revenue Fund accounts for funds received from the U.S. (federal) government to address the continued impact of COVID-19 (i.e., coronavirus disease 2019) on the economy, public health, state and local governments, individuals, and businesses.

2020 Series A COP Capital Projects Fund accounts for activity related to the City's capital projects that are funded by the 2020 Series A Certificates of Participation.

ENTERPRISE FUND

Water Operations Fund accounts for the operation and maintenance of the City's water treatment, water transmission, and distribution system.

Pico Rivera Innovative Municipal Energy (PRIME) Fund accounts for the operation of the City's Community Choice Aggregation Program, which allows residents to choose their electric power provider and the source of their electricity.

INTERNAL SERVICE FUND (NONMAJOR)

This fund accounts for the financing of services provided from one department to another on a cost-reimbursement basis.

Equipment Replacement Fund accounts for expenditures made for the purpose of purchasing equipment to replace obsolete, broken, or other items in which it is economically unfeasible to continue repairing.

**CITY OF PICO RIVERA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2021**

		Special Revenue Funds	
		Housing Agency Section 8	American Rescue Plan
ASSETS	General		
Cash and Investments	\$ 38,755,401	\$ 501,391	\$ 7,386,228
Restricted Cash and Investments:			
Cash and Investments with Fiscal Agents	1,372,990	-	-
Escrow Deposits	-	20,135	-
Receivables:			
Accounts	6,686	-	-
Taxes	5,173,945	-	-
Interest	17,421	-	-
Due from Other Funds	5,060,182	-	-
Advance to Other Funds	19,470,422	-	-
Long-Term Receivables	-	-	-
Prepaid Items	13,759	-	-
Receivables from Successor Agency	13,313,823	-	-
Total Assets	<u>\$ 83,184,629</u>	<u>\$ 521,526</u>	<u>\$ 7,386,228</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 2,009,833	\$ 14,025	\$ -
Accrued Liabilities	312,827	24,507	-
Due to Other Funds	176,000	127,280	-
Deposits	1,046,756	19,309	-
Retention Payable	-	-	-
Unearned Revenue	-	84,990	7,386,228
Due to Other Agencies	-	-	-
Total Liabilities	<u>3,545,416</u>	<u>270,111</u>	<u>7,386,228</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	<u>6,439,241</u>	<u>-</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>6,439,241</u>	<u>-</u>	<u>-</u>
FUND BALANCES (DEFICIT)			
Nonspendable	26,356,109	-	-
Restricted	1,372,990	251,415	-
Committed	20,510,328	-	-
Assigned	13,717,940	-	-
Unassigned	11,242,605	-	-
Total Fund Balances (Deficit)	<u>73,199,972</u>	<u>251,415</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 83,184,629</u>	<u>\$ 521,526</u>	<u>\$ 7,386,228</u>

See accompanying Notes to Financial Statements.

**CITY OF PICO RIVERA
GOVERNMENTAL FUNDS
BALANCE SHEET (CONTINUED)
JUNE 30, 2021**

Capital Projects Fund	Other	Total
2018 Series A COP	Governmental Funds	Governmental Funds
\$ -	\$ 20,506,499	\$ 67,149,519
15,439,062	-	16,812,052
-	-	20,135
-	3,325,605	3,332,291
-	269,417	5,443,362
-	7,246	24,667
-	-	5,060,182
-	-	19,470,422
-	4,565,766	4,565,766
-	-	13,759
-	1,402,921	14,716,744
<u>\$ 15,439,062</u>	<u>\$ 30,077,454</u>	<u>\$ 136,608,899</u>
\$ 32,972	\$ 2,218,255	\$ 4,275,085
2,551	52,819	392,704
694,905	1,165,185	2,163,370
-	-	1,066,065
-	81,984	81,984
-	-	7,471,218
-	4,278,336	4,278,336
<u>730,428</u>	<u>7,796,579</u>	<u>19,728,762</u>
-	3,274,476	9,713,717
-	3,274,476	9,713,717
-	-	26,356,109
14,708,634	19,820,491	36,153,530
-	-	20,510,328
-	232,477	13,950,417
-	(1,046,569)	10,196,036
<u>14,708,634</u>	<u>19,006,399</u>	<u>107,166,420</u>
<u>\$ 15,439,062</u>	<u>\$ 30,077,454</u>	<u>\$ 136,608,899</u>

See accompanying Notes to Financial Statements.

This page intentionally left blank.

**CITY OF PICO RIVERA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2021**

Fund Balances (Deficits) for Governmental Funds	\$ 107,166,420
---	----------------

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 therefore are not reported in the governmental funds:

Governmental Capital Assets	\$ 412,871,220	
Less: Accumulated Depreciation	<u>(152,187,982)</u>	
Subtotal		260,683,238

Interest receivable on certain long-term loans and certain grants receivable are not available to pay for current-period expenditures and therefore are deferred in the governmental funds. In the statement of net position, these receivables are recognized as earned revenues.

9,713,717

Internal service funds were used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds were included in governmental activities in the statement of net position.

(168,326)

Long-term liabilities and related accrued interest payable are not due and payable in the current period and therefore are not reported in the governmental funds:

Compensated Absences	(1,430,502)	
Claims Payable	(1,696,000)	
Accrued Interest Payable	(370,089)	
Revenue Bonds Payable	(42,930,248)	
Deferred Amount on Refunding	<u>1,658,570</u>	
Subtotal		(44,768,269)

Pension and OPEB related debt applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Deferred outflows of resources and deferred inflows of resources related to pensions and OPEB are only reported in the statement of net position as the changes in these amounts affect only the government-wide statements for governmental activities:

Deferred Outflows of Resources Related to OPEB	1,187,530	
Deferred Inflows of Resources Related to OPEB	(1,846,721)	
Net OPEB Liability	(20,096,119)	
Deferred Outflows of Resources Related to Pensions	4,021,712	
Deferred Inflows of Resources Related to Pensions	(81,014)	
Net Pension Liability	<u>(34,179,750)</u>	
Subtotal		<u>(50,994,362)</u>

Net Position of Governmental Activities	<u><u>\$ 281,632,418</u></u>
---	------------------------------

See accompanying Notes to Financial Statements.

**CITY OF PICO RIVERA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2021**

		Special Revenue Funds	
		Housing Agency Section 8	American Rescue Plan
	General		
REVENUES			
Taxes and Assessments	\$ 37,845,016	\$ -	\$ -
Licenses and Permits	3,209,557	-	-
Intergovernmental	1,286,381	5,590,411	-
Charges for Services	1,055,863	-	-
Fines, Forfeitures, and Penalties	1,108,568	-	-
Investment and Rental	452,695	501	-
Miscellaneous	277,888	31,548	-
Total Revenues	<u>45,235,968</u>	<u>5,622,460</u>	<u>-</u>
EXPENDITURES			
Current:			
General Government	7,333,016	-	-
Public Safety	12,286,345	-	-
Public Works	8,179,901	-	-
Parks and Recreation	4,578,015	-	-
Health and Welfare	-	5,776,382	-
Community Development	3,926,319	-	-
Capital Outlay	-	-	-
Debt Service:			
Principal	925,000	-	-
Interest and Fiscal Charges	998,225	-	-
Total Expenditures	<u>38,226,821</u>	<u>5,776,382</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	7,009,147	(153,922)	-
OTHER FINANCING SOURCES (USES):			
Transfers In	1,375,868	-	-
Transfers Out	(282,650)	-	-
Total Other Financing Sources (Uses)	<u>1,093,218</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	8,102,365	(153,922)	-
Fund Balances (Deficits) - Beginning of Year	<u>65,097,607</u>	<u>405,337</u>	<u>-</u>
FUND BALANCES (DEFICITS) - END OF YEAR	<u>\$ 73,199,972</u>	<u>\$ 251,415</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**CITY OF PICO RIVERA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
(CONTINUED)
YEAR ENDED JUNE 30, 2021**

Capital Projects Fund 2018 Series A COP	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 1,802,845	\$ 39,647,861
-	-	3,209,557
-	12,434,138	19,310,930
-	178,469	1,234,332
-	-	1,108,568
4,160	99,758	557,114
-	290,645	600,081
<u>4,160</u>	<u>14,805,855</u>	<u>65,668,443</u>
-	34,973	7,367,989
-	-	12,286,345
-	8,277,242	16,457,143
-	1,188,648	5,766,663
-	471,980	6,248,362
-	664,780	4,591,099
60,033	4,042	64,075
265,000	-	1,190,000
567,769	-	1,565,994
<u>892,802</u>	<u>10,641,665</u>	<u>55,537,670</u>
(888,642)	4,164,190	10,130,773
832,769	282,650	2,491,287
-	(2,208,637)	(2,491,287)
<u>832,769</u>	<u>(1,925,987)</u>	<u>-</u>
(55,873)	2,238,203	10,130,773
<u>14,764,507</u>	<u>16,768,196</u>	<u>97,035,647</u>
<u>\$ 14,708,634</u>	<u>\$ 19,006,399</u>	<u>\$ 107,166,420</u>

See accompanying Notes to Financial Statements.

CITY OF PICO RIVERA
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

Net Change in Fund Balances - Total Governmental Funds \$ 10,130,773

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital expenses in the current period:

Capital Expenditures	\$ 5,031,471	
Loss on Disposal	(12,538)	
Depreciation Expense	<u>(6,827,161)</u>	
Subtotal		(1,808,228)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds:

Adjustment to Interest Income on Notes Receivable and Advances to Other Funds	20,577	
Grant and Other Revenue Not Available to Pay for Current-Period Expenditures	<u>(48,821)</u>	
Subtotal		(28,244)

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:

Net Change in Claims Payable	(292,000)	
Net Change in Compensated Absences	<u>(45,597)</u>	
Subtotal		(337,597)

Long-term liability activities are presented as financing sources and uses in the governmental funds but are reported as long-term liabilities in the statement of net position:

Principal Payments on Long-Term Liabilities	1,190,000	
Amortization of Deferred Bond Charges	65,332	
Change in Accrued Interest	<u>14,591</u>	
Subtotal		1,269,923

Internal service funds were used by management to charge the cost of certain activities to the individual funds. The net revenue of the internal service funds was reported with governmental activities.

9,200

OPEB expense reported in the governmental funds includes the insurance premiums paid. In the statement of activities, OPEB expenses includes the change in the OPEB liability, and related change in OPEB amounts for deferred outflows of resources and deferred inflows of resources.

(251,628)

Pension expense reported in the governmental funds includes the annual required contributions. In the statement of activities, pension expense includes the change in the net pension liability, and related change in pension amounts for deferred outflows of resources and deferred inflows of resources.

(413,150)

Change in Net Position of Governmental Activities

\$ 8,571,049

See accompanying Notes to Financial Statements.

**CITY OF PICO RIVERA
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2021**

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water Operations	Pico Rivera Innovative Municipal Energy	Other Funds	Total	Equipment Replacement Internal Service Fund
ASSETS					
Current Assets:					
Cash and Investments	\$ 15,459,975	\$ 6,919,713	\$ 716,926	\$ 23,096,614	\$ -
Receivables, Net:					
Accounts	1,643,547	3,017,765	18,877	4,680,189	-
Interest	6,399	-	99	6,498	-
Due from Successor Agency	176,000	-	-	176,000	-
Inventories, at Cost	-	-	24,005	24,005	-
Total Current Assets	<u>17,285,921</u>	<u>9,937,478</u>	<u>759,907</u>	<u>27,983,306</u>	<u>-</u>
Noncurrent Assets:					
Restricted Cash and Investments with Fiscal Agent	3,682,730	200,000	-	3,882,730	-
Receivables from Successor Agency	19,491,804	-	-	19,491,804	-
Capital Assets, Not Depreciated	25,773,662	-	42,313	25,815,975	-
Capital Assets, Depreciated, Net	20,344,799	-	297,289	20,642,088	-
Total Noncurrent Assets	<u>69,292,995</u>	<u>200,000</u>	<u>339,602</u>	<u>69,832,597</u>	<u>-</u>
Total Assets	<u>86,578,916</u>	<u>10,137,478</u>	<u>1,099,509</u>	<u>97,815,903</u>	<u>-</u>
DEFERRED OUTFLOWS OF RESOURCES					
Amounts Related to OPEB	114,413	13,151	-	127,564	-
Amount Related to Pensions	605,778	152,637	14,310	772,725	-
Total Deferred Outflows of Resources	<u>720,191</u>	<u>165,788</u>	<u>14,310</u>	<u>900,289</u>	<u>-</u>
LIABILITIES					
Current Liabilities:					
Accounts Payable	2,358,912	1,807,869	144,769	4,311,550	-
Accrued Interest Payable	194,616	-	-	194,616	-
Accrued Liabilities	95,186	217,672	51,532	364,390	-
Due to Other Funds	-	2,904,486	-	2,904,486	168,326
Unearned Revenue	9,883	-	-	9,883	-
Deposits	677,860	-	1,800	679,660	-
Retentions Payable	751	-	-	751	-
Bonds Payable - Current Portion	3,005,000	-	-	3,005,000	-
Compensated Absences - Current Portion	27,941	3,918	-	31,859	-
Total Current Liabilities	<u>6,370,149</u>	<u>4,933,945</u>	<u>198,101</u>	<u>11,502,195</u>	<u>168,326</u>
Noncurrent Liabilities:					
Advance from Other Funds	16,346,260	-	3,124,162	19,470,422	-
Bonds Payable	26,540,719	-	-	26,540,719	-
Compensated Absences	251,469	35,260	-	286,729	-
Net OPEB Liability	1,936,171	222,548	-	2,158,719	-
Net Pension Liability	5,176,557	1,304,329	122,281	6,603,167	-
Total Noncurrent Liabilities	<u>50,251,176</u>	<u>1,562,137</u>	<u>3,246,443</u>	<u>55,059,756</u>	<u>-</u>
Total Liabilities	<u>56,621,325</u>	<u>6,496,082</u>	<u>3,444,544</u>	<u>66,561,951</u>	<u>168,326</u>
DEFERRED INFLOWS OF RESOURCES					
Amounts Related to OPEB	177,923	20,451	-	198,374	-
Amounts Related to Pensions	8,026	2,022	190	10,238	-
Total Deferred Inflows of Resources	<u>185,949</u>	<u>22,473</u>	<u>190</u>	<u>208,612</u>	<u>-</u>
NET POSITION					
Net Investment in Capital Assets	36,063,795	-	339,602	36,403,397	-
Unrestricted	<u>(5,571,962)</u>	<u>3,784,711</u>	<u>(2,670,517)</u>	<u>(4,457,768)</u>	<u>(168,326)</u>
Total Net Position	<u>\$ 30,491,833</u>	<u>\$ 3,784,711</u>	<u>\$ (2,330,915)</u>	<u>\$ 31,945,629</u>	<u>\$ (168,326)</u>

See accompanying Notes to Financial Statements.

**CITY OF PICO RIVERA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2021**

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water Operations	Pico Rivera Innovative Municipal Energy	Other Funds	Total	Equipment Replacement Internal Service Fund
OPERATING REVENUES					
Charges for Services	\$ 10,636,865	\$ 14,733,649	\$ 1,841,744	\$ 27,212,258	\$ -
Miscellaneous	4,265	65,128	-	69,393	9,200
Total Operating Revenues	10,641,130	14,798,777	1,841,744	27,281,651	9,200
OPERATING EXPENSES					
Cost of Power	-	14,022,744	-	14,022,744	-
Salaries and Benefits	3,081,643	1,125,095	136,612	4,343,350	-
Contractual Services	204,517	775,445	153,975	1,133,937	-
Insurance Claims and Expenses	295,677	2,586	1,061	299,324	-
Administrative	2,456,107	190,915	1,336,209	3,983,231	-
Utilities	408,831	-	203,441	612,272	-
Repairs and Maintenance	450,380	-	38,990	489,370	-
Depreciation	760,382	-	109,897	870,279	-
Total Operating Expenses	7,657,537	16,116,785	1,980,185	25,754,507	-
OPERATING INCOME (LOSS)	2,983,593	(1,318,008)	(138,441)	1,527,144	9,200
NONOPERATING REVENUES (EXPENSES)					
Investment Income	1,619,212	20,062	1,083	1,640,357	-
Interest Expense	(1,845,705)	-	-	(1,845,705)	-
Total Nonoperating Revenues (Expenses)	(226,493)	20,062	1,083	(205,348)	-
CHANGES IN NET POSITION	2,757,100	(1,297,946)	(137,358)	1,321,796	9,200
Net Position - Beginning of Year	27,734,733	5,082,657	(2,193,557)	30,623,833	(177,526)
NET POSITION - END OF YEAR	<u>\$ 30,491,833</u>	<u>\$ 3,784,711</u>	<u>\$ (2,330,915)</u>	<u>\$ 31,945,629</u>	<u>\$ (168,326)</u>

See accompanying Notes to Financial Statements.

**CITY OF PICO RIVERA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2021**

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water Operations	Pico Rivera Innovative Municipal Energy	Other Funds	Total	Equipment Replacement Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers and Users	\$ 10,533,395	\$ 14,467,139	\$ 1,920,627	\$ 26,921,161	\$ 9,200
Payments to Suppliers	(2,228,639)	(14,594,959)	(1,677,497)	(18,501,095)	-
Payments to Employees	(2,245,010)	(487,268)	(62,415)	(2,794,693)	-
Net Cash Provided (Used) by Operating Activities	6,059,746	(615,088)	180,715	5,625,373	9,200
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Proceeds (Repayments) of Long-Term Advances	(1,914,552)	-	-	(1,914,552)	-
Cash Paid to Other Funds	-	-	-	-	(9,200)
Cash Received from Other Funds	1,850,000	716,221	85,989	2,652,210	-
Net Cash Provided by Noncapital Activities	(64,552)	716,221	85,989	737,658	(9,200)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition of Capital Assets	(2,058,298)	-	-	(2,058,298)	-
Principal Retired	(2,835,000)	-	-	(2,835,000)	-
Interest Paid	(1,976,860)	-	-	(1,976,860)	-
Net Cash Used by Capital and Related Financing Activities	(6,870,158)	-	-	(6,870,158)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest Received	1,647,381	20,062	1,594	1,669,037	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	772,417	121,195	268,298	1,161,910	-
Cash and Cash Equivalents - Beginning of Year	18,370,288	6,998,518	448,628	25,817,434	-
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 19,142,705</u>	<u>\$ 7,119,713</u>	<u>\$ 716,926</u>	<u>\$ 26,979,344</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**CITY OF PICO RIVERA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water Operations	Pico Rivera Innovative Municipal Energy	Other Funds	Total	Equipment Replacement Internal Service Fund
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	\$ 2,983,593	\$ (1,318,008)	\$ (138,441)	\$ 1,527,144	\$ 9,200
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation	760,382	-	109,897	870,279	-
Changes in Operating Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:					
(Increase) Decrease in Accounts Receivable	(127,408)	(331,638)	78,883	(380,163)	-
(Increase) Decrease in Prepaids	-	84,000	-	84,000	-
(Increase) Decrease in Deferred Outflows of Resources - Amount Related to OPEB	(4,888)	(4,131)	-	(9,019)	-
(Increase) Decrease in Deferred Outflows of Resources - Amount Related to Pensions	(9)	(56,143)	(8,949)	(65,101)	-
Increase (Decrease) in Accounts Payable	1,586,122	312,731	60,137	1,958,990	-
Increase (Decrease) in Accrued Liabilities	24,359	21,196	12,312	57,867	-
Increase (Decrease) in Unearned	429	-	-	429	-
Increase (Decrease) in Deposits Payable	19,244	-	(15,894)	3,350	-
Increase (Decrease) in Retentions Payable	751	-	-	751	-
Increase (Decrease) in Net OPEB Liability	81,025	69,771	-	150,796	-
Increase (Decrease) in Net Pension Liability	770,914	602,545	83,293	1,456,752	-
Increase (Decrease) in Compensated Absences	33,574	9,252	-	42,826	-
Increase (Decrease) in Deferred Inflows of Resources - Amounts Related to OPEB	4,147	6,140	-	10,287	-
Increase (Decrease) in Deferred Inflows of Resources - Amounts Related to Pensions	(72,489)	(10,803)	(523)	(83,815)	-
Total Adjustments	3,076,153	702,920	319,156	4,098,229	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 6,059,746</u>	<u>\$ (615,088)</u>	<u>\$ 180,715</u>	<u>\$ 5,625,373</u>	<u>\$ 9,200</u>

See accompanying Notes to Financial Statements.

**CITY OF PICO RIVERA
FIDUCIARY FUND
DESCRIPTION OF FIDUCIARY FUND
JUNE 30, 2021**

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, and other governmental units.

Successor Agency to the City of Pico Rivera Redevelopment Agency Private-Purpose Trust Fund accounts for the activities of the Successor Agency to the Pico Rivera Redevelopment Agency.

**CITY OF PICO RIVERA
FIDUCIARY FUND
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2021**

	Successor Agency to the City of Pico Rivera Redevelopment Agency Private-Purpose Trust Fund
ASSETS	
Cash and Investments	\$ 5,137,726
Restricted Cash and Investments:	
Cash and Investments with Fiscal Agents	2
Interest Receivable	4,039
Loans Receivable	324,920
Land Held for Resale	75,400
Capital Assets:	
Capital Assets, Not Depreciated	258,023
Capital Assets, Depreciated, Net	61,425
Total Assets	<u>5,861,535</u>
LIABILITIES	
Accounts Payable	40
Accrued Liabilities	195
Payable to City of Pico Rivera	46,866,579
Payable to Pico Rivera Housing Assistance Agency	1,402,921
Payable to City of Pico Rivera Water Authority	19,554,793
Payable to the County of Los Angeles	47,857,075
Total Liabilities	<u>115,681,603</u>
NET POSITION	
Held in Trust for Successor Agency	<u>(109,820,068)</u>
Total Net Position	<u>\$ (109,820,068)</u>

See accompanying Notes to Financial Statements.

**CITY OF PICO RIVERA
FIDUCIARY FUND
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2021**

	Successor Agency to the City of Pico Rivera Redevelopment Agency Private-Purpose Trust Fund
ADDITIONS	
Taxes	\$ 4,260,880
Investment Earnings	34,410
Total Additions	<u>4,295,290</u>
DEDUCTIONS	
Administrative Expenses	39,959
Interest	2,276,380
Depreciation	4,762
Total Deductions	<u>2,321,101</u>
CHANGE IN NET POSITION	1,974,189
Net Position - Beginning of Year	<u>(111,794,257)</u>
NET POSITION - END OF YEAR	<u><u>\$ (109,820,068)</u></u>

See accompanying Notes to Financial Statements.

This page intentionally left blank.

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Reporting Entity

The City of Pico Rivera (the City) was incorporated in January 1958 under the general laws of the state of California. The City is a full-service city and operates under a City Council-Manager form of government.

The Pico Rivera Public Financing Authority (the Financing Authority) was formed as a joint powers authority between the City and the Pico Rivera Redevelopment Agency (the former RDA). Its purpose is to assist in the financing of public capital improvements or projects whenever there are significant public benefits.

The Pico Rivera Water Authority (the Water Authority) was formed as a joint powers authority between the City and the former RDA. Its purpose is to assist the City in its financing objectives by leasing and financing improvements to the City's water supply and distribution system.

The Pico Rivera Housing Assistance Agency (the Agency) was formed to provide safe and sanitary dwelling accommodations in the City to low- and moderate-income individuals.

The City is the primary government unit. Component units are those entities that are financially accountable to the primary government, either because the City appoints a voting majority of the component unit's board, or because the component unit provides a financial benefit or imposes a financial burden on the City.

The Water Authority and Financing Authority (collectively, the Authorities) and the Agency have been accounted for as "blended" component units of the City. Despite being legally separate, these entities are so intertwined with the City that they are, in substance, part of the City's operations. Accordingly, the balances and transactions of the Authorities and Agency are reported within the funds of the City. The activities of the Financing Authority are included in the City's General Fund. Separate financial statements are not available. The activities of the Water Authority are reported in the Water Operations Enterprise Fund. Separate financial statements of the Water Authority may be obtained at City Hall. The activities of the Agency are reported in two Special Revenue Funds (Housing Agency Section 8 Special Revenue Fund and Low and Moderate Income Housing Fund). Separate financial statements are not available.

The following specific criteria were used in determining that the Authorities and the Agency are blended component units.

The members of the City Council also act as the governing body of the Authorities and the Agency.

The Authorities and the Agency are managed by employees of the City. A portion of the City's salary and overhead expenses are billed to the Agency each year.

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Description of the Reporting Entity (Continued)

The former Pico Rivera Redevelopment Agency was dissolved effective February 1, 2012, as a result of Assembly Bill x1 26 (the Dissolution Act). It is no longer considered to be a component unit of the City. On January 10, 2012, the City accepted a fiduciary role as the Successor Agency to serve as the custodian for the assets and to wind down the affairs of the former RDA. Successor Agency activity is reported in a fiduciary private-purpose trust fund.

The City's financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America 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 City's more significant accounting policies are described below.

B. Government-Wide and Fund Financial Statements

The statement of net position and statement of activities (i.e., the government-wide financial statements) display information on all of the nonfiduciary activities of the primary government (the City) and its blended component units. Eliminations have been made to minimize the effect of interfund activity. These statements distinguish between the City's governmental and business-type activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities and for each segment of the City's business-type activities. Direct expenses are those that are specifically associated with a program or function and are clearly identifiable to a particular function. Program revenues include (1) charges paid by the recipients of goods or services offered by the functions or programs and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Under the economic resources measurement focus, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) associated with their activity are included on their statement of net position. Operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Proprietary funds distinguish operating revenues and expenses from nonoperating items.

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year that the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all the eligibility requirements have been satisfied. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the current financial resources measurement focus, only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are generally included on their balance sheets. The reported fund balance is considered to be a measure of "available spendable resources."

Under the modified accrual basis of accounting, 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 this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, except for principal and interest on long-term liabilities, claims payable, and compensated absences, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term liabilities are reported as other financing sources.

Property taxes, taxpayer-assessed taxes, such as sales taxes, gas taxes, and transient occupancy taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government. Amounts owed to the City, which are not available, are recorded as receivables and deferred inflows of resources.

Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period. Long-term receivables in governmental funds are reported on the balance sheets in spite of their spending measurement focus.

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

These long-term receivables relate to grant-funded revolving loan programs and are offset by amounts due to the granting agencies since the funding will revert to them upon conclusion of the loan programs.

The City's fiduciary fund financial statements include a Private-Purpose Trust Fund. The Private-Purpose Trust Fund is reported using the "economic resources measurement focus" and the "accrual basis of accounting."

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity with a self-balancing set of accounts established for the purpose of carrying out specific activities or attaining certain objectives in accordance with applicable regulations, restrictions, or limitations. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from the government-wide financial statements.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund and accounts for all the financial resources of the general government, except those required to be accounted for in another fund.

The Housing Agency Section 8 Special Revenue Fund accounts for rental assistance expenditures incurred to assist very low and low-income families in meeting their housing needs. Funds are provided by the U.S. Department of Housing and Urban Development.

The American Rescue Plan Special Revenue Fund accounts for funds received from the U.S. (federal) government for expenditures incurred to address the continued impact of COVID-19 (i.e., coronavirus disease 2019) on the economy, public health, state and local governments, individuals, and businesses.

The 2018 Series A COP Capital Projects Fund accounts for activity related to the City's capital projects that are financed with the 2018 Series A Certificates of Participation that were issued in the current fiscal year.

The City reports the following major enterprise funds:

The Water Operations Fund accounts for the operation and maintenance of the City's water treatment, water transmission, and distribution system.

The Pico Rivera Innovative Municipal Energy (PRIME) Fund accounts for the operations of the City's Community Choice Aggregation Program, which allows residents to choose their electric power provider and the source of their electricity.

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Additionally, the City reports the following fund types:

Governmental Funds

Special Revenue Funds account for proceeds of specific revenue sources that are legally restricted or otherwise designated for specific purposes.

Capital Projects Funds account for financial resources used for the acquisition or construction of major capital facilities.

Proprietary Funds

Enterprise Funds account for operations that are financed and operated in a manner similar to private business enterprises. Costs are financed or recovered primarily through user charges.

Internal Service Fund accounts for the financing of services relating to equipment replacement provided to one department from another on a cost-reimbursement basis.

Fiduciary Fund

Private-Purpose Trust Fund accounts for the Los Angeles County-Auditor Controller's semiannual property tax distributions from the Redevelopment Property Tax Trust Fund of the Successor Agency of the former Pico Rivera Redevelopment Agency to pay amounts due on enforceable obligations of the former Pico Rivera Redevelopment Agency and to pay for specified administrative costs.

D. New Accounting Pronouncements

GASB 84

In January 2017, GASB issued Statement No. 84 – *Fiduciary Activities*. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements.

This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Events that compel a government to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval, or condition is required to be taken or met by the beneficiary to release the assets. The requirements of this statements did not impact the City.

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Investments

Investments are recorded at fair value (quoted market price or best available estimate thereof). Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Interest earned on cash and investments is credited to the fund, which holds the investment.

F. Property Taxes

Property taxes include assessments on both secured and unsecured property. Secured property taxes are attached as an enforceable lien on property as of January 1. Taxes are levied on July 1 and are payable in two installments by December 10 and April 10. The County of Los Angeles (the County) bills and collects the property taxes and remits them to the City in installments during the year. The City records property taxes as revenue when received from the County, except for property taxes received within 60 days after fiscal year-end, which are accrued at June 30.

The County is permitted by State of California law (Article XIII A of the California Constitution) to levy taxes at 1% of full fair value (at the time of purchase) and can increase the property's value at no more than 2% per year. The City receives a share of this basic levy.

G. Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements, or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation, and are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances."

The principal portion of advances between funds, as reported in the fund financial statements, is offset by a nonspendable fund balance in the General Fund to indicate that they are not available for appropriation and are not available financial resources.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs costs, charges the appropriate benefiting fund, and then reduces its related costs as a reimbursement. All other interfund transactions are treated as transfers.

H. Inventories and Prepaid Items

Inventories are recorded as expenditures when consumed rather than when purchased. These inventories are valued at cost and consist of expendable materials and supplies.

When payments to vendors reflect costs applicable to future accounting periods, they are recorded as prepaid items and the expense is recorded using the consumption method.

**CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Inventories and Prepaid Items (Continued)

Inventories and prepaid items are offset by a nonspendable fund balance in the governmental funds to indicate that they are not available for appropriation and are not expendable financial resources.

I. Restricted Assets

Certain proceeds of debt issues, as well as certain resources set aside for their repayment, are classified as restricted assets in the financial statements because their use is limited by applicable bond covenants.

J. Capital Assets

Capital assets, which include lands, buildings, improvements, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are recorded at the lower of actual historical cost or acquisition value (as of the date donated for contributed assets). The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Building and Structures	40 Years
Improvements Other than Buildings	40 Years
Furniture and Equipment	Up to 25 Years
Infrastructure	Up to 60 Years

It is the City's policy to capitalize all land, building, improvements, and equipment with an estimated useful life greater than one year, except assets costing less than \$5,000, and to capitalize infrastructure assets costing \$50,000 or more. Costs of assets sold or retired (and related amounts of accumulated depreciation) are eliminated from the accounts in the year of sale or retirement and the resulting gain or loss is included in the operating statement of the related fund. In governmental funds, the sale of capital assets is included in the statement of revenues, expenditures, and changes in fund balances as proceeds from sale.

K. Land Held for Resale

Land held for resale is carried at the lower of acquisition cost or fair value.

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Compensated Absences

Employees accrue vacation and sick leave benefits. An employee may accumulate vacation leave up to 320 hours and sick leave up to 800 hours. Beginning annually in June, an employee with accumulated sick leave may choose to take any or all of the fiscal year's accumulated sick leave as cash provided it does not exceed 81 hours. Each year in December, employees may opt to cash out any or all vacation leave that exceeds 150 hours. Employees must maintain a balance of 150 hours on the books.

All leave pay (vacation and sick) is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if these amounts have matured as a result of employee resignations and retirements. The adopted reserve policies (see Note 12) provide for an assignment of fund balance in the General Fund for overall "leave liability" above and beyond the liability recorded in the financial statements.

M. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and the governmental funds balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until that time. The City has the following items that qualify for reporting in this category:

- Deferred amount on refunding reported in the government-wide statement of net position. A deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Deferred outflow related to pensions and OPEB, which are equal to the employer contributions made after the measurement date of the net pension liability and net OPEB liability.
- Deferred outflows related to pensions resulting from changes in actuarial assumptions and differences between expected and actual experience. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the plans.
- Deferred outflows related to pension and OPEB resulting from the difference in projected and actual earnings on investments of the pension and OPEB plan fiduciary net position. These amounts are amortized over five years.

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of net position and the governmental funds balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The City has the following that qualify for reporting in this category:

- Deferred inflows from unavailable revenues, which is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from three sources: taxes, investment income, and grants. These amounts are unavailable and will be recognized as an inflow of resources in the period that the amounts become available.
- Deferred inflows related to pensions and OPEB resulting changes in actuarial assumptions. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions and OPEB through the plans.
- Deferred inflows related to OPEB resulting from the difference between expected and actual experience. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the plans.

N. Long-Term Obligations

In the government-wide financial statements and proprietary fund types fund financial statements, long-term debt and other long-term obligations are included as liabilities. Bond premiums and discounts are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

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

O. Pensions

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

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability and deferred outflows/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 Plans' fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the City's OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Q. Fund Balances

Fund balance is the difference between the assets, deferred outflows of resources, liabilities, and deferred inflows of resources reported in the City's governmental funds. There are generally limitations on the purpose for which all or a portion of the resources of a governmental fund may be used. The force behind these limitations can vary significantly, depending upon their source. Consequently, the fund balance reported in the annual financial statements is categorized into five components whereby each component identifies the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the fund can be spent.

The fund balances reported on the fund statements consist of the following categories:

Nonspendable – This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted – This classification includes amounts that can be spent only for specific purposes stipulated by constitution and external resource providers or through enabling legislation.

Committed – This classification includes amounts that can be used only for the specific purposes determined by the City Council through the adoption of a resolution prior to the end of the year. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken to remove or revise the limitation.

Assigned – This classification includes amounts to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. Through the adoption of a resolution to approve the City's fund balance policy, the City Council has authorized the City Manager to assign fund balance. In governmental funds, other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed.

Unassigned – This classification includes the residual balance for the government's General Fund and includes all spendable amounts not contained in other classifications. In other funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Fund Balances (Continued)

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the City's policy is to apply the restricted fund balance first.

When an expenditure is incurred for purposes for which committed, assigned, or unassigned fund balances are available, the City's policy is to apply the committed fund balance first, then the assigned fund balance, and finally the unassigned fund balance.

R. Net Position

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is classified in the following categories:

Net Investment in Capital Assets – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt that is attributed to the acquisition, construction, or improvement of the assets.

Restricted Net Position – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

Unrestricted Net Position – This amount is all net position that does not meet the definition of "net investment in capital assets" or "restricted net position."

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the City's practice to consider restricted - net position to have been depleted before unrestricted - net position is applied; however, it is at the City Council's discretion.

S. Statement of Cash Flows

For purposes of the statement of cash flows, cash equivalents are defined as investments with original maturities of 90 days or less, which are readily convertible to known amounts of cash and not subject to significant changes in value from interest rate fluctuations.

T. Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumption that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and related disclosures. Actual results could differ from those estimates.

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 CASH AND INVESTMENTS

Cash and Investments

Cash and investments at June 30, 2021, are classified in the accompanying financial statements as follows:

	<u>Statement of Net Position</u>		
	<u>Government</u>	<u>Fiduciary</u>	
	<u>Wide</u>	<u>Funds</u>	<u>Total</u>
Unrestricted Assets:			
Cash and Investments	\$ 90,246,133	\$ 5,137,726	\$ 95,383,859
Restricted Cash and Investments:			
Cash and Investments with Fiscal Agents	20,694,782	2	20,694,784
Escrow Deposits	<u>20,135</u>	<u>-</u>	<u>20,135</u>
Total Cash and Investments	<u>\$ 110,961,050</u>	<u>\$ 5,137,728</u>	<u>\$ 116,098,778</u>

Cash and investments at June 30, 2021, consisted of the following:

Cash on Hand	\$ 9,372
Deposits with Financial Institutions	14,640,706
Investments	<u>101,448,700</u>
Total Cash and Investments	<u>\$ 116,098,778</u>

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

The table below identifies the investment types that are authorized for the City by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustees that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code or the City's investment policy.

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Authorized Investment Type	Maximum Maturity	Maximum Percentage Allowed*	Maximum Investment in One Issuer
U.S. Treasury Obligations	5 years	20%	None
U.S. Government Sponsored Agency Securities	5 years	20%	None
Banker's Acceptance Notes	180 days	20%	5%
Municipal Securities	5 years	30%	5%
Commercial Paper	270 days	25%	5%
Corporate Medium Term Notes	5 years	30%	5%
Collateralized Mortgage Obligations	5 years	20%	5%
Negotiable Certificates of Deposit	5 years	30%	5%
Money Market Mutual Funds	N/A	20%	10%
Supranational Securities	N/A	20%	10%
Local Government Investment Pool	N/A	None	None
Local Agency Investment Fund	N/A	None	\$ 75,000,000

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

N/A - Not Applicable

Investments Authorized by Debt Agreements

Investments of debt proceeds held by a bond trustee are governed by the provisions of debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. Investments authorized for funds held by a bond trustee include U.S. Treasury Obligations, U.S. Government Sponsored Agency Securities, Certificates of Deposit, Commercial Paper, Local Agency Bonds, Banker's Acceptance Notes, Money Market Mutual Funds, Investment Contracts, and Repurchase Agreements. There were no limitations on the maximum amount that can be invested in one issuer, maximum percentage allowed or the maximum maturity of an investment, except for the maturity of Banker's Acceptance Notes, which are limited to one year.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Information about the sensitivity of the fair values of the City's investments (including investments held by a bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Investment Type	Remaining Maturity (in Months)			Total
	12 Months or Less	13 to 24 Months	25 -60 Months	
Local Agency Investment Fund	\$ 54,269,286	\$ -	\$ -	\$ 54,269,286
U.S. Government Sponsored				
Agency Securities	7,108,412	-	-	7,108,412
U.S. Treasury Notes	9,138,511	-	-	9,138,511
Money Market Mutual Funds	59,576	-	-	59,576
Commercial Paper	1,024,133	-	-	1,024,133
Collateralized Mortgage Obligations	1,595,737	-	-	1,595,737
Certificates of deposits	830,907	-	-	830,907
Medium-Term Notes	6,927,356	-	-	6,927,356
Held by Fiscal Agent:				
Money Market Mutual Funds	19,121,792	-	-	19,121,792
PARS Trust Pooled Investments	1,372,990	-	-	1,372,990
Total	<u>\$ 101,448,700</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 101,448,700</u>

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

Presented below is the minimum rating required by (where applicable) the California Government Code, the City's investment policy, or debt agreements and the actual rating, as reported by Standard & Poor's, as of year-end for each investment type:

Investment Type	Minimum Legal Rating	Total as of June 30, 2021	Rating as of Fiscal Year-End				Not Rated
			AAA	AA+	AA	Other	
Local Agency Investment Fund	N/A	\$ 54,269,286	\$ -	\$ -	\$ -	\$ -	\$ 54,269,286
U.S. Government Sponsored							
Agency Securities	N/A	7,108,412	-	7,108,412	-	-	-
U.S. Treasury Notes*	N/A	9,138,511	-	-	-	-	9,138,511
Money Market Mutual Funds	N/A	59,576	59,576	-	-	-	-
Commercial Paper	A	1,024,133	-	1,024,133	-	-	-
Collateralized Mortgage Obligations	A	1,595,737	-	1,595,737	-	-	-
Certificates of Deposits		830,907	530,797	-	-	300,110	-
Medium-Term Notes	A	6,927,356	1,451,311	283,881	214,598	4,326,982	-
Held by Fiscal Agent:							
Money Market Mutual Funds	N/A	19,121,792	19,121,792	-	-	-	-
PARS Trust Pooled Investments	N/A	1,372,990	-	-	-	-	1,372,990
Total		<u>\$ 101,448,700</u>	<u>\$ 21,163,476</u>	<u>\$ 10,012,163</u>	<u>\$ 214,598</u>	<u>\$ 4,627,092</u>	<u>\$ 64,780,787</u>

* U.S. Treasury Notes are not required to be rated.

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

The ratings for the “Other” category above are as follows:

Investment Type	Total as of June 30, 2021	Rating as of Fiscal Year-End			
		AA-	A+	A	A-
Certificates of Deposits	\$ 300,110	\$ -	\$ -	\$ -	\$ 300,110
Medium-Term Notes	\$ 4,326,982	\$ 264,897	\$ 656,825	\$ 2,318,517	\$ 1,086,743

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City’s investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments other than the following provision for deposits.

The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. At June 30, 2021, the City and the Successor Agency deposits (bank balances) were insured by the Federal Deposit Insurance Corporation and the remaining balances were collateralized under California law.

For investments identified herein as held by fiscal agent, the trustee selects the investment under the terms of the applicable trust agreement, acquires the investment, and holds the investment on behalf of the reporting government.

Investment in Local Agency Investment Fund

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the treasurer of the State of California. The fair value of the City’s investment in this pool is reported in the accompanying financial statements at amounts based upon the City’s pro rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of 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 PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Cash and Investments – Pension Trust

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

Fair Value Measurements

The City categorizes its fair value measurement within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the assets. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the assets and liabilities through corroboration with market data, and Level 3 inputs are significant unobservable inputs.

Assets classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices

	Level 1	Level 2	Level 3	Total
Held by Trustee:				
Commercial Paper	\$ -	\$ 1,024,133	\$ -	\$ 1,024,133
Collateralized Mortgage Obligations	-	1,595,737	-	1,595,737
Certificates of deposits	-	830,907	-	830,907
Medium-Term Notes	-	6,927,356	-	6,927,356
U.S. Treasury Notes	-	9,138,511	-	9,138,511
U.S. Government Sponsored				
Agency Securities	-	7,108,412	-	7,108,412
Total Leveled Investments	<u>\$ -</u>	<u>\$ 26,625,056</u>	<u>\$ -</u>	<u>26,625,056</u>
Investments Not Subject to Fair Value Hierarchy:				
Local Agency Investment Fund				54,269,286
Money Market Mutual Funds				59,576
Held by Trustee:				
Money Market Mutual Funds				19,121,792
PARS Trust Pooled Investments				1,372,990
Total Investment Portfolio				<u>\$ 101,448,700</u>

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 3 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2021, is as follows:

Advances To/From Other Funds

<u>Advances to Other Funds</u>	<u>Advances from Other Funds</u>	<u>Amount</u>
General Fund	Water Operations Enterprise Fund	\$ 16,346,260
	Golf Course Enterprise Fund	3,124,162
	Total	<u>\$ 19,470,422</u>

In 1999, the Water Authority received an advance from the City's General Fund in connection with the acquisition of water operation capital assets. The Water Authority is obligated to pay off this advance from surplus revenues over 50 years. No interest accrues on this advance. Payments will vary with the level of surplus revenues. No payments were made in fiscal year 2020-21. The City adjusted the balance by \$1,914,552 for excess of fund in the reserve requirement. The balance of the advance at June 30, 2021, is \$16,346,260. The Authority's current outstanding revenue bonds will be paid in full by 2033. The debt service payments will be partially funded by receipts from the receivables due from the Successor Agency, as well as operating income over the next 17 years.

Management has estimated that cash flows from these sources will exceed the debt service requirements of the revenue bonds, and any excess cash flows will be used to pay down the advance from the City. Additionally, once the outstanding revenue bonds are paid in full in fiscal year 2033, the operating income will be available to pay down the advance from the City. Management believes that the Water Authority will have the ability to pay this obligation in full prior to the advance's original maturity date in 2049.

The General Fund made several advances to the Golf Course Enterprise Fund to fund operating expenses. No interest accrues on this advance. Payments will vary with the level of surplus revenues. No payments are expected on this advance in the near term and therefore the City has classified this advance as a noncurrent liability in the accompanying enterprise fund financial statements.

Due To/From Other Funds

The composition of interfund balances as of June 30, 2021, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Housing Agency Section 8 Special Revenue Fund	\$ 127,280
	2018 Series A COP Capital Projects Fund	694,905
	Other Governmental Funds	1,165,185
	PRIME Enterprise Fund	2,904,486
	Equipment Replacement Internal Service Fund	168,326
Water Operations Enterprise Fund	General Fund	176,000
	Total	<u>\$ 5,236,182</u>

**CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 3 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONTINUED)

Due To/From Other Funds

The amounts loaned from the General Fund are short-term loans to fund operations of the various funds.

Transfers

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Amount</u>
General Fund	Other Governmental Funds (1)	\$ 282,650
Other Governmental Funds	General Fund (2)	1,375,868
	2018 Series A COP Capital Projects Fund (3)	832,769
	Total	<u>\$ 2,491,287</u>

- (1) The General Fund transferred \$25,000 to Other Governmental Fund – Federal Grants Fund for Covid-19 testing services and \$257,650 to Other Governmental Fund – Capital Improvement Fund for previous expenditures related annual software costs (\$257,650).
- (2) The Other Governmental Fund - Gas Tax Fund transferred \$1,375,868 to General Fund for approved street maintenance activities.
- (3) The Other Governmental Fund - Measure M transferred \$832,769 for debt service on the 2018 Series A Certificates of Participation.

NOTE 4 LONG-TERM RECEIVABLES

Low-interest home improvement loans were made under the City's Home Loan Program. These loans shall be due and payable in full when the borrower's legal interest in the property, which is security for the loan, is sold, transferred, or conveyed. The outstanding principal balance at June 30, 2021, is \$2,794,167 and is included in the HOME Grant Special Revenue Fund. At June 30, 2021, the City has an allowance of \$832,792 against the outstanding interest receivable related to these loans, as the City cannot ensure the collectability of this balance.

Loans receivable consist of low interest and no interest home improvement loans made from the Community Development Block Grant Special Revenue Fund to qualified low-income homeowners. The low-interest loans are payable in monthly installments over a period of 1 to 20 years. Those loans earning no interest are payable in one lump sum at the time the property is sold or refinanced. Payments received on these loans (principal and interest) are reloaned on a revolving basis under the Home Improvements Program. The outstanding principal balance at June 30, 2021, totaled \$176,410. At June 30, 2021, the City has an allowance of \$38,762 against the outstanding interest receivable related to these loans, as the City cannot ensure the collectability of this balance.

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 4 LONG-TERM RECEIVABLES (CONTINUED)

Loans receivable consists of low-interest home improvement loans made from the CalHOME Grant Special Revenue Fund. These loans shall be due and payable in full when the borrower's legal interest in the property, which is security for the loan, is sold, transferred, or conveyed. The outstanding principal balance at June 30, 2021, is \$1,308,139. At June 30, 2021, the City has an allowance of \$191,788 against the outstanding interest receivable related to these loans, as the City cannot ensure the collectability of this balance.

Home improvement loans to low- and moderate-income households have been made from the Housing Agency LMIHF Special Revenue Fund. These loans are payable in 10 years or when borrowers sell their property, whichever comes first. The outstanding balances, net of an \$62,249 allowance, at June 30, 2021 were zero.

Loan receivable from a restaurant group, which was offered as a bridge loan for the purposes of establishing an upscale restaurant in the City was made from the Economic Sustainability Special Revenue Fund. The loan amount of \$287,050 bears interest at the rate of 3% per annum. The loan matures on the earlier of (a) 45 days after the borrower requested disbursement of the allowance in accordance with a lease agreement, (b) 45 days after the borrower has delivered all required documentation as outlined in the lease agreement, or (c) 365 days from the commencement date. The outstanding principal balance at June 30, 2021, is \$287,050.

Receivables from Successor Agency

Description	General Fund	Other Governmental Funds	Water Operations Enterprise Fund
Long-Term Loans to Finance Improvements and Operations Related to and Within the Former Redevelopment Agency's Project Areas	\$ 17,751,764	\$ -	\$ 251,957
Sales Tax Deferral Loan to Allow Former Redevelopment Agency to Meet its Debt Service Obligations	29,114,815	-	-
Loans to Make Payments to Supplemental Educational Revenue Augmentation Fund	-	1,402,921	-
Purchase of Former Redevelopment Agency's Tax Allocation Bonds, Series 2001 Treated as a Loan	-	-	19,302,836
Subtotal	46,866,579	1,402,921	19,554,793
Reserve on Long-Term Loans	(4,437,941)	-	(62,989)
Reserve on Sales Tax Deferral Loan	(29,114,815)	-	-
Total	<u>\$ 13,313,823</u>	<u>\$ 1,402,921</u>	<u>\$ 19,491,804</u>

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 5 CAPITAL ASSETS

Governmental Activities

Capital asset activity for the year ended June 30, 2021, was as follows:

	Balance at July 1, 2020	Additions	Deletions	Transfers of Construction In Progress	Balance at June 30, 2021
Capital Assets, Not Being Depreciated:					
Land	\$ 118,908,710	\$ -	\$ -	\$ -	\$ 118,908,710
Construction in Progress	16,773,564	4,981,240	-	(2,292,995)	19,461,809
Total Capital Assets, Not Being Depreciated	135,682,274	4,981,240	-	(2,292,995)	138,370,519
Capital Assets, Being Depreciated:					
Structures and Improvements	25,576,925	13,800	-	-	25,590,725
Furniture and Equipment	6,985,568	36,431	-	-	7,021,999
Infrastructure	239,607,520	-	(12,538)	2,292,995	241,887,977
Total Capital Assets, Being Depreciated	272,170,013	50,231	(12,538)	2,292,995	274,500,701
Less Accumulated Depreciation for:					
Structures and Improvements	(12,002,568)	(593,065)	-	-	(12,595,633)
Furniture and Equipment	(5,482,303)	(246,308)	-	-	(5,728,611)
Infrastructure	(127,875,950)	(5,987,788)	-	-	(133,863,738)
Total Accumulated Depreciation	(145,360,821)	(6,827,161)	-	-	(152,187,982)
Total Capital Assets, Being Depreciated, Net	126,809,192	(6,776,930)	(12,538)	2,292,995	122,312,719
Governmental Activities Capital Assets, Net	<u>\$ 262,491,466</u>	<u>\$ (1,795,690)</u>	<u>\$ (12,538)</u>	<u>\$ -</u>	<u>\$ 260,683,238</u>

Depreciation expense was charged to functions of the governmental activities as follows:

General Government	\$ 428,746
Public Safety	27,991
Public Works	5,332,695
Parks and Recreation	998,814
Community Development	38,915
Total Depreciation Expense	<u>\$ 6,827,161</u>

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 5 CAPITAL ASSETS (CONTINUED)

Business-Type Activities

Capital asset activity for the year ended June 30, 2021, was as follows:

	Balance at July 1, 2020	Additions	Deletions	Transfers of Construction In Progress	Balance at June 30, 2021
Capital Assets, Not Being Depreciated:					
Land	\$ 18,174,060	\$ -	\$ -	\$ -	\$ 18,174,060
Rights of Way	5,579,916	-	-	-	5,579,916
Construction in Progress	217,914	1,844,085	-	-	2,061,999
Total Capital Assets, Not Being Depreciated	23,971,890	1,844,085	-	-	25,815,975
Capital Assets, Being Depreciated:					
Structures and Improvements	5,013,838	214,213	-	-	5,228,051
Utility Plant in Service	21,785,673	-	-	-	21,785,673
Equipment	1,081,077	-	-	-	1,081,077
Infrastructure	16,055,216	-	-	-	16,055,216
Total Capital Assets, Being Depreciated	43,935,804	214,213	-	-	44,150,017
Less Accumulated Depreciation for:					
Structures and Improvements	(4,084,188)	(121,752)	-	-	(4,205,940)
Utility Plant in Service	(7,640,279)	(367,626)	-	-	(8,007,905)
Equipment	(1,004,584)	(14,208)	-	-	(1,018,792)
Infrastructure	(9,908,599)	(366,693)	-	-	(10,275,292)
Total Accumulated Depreciation	(22,637,650)	(870,279)	-	-	(23,507,929)
Total Capital Assets, Being Depreciated, Net	21,298,154	(656,066)	-	-	20,642,088
Business-Type Activities Capital Assets, Net	<u>\$ 45,270,044</u>	<u>\$ 1,188,019</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 46,458,063</u>

Depreciation expense was charged to functions of the business-type activities as follows:

Water Operations	\$ 760,382
Sports Arena	78,247
Golf Course	31,650
Total Depreciation Expense	<u>\$ 870,279</u>

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6 LONG-TERM LIABILITIES

Changes in long-term liabilities activity for the year ended June 30, 2021, were as follows:

	Balance at July 1, 2020	Additions	Deletions	Balance at June 30, 2021	Due Within One Year	Due in More Than One Year
Governmental Activities:						
Other Debt:						
2016 Lease Revenue Bonds	\$ 26,840,000	\$ -	\$ (925,000)	\$ 25,915,000	\$ 955,000	\$ 24,960,000
Bond Premium	2,546,266	-	(134,028)	2,412,238	-	2,412,238
2018 Series A Certificates of Participation	14,235,000	-	(265,000)	13,970,000	275,000	13,695,000
Bond Premium	656,455	-	(23,445)	633,010	-	633,010
Other Liabilities:						
Compensated Absences	1,384,905	45,597	-	1,430,502	286,100	1,144,402
Claims and Judgements	1,404,000	562,750	(270,750)	1,696,000	508,800	1,187,200
Total Governmental Activities	\$ 47,066,626	\$ 608,347	\$ (1,618,223)	\$ 46,056,750	\$ 2,024,900	\$ 44,031,850
Business-Type Activities:						
Other Debt:						
Revenue Bonds Payable	\$ 32,320,000	\$ -	\$ (2,835,000)	\$ 29,485,000	\$ 3,005,000	\$ 26,480,000
Add (Less):						
Bond Premium	352,083	-	(39,858)	312,225	-	312,225
Bond Discount	(278,214)	-	26,708	(251,506)	-	(251,506)
Subtotal Revenue Bonds Payable	32,393,869	-	(2,848,150)	29,545,719	3,005,000	26,540,719
Other Liabilities:						
Compensated Absences	275,762	42,826	-	318,588	31,859	286,729
Total Business-Type Activities	\$ 32,669,631	\$ 42,826	\$ (2,848,150)	\$ 29,864,307	\$ 3,036,859	\$ 26,827,448

Governmental Activities

Compensated Absences

The City's policies relating to compensated absences are described in Note 1L. The liability amounts of \$1,430,502 at June 30, 2021, are expected to be paid in future years from future resources. The General Fund typically has been used in prior years to liquidate the liability for compensated absences.

2016 Lease Revenue Bonds

In July of 2016, the Finance Authority issued Lease Revenue Refunding Bonds, Series 2016 (the 2016 PFA Bonds) in the aggregate principal amount of \$30,470,000. The bonds pay interest at a rate from 2.675% to 5.25% payable semiannually on March 1 and September 1, commencing on September 1, 2016. The bonds were issued to refund the City's 2009 Lease Revenue Bonds, purchase a surety bond for the reserve requirement, purchase a municipal bond insurance policy, and pay costs of issuance of the bonds.

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

Governmental Activities (Continued)

2016 Lease Revenue Bonds (Continued)

Annual debt service for the 2016 PFA Bonds is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 955,000	\$ 965,520	\$ 1,920,520
2023	995,000	926,250	1,921,250
2024	1,030,000	888,775	1,918,775
2025	1,065,000	860,550	1,925,550
2026	1,085,000	828,200	1,913,200
2027 - 2031	6,025,000	3,544,294	9,569,294
2032 - 2036	7,565,000	1,942,969	9,507,969
2037 - 2040	7,195,000	439,725	7,634,725
Total	<u>\$ 25,915,000</u>	<u>\$ 10,396,283</u>	<u>\$ 36,311,283</u>

2018 Series A Certificates of Participation

In August of 2018, the Pico Rivera Public Finance Authority issued Local Transportation Sales Tax Revenue Certificates of Participation, Series 2018 (2018 Series A COP), in the aggregate principal amount of \$14,695,000. The certificates of participation pay interest at a rate from 3.375% to 5.000% payable semiannually on June 1 and December 1, commencing on December 1, 2018. The proceeds from the sale of the certificates of participation will be used to finance the design, acquisition, and construction of certain local roadway and street improvement projects within the jurisdiction of the City, to purchase a debt service reserve policy, and to pay costs incurred in connection with the execution, sale, and delivery of the certificates of participation.

Annual debt service for the 2018 Series A COP is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 275,000	\$ 557,169	\$ 832,169
2023	290,000	546,169	836,169
2024	300,000	531,669	831,669
2025	320,000	516,669	836,669
2026	335,000	500,669	835,669
2027 - 2031	1,935,000	2,235,344	4,170,344
2032 - 2036	2,460,000	1,818,594	4,278,594
2037 - 2041	2,960,000	1,307,469	4,267,469
2042 - 2046	3,510,000	772,975	4,282,975
2047 - 2048	1,585,000	165,375	1,750,375
Total	<u>\$ 13,970,000</u>	<u>\$ 8,952,102</u>	<u>\$ 22,922,102</u>

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

Business-Type Activities

Compensated Absences

The City's policies relating to compensated absences are described in Note 1L. The liability amount of \$318,588 at June 30, 2021, is expected to be paid in future years from future resources.

Lease Revenue Bonds

Revenue bonds were issued by the Water Authority to finance the initial lease payment under the terms of a lease between the City and the Water Authority and to purchase the former Redevelopment Agency's Tax Allocation Bonds.

Revenue bonds currently outstanding (in thousands) are as follow:

<u>Enterprise Fund</u>	<u>Series</u>	<u>Interest Rate</u>	<u>Original Amount</u>	<u>Outstanding Balance</u>	<u>Maturity Date</u>
Water Authority	1999A	3.25% - 5.5%	\$ 17,940	\$ 10,370	May 2029
Water Authority	2001	5.75% - 6.25%	40,710	19,115	December 2032
Total			<u>\$ 58,650</u>	<u>\$ 29,485</u>	

All operating and nonoperating revenues of the City's Water Operations Enterprise Fund are pledged to secure these revenue bonds.

Water Authority Revenue Bonds, Series 1999 A

The Water Authority issued \$17,940,000 of Revenue Bonds (Series 1999 A) dated May 1, 1999. These bonds were issued to finance the lease and improvements of the Water Operations Enterprise Fund.

The Series 1999 A bonds are due in whole or in part through May 2029 and bear interest rates ranging from 3.25% to 5.5%. Interest is payable semiannually on May 1 and November 1 of each year. The bonds are subject to optional redemption in whole or in part on any interest payment due on or after May 1, 2009, by lot, with premiums ranging from 0% to 2%.

The bond indenture requires a Water Rate Stabilization Fund to be held and maintained by the trustee for the benefit of the owners of the bonds. The Water Rate Stabilization Fund is required to have a balance of not less than \$600,000. All funds in the Water Rate Stabilization Fund are pledged to secure payment of the bonds. The balance in the Water Rate Stabilization Fund at June 30, 2021, is \$600,000.

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

Business-Type Activities (Continued)

Lease Revenue Bonds (Continued)

Water Authority Revenue Bonds, Series 1999 A

Annual debt service for the Series 1999 A bonds is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 1,065,000	\$ 570,350	\$ 1,635,350
2023	1,125,000	511,775	1,636,775
2024	1,190,000	449,900	1,639,900
2025	1,255,000	384,450	1,639,450
2026	1,320,000	315,425	1,635,425
2027 - 2029	4,415,000	494,175	4,909,175
Total	<u>\$ 10,370,000</u>	<u>\$ 2,726,075</u>	<u>\$ 13,096,075</u>

Water Authority Revenue Bonds, Series 2001

On January 30, 2001, the Water Authority issued at a \$796,798 discount, \$40,710,000 in Revenue Bonds, 2001 Series. Proceeds of \$38,020,100 were used to purchase 2001 Tax Allocation Refunding Bonds from the former Redevelopment Agency, which in turn refunded its 1989 Tax Allocation Bonds. The 2001 Series bonds are subject to optional redemption in whole or in part and by lot on any date on or after December 1, 2011, with premiums ranging from 0% to 2%. The bonds are due through December 1, 2032, with interest rates ranging from 5.75% to 6.25% per annum.

The bond indenture requires the Water Authority to maintain a bond reserve in the amount of \$2,839,536, which includes the required Water Rate Stabilization Fund up to an amount equal to \$600,000. The balance in the reserve account and in the Water Rate Stabilization Fund as of June 30, 2021, amounted to \$2,094,987 and \$600,000, respectively.

The 2001 Series revenue bond indenture also requires the Water Authority to maintain rates sufficient to generate subordinate net water revenues, as defined by the bond indenture, equal to 125% of the current year's debt service requirement. The Water Authority's coverage ratio in fiscal year 2021 was 1.77, which is greater than the required 1.25.

Annual debt service for the 2001 Series revenue bonds is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 1,940,000	\$ 1,134,063	\$ 3,074,063
2023	2,060,000	1,009,063	3,069,063
2024	2,190,000	876,250	3,066,250
2025	2,325,000	735,156	3,060,156
2026	1,620,000	611,875	2,231,875
2027 - 2030	6,610,000	1,642,813	8,252,813
2031 - 2033	2,370,000	150,313	2,520,313
Total	<u>\$ 19,115,000</u>	<u>\$ 6,159,534</u>	<u>\$ 25,274,534</u>

**CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 6 LONG-TERM LIABILITIES (CONTINUED)

Business-Type Activities (Continued)

Lease Revenue Bonds (Continued)

Water Authority Revenue Bonds, Series 2001

A comparison of the pledged revenues recognized during the year to the principal and interest requirements for the 2001 Series revenue bonds is as follows:

Gross Revenue	Less: Purchased Security Revenue (1)	Less: Direct Costs (2)	Less 1999 Debt Service Payments	Secured Revenue (3)	Plus: Rate Stabilization Fund	Total Pledged Subordinate Net Revenues and Security Revenues	2001 Bonded Debt Service Payments	Coverage
\$ 12,260,342	\$ (1,619,212)	\$ (6,897,155)	\$ (1,635,900)	\$ 3,323,150	\$ 600,000	\$ 5,431,225	\$ 3,076,718	1.77

- (1) Interest earned on investment in 2001 Tax Allocation Refunding Bonds.
- (2) Total expenditures less depreciation, amortization of bond premiums/discounts, and interest payments on Series 1999 A and 2001 Series revenue bonds.
- (3) Principal and interest received on the investment in 2001 Tax Allocation Refunding Bonds.

NOTE 7 COMMITMENTS AND CONTINGENCIES

Litigation

Various claims and lawsuits are pending against the City. Although the outcome of these claims and lawsuits is not presently determinable, in the opinion of the City's management, on advice of legal counsel, it is unlikely that they will have a material adverse effect on the accompanying financial statements.

Grant Audit Contingencies

Under the terms of certain grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to a reimbursement to the grantor agencies. City management believes disallowances, if any, will be immaterial.

Economic Development Subsidy

In order to retain the operations of a certain employer within the City, the City has entered into an economic development subsidy agreement with this employer. Under this agreement, the City is to pay the employer an amount equal to 25% of sales tax revenues generated by the employer up to a sales tax revenue threshold and 55% of sales tax revenues in excess of that threshold, payable on or before July 30 for the previous calendar years for the period from January 1, 2017 through December 31, 2027. In no event will the total payments to the employer exceed \$3,280,000 for the term of the agreement. Payment on this agreement is contingent on the employer meeting certain operating covenants and other restrictive covenants; accordingly, there has been no accrual included in these financial statements. Payments made to this employer for the year ended June 30, 2021, totaled \$278,492.

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 DEFINED BENEFIT PENSION PLANS

General Information about the Pension Plans

Plan Descriptions

CalPERS Plan

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

City Council Retirement Enhancement Plan

The City also has available a supplemental retirement benefit plan for City Council members (Council Plan) elected on or after July 1, 2002. This plan is a single-employer defined benefit pension plan administered by the Public Agency Retirement Services (PARS), who serves as the trustee for the Council Plan. As a result of California Public Employees' Pension Reform Act (PEPRA) amendments, the City has closed this plan to any new City Council members elected or appointed on or after January 1, 2013.

Benefits Provided

CalPERS Plan

CalPERS provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members who must be public employees and beneficiaries. Benefits are based on years of credited service, which is equal to one year of full-time employment.

**CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 8 DEFINED BENEFIT PENSION PLANS (CONTINUED)

General Information about the Pension Plans (Continued)

Benefits Provided (Continued)

CalPERS Plan (Continued)

The City has three different retirement benefit tiers based on date of hire:

- Tier I: 2.5% at 55 for employees hired on or before June 30, 2012
- Tier II: 2.0% at 60 for employees after June 30, 2012
- Tier III: 2.0% at 62 for all new members to CalPERS, as defined by Assembly Bill 340/PEPRA

All members are eligible for nonindustrial disability benefits after five years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The CalPERS plans provisions and benefits in effect at June 30, 2020, the measurement date, are summarized as follows:

	Miscellaneous Plan		
	Prior to June 26, 2012	On or After June 26, 2012, Prior to January 1, 2013	On or After January 1, 2013
Hire Date			
Benefit Formula	2.5%@55	2%@60	2%@62
Benefit Vesting Schedule	5 years of service	5 years of service	5 years of service
Benefit Payments	monthly for life	monthly for life	monthly for life
Retirement Age	50 - 55	50 - 63	52 - 67
Monthly Benefits, as a Percent of			
Eligible Compensation	2.0% to 2.5%	1.092% to 2.418%	1.0% to 2.5%
Required Employee Contribution Rates	7.30%	7.30%	6.25%
Required Employer Contribution Rates:			
Normal Cost Rate	10.333%	10.047%	7.601%
Payment of Unfunded Liability	\$ 2,494,471	\$ -	\$ -

City Council Retirement Enhancement Plan

The Council Plan provides a benefit equal to 4% of final compensation times benefit service, capped at 10 years of service. This plan is a single-employer defined benefit plan. Eligibility for these benefits is defined as reaching age 55 and completing five years of continuous City Council service. Employees terminating employment with the City after five years of service but prior to age 55 will receive a deferred retirement benefit to commence at age 55.

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 DEFINED BENEFIT PENSION PLANS (CONTINUED)

General Information about the Pension Plans (Continued)

Benefits Provided (Continued)

City Council Retirement Enhancement Plan (Continued)

The Council Plan provisions and benefits in effect at June 30, 2021, the measurement date, are summarized as follows:

	<u>Council Plan</u>
	Prior to
	<u>January 1, 2013</u>
Hire Date	4%@55
Benefit Formula	5 years of service
Benefit Vesting Schedule	monthly for life
Benefit Payments	55
Retirement Age	1.67% to 3.33%
Monthly Benefits, as a Percent of Eligible Compensation	0.0%
Required Employee Contribution Rates	32.72%
Required Employer Contribution Rates	

Employees Covered

As of the measurement date, the following employees were covered by the benefit terms for each plan:

	<u>Miscellaneous</u>	<u>Council Plan</u>
Inactive Employees or Beneficiaries		
Currently Receiving Benefits	266	5
Inactive Employees Entitled to But		
Not Yet Receiving Benefits	148	2
Active Employees	148	1
Total	<u>562</u>	<u>8</u>

Contributions

Section 20814(c) of the California Public Employees' Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. City contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contributions requirements are classified as plan member contributions. The Council Plan only requires employer contributions equal to an actuarially determined rate. During the fiscal year June 30, 2021, the City contributed \$3,510,945 and \$7,183 to the Miscellaneous Plan and Council Plan, respectively.

**CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 8 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Net Pension Liability

The City's net pension liability for each plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the CalPERS plan is measured as of June 30, 2020, using an annual actuarial valuation as of June 30, 2019, rolled forward to June 30, 2020, using standard update procedures. The net pension liability of the Council Plan is measured as of June 30, 2021, using an actuarial valuation date of June 30, 2021. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Assumptions

The total pension liabilities in the June 30, 2019 and June 30, 2021 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>	<u>Council Plan</u>
Valuation Date	June 30, 2019	June 30, 2021
Measurement Date	June 30, 2020	June 30, 2021
Actuarial Cost Method	Entry-Age Normal Cost Method	Entry-Age Norma Cost Method
Actuarial Assumptions:		
Discount Rate	7.15%	6.50%
Inflation	2.50%	2.50%
Projected Salary Increase	(1)	0.00%
Mortality Rate Table	(2)	(3)
Post Retirement Benefit Income	(4)	

(1) Varies by entry age and service.

(2) The mortality table was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using the Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

(3) Pre-retirement and Post-retirement: CalPERS 1997-2011 Healthy Retiree Tables (sex-distinct) with an assumed base year of 2008 and full generational projections using Scale BB.

(4) Contract cost-of-living adjustments up to 2.00% until Purchasing Power Protection Allowance Floor on purchasing power applies, 2.50% thereafter.

Change of Assumptions

In fiscal year 2020-2021, the projected salary increase was decreased from to 3.00% to 0% for the Council Plan. There were no changes in the assumptions in the current year for the Miscellaneous Plan.

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Net Pension Liability (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.15% for the Miscellaneous Plan and 6.5% for the Council Plan and reflects the long-term expected rate of return for each Plan net of investment expenses and without reduction for administrative expenses. The projection of cash flows used to determine the discount rate of Miscellaneous Plan 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 Miscellaneous Plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on the plan investments was applied to all periods of projected benefit payments to determine the total pension liability. Additionally, the Council Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return of 6.5%.

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

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

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Net Pension Liability (Continued)

Discount Rate (Continued)

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. The target allocation shown was adopted by CalPERS Board of Directors effective on July 1, 2015.

Asset Class (a)	New Strategic Allocation	Real Return Years 1 - 10 (b)	Real Return Years 11+ (c)
Global Equity	50.00 %	4.80 %	5.98 %
Global Fixed Income	28.00	1.00	2.62
Inflation Sensitive	-	0.77	1.81
Private Equity	8.00	6.30	7.23
Real Estate	13.00	3.75	4.93
Liquidity	1.00	-	(0.92)
Total	<u>100.00 %</u>		

(a) In the CalPERS CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

(b) An expected inflation of 2.0% used for this period.

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

The actuaries of the Council Plan determined that the best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions are per the actuary's investment consulting practice as of June 30, 2020.

Asset Class	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return (a)	Long-Term Expected Geometric Real Rate of Return (a)
U.S. Cash	1.00 %	(0.32)%	(0.32)%
U.S. Core Fixed Income	36.13	1.37	1.26
U.S. Equity Market	47.36	5.33	3.70
Foreign Developed Equity	7.99	6.27	4.52
Emerging Markets Equity	5.53	8.64	4.95
U.S. REITs	1.99	5.75	3.57
Total	<u>100.00 %</u>		

(a) An expected inflation of 1.16% used in calculating the long-term expected rate of return.

Subsequent Events

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

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Changes in the Net Pension Liability

The changes in the net pension liability for the Miscellaneous Plan are as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at June 30, 2019 (Measurement Date)	\$ 115,587,812	\$ 76,599,817	\$ 38,987,995
Changes in the Year:			
Service Cost	1,776,130	-	1,776,130
Interest on the Total Pension Liability	8,115,666	-	8,115,666
Differences between Expected and Actual Experience	(96,456)	-	(96,456)
Changes in Assumptions	-	-	-
Plan-to-Plan Resource Movement	-	-	-
Contribution - Employer	-	3,510,945	(3,510,945)
Contribution - Employee	-	824,722	(824,722)
Net Investment Income	-	3,795,360	(3,795,360)
Administrative Expenses	-	(107,987)	107,987
Benefit Payments, Including Refunds of Employee Contributions	(5,747,216)	(5,747,216)	-
Net Changes	<u>4,048,124</u>	<u>2,275,824</u>	<u>1,772,300</u>
Balance at June 30, 2020 (Measurement Date)	<u>\$ 119,635,936</u>	<u>\$ 78,875,641</u>	<u>\$ 40,760,295</u>

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Changes in the Net Pension Liability (Continued)

The changes in the net pension liability for the Council Plan are as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at June 30, 2020 (Measurement Date)	\$ 202,033	\$ 165,201	\$ 36,832
Changes in the Year:			
Service Cost	2,351	-	2,351
Interest on the Total Pension Liability	12,821	-	12,821
Differences between Actual and Expected Experience	-	-	-
Changes in Economic/Demographic	22,057	-	22,057
Changes in Assumptions	(2,461)	-	(2,461)
Changes in Benefit Terms	-	-	-
Contribution - Employer	-	7,183	(7,183)
Contribution - Employee	-	-	-
Net Investment Income	-	42,720	(42,720)
Administrative Expenses	-	(925)	925
Benefit Payments, Including Refunds of Employee Contributions	(14,492)	(14,492)	-
Net Changes	20,276	34,486	(14,210)
Balance at June 30, 2021 (Measurement Date)	<u>\$ 222,309</u>	<u>\$ 199,687</u>	<u>\$ 22,622</u>

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

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

	Miscellaneous		
	1% Decrease (6.15%)	Current Discount Rate (7.15%)	1% Increase (8.15%)
Net Pension Liability	<u>\$ 56,462,227</u>	<u>\$ 40,760,295</u>	<u>\$ 27,759,208</u>
	Council		
	1% Decrease (5.5%)	Current Discount Rate (6.5%)	1% Increase (7.5%)
Net Pension Liability	<u>\$ 45,259</u>	<u>\$ 22,622</u>	<u>\$ 3,656</u>

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Changes in the Net Pension Liability (Continued)

Pension Plan Fiduciary Net Position

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

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

For the year ended June 30, 2021, the City recognized pension expense of \$5,224,595 and \$14,308 for the miscellaneous and council plans, respectively. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 3,510,945	\$ -
Differences between Expected and Actual Experience	685,048	(63,195)
Change in Assumptions	-	-
Net Differences between Projected and Actual		
Earnings on Plan Investments	573,909	-
Total Miscellaneous Plan	<u>\$ 4,769,902</u>	<u>\$ (63,195)</u>
 Differences between Expected and Actual Experience	 \$ 20,389	 \$ (5,019)
Change in Assumptions	4,146	(1,166)
Net Differences between Projected and Actual		
Earnings on Plan Investments	-	(21,872)
Total Council Plan	<u>\$ 24,535</u>	<u>\$ (28,057)</u>

An amount of \$3,510,945 reported as deferred outflows of resources related to contributions to the miscellaneous plan subsequent to the measurement date will be recognized as a reduction of the net pension liability of the miscellaneous plan in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ending June 30,</u>	<u>Miscellaneous</u>	<u>Council</u>
2022	\$ 300,962	\$ 9,131
2023	173,222	(1,098)
2024	397,927	(5,106)
2025	323,651	(6,449)
2026	-	-
Thereafter	-	-

Payable to the Pension Plans

At June 30, 2021, the City had no outstanding amount of contributions to the pension plans required for the year ended June 30, 2021.

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 9 DEFINED CONTRIBUTION PENSION PLANS

The City provides pension benefits for all of its part-time employees through a defined contribution plan. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. The plan is administered by Nationwide Retirement Solutions. All part-time employees are eligible to participate from the date of employment. Federal legislation requires contributions of at least 7.5% to a retirement plan, and the City Council resolved to match the employees' contributions of 3.75%. The City's contributions for each employee (and interest earned by the accounts) are fully vested immediately.

For the year ended June 30, 2021, the City's payroll covered by the defined contribution plan was \$1,245,046. The City made employer contributions of \$46,691 (3.75% of current covered payroll), and employees contributed \$46,691 (3.75% of current covered payroll).

The City also offers its employees a deferred compensation plan created in accordance with Internal Revenue Code 457. The plan, available to all City employees, permits them to defer a portion of their salaries until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The plan assets are under the participants control and are principally invested in demand deposits and mutual funds and are held in a trust for the exclusive benefit of the participants and their beneficiaries. The assets are not the property of the City and, as such, are not subject to the claims of the City's general creditors. As a result, these assets are not reported in the financial statements.

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN

General Information about the OPEB Plan

Plan Description

The City has established an agent multiple-employer Defined Benefit Postemployment Healthcare Plan (DPHP) that provides postretirement medical benefits to retirees through the California Public Employees Medical and Hospital Care Act (PEMCHA) and managed through the California Employers' Retiree Benefit Trust (CERBT). The plan provides retiree medical benefits to eligible retirees and their eligible dependents. Employees must retire directly from the City under CalPERS. Employees must also meet basic retirement requirements per CalPERS. That is, employees must be at least age 50 and have at least five years of CalPERS service or qualify for a disability retirement.

The benefits received by the retired employees vary based on the date they were hired by the City. For employees hired on or before June 30, 2012, the City pays the full premium for the retiree and his/her dependents. For employees hired after June 30, 2012, the City contributes the PEMCHA minimum. The PEMCHA minimum is updated annually by the CalPERS board. Regardless of hire date, the same benefit continues to the surviving spouse.

**CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

General Information about the OPEB Plan (Continued)

Plan Description (Continued)

The City's obligation to pay medical costs for retirees relates only to those medical coverage costs provided through CalPERS. The City is not obligated to pay Medicare Part B premiums for those retirees who are age 65 or above and who are enrolled in a supplemental Medicare plan. When the retiree reaches age 65, the Basic Medical Plan is required to be transferred to a supplemental Medicare plan. A separate financial report is not prepared for the plan.

Employees Covered

As of the measurement date of June 30, 2020, the following current and former employees were covered by the benefit terms under the plan:

Inactive Employees or Beneficiaries	
Currently Receiving Benefits	113
Inactive Employees or Beneficiaries Entitled to but not yet Receiving Benefits	17
Active Employees	151
Total	<u>281</u>

Contributions

The DPHP and its contribution requirements are established by City policy and may be amended by the City Council. The annual contribution is based on the actuarially determined contribution. For the fiscal year ended June 30, 2021, the City's cash contributions were \$1,046,078 in payments to the trust and the estimated implied subsidy was \$155,000 and \$2,521 administrative expense paid by the city resulting in payments of \$1,203,599.

Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2019, rolled forward to June 30, 2020 using standard update procedure. A summary of the principal assumptions and methods used to determine the total OPEB liability is shown below.

**CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

Total OPEB Liability

Actuarial Assumptions

The total OPEB liability in the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.75%
Inflation	2.75%
Projected Salary Increase	3.00% per annum, in aggregate
Expected Long-Term Investment Rate of Return	6.75%
Healthcare Cost Trend Rates	7.25% Non-Medicare/6.3% Medicare, decreasing to 4% in 2076
Mortality	Derived from CalPERS 1997-2015 experience study

The actuarial assumptions used in the June 30, 2019, valuation were based on a standard set of assumptions the actuary has used for similar valuations, modified as appropriate for the City.

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. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan's target asset allocation as of June 30, 2020, the measurement date, are summarized in the following table:

Asset Class	New Strategic Allocation	Long-Term Expected Real Rate of Return
CERBT		
Global Equity	59.00 %	4.82 %
Fixed Income	25.00	1.47
TIPS	5.00	1.29
Commodities	3.00	0.84
REITs	8.00	3.76
Total	<u>100.00 %</u>	

**CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

Total OPEB Liability (Continued)

Actuarial Assumptions (Continued)

Discount Rate

The discount rate used to measure the total OPEB liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that City's contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the DPHP's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on DPHP plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Change in Assumptions

Demographic assumptions were updated to CalPERS 1997-2015 Experience Study. In addition, mortality improvement scale was updated to Scale MP-2019.

Changes in the Net OPEB Liability

The changes in the net OPEB liability are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at June 30, 2019 (Measurement Date)	\$ 26,589,544	\$ 4,764,296	\$ 21,825,248
Changes in the Year:			
Service Cost	585,937	-	585,937
Interest on the Total OPEB Liability	1,790,952	-	1,790,952
Differences Between Actual and Expected Experience	-	-	-
Changes in Assumptions	(495,461)	-	(495,461)
Changes in Benefit Terms	-	-	-
Contribution - Employer	-	1,288,526	(1,288,526)
Net Investment Income	-	168,441	(168,441)
Administrative Expenses	-	(5,129)	5,129
Benefit Payments	(1,285,726)	(1,285,726)	-
Net Changes	595,702	166,112	429,590
Balance at June 30, 2020 (Measurement Date)	<u>\$ 27,185,246</u>	<u>\$ 4,930,408</u>	<u>\$ 22,254,838</u>

**CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

Changes in the Net OPEB Liability (Continued)

Change of Benefit Terms

There were no changes of benefit terms.

Subsequent Events

The ACA excise tax was repealed in December 2019. Since this is after the June 30, 2019, measurement date, the excise tax is included in the June 30, 2019 total OPEB liability.

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

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (5.75%) or one percentage point higher (7.75%) than the current discount rate:

	1% Decrease (5.75%)	Discount Rate (6.75%)	1% Increase (7.75%)
Net OPEB Liability	<u>\$ 25,823,477</u>	<u>\$ 22,254,838</u>	<u>\$ 19,304,993</u>

Sensitivity of the Net OPEB Liability to Changes in Health-Care Cost Trend Rates

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower (6.25% Non-Medicare/5.3% Medicare decreasing to 3.00%) or one percentage point higher (8.25% Non-Medicare/7.3% Medicare decreasing to 5.00%) than the current healthcare cost trend rates:

	1% Decrease (6.25% Non-Medicare/ 5.3% Medicare decreasing to 3.0% Non-Medicare and Medicare)	Current Healthcare Cost Trend Rates (7.25% Non-Medicare/ 6.3% Medicare decreasing to 4.0% Non-Medicare and Medicare)	1% Increase (8.25% Non-Medicare/ 7.3% Medicare decreasing to 5.0% Non-Medicare and Medicare)
Net OPEB Liability (Asset)	<u>\$ 18,776,394</u>	<u>\$ 22,254,838</u>	<u>\$ 26,536,961</u>

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

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

For the year ended June 30, 2021, the City recognized OPEB expense of \$1,607,291. At June 30, 2021, 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
OPEB Contributions Subsequent to Measurement Date	\$ 1,203,599	\$ -
Differences Between Actual and Expected Experience	-	(1,444,666)
Change in Assumptions	-	(600,429)
Net Differences Between Projected and Actual Earnings on Plan Investments	111,495	-
Total	<u>\$ 1,315,094</u>	<u>\$ (2,045,095)</u>

An amount of \$1,203,599 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ (453,216)
2023	(447,217)
2024	(437,014)
2025	(442,162)
2026	(115,880)
Thereafter	(38,111)

Payable to the OPEB Plan

At June 30, 2021, the City had no outstanding amount of contributions to the OPEB plan required for the year ended June 30, 2021.

NOTE 11 RISK MANAGEMENT

The City began its self-insured liability program with CSAC Excess Insurance Authority (CSAC) on July 1, 2017. Claims occurring prior to July 1, 2017, are fully covered by California Joint Powers Insurance Authority (CJPIA). The City is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City handled those risks with the purchase of commercial insurance. The City pays an annual premium to the CSAC pool for its general liability and workers' compensation insurance coverage. For its general liability insurance, the City, through CSAC has a self-insured retention amount of \$100,000 per occurrence. General claims above \$100,000 up to \$25,000,000 are shared by the pool.

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 11 RISK MANAGEMENT (CONTINUED)

For its workers' compensation liability insurance, the City, through CSAC has a self-insured retention amount of \$125,000 per occurrence. Workers' compensation claims above \$125,000 up to statutory limits are shared by the pool. The City retains a risk of loss due to the fact that actual losses may exceed estimated claims or overage amounts. The City also maintained property coverage, pollution coverage, master crime coverage and cyber liability coverage with CSAC.

Claims, expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. At June 30, 2021, \$589,000 has been accrued for general liability claims and \$1,107,000 has been accrued for workers compensation claims. This amount represents an estimate of amounts to be paid for reported claims and incurred but not yet reported claims based upon past experience, modified for current trends, and information. While the ultimate amount of losses incurred through June 30, 2021, is dependent on future developments, based upon information from the City Attorney, the City's claims administrators, and others involved with the administration of the programs, City management believes the accrual is adequate to cover such losses.

Changes in the claims liability amount in fiscal years ended June 30, 2021 and 2020, are as follows:

Fiscal Year	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Claim Payments	End of Fiscal Year Liability
2019-2020	\$ 1,583,000	\$ 55,277	\$ (234,277)	\$ 1,404,000
2020-2021	1,404,000	562,514	(270,514)	1,696,000

**CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 12 GOVERNMENTAL FUND BALANCE CLASSIFICATIONS

The City's governmental fund balances at June 30, 2021, are tabulated below, followed by explanations as to the nature and purpose of each classification.

	General	Special Revenue Funds Housing Agency Section 8	Capital Projects Fund 2018 Series A COP	Other Govt. Funds	Total Govt. Funds
Nonspendable:					
Long-Term Receivables/					
Advances	\$ 26,342,350	\$ -	\$ -	\$ -	\$ 26,342,350
Prepaid Items	13,759	-	-	-	13,759
Restricted for:					
Housing Agency	-	251,415	-	-	251,415
State Gas Tax	-	-	-	3,978,358	3,978,358
HOME	-	-	-	2,296,974	2,296,974
CalHome Grant	-	-	-	432,390	432,390
Lighting Assessment District	-	-	-	535,841	535,841
Park Development	-	-	-	232,713	232,713
Prop A	-	-	-	2,866,586	2,866,586
Prop C	-	-	-	2,848,936	2,848,936
Measure R	-	-	-	591,879	591,879
Measure M	-	-	-	214,593	214,593
AQMD	-	-	-	425,255	425,255
County Grants	-	-	-	65,157	65,157
Economic Development					
Assistance Grant	-	-	-	1,265,570	1,265,570
Image Enhancement	-	-	-	448,217	448,217
Sewer Maintenance	-	-	-	16,786	16,786
Reach Grants	-	-	-	557,406	557,406
Cable/PEG Support	-	-	-	262,712	262,712
Housing Agency LMIHF	-	-	-	2,087,802	2,087,802
Measure W	-	-	-	645,056	645,056
Paramount/Mines Landscape					
Maintenance District	-	-	-	48,174	48,174
2009 Bond Capital Projects	-	-	-	86	86
Pension Contribution	1,372,990	-	-	-	1,372,990
Capital Improvements	-	-	14,708,634	-	14,708,634
Committed to:					
Emergency Reserve/					
Economic Stabilization/					
Stimulus	20,510,328	-	-	-	20,510,328
Assigned to:					
OPEB Unfunded Liability	1,112,740	-	-	-	1,112,740
Leave Liability	259,180	-	-	-	259,180
Equipment Replacement	846,020	-	-	-	846,020
Self-insured Retention	500,000	-	-	-	500,000
Bond Refinancing/Reserve	6,000,000	-	-	-	6,000,000
Capital improvements	2,000,000	-	-	232,477	2,232,477
Deferred Maintenance	1,000,000	-	-	-	1,000,000
Energy Efficiency	1,000,000	-	-	-	1,000,000
Economic Sustainability	1,000,000	-	-	-	1,000,000
Unassigned	11,242,605	-	-	(1,046,569)	10,196,036
Total Fund Balances	<u>\$ 73,199,972</u>	<u>\$ 251,415</u>	<u>\$ 14,708,634</u>	<u>\$ 19,006,399</u>	<u>\$ 107,166,420</u>

Nonspendable Fund Balances

Long-term receivables/advances cannot be spent since they are not in spendable form.

**CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 12 GOVERNMENTAL FUND BALANCE CLASSIFICATIONS (CONTINUED)

Updated Reserve Policies: Committed and Assigned Fund Balances

The City Council first adopted updated comprehensive reserve policies conforming to GASB Statement 54 on June 14, 2016. Annually, as part of the budget development process, these policies are updated and approved by the City Council.

The latest version of the policies reconfirmed a commitment for “Emergency Reserve/Economic Uncertainty Reserve” and established assignments.

Committed Fund Balances

Committed funds describe a portion of the fund balance that is constrained by limitations imposed by the City Council. The City Council imposed limitation must occur no later than the close of the reporting period (i.e., end of the fiscal year) and remains binding unless removed under the same manner. A commitment is made by City Council adoption of a resolution that states the amount and purpose of the commitment.

The City Council adopted reserve policies effective June 12, 2018, that established a commitment for emergencies/economic stabilization equal to an amount calculated as 25% of the General Fund’s annual operating revenues. For the fiscal year ending June 30, 2021, this commitment is equal to \$20,510,328.

Generally, appropriations and access to these committed funds will be reserved for emergency situations. Examples of such emergencies include, but are not limited to the following:

- Reduction in revenue equal to or greater than 20% of adopted General Fund revenues in a given fiscal year.
- An unplanned major catastrophic event such as a natural disaster requiring expenditures over 10% of the General Fund-adopted appropriations in a given fiscal year.
- Unfunded and/or unpredictable state or federal legislative or judicial mandates.
- Any other unforeseen event that causes the City to expend funds in excess of 10% of General Fund-adopted appropriations in a given fiscal year.

Assigned Fund Balances

Assigned funds describe the portion of the General Fund reserves that reflect the use of resources by the City Council intended to provide a means and source of funding for various near-term and long-term needs. This policy grants authority to assign funds to the Director of Finance. Assignment of reserves may be modified by the Director of Finance as part of the annual budget process. Use of assigned funds requires formal action by the City Council to appropriate funds in the appropriate account.

**CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 12 GOVERNMENTAL FUND BALANCE CLASSIFICATIONS (CONTINUED)

Assigned Fund Balances (Continued)

Specifically, this reserve policy establishes assignments for the following short-term and long-term needs at the various levels specified:

- OPEB Unfunded Liability
- Leave Liability
- Equipment Replacement
- Self-Insured Retention
- Bond Refinancing/Reserve
- Capital Improvement (Unfunded/Unprogrammed)
- Deferred Maintenance
- Energy Efficiency
- Economic Sustainability

For the fiscal year ended June 30, 2021, total assignments equal \$13,950,417.

Unassigned Fund Balance

The General Fund may have net resources in excess of what is classified in one of the four previous categories (nonspendable, restricted, committed, or assigned). This amount is presented as the unassigned fund balance amount. Only the General Fund can report a positive unassigned fund balance. However, all governmental funds can report a negative unassigned fund balance.

This policy dictates that any amount of fund balance will be classified as “unassigned” after funding the emergency/economic stabilization reserve commitment plus the various assigned reserves made in accordance with the preceding section. This policy allows for “unassigned” funds and places no specific restrictions on their use. In general, the City Council could choose to utilize “unassigned” fund balance for one-time projects or uses in a given fiscal year. For the fiscal year ended June 30, 2021, the General Fund unassigned fund balance is \$11,242,605.

**CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 13 OTHER REQUIRED DISCLOSURES

Deficit Fund Balances or Net Position

The following funds reported deficit fund balances or net position at June 30, 2021:

Other Governmental Funds:

Community Development Block Grant Special Revenue Fund	359,215
State Grants Special Revenue Fund	319,244
Transportation Development Act Special Revenue Fund	11,554
Federal Grants Special Revenue Fund	356,556

Other Enterprise Fund - Golf Course Fund	2,533,234
--	-----------

Equipment Replacement Internal Service Fund	168,326
---	---------

Management expects to eliminate the deficits with the collection of unavailable revenues or transfers from the General Fund. The Golf Course Enterprise Fund deficit will be eliminated through a combination of right-sizing of operations, improved revenue collection, and a long-term advance from the General Fund. The Equipment Replacement Internal Service Fund deficit will be eliminated through future transfers from the General Fund.

Excess of Expenditures over Appropriations

Expenditures exceeded budgeted appropriations in the following funds:

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Major Funds:			
Housing Agency Section 8			
Special Revenue Fund	\$ 5,135,071	\$ 5,776,382	\$ (641,311)
Measure W			
Special Revenue Fund	150,000	237,936	(87,936)

NOTE 14 PICO RIVERA INNOVATIVE MUNICIPAL ENERGY

The City has registered as a Community Choice Aggregator (CCA) and established Pico Rivera Innovative Municipal Energy (PRIME) for the purpose of delivering electric services to certain customers located within the City of Pico Rivera. The City entered into an administrative services agreement with California Choice Energy Authority (CCEA), for administration, energy procurement, contract negotiation, contract administration, resource planning services and other services provided to the PRIME program. This contract has a term of the longer of three years from the effective date of April 11, 2017, or the longest term of any energy contract to which the CCEA is a party on behalf of the City. Payments to CCEA for the fiscal year ended June 30, 2021 totaled \$687,044.

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 PICO RIVERA INNOVATIVE MUNICIPAL ENERGY (CONTINUED)

CCEA master “Take or Pay” agreements with different energy providers that PRIME uses to purchase energy to provide for future electric capacity for customers. PRIME enters into separate contracts with the providers and these contracts constitute an obligation of PRIME to purchase a set volume of electricity at a set price throughout the terms of the contracts.

During the fiscal year ended June 30, 2021, the total payments made by PRIME under the take or pay contracts was \$13,559,205. At June 30, 2021, the remaining take or pay contracts for PRIME is \$18,461,623 through December 2036.

NOTE 15 SUCCESSOR AGENCY DISCLOSURES

The assets and liabilities of the former Redevelopment Agency were transferred to the Successor Agency to the City of Pico Rivera Redevelopment Agency on February 1, 2012, as a result of the dissolution of the former Redevelopment Agency.

The City is acting in a fiduciary capacity for the assets and liabilities. Disclosures related to these assets and liabilities are as follows:

Capital Assets

	Balance at July 1, 2020	Additions	Deletions	Balance at June 30, 2021
Capital Assets, Not Being Depreciated:				
Land	\$ 258,023	\$ -	\$ -	\$ 258,023
Total Capital Assets, Not Being Depreciated	258,023	-	-	258,023
Capital Assets, Being Depreciated:				
Structures and Improvements	162,237	-	-	162,237
Furniture and Equipment	5,110	-	-	5,110
Infrastructure	50,615	-	-	50,615
Total Capital Assets, Being Depreciated	217,962	-	-	217,962
Less Accumulated Depreciation:				
Structures and Improvements	(128,114)	(3,527)	-	(131,641)
Furniture and Equipment	(5,110)	-	-	(5,110)
Infrastructure	(18,551)	(1,235)	-	(19,786)
Total Accumulated Depreciation	(151,775)	(4,762)	-	(156,537)
Total Capital Assets, Being Depreciated, Net	66,187	(4,762)	-	61,425
Successor Agency Activities, Capital Assets, Net	\$ 324,210	\$ (4,762)	\$ -	\$ 319,448

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 15 SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Loans Receivable

Two low-interest loans were issued by the former Redevelopment Agency for a commercial rehabilitation project. The loans bear interest rates from 1% to 3% and payments on these loans are to begin in 10-26 years from the date of the loan. The amount of the loans outstanding at June 30, 2021, is \$324,920.

Payable to the City of Pico Rivera

The City had an agreement with the former Redevelopment Agency providing for the advance of funds to finance improvements and operations relating to and within the former Redevelopment Agency's project areas. The former Redevelopment Agency had been accruing interest on the original advances at a rate of 12% per annum, which were adjusted retroactively to 7% in fiscal year 2011-12. In fiscal year 2012-13, the Department of Finance ruled that the rate for which interest was accrued on advances to former redevelopment agencies could not exceed effective LAIF rates. Therefore, the City retroactively recalculated interest using existing LAIF rates. As a result, the balance of the advance was written down by \$3,916,128 during fiscal year 2012-13. At June 30, 2021, the net advance balance was \$17,751,764, which included accrued interest of \$8,589,194 and a 25% reserve against this balance totaling \$4,437,941 due to the estimated collectability by the General Fund as a result of the winding down of the affairs of the former Redevelopment Agency.

Sales Tax Loan from the City of Pico Rivera

The City and former Redevelopment Agency entered into an agreement whereby the City will defer its portion of sales tax revenues (City Deferrals) generated within the project area and advance the monies to the former Redevelopment Agency to allow the former Redevelopment Agency to meet its debt service obligations. The former Redevelopment Agency had been accruing interest on the original deferrals at a rate of 7%. In fiscal year 2012-13, the Department of Finance ruled that the rate for which interest was accrued on advances to the former Redevelopment Agencies could not exceed effective LAIF rates. Therefore, the City retroactively recalculated interest using existing LAIF rates. As a result, the balance of the advance was written down by \$6,463,413 during fiscal year 2012-13. At June 30, 2021, the balance of the City Deferrals including interest was \$29,114,815.

In previous years, the sales tax loan from the City was reported as a commitment with the interest rate and outstanding balance described in the footnotes, but the sales tax loan was not recorded as a liability in the financial statements due to uncertainty as to the City's intent to enforce collection. In March 2011, the City Council took action and approved a resolution acknowledging the receivable owed by the former Redevelopment Agency and affirming the City's willingness to enforce collection of the amount. Accordingly, the liability of \$29,114,815 has been recorded in the statement of fiduciary net position. Under the terms of the agreement, payments are to be made by the Successor Agency to the City to the extent money is available. Due to the payment terms, the long-term nature of the loan, and management's expectation that repayment will not begin for some time, the City has fully reserved against the receivable on the statement of net position.

**CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 15 SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Payable to the City of Pico Rivera (Continued)

Sales Tax Loan from the City of Pico Rivera (Continued)

AB 1484 specifies the actions to be taken and the method of repayment for advances and loans between the Successor Agency, the City, and the Water Authority. Upon application and approval by the Successor Agency and the oversight board, loan agreements (advances) entered into by the former Redevelopment Agency and the City shall be deemed to be enforceable obligations provided that the oversight board makes a finding that the advances were for legitimate redevelopment purposes.

The advances are to be repaid with a defined schedule over a reasonable term of years at an interest rate not to exceed the interest rate earned by the funds deposited into LAIF. The annual advance repayments are subject to certain limitations, including the requirement that 20% of all advance repayments are to be transferred to the Housing Agency Low and Moderate Income Housing Special Revenue Fund to fund Housing Successor Agency activity. Additionally, repayments are subject to a formula distribution and have a lower priority for repayment as described in AB 1484 (Health and Safety Code Section 34191.4(2)(A)).

Management believes, in consultation with legal counsel, that the obligations of the Dissolved RDA due to the City are valid enforceable obligations payable by the Successor Agency under the requirements of the Dissolution Act and AB 1484. The City's position on this issue is not a position of settled law, and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would not be in favor of the City.

Payable to the Pico Rivera Housing Assistance Agency

Prior to dissolution, the former Redevelopment Agency had borrowed low- and moderate-income housing set-aside funds to make the payments to the Supplemental Education Revenue Augmentation Fund in accordance with the State of California mandate. These loans are to be repaid to the Redevelopment Agency in its capacity as the Successor Agency as follows:

<u>Loan #</u>	<u>Date</u>	<u>Interest Rate</u>	<u>Loan Amount</u>	<u>Repayment Terms</u>
1	December 8, 2009	0%	\$ 1,059,553	By June 30, 2017
2	March 8, 2011	0%	343,368	By June 30, 2017
Total			<u>\$ 1,402,921</u>	

**CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 15 SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Payable to the Pico Rivera Housing Assistance Agency (Continued)

Although the repayment terms on these loans were due in a previous period, the City does not expect the Successor Agency to the former Redevelopment Agency to have enough residual for payment of these obligations in the near future, and therefore, this liability is considered long-term. Repayment funding availability is calculated by the Los Angeles County Auditor-Controller's office twice a year and will be requested when substantial funds are available for the repayment of these loans.

Payable to the Pico Rivera Water Authority

The Water Authority had an agreement with the former Redevelopment Agency dated January 15, 1990, providing for the advance of funds to finance improvements relating to and within the former Redevelopment Agency's project areas. Interest had been accrued on these advances at a rate of 7%. In fiscal year 2012-13, the Department of Finance ruled that the rate for which interest was accrued on advance to former Redevelopment Agency could not exceed effective LAIF rates. Therefore, interest has been retroactively recalculated using LAIF rates. As a result, the balance of the advance was written down by \$89,272 during fiscal year 2012-13. At June 30, 2021, the net advance balance was \$251,957, which includes accrued interest of \$121,957.

In January 2001, the Water Authority used the proceeds of its Revenue Bonds, Series 2001 (see Note 6) to purchase the former Redevelopment Agency's Tax Allocation Refunding Bonds, Series 2001 issue for \$38,020,100, which was recorded by the former Redevelopment Agency as advances from the Water Authority. Principal and interest payments on the advance are scheduled to cover and coincide with the Water Authority's debt service requirements on its Revenue Bonds, Series 2001. At June 30, 2021, the Water Authority's advances to the Successor Agency to the Redevelopment Agency Private-Purpose Trust Fund amounted to \$19,302,836 (including accrued interest of \$117,367).

The Tax Allocation Refunding Bonds recorded as an advance from the Water Authority and the debt service requirements, which cover and coincide with the Water Authority's debt service requirements on its Revenue Bonds, Series 2001, are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 1,980,000	\$ 1,339,100	\$ 3,319,100
2023	2,115,000	1,195,775	3,310,775
2024	2,265,000	1,042,475	3,307,475
2025	2,425,000	878,325	3,303,325
2026	1,675,000	734,825	2,409,825
2027 - 2031	7,035,000	2,008,825	9,043,825
2032 - 2033	2,625,000	186,725	2,811,725
Total	<u>\$ 20,120,000</u>	<u>\$ 7,386,050</u>	<u>\$ 27,506,050</u>

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 15 SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Payable to the Pico Rivera Water Authority (Continued)

At June 30, 2021, the balance of the advances from the Water Authority to the Successor Agency to the Redevelopment Agency Private Purpose-Trust Fund is composed of the following:

Outstanding Balance on Revenue Bonds	\$ 20,120,000
Less: Unamortized Revenue Bond Discount	(682,574)
Plus: Accrued Unpaid Interest	117,367
Total	<u>\$ 19,554,793</u>

Payable to the County of Los Angeles

The former Redevelopment Agency and County entered into an agreement whereby the County will defer its share of tax increment (County Deferral) generated within the project area and remit it to the Successor Agency to meet the former Redevelopment Agency's debt service obligations. The County Deferral accrues simple interest equal to 5% of the current year's annual deferral amount. The County Deferral is to be repaid with the excess of property tax revenues received by the Successor Agency in excess of its debt payment requirements. The County Deferral is recorded as revenue when received. At June 30, 2021, the balance of the County Deferral including interest was \$46,064,373. There is no fixed payment schedule for the repayment of the County Deferral.

Additionally at June 30, 2021, the Successor Agency also has a payable to the County of Los Angeles for the gross proceeds received on the sale of land totaling \$1,792,702.

NOTE 16 SUBSEQUENT EVENT

On December 16th, 2021, the Successor Agency issued Tax Allocation Refunding Bonds, Series 2021 (the 2021 SA TARBs) in the aggregate principal amount of \$13,470,000. These bonds were issued to refinance the 2001 Successor Agency's Tax Allocation Refunding Bonds, Series 2001(2001 SA TABS). At the date of closing, the outstanding principal balance on the 2001 SA TABs was \$18,242,289. In order to fully defease the outstanding debt, the City contributed \$5,000,000 cash on hand. Total closing costs were \$227,711.

Upon the redemption of the 2001 TABs, the redemption price of the 2001 TABs (in the amount of approximately \$18,242,289) will be applied to 1) redeem and defease the Pico River Water Authority Revenue Bonds, 2001 Series A (2001 Water Bonds), in full, at a redemption price of approximately \$17,261,471, and 2) pay an amount of approximately \$980,818 into the Water Fund. In addition, approximately \$2,100,000 held by U.S. Bank, as trustee for the 2001 Water Bonds, will be transferred by the Trustee to the Water Fund upon the defeasance of the 2001 Water Bonds. The annual payment of approximately \$200,000 from the Successor Agency to the Water Authority in excess of the debt service on the 2001 Water Bonds will no longer be made once the 2001 TABs and the 2001 Water Bonds have both been defeased.

This page intentionally left blank.

REQUIRED SUPPLEMENTARY INFORMATION

This page intentionally left blank.

CITY OF PICO RIVERA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
MISCELLANEOUS PLAN
LAST TEN FISCAL YEARS*

	2021	2020	2019	2018	2017	2016	2015
	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Measurement Period:							
Total Pension Liability:							
Service Cost	\$ 1,776,130	\$ 1,749,749	\$ 1,668,403	\$ 1,660,852	\$ 1,410,606	\$ 1,411,834	\$ 1,447,138
Interest on Total Pension Liability	8,115,666	7,844,359	7,428,615	7,124,315	6,980,849	6,826,754	6,624,512
Differences Between Expected and Actual Experience	(96,456)	2,207,380	1,411,957	(1,258,219)	(1,495,731)	(845,358)	-
Changes in Assumptions	-	-	(828,380)	5,943,062	-	(1,681,626)	-
Changes in Benefits	-	-	-	-	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(5,747,216)	(5,685,436)	(5,375,555)	(4,857,602)	(4,769,549)	(4,686,299)	(4,544,162)
Net Change in Total Pension Liability	4,048,124	6,116,052	4,305,040	8,612,408	2,126,175	1,025,305	3,527,488
Total Pension Liability - Beginning of Year	115,587,812	109,471,760	105,166,720	96,554,312	94,428,137	93,402,832	89,875,344
Total Pension Liability - End of Year (a)	<u>\$ 119,635,936</u>	<u>\$ 115,587,812</u>	<u>\$ 109,471,760</u>	<u>\$ 105,166,720</u>	<u>\$ 96,554,312</u>	<u>\$ 94,428,137</u>	<u>\$ 93,402,832</u>
Plan Fiduciary Net Position:							
Plan-to-Plan Resource Movement	\$ -	\$ -	\$ (171)	\$ -	\$ -	\$ 12	\$ -
Contributions - Employer	3,510,945	3,152,902	2,902,032	2,552,475	2,352,483	2,240,763	2,552,214
Contributions - Employee	824,722	817,187	838,924	741,941	681,785	716,687	671,298
Net Investment Income	3,795,360	4,813,665	5,870,873	7,274,632	328,225	1,459,065	10,012,754
Administrative Expenses	(107,987)	(52,319)	(314,561)	(94,514)	(39,896)	(73,643)	-
Benefit Payments	(5,747,216)	(5,685,436)	(5,375,555)	(4,857,602)	(4,769,549)	(4,686,299)	(4,544,162)
Net Change in Plan Fiduciary Net Position	2,275,824	3,045,999	3,921,542	5,616,932	(1,446,952)	(343,415)	8,692,104
Plan Fiduciary Net Position - Beginning of Year	76,599,817	73,553,818	69,632,276	64,015,344	65,462,296	65,805,711	57,113,607
Plan Fiduciary Net Position - End of Year (b)	<u>\$ 78,875,641</u>	<u>\$ 76,599,817</u>	<u>\$ 73,553,818</u>	<u>\$ 69,632,276</u>	<u>\$ 64,015,344</u>	<u>\$ 65,462,296</u>	<u>\$ 65,805,711</u>
Net Pension Liability - Ending (a)-(b)	<u>\$ 40,760,295</u>	<u>\$ 38,987,995</u>	<u>\$ 35,917,942</u>	<u>\$ 35,534,444</u>	<u>\$ 32,538,968</u>	<u>\$ 28,965,841</u>	<u>\$ 27,597,121</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	65.93%	66.27%	67.19%	66.21%	66.30%	69.32%	70.45%
Covered Payroll	\$ 11,103,243	\$ 10,774,630	\$ 9,958,832	\$ 9,605,299	\$ 8,817,942	\$ 8,675,393	\$ 8,586,318
Net Pension Liability as Percentage of Covered Payroll	367.10%	361.85%	360.66%	369.95%	369.01%	333.89%	321.41%

NOTES TO SCHEDULE

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

From fiscal year June 30, 2015 to June 30, 2016:

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014, measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015, measurement date is without reduction of pension plan administrative expense.

From fiscal year June 30, 2016 to June 30, 2017:

There were no changes in assumptions.

From fiscal year June 30, 2017 to June 30, 2018:

The accounting discount rate reduced from 7.65% to 7.15%

From fiscal year June 30, 2018 to June 30, 2019:

Demographic assumptions and inflation rate were changed in accordance with CalPERS Experience Study and Review of Actuarial Assumptions December 2017

From fiscal year June 30, 2019 to June 30, 2020:

There were no changes in assumptions.

From fiscal year June 30, 2020 to June 30, 2021:

There were no changes in assumptions.

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

**CITY OF PICO RIVERA
SCHEDULE OF CONTRIBUTIONS
MISCELLANEOUS PLAN
LAST TEN FISCAL YEARS***

	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 3,510,945	\$ 3,511,156	\$ 3,152,687	\$ 2,902,032	\$ 2,552,475	\$ 2,352,483	\$ 2,240,763
Contributions in Relation to the Actuarially Determined Contributions	<u>(3,510,945)</u>	<u>(3,511,156)</u>	<u>(3,152,687)</u>	<u>(2,902,032)</u>	<u>(2,552,475)</u>	<u>(2,352,483)</u>	<u>(2,240,763)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 11,613,022	\$ 11,103,243	\$ 10,774,630	\$ 9,958,832	\$ 9,605,299	\$ 8,817,942	\$ 8,675,393
Contributions as a Percentage of Covered Payroll	30.23%	31.62%	29.26%	29.14%	26.57%	26.68%	25.83%

Notes to Schedule:

Valuation Date	6/30/2018	6/30/2017	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
----------------	-----------	-----------	-----------	-----------	-----------	-----------	-----------

Methods and Assumptions Used to

Determine Contribution Rates:

Actuarial Cost Method	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization Method	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value
Inflation	2.75%	2.75%	2.50%	2.75%	2.75%	2.75%	2.75%
Salary Increases	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	7.375% (3)	7.375% (3)	7.15% (3)	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(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) 2.5% at 55 and 2% at 60 retirement age from 50-67, 2% at 62 retirement age 52-67

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

* Fiscal year 2015 was the 1st year of implementation, therefore only seven years are shown.

CITY OF PICO RIVERA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
COUNCIL PLAN
LAST TEN FISCAL YEARS*

	2021	2020	2019	2018	2017	2016	2015
Measurement Period:	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Total Pension Liability:							
Service Cost	\$ 2,351	\$ 2,283	\$ 6,794	\$ 6,533	\$ 6,809	\$ 6,547	\$ 6,329
Interest on Total Pension Liability	12,821	11,252	11,243	11,848	11,642	11,117	10,751
Differences Between Expected and Actual Experience	-	-	-	-	-	(9,032)	-
Changes in Economic/Demographic	22,057	22,367	-	(16,557)	-	-	-
Changes in Assumptions	(2,461)	2,623	-	-	8,226	7,389	-
Benefit Payments, Including Refunds of Employee Contributions	(14,492)	(14,412)	(12,399)	(10,426)	(10,426)	(10,426)	(10,426)
Net Change in Total Pension Liability	20,276	24,113	5,638	(8,602)	16,251	5,595	6,654
Total Pension Liability - Beginning of Year	202,033	177,920	172,282	180,884	164,633	159,038	152,384
Total Pension Liability - End of Year (a)	222,309	202,033	177,920	172,282	180,884	164,633	159,038
Plan Fiduciary Net Position:							
Contributions - Employer	7,183	10,774	14,227	18,648	17,266	18,647	17,957
Contributions - Employee	-	-	-	-	-	-	-
Net Investment Income	42,720	3,916	9,833	10,214	13,784	83	2,392
Administrative Expenses	(925)	(834)	(808)	(762)	(655)	(575)	(540)
Benefit Payments	(14,492)	(14,412)	(12,399)	(10,426)	(10,426)	(10,426)	(10,426)
Net Change in Plan Fiduciary Net Position	34,486	(556)	10,853	17,674	19,969	7,729	9,383
Plan Fiduciary Net Position - Beginning of Year	165,201	165,757	154,904	137,230	117,261	109,532	100,149
Plan Fiduciary Net Position - End of Year (b)	199,687	165,201	165,757	154,904	137,230	117,261	109,532
Net Pension Liability - Ending (a)-(b)	<u>\$ 22,622</u>	<u>\$ 36,832</u>	<u>\$ 12,163</u>	<u>\$ 17,378</u>	<u>\$ 43,654</u>	<u>\$ 47,372</u>	<u>\$ 49,506</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	89.82%	81.77%	93.16%	89.91%	75.87%	71.23%	68.87%
Covered Payroll	\$ 9,865	\$ 32,924	\$ 39,460	\$ 55,406	\$ 57,622	\$ 55,406	\$ 57,622
Net Pension Liability as Percentage of Covered Payroll	229.32%	111.87%	30.82%	31.36%	75.76%	85.50%	85.92%

NOTES TO SCHEDULE

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

The June 30, 2015, valuation reflected assumption changes (mortality, disability, and inflation) consistent with the 2014 CalPERS Experience Study.

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

**CITY OF PICO RIVERA
SCHEDULE OF CONTRIBUTIONS
COUNCIL PLAN
LAST TEN FISCAL YEARS***

	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 7,715	\$ 9,938	\$ 17,226	\$ 17,900	\$ 18,616	\$ 17,266	\$ 17,957
Contributions in Relation to the Actuarially Determined Contributions	(7,183)	(10,774)	(14,227)	(18,648)	(17,266)	(18,647)	(17,957)
Contribution Deficiency (Excess)	<u>\$ 532</u>	<u>\$ (836)</u>	<u>\$ 2,999</u>	<u>\$ (748)</u>	<u>\$ 1,350</u>	<u>\$ (1,381)</u>	<u>\$ -</u>
Covered Payroll	\$ 9,865	\$ 32,924	\$ 39,460	\$ 55,406	\$ 57,622	\$ 55,406	\$ 57,622
Contributions as a Percentage of Covered Payroll	72.81%	32.72%	36.05%	33.66%	29.96%	33.66%	31.16%
Notes to Schedule:							
Valuation Date	6/30/2019	6/30/2019	6/30/2017	6/30/2017	7/1/2015	7/1/2015	6/30/2013
Methods and Assumptions Used to Determine Contribution Rates:							
Single Employer Plan	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal	Entry age normal
Amortization Method	Level dollar, closed period	Level dollar, closed period	Level dollar, closed period	Level dollar, closed period	Level dollar, closed period	Level dollar, closed period	Level dollar, closed period
Remaining Amortization Period	3-year fixed	3-year fixed	5-year fixed	5-year fixed	7-year fixed	7-year fixed	9-year fixed
Asset Valuation Method	Market	Market	Market	Market	Market	Market	Market
Inflation	2.50%	2.50%	2.75%	2.75%	2.75%	2.75%	3.00%
Salary Increases	3.00%	3.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Investment Rate of Return	6.50%	6.50%	6.50%	6.50%	6.50%	7.00%	7.00%
Retirement Age	55 years	55 years	55 years	55 years	55 years	55 years	55 years
Mortality	(1)	(1)	(1)	(1)	(1)	(1)	(1)

(1) Pre-Retirement: Consistent with the nonindustrial rates used to value the CalPERS Miscellaneous Public Agency Pension Plans after June 30, 2017.

CITY OF PICO RIVERA
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS*

Fiscal Year-End	2021	2020	2019	2018
Measurement Date	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Total OPEB Liability:				
Service Cost	\$ 585,937	\$ 605,152	\$ 614,912	\$ 597,000
Interest on Total OPEB Liability	1,790,952	1,873,005	1,792,862	1,717,000
Differences Between Expected and Actual Experience	-	(2,149,380)	-	-
Changes in Assumptions	(495,461)	(269,581)	-	-
Benefit Payments	(1,285,726)	(1,225,426)	(1,196,000)	(1,212,000)
Net Change in Total OPEB Liability	595,702	(1,166,230)	1,211,774	1,102,000
Total OPEB Liability - Beginning of Year	26,589,544	27,755,774	26,544,000	25,442,000
Total OPEB Liability - End of Year (a)	27,185,246	26,589,544	27,755,774	26,544,000
Plan Fiduciary Net Position:				
Contributions - Employer	1,288,526	1,227,833	1,199,000	5,212,000
Net Investment Income	168,441	277,177	331,815	165,000
Administrative Expenses	(5,129)	(3,369)	(10,734)	(1,000)
Benefit Payments	(1,285,726)	(1,225,426)	(1,196,000)	(1,212,000)
Net Change in Plan Fiduciary Net Position	166,112	276,215	324,081	4,164,000
Plan Fiduciary Net Position - Beginning of Year	4,764,296	4,488,081	4,164,000	-
Plan Fiduciary Net Position - End of Year (b)	4,930,408	4,764,296	4,488,081	4,164,000
Net OPEB Liability - Ending (a)-(b)	<u>\$ 22,254,838</u>	<u>\$ 21,825,248</u>	<u>\$ 23,267,693</u>	<u>\$ 22,380,000</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	18.14%	17.92%	16.17%	15.69%
Covered - Employee Payroll	\$ 12,474,643	\$ 12,334,638	\$ 10,314,000	\$ 9,770,000
Net OPEB Liability as Percentage of Covered - Employee Payroll	178.40%	176.94%	225.59%	229.07%

NOTES TO SCHEDULE

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

From fiscal year June 30, 2017 to June 30, 2018:

There were no changes in assumptions.

From fiscal year June 30, 2018 to June 30, 2019:

There were no changes in assumptions.

From fiscal year June 30, 2019 to June 30, 2020:

Demographic assumptions were updated to CalPERS 1997-2015 Experience Study.

Mortality improvement scale was updated to Scale MP-2019

From fiscal year June 30, 2020 to June 30, 2021:

ACA excise tax removed

Subsequent Events:

ACA excise tax was repealed in December 2019. Since this is after the June 30, 2019 measurement date, the excise tax is included in the June 30, 2019 Total OPEB Liability.

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

**CITY OF PICO RIVERA
SCHEDULE OF CONTRIBUTIONS – OPEB PLAN
LAST TEN FISCAL YEARS***

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially Determined Contribution	\$ 3,065,000	\$ 2,790,000	\$ 2,739,000	\$ 2,688,000
Contributions in Relation to the Actuarially Determined Contributions	<u>(1,203,599)</u>	<u>(1,288,526)</u>	<u>(1,227,833)</u>	<u>(1,199,000)</u>
Contribution Deficiency (Excess)	<u>\$ 1,861,401</u>	<u>\$ 1,501,474</u>	<u>\$ 1,511,167</u>	<u>\$ 1,489,000</u>
Covered - Employee Payroll	\$ 12,992,596	\$ 12,474,643	\$ 12,334,638	\$ 10,314,000
Contributions as a Percentage of Covered - Employee Payroll	9.26%	10.33%	9.95%	11.62%

Notes to Schedule:

Valuation Date	6/30/2019	6/30/2019	6/30/2017	6/30/2017
----------------	-----------	-----------	-----------	-----------

Methods and Assumptions Used to

Determine Contribution Rates:

Agent Multiple Employer Plan	Entry age
Amortization Method	Level percentage of payroll, closed
Asset Valuation Method	Investment gains and losses spread over 5-year rolling period
Inflation	2.75%
Medical Trend	Non-Medicare - 7.25% decreasing to 4.0%
	Medicare - 6.3% decreasing to 4.0%
Investment Rate of Return	6.75%
Mortality	Mortality projected fully generational with Scale MP-2019

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

CITY OF PICO RIVERA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes and Assessments	\$ 28,783,977	\$ 33,233,376	\$ 37,845,016	\$ 4,611,640
Licenses and Permits	2,522,168	2,462,767	3,209,557	746,790
Intergovernmental	986,128	1,407,915	1,286,381	(121,534)
Charges for Services	1,267,658	964,191	1,055,863	91,672
Fines, Forfeitures, and Penalties	865,730	855,755	1,108,568	252,813
Investment and Rental	487,350	410,000	452,695	42,695
Miscellaneous	2,738,525	227,296	277,888	50,592
Total Revenues	37,651,536	39,561,300	45,235,968	5,674,668
EXPENDITURES				
Current:				
General Government	7,354,375	8,663,452	7,333,016	1,330,436
Public Safety	12,531,738	12,600,091	12,286,345	313,746
Public Works	9,396,898	9,539,125	8,179,901	1,359,224
Parks and Recreation	4,864,580	5,109,580	4,578,015	531,565
Community Development	4,236,723	4,502,510	3,926,319	576,191
Debt Service:				
Principal	925,000	925,000	925,000	-
Interest and Fiscal Charges	998,225	998,225	998,225	-
Total Expenditures	40,307,539	42,337,983	38,226,821	4,111,162
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,656,003)	(2,776,683)	7,009,147	9,785,830
OTHER FINANCING SOURCES (USES)				
Transfers In	(1,386,000)	(1,386,000)	1,375,868	2,761,868
Transfers Out	-	(941,573)	(282,650)	658,923
Total Other Financing Sources (Uses)	(1,386,000)	(2,327,573)	1,093,218	3,420,791
NET CHANGE IN FUND BALANCE	(4,042,003)	(5,104,256)	8,102,365	13,206,621
Fund Balance - Beginning of Year	65,097,607	65,097,607	65,097,607	-
FUND BALANCE - END OF YEAR	<u>\$ 61,055,604</u>	<u>\$ 59,993,351</u>	<u>\$ 73,199,972</u>	<u>\$ 13,206,621</u>

**CITY OF PICO RIVERA
BUDGETARY COMPARISON SCHEDULE
HOUSING AGENCY SECTION 8 SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 4,900,000	\$ 4,900,000	\$ 5,590,411	\$ 690,411
Investment and Rental	-	-	501	501
Miscellaneous	19,000	19,000	31,548	12,548
Total Revenues	4,919,000	4,919,000	5,622,460	703,460
EXPENDITURES				
Current:				
Health and Welfare	5,135,071	5,135,071	5,776,382	(641,311)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(216,071)	(216,071)	(153,922)	62,149
Fund Balance - Beginning of Year	405,337	405,337	405,337	-
FUND BALANCE - END OF YEAR	<u>\$ 189,266</u>	<u>\$ 189,266</u>	<u>\$ 251,415</u>	<u>\$ 62,149</u>

CITY OF PICO RIVERA, CALIFORNIA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2021

NOTE 1 BUDGETARY CONTROL AND ACCOUNTING

The City of Pico Rivera (the City) adopts annual budgets for governmental funds on a basis that is the same as accounting principles generally accepted in the United States of America.

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

The following procedures establish the budgetary data reflected in the financial statements:

The budget is prepared under the City Manager's direction and adopted by the City Council, generally prior to June 30 of each year. It is revised periodically during the year by the City Council. The budget presented in the financial statements includes the original and final amounts. The budget serves as a policy document for the deliverance of public services; however, expenditures are individually approved by the City Council. The City Manager is authorized to transfer amounts within individual fund budgets without the approval of City Council. Additional appropriations during the year may be submitted to the City Council for review and approval.

Budget information is presented for the governmental fund types. There were no budgeted appropriations for the Housing Agency Low and Moderate Income Housing Special Revenue Fund, which is used to account for all successor agency housing activities; the Park Development Special Revenue Fund, which accounts for funds received on new residential construction for the purpose of improving and/or developing the City's park system; the 2009 Lease Revenue Bond Capital Projects Fund, which is used to account for the proceeds of the 2009 Lease Revenue Bonds and all capital expenditures paid from proceeds of the bond; and the 2018 Series A COP Capital Projects Fund, which is used to account for the proceeds of the 2018 Series A Certificates of Participation and all capital expenditures paid from proceeds of the certificates. Accordingly, no budgetary comparison for these funds is presented in the financial statements. Budgeted revenue amounts represent the original budget modified by City Council-authorized adjustments during the year, which were contingent upon new or additional revenue sources. Budgeted expenditure amounts represent original appropriations adjusted for supplemental appropriations during the year. The budgets conform, in all material respects, to accounting principles generally accepted in the United States of America. Appropriations lapse at year-end.

Budgetary compliance is monitored without the use of encumbrances.

This page intentionally left blank.

SUPPLEMENTARY INFORMATION

This page intentionally left blank.

CITY OF PICO RIVERA
DESCRIPTION OF OTHER GOVERNMENTAL FUNDS
JUNE 30, 2021

SPECIAL REVENUE FUNDS

Special Revenue Funds account for proceeds of specific revenue sources that are legally restricted or otherwise designated for specific purposes. Special Revenue Funds include the following:

Community Development Block Grant Fund accounts for funds received from the U.S. Department of Housing and Urban Development for the purpose of Housing Rehabilitation, Social Services, and qualified capital improvements.

State Gas Tax Fund accounts for the City's proportionate share of gas tax monies collected by the state of California, which are used for street construction and maintenance.

Light Assessment District Fund accounts for monies received for lighting services deemed to benefit the properties and businesses against which the special benefit assessments are levied. The assessments are levied once a year and are collected by the Los Angeles County Tax Collector, and remitted to the City.

Park Development Fund accounts for funds received on new residential construction for the purpose of improving and/or developing the City's park system.

Prop A Fund accounts for the ½% sales tax approved by Prop A in Los Angeles County, which is restricted for transportation programs and projects.

Prop C Fund accounts for the ½% sales tax approved by Prop C, which is restricted for transportation programs and projects.

Measure R Fund accounts for monies received and expenditures relative to Measure R projects.

Measure M Fund accounts for monies received and expenditures relative to Measure M projects.

Measure A Fund accounts for monies received and expenditures relative to Measure A projects.

HOME Grant Fund accounts for funds received from the U.S. Department of Housing and Urban Development for the purpose of housing loans and rehabilitation.

CalHOME Grant Fund accounts for funds received from the state of California for the purpose of providing home rehabilitation loans.

Air Quality Improvement Fund accounts for the additional vehicle registration fees received from the Southern California Air Quality Management District for the purpose of air pollution reduction.

County Grants Fund accounts for various Los Angeles County grants that are received for restricted expenditures for specific programs and projects.

CITY OF PICO RIVERA
DESCRIPTION OF OTHER GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2021

SPECIAL REVENUE FUNDS (CONTINUED)

State Grants Fund accounts for the various state of California grants that are restricted to expenditures for specific programs and projects.

Economic Sustainability Fund accounts for funds received from the companies developing the Pico Rivera Towne Center under the terms of the improvement and reimbursement agreements with the Redevelopment Agency.

Image Enhancement Fund accounts for funds received from all developers for the enhancement of the image of the City of Pico Rivera.

Sewer Maintenance Fund accounts for direct assessments on property for annual and long-term maintenance of the sewer system.

Reach Grants Fund accounts for funds received from the state of California for the after-school learning program.

Cable/PEG Support Fund accounts for fees received that are restricted to upgrades to the City's cable system.

Transportation Development Act Fund accounts for funds received from the state of California Department of Transportation for the development and support of public transportation needs.

Housing Agency Low and Moderate Income Housing Fund (LMIHF) accounts for assets received from dissolution of the former Pico Rivera Redevelopment Agency dedicated to low- and moderate-income housing activities pursuant to the California Health and Safety Code.

CAPITAL PROJECTS FUNDS

Capital Projects Funds account for financial resources used for the acquisition or construction of major capital facilities. Capital Projects Funds include the following:

Paramount/Mines Landscape Maintenance Assessment Fund accounts for funds received for the installation and maintenance of common areas deemed to benefit the properties against which the special benefit assessments are levied.

2009 Lease Revenue Bond Capital Projects Fund accounts for the proceeds of the 2009 Lease Revenue Bonds and all capital expenditures paid from the proceeds of the bond.

This page intentionally left blank.

**CITY OF PICO RIVERA
OTHER GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2021**

	Special Revenue Funds			
	Community Development Block Grant	State Gas Tax	Lighting Assessment District	Park Development
ASSETS				
Cash and Investments	\$ -	3,766,813	\$ 609,336	\$ 232,625
Restricted Cash and Investments with Fiscal Agents	-	-	-	-
Accounts Receivable	388,179	-	-	-
Taxes Receivable	-	214,093	36,021	-
Interest Receivable	-	1,393	248	88
Long-Term Receivables	176,410	-	-	-
Receivables from Successor Agency	-	-	-	-
Total Assets	<u>\$ 564,589</u>	<u>\$ 3,982,299</u>	<u>\$ 645,605</u>	<u>\$ 232,713</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 265,321	\$ -	\$ 94,920	\$ -
Accrued Liabilities	289	3,941	14,844	-
Retention Payable	-	-	-	-
Due to Other Funds	142,826	-	-	-
Due to Other Agencies	176,410	-	-	-
Total Liabilities	<u>584,846</u>	<u>3,941</u>	<u>109,764</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	338,958	-	-	-
FUND BALANCES (DEFICITS)				
Restricted	-	3,978,358	535,841	232,713
Assigned	-	-	-	-
Unassigned	(359,215)	-	-	-
Total Fund Balances (Deficits)	<u>(359,215)</u>	<u>3,978,358</u>	<u>535,841</u>	<u>232,713</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 564,589</u>	<u>\$ 3,982,299</u>	<u>\$ 645,605</u>	<u>\$ 232,713</u>

**CITY OF PICO RIVERA
OTHER GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2021**

Special Revenue Funds (Continued)

Prop A	Prop C	Measure R	Measure M	Measure A	HOME Grant	CalHOME Grant
\$ 2,914,061	\$ 2,871,715	\$ 2,242,024	\$ 248,279	\$ -	\$ 2,296,594	\$ 432,390
-	-	-	-	-	-	-
-	-	2,168,339	-	-	-	-
-	-	-	-	-	-	-
2,020	1,057	729	150	-	-	-
-	-	-	-	-	2,794,167	1,308,139
-	-	-	-	-	-	-
<u>\$ 2,916,081</u>	<u>\$ 2,872,772</u>	<u>\$ 4,411,092</u>	<u>\$ 248,429</u>	<u>\$ -</u>	<u>\$ 5,090,761</u>	<u>\$ 1,740,529</u>
\$ 42,411	\$ 18,449	\$ 1,564,285	\$ 31,796	\$ -	\$ -	\$ -
7,084	5,387	4,605	2,040	-	-	-
-	-	81,984	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	2,793,787	1,308,139
49,495	23,836	1,650,874	33,836	-	2,793,787	1,308,139
-	-	2,168,339	-	-	-	-
2,866,586	2,848,936	591,879	214,593	-	2,296,974	432,390
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>2,866,586</u>	<u>2,848,936</u>	<u>591,879</u>	<u>214,593</u>	<u>-</u>	<u>2,296,974</u>	<u>432,390</u>
<u>\$ 2,916,081</u>	<u>\$ 2,872,772</u>	<u>\$ 4,411,092</u>	<u>\$ 248,429</u>	<u>\$ -</u>	<u>\$ 5,090,761</u>	<u>\$ 1,740,529</u>

**CITY OF PICO RIVERA
OTHER GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2021**

	Special Revenue Funds (Continued)			
	Air Quality Improvement	County Grants	State Grants	Economic Sustainability
ASSETS				
Cash and Investments	\$ 425,099	\$ 69,357	\$ 126,157	\$ 978,148
Restricted Cash and Investments with Fiscal Agents	-	-	-	-
Accounts Receivable	-	-	446,435	-
Taxes Receivable	-	-	-	-
Interest Receivable	156	-	46	372
Long-Term Receivables	-	-	-	287,050
Receivables from Successor Agency	-	-	-	-
Total Assets	<u>\$ 425,255</u>	<u>\$ 69,357</u>	<u>\$ 572,638</u>	<u>\$ 1,265,570</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ -	\$ 1,055	\$ 120,259	\$ -
Accrued Liabilities	-	3,145	175	-
Retention Payable	-	-	-	-
Due to Other Funds	-	-	325,013	-
Due to Other Agencies	-	-	-	-
Total Liabilities	-	4,200	445,447	-
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	446,435	-
FUND BALANCES (DEFICITS)				
Restricted	425,255	65,157	-	1,265,570
Assigned	-	-	-	-
Unassigned	-	-	(319,244)	-
Total Fund Balances (Deficits)	<u>425,255</u>	<u>65,157</u>	<u>(319,244)</u>	<u>1,265,570</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 425,255</u>	<u>\$ 69,357</u>	<u>\$ 572,638</u>	<u>\$ 1,265,570</u>

**CITY OF PICO RIVERA
OTHER GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2021**

Special Revenue Funds (Continued)				
Image Enhancement	Sewer Maintenance	Reach Grants	Cable/PEG Support	Transportation Development Act
\$ 448,074	\$ 17,919	\$ 631,151	\$ 243,722	\$ -
-	-	-	-	-
-	-	-	-	85,692
-	222	-	19,081	-
143	-	272	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 448,217</u>	<u>\$ 18,141</u>	<u>\$ 631,423</u>	<u>\$ 262,803</u>	<u>\$ 85,692</u>
\$ -	\$ 1,046	\$ 63,458	\$ -	\$ -
-	309	10,559	91	350
-	-	-	-	-
-	-	-	-	11,206
-	-	-	-	-
<u>-</u>	<u>1,355</u>	<u>74,017</u>	<u>91</u>	<u>11,556</u>
-	-	-	-	85,690
448,217	16,786	557,406	262,712	-
-	-	-	-	-
-	-	-	-	(11,554)
<u>448,217</u>	<u>16,786</u>	<u>557,406</u>	<u>262,712</u>	<u>(11,554)</u>
<u>\$ 448,217</u>	<u>\$ 18,141</u>	<u>\$ 631,423</u>	<u>\$ 262,803</u>	<u>\$ 85,692</u>

**CITY OF PICO RIVERA
OTHER GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2021**

	Special Revenue Funds (Continued)			
	Housing Agency LMIHF	Measure W	Federal Grants	Total Special Revenue Funds
ASSETS				
Cash and Investments	\$ 684,585	\$ 659,852	\$ 15,321	\$ 19,913,222
Restricted Cash and Investments with Fiscal Agents	-	-	-	-
Accounts Receivable	-	-	235,188	3,323,833
Taxes Receivable	-	-	-	269,417
Interest Receivable	296	259	-	7,229
Long-Term Receivables	-	-	-	4,565,766
Receivables from Successor Agency	1,402,921	-	-	1,402,921
Total Assets	<u>\$ 2,087,802</u>	<u>\$ 660,111</u>	<u>\$ 250,509</u>	<u>\$ 29,482,388</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ -	\$ 15,055	\$ 200	\$ 2,218,255
Accrued Liabilities	-	-	-	52,819
Retention Payable	-	-	-	81,984
Due to Other Funds	-	-	371,811	850,856
Due to Other Agencies	-	-	-	4,278,336
Total Liabilities	-	15,055	372,011	7,482,250
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	235,054	3,274,476
FUND BALANCES (DEFICITS)				
Restricted	2,087,802	645,056	-	19,772,231
Assigned	-	-	-	-
Unassigned	-	-	(356,556)	(1,046,569)
Total Fund Balances (Deficits)	<u>2,087,802</u>	<u>645,056</u>	<u>(356,556)</u>	<u>18,725,662</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,087,802</u>	<u>\$ 660,111</u>	<u>\$ 250,509</u>	<u>\$ 29,482,388</u>

**CITY OF PICO RIVERA
OTHER GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
JUNE 30, 2021**

Capital Projects Funds					
Capital Improvement	Paramount/Mines Landscape Maintenance Assessment	2009 Lease Revenue Bond	Total Capital Projects Funds	Total Other Governmental Funds	
\$ 545,034	\$ 48,157	\$ 86	\$ 593,277	\$ 20,506,499	
-	-	-	-	-	
1,772	-	-	1,772	3,325,605	
-	-	-	-	269,417	
-	17	-	17	7,246	
-	-	-	-	4,565,766	
-	-	-	-	1,402,921	
<u>\$ 546,806</u>	<u>\$ 48,174</u>	<u>\$ 86</u>	<u>\$ 595,066</u>	<u>\$ 30,077,454</u>	
\$ -	\$ -	\$ -	\$ -	\$ 2,218,255	
-	-	-	-	52,819	
-	-	-	-	81,984	
314,329	-	-	314,329	1,165,185	
-	-	-	-	4,278,336	
<u>314,329</u>	<u>-</u>	<u>-</u>	<u>314,329</u>	<u>7,796,579</u>	
-	-	-	-	3,274,476	
-	48,174	86	48,260	19,820,491	
232,477	-	-	232,477	232,477	
-	-	-	-	(1,046,569)	
<u>232,477</u>	<u>48,174</u>	<u>86</u>	<u>280,737</u>	<u>19,006,399</u>	
<u>\$ 546,806</u>	<u>\$ 48,174</u>	<u>\$ 86</u>	<u>\$ 595,066</u>	<u>\$ 30,077,454</u>	

**CITY OF PICO RIVERA
OTHER GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
YEAR ENDED JUNE 30, 2021**

	Special Revenue Funds			
	Community Development Block Grant	State Gas Tax	Lighting Assessment District	Park Development
REVENUES				
Taxes and Assessments	\$ -	\$ -	\$ 1,790,831	\$ -
Intergovernmental	601,485	2,640,235	-	-
Charges for Services	-	-	-	-
Investment and Rental	16,766	11,767	5,250	875
Miscellaneous	-	-	-	-
Total Revenues	618,251	2,652,002	1,796,081	875
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	155,333	3,438,191	-
Parks and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Community Development	624,780	-	-	-
Pass Through to Other Agencies	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	624,780	155,333	3,438,191	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(6,529)	2,496,669	(1,642,110)	875
OTHER FINANCING SOURCES (USES)				
Transfers In	25,000	-	-	-
Transfers Out	-	(1,375,868)	-	-
Total Other Financing Sources (Uses)	25,000	(1,375,868)	-	-
NET CHANGE IN FUND BALANCES	18,471	1,120,801	(1,642,110)	875
Fund Balances (Deficits) - Beginning of Year	(377,686)	2,857,557	2,177,951	231,838
FUND BALANCES (DEFICITS) - END OF YEAR	<u>\$ (359,215)</u>	<u>\$ 3,978,358</u>	<u>\$ 535,841</u>	<u>\$ 232,713</u>

**CITY OF PICO RIVERA
OTHER GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Special Revenue Funds (Continued)

Prop A	Prop C	Measure R	Measure M	Measure A	HOME Grant	CalHOME Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,288,351	1,075,223	3,614,301	909,366	70,996	-	-
-	-	-	-	-	-	-
12,020	9,112	4,525	2,305	-	16,706	5,183
53	-	-	-	-	101,235	72,265
<u>1,300,424</u>	<u>1,084,335</u>	<u>3,618,826</u>	<u>911,671</u>	<u>70,996</u>	<u>117,941</u>	<u>77,448</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,172,915	389,165	2,473,430	324,852	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>1,172,915</u>	<u>389,165</u>	<u>2,473,430</u>	<u>324,852</u>	<u>-</u>	<u>-</u>	<u>-</u>
127,509	695,170	1,145,396	586,819	70,996	117,941	77,448
-	-	-	-	-	-	-
-	-	-	(832,769)	-	-	-
-	-	-	(832,769)	-	-	-
127,509	695,170	1,145,396	(245,950)	70,996	117,941	77,448
2,739,077	2,153,766	(553,517)	460,543	(70,996)	2,179,033	354,942
<u>\$ 2,866,586</u>	<u>\$ 2,848,936</u>	<u>\$ 591,879</u>	<u>\$ 214,593</u>	<u>\$ -</u>	<u>\$ 2,296,974</u>	<u>\$ 432,390</u>

**CITY OF PICO RIVERA
OTHER GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2021**

	Special Revenue Funds (Continued)			
	Air Quality Improvement	County Grants	State Grants	Economic Sustainability
REVENUES				
Taxes and Assessments	\$ -	\$ -	\$ -	\$ -
Intergovernmental	61,710	38,540	117,671	-
Charges for Services	-	-	-	-
Investment and Rental	1,443	-	454	3,828
Miscellaneous	-	24,500	2,910	-
Total Revenues	63,153	63,040	121,035	3,828
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Public Works	29,325	-	-	-
Parks and Recreation	-	4,201	-	-
Health and Welfare	-	-	471,980	-
Community Development	-	-	-	40,000
Pass Through to Other Agencies	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	29,325	4,201	471,980	40,000
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	33,828	58,839	(350,945)	(36,172)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
NET CHANGE IN FUND BALANCES	33,828	58,839	(350,945)	(36,172)
Fund Balances (Deficits) - Beginning of Year	391,427	6,318	31,701	1,301,742
FUND BALANCES (DEFICITS) - END OF YEAR	\$ 425,255	\$ 65,157	\$ (319,244)	\$ 1,265,570

**CITY OF PICO RIVERA
OTHER GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Special Revenue Funds (Continued)

Image Enhancement	Sewer Maintenance	Reach Grants	Cable/PEG Support	Transportation Development Act
\$ -	\$ 1,829	\$ 50	\$ -	\$ -
-	-	988,455	-	30,880
178,469	-	-	-	-
1,186	-	1,697	-	-
-	-	-	76,128	-
<u>179,655</u>	<u>1,829</u>	<u>990,202</u>	<u>76,128</u>	<u>30,880</u>
11,664	23,309	-	-	-
-	-	-	-	-
-	74	-	21,496	34,926
-	-	946,511	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>11,664</u>	<u>23,383</u>	<u>946,511</u>	<u>21,496</u>	<u>34,926</u>
167,991	(21,554)	43,691	54,632	(4,046)
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
167,991	(21,554)	43,691	54,632	(4,046)
280,226	38,340	513,715	208,080	(7,508)
<u>\$ 448,217</u>	<u>\$ 16,786</u>	<u>\$ 557,406</u>	<u>\$ 262,712</u>	<u>\$ (11,554)</u>

**CITY OF PICO RIVERA
OTHER GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2021**

	Special Revenue Funds (Continued)			
	Housing Agency LMIHF	Measure W	Federal Grants	Total Special Revenue Funds
REVENUES				
Taxes and Assessments	\$ -	\$ -	\$ -	\$ 1,792,710
Intergovernmental	-	882,645	114,280	12,434,138
Charges for Services	-	-	-	178,469
Investment and Rental	6,143	347	-	99,607
Miscellaneous	13,554	-	-	290,645
Total Revenues	19,697	882,992	114,280	14,795,569
EXPENDITURES				
Current:				
General Government	-	-	-	34,973
Public Safety	-	-	-	-
Public Works	-	-	176,500	8,216,207
Parks and Recreation	-	237,936	-	1,188,648
Health and Welfare	-	-	-	471,980
Community Development	-	-	-	664,780
Pass Through to Other Agencies	-	-	-	-
Capital Outlay	-	-	-	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	-	237,936	176,500	10,576,588
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	19,697	645,056	(62,220)	4,218,981
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	25,000
Transfers Out	-	-	-	(2,208,637)
Total Other Financing Sources (Uses)	-	-	-	(2,183,637)
NET CHANGE IN FUND BALANCES	19,697	645,056	(62,220)	2,035,344
Fund Balances (Deficits) - Beginning of Year	2,068,105	-	(294,336)	16,690,318
FUND BALANCES (DEFICITS) - END OF YEAR	<u>\$ 2,087,802</u>	<u>\$ 645,056</u>	<u>\$ (356,556)</u>	<u>\$ 18,725,662</u>

**CITY OF PICO RIVERA
OTHER GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED JUNE 30, 2021**

Capital Projects Funds					
Capital Improvement	Paramount/Mines Landscape Maintenance Assessment	2009 Lease Revenue Bond	Total Capital Projects Funds	Total Other Governmental Funds	
\$ -	\$ 10,135	\$ -	\$ 10,135	\$ 1,802,845	
-	-	-	-	12,434,138	
-	-	-	-	178,469	
-	151	-	151	99,758	
-	-	-	-	290,645	
-	10,286	-	10,286	14,805,855	
-	-	-	-	34,973	
-	-	-	-	-	
61,035	-	-	61,035	8,277,242	
-	-	-	-	1,188,648	
-	-	-	-	471,980	
-	-	-	-	664,780	
-	-	-	-	-	
4,042	-	-	4,042	4,042	
-	-	-	-	-	
-	-	-	-	-	
65,077	-	-	65,077	10,641,665	
(65,077)	10,286	-	(54,791)	4,164,190	
257,650	-	-	257,650	282,650	
-	-	-	-	(2,208,637)	
257,650	-	-	257,650	(1,925,987)	
192,573	10,286	-	202,859	2,238,203	
39,904	37,888	86	77,878	16,768,196	
\$ 232,477	\$ 48,174	\$ 86	\$ 280,737	\$ 19,006,399	

CITY OF PICO RIVERA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ 601,485	\$ 601,485
Investment and Rental	-	16,766	16,766
Total Revenues	<u>-</u>	<u>618,251</u>	<u>618,251</u>
EXPENDITURES			
Current:			
Community Development	<u>2,064,090</u>	<u>624,780</u>	<u>1,439,310</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,064,090)	(6,529)	2,057,561
OTHER FINANCING SOURCES			
Transfers In	<u>-</u>	<u>25,000</u>	<u>25,000</u>
NET CHANGE IN FUND BALANCE	(2,064,090)	18,471	2,082,561
Fund Balance (Deficit) - Beginning of Year	<u>(377,686)</u>	<u>(377,686)</u>	<u>-</u>
FUND BALANCE (DEFICIT) - END OF YEAR	<u><u>\$ (2,441,776)</u></u>	<u><u>\$ (359,215)</u></u>	<u><u>\$ 2,082,561</u></u>

CITY OF PICO RIVERA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
STATE GAS TAX SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 2,451,142	\$ 2,640,235	\$ 189,093
Investment and Rental	-	11,767	11,767
Total Revenues	<u>2,451,142</u>	<u>2,652,002</u>	<u>200,860</u>
EXPENDITURES			
Current:			
Public Works	<u>3,458,419</u>	<u>155,333</u>	<u>3,303,086</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,007,277)</u>	<u>2,496,669</u>	<u>293,665</u>
OTHER FINANCING USES			
Transfers In	2,364,628	-	(2,364,628)
Transfers Out	<u>(3,750,628)</u>	<u>(1,375,868)</u>	<u>2,374,760</u>
Total Other Financing Uses	<u>(1,386,000)</u>	<u>(1,375,868)</u>	<u>10,132</u>
NET CHANGE IN FUND BALANCE	(2,393,277)	1,120,801	3,514,078
Fund Balance - Beginning of Year	<u>2,857,557</u>	<u>2,857,557</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 464,280</u></u>	<u><u>\$ 3,978,358</u></u>	<u><u>\$ 3,514,078</u></u>

CITY OF PICO RIVERA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
LIGHTING ASSESSMENT DISTRICT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes and Assessments	\$ 1,350,000	\$ 1,790,831	\$ 440,831
Investment and Rental	-	5,250	5,250
Total Revenues	<u>1,350,000</u>	<u>1,796,081</u>	<u>446,081</u>
EXPENDITURES			
Current:			
Public Works	<u>4,236,802</u>	<u>3,438,191</u>	<u>798,611</u>
NET CHANGE IN FUND BALANCE	(2,886,802)	(1,642,110)	1,244,692
Fund Balance - Beginning of Year	<u>2,177,951</u>	<u>2,177,951</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ (708,851)</u></u>	<u><u>\$ 535,841</u></u>	<u><u>\$ 1,244,692</u></u>

CITY OF PICO RIVERA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
PARK DEVELOPMENT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Investment and Rental	\$ -	\$ 875	\$ 875
Fund Balance - Beginning of Year	<u>231,838</u>	<u>231,838</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 231,838</u></u>	<u><u>\$ 232,713</u></u>	<u><u>\$ 875</u></u>

CITY OF PICO RIVERA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
PROP A SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 1,349,670	\$ 1,288,351	\$ (61,319)
Investment and Rental	30,000	12,020	(17,980)
Miscellaneous	22,000	53	(21,947)
Total Revenues	<u>1,401,670</u>	<u>1,300,424</u>	<u>(101,246)</u>
EXPENDITURES			
Current:			
Public Works	<u>1,610,250</u>	<u>1,172,915</u>	<u>437,335</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(208,580)	127,509	336,089
Fund Balance - Beginning of Year	<u>2,739,077</u>	<u>2,739,077</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 2,530,497</u></u>	<u><u>\$ 2,866,586</u></u>	<u><u>\$ 336,089</u></u>

CITY OF PICO RIVERA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
PROP C SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 1,007,564	\$ 1,075,223	\$ 67,659
Investment and Rental	-	9,112	9,112
Total Revenues	<u>1,007,564</u>	<u>1,084,335</u>	<u>76,771</u>
EXPENDITURES			
Current:			
Public Works	<u>4,585,331</u>	<u>389,165</u>	<u>4,196,166</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(3,577,767)</u>	<u>695,170</u>	<u>4,272,937</u>
Fund Balance - Beginning of Year	<u>2,153,766</u>	<u>2,153,766</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ (1,424,001)</u></u>	<u><u>\$ 2,848,936</u></u>	<u><u>\$ 4,272,937</u></u>

CITY OF PICO RIVERA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
MEASURE R SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 755,752	\$ 3,614,301	\$ 2,858,549
Investment and Rental	-	4,525	4,525
Total Revenues	<u>755,752</u>	<u>3,618,826</u>	<u>2,863,074</u>
EXPENDITURES			
Current:			
Public Works	<u>10,899,590</u>	<u>2,473,430</u>	<u>8,426,160</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(10,143,838)	1,145,396	11,289,234
Fund Balance - Beginning of Year	<u>(553,517)</u>	<u>(553,517)</u>	<u>-</u>
FUND BALANCE (DEFICIT) - END OF YEAR	<u><u>\$ (10,697,355)</u></u>	<u><u>\$ 591,879</u></u>	<u><u>\$ 11,289,234</u></u>

CITY OF PICO RIVERA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
MEASURE M SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 856,429	\$ 909,366	\$ 52,937
Investment and Rental	-	2,305	2,305
Total Revenues	<u>856,429</u>	<u>911,671</u>	<u>55,242</u>
EXPENDITURES			
Current:			
Public Works	<u>726,899</u>	<u>324,852</u>	<u>402,047</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	129,530	586,819	457,289
OTHER FINANCING USES			
Transfers Out	<u>(832,769)</u>	<u>(832,769)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(703,239)	(245,950)	457,289
Fund Balance - Beginning of Year	<u>460,543</u>	<u>460,543</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ (242,696)</u></u>	<u><u>\$ 214,593</u></u>	<u><u>\$ 457,289</u></u>

CITY OF PICO RIVERA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
MEASURE A SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ 70,996	\$ 70,996
EXPENDITURES			
Current:			
Public Works	7,448	-	7,448
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(7,448)	70,996	78,444
Fund Balance (Deficit) - Beginning of Year	(70,996)	(70,996)	-
FUND BALANCE (DEFICIT) - END OF YEAR	<u><u>\$ (78,444)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 78,444</u></u>

CITY OF PICO RIVERA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
HOME GRANT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Investment and Rental	\$ 25,000	\$ 16,706	\$ (8,294)
Miscellaneous	100,000	101,235	1,235
Total Revenues	<u>125,000</u>	<u>117,941</u>	<u>(7,059)</u>
 Fund Balance - Beginning of Year	 <u>2,179,033</u>	 <u>2,179,033</u>	 <u>-</u>
 FUND BALANCE - END OF YEAR	 <u><u>\$ 2,304,033</u></u>	 <u><u>\$ 2,296,974</u></u>	 <u><u>\$ (7,059)</u></u>

CITY OF PICO RIVERA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
CalHOME GRANT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Investment and Rental	\$ 2,500	\$ 5,183	\$ 2,683
Miscellaneous	2,500	72,265	69,765
Total Revenues	<u>5,000</u>	<u>77,448</u>	<u>72,448</u>
 Fund Balance - Beginning of Year	 <u>354,942</u>	 <u>354,942</u>	 <u>-</u>
 FUND BALANCE - END OF YEAR	 <u><u>\$ 359,942</u></u>	 <u><u>\$ 432,390</u></u>	 <u><u>\$ 72,448</u></u>

CITY OF PICO RIVERA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
AIR QUALITY IMPROVEMENT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 72,000	\$ 61,710	\$ (10,290)
Investment and Rental	-	1,443	1,443
Total Revenues	72,000	63,153	(8,847)
EXPENDITURES			
Current:			
Public Works	174,783	29,325	145,458
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(102,783)	33,828	136,611
Fund Balance - Beginning of Year	391,427	391,427	-
FUND BALANCE - END OF YEAR	<u>\$ 288,644</u>	<u>\$ 425,255</u>	<u>\$ 136,611</u>

CITY OF PICO RIVERA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
COUNTY GRANTS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ -	\$ 38,540	\$ 38,540
Miscellaneous	24,500	24,500	-
Total Revenues	<u>24,500</u>	<u>63,040</u>	<u>38,540</u>
EXPENDITURES			
Current:			
Parks and Recreation	<u>24,500</u>	<u>4,201</u>	<u>20,299</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	58,839	58,839
Fund Balance - Beginning of Year	<u>6,318</u>	<u>6,318</u>	<u>-</u>
FUND BALANCE (DEFICIT) - END OF YEAR	<u><u>\$ 6,318</u></u>	<u><u>\$ 65,157</u></u>	<u><u>\$ 58,839</u></u>

CITY OF PICO RIVERA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
STATE GRANTS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 326,000	\$ 117,671	\$ (208,329)
Investment and Rental	-	454	454
Miscellaneous	-	2,910	2,910
Total Revenues	<u>326,000</u>	<u>121,035</u>	<u>(204,965)</u>
EXPENDITURES			
Current:			
Health and Welfare	<u>5,686,442</u>	<u>471,980</u>	<u>5,214,462</u>
NET CHANGE IN FUND BALANCE	(5,360,442)	(350,945)	5,009,497
Fund Balance - Beginning of Year	<u>31,701</u>	<u>31,701</u>	<u>-</u>
FUND BALANCE (DEFICIT) - END OF YEAR	<u><u>\$ (5,328,741)</u></u>	<u><u>\$ (319,244)</u></u>	<u><u>\$ 5,009,497</u></u>

CITY OF PICO RIVERA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
ECONOMIC SUSTAINABILITY SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Investment and Rental	\$ -	\$ 3,828	\$ 3,828
EXPENDITURES			
Current:			
Community Development	500,000	40,000	460,000
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(500,000)	(36,172)	463,828
Fund Balance - Beginning of Year	1,301,742	1,301,742	-
FUND BALANCE - END OF YEAR	<u>\$ 801,742</u>	<u>\$ 1,265,570</u>	<u>\$ 463,828</u>

CITY OF PICO RIVERA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
IMAGE ENHANCEMENT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for Services	\$ -	\$ 178,469	\$ 178,469
Investment and Rental	-	1,186	1,186
Total Revenues	-	179,655	179,655
EXPENDITURES			
Current:			
General Government	13,110	11,664	1,446
NET CHANGE IN FUND BALANCE	(13,110)	167,991	181,101
Fund Balance - Beginning of Year	280,226	280,226	-
FUND BALANCE - END OF YEAR	<u>\$ 267,116</u>	<u>\$ 448,217</u>	<u>\$ 181,101</u>

CITY OF PICO RIVERA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
SEWER MAINTENANCE SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes and Assessments	\$ -	\$ 1,829	\$ 1,829
EXPENDITURES			
Current:			
General Government	109,990	23,309	86,681
Public Works	97,344	74	97,270
Total Expenditures	207,334	23,383	183,951
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(207,334)	(21,554)	185,780
Fund Balance (Deficit) - Beginning of Year	38,340	38,340	-
FUND BALANCE (DEFICIT) - END OF YEAR	<u><u>\$ (168,994)</u></u>	<u><u>\$ 16,786</u></u>	<u><u>\$ 185,780</u></u>

CITY OF PICO RIVERA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
REACH GRANTS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes and Assessments	\$ 18,400	\$ 50	\$ (18,350)
Intergovernmental	1,080,483	988,455	(92,028)
Investment and Rental	-	1,697	1,697
Total Revenues	<u>1,098,883</u>	<u>990,202</u>	<u>(108,681)</u>
EXPENDITURES			
Current:			
Parks and Recreation	<u>1,017,022</u>	<u>946,511</u>	<u>70,511</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	81,861	43,691	(38,170)
Fund Balance - Beginning of Year	<u>513,715</u>	<u>513,715</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 595,576</u></u>	<u><u>\$ 557,406</u></u>	<u><u>\$ (38,170)</u></u>

CITY OF PICO RIVERA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
CABLE/PEG SUPPORT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Miscellaneous	\$ 5,200	\$ 76,128	\$ 70,928
EXPENDITURES			
Current:			
Public Works	36,545	21,496	15,049
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(31,345)	54,632	85,977
Fund Balance - Beginning of Year	208,080	208,080	-
FUND BALANCE - END OF YEAR	<u>\$ 176,735</u>	<u>\$ 262,712</u>	<u>\$ 85,977</u>

CITY OF PICO RIVERA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
TRANSPORTATION DEVELOPMENT ACT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 43,718	\$ 30,880	\$ (12,838)
EXPENDITURES			
Current:			
Public Works	107,187	34,926	72,261
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(63,469)	(4,046)	59,423
Fund Balance (Deficit) - Beginning of Year	(7,508)	(7,508)	-
FUND BALANCE (DEFICIT) - END OF YEAR	<u><u>\$ (70,977)</u></u>	<u><u>\$ (11,554)</u></u>	<u><u>\$ 59,423</u></u>

CITY OF PICO RIVERA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
MEASURE W SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 810,000	\$ 882,645	\$ 72,645
Investment and Rental	-	347	347
Total Revenues	<u>810,000</u>	<u>882,992</u>	<u>72,992</u>
EXPENDITURES			
Current:			
Parks and Recreation	<u>150,000</u>	<u>237,936</u>	<u>(87,936)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	660,000	645,056	(14,944)
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 660,000</u></u>	<u><u>\$ 645,056</u></u>	<u><u>\$ (14,944)</u></u>

CITY OF PICO RIVERA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
FEDERAL GRANTS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 114,280	\$ 114,280
EXPENDITURES				
Current:				
Public Works	-	5,378,986	176,500	5,202,486
NET CHANGE IN FUND BALANCE	-	(5,378,986)	(62,220)	5,316,766
Fund Balance (Deficit) - Beginning of Year	(294,336)	(294,336)	(294,336)	-
FUND BALANCE (DEFICIT) - END OF YEAR	<u>\$ (294,336)</u>	<u>\$ (5,673,322)</u>	<u>\$ (356,556)</u>	<u>\$ 5,316,766</u>

CITY OF PICO RIVERA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
CAPITAL IMPROVEMENT CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2021

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Current:				
Public Works	-	90,000	61,035	28,965
Capital Outlay	-	791,603	4,042	787,561
Total Expenditures	-	881,603	65,077	816,526
EXCESS OF REVENUES UNDER EXPENDITURES	-	(881,603)	(65,077)	816,526
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	257,650	257,650
NET CHANGE IN FUND BALANCE	-	(881,603)	192,573	1,074,176
Fund Balance - Beginning of Year	39,904	39,904	39,904	-
FUND BALANCE - END OF YEAR	<u>\$ 39,904</u>	<u>\$ (841,699)</u>	<u>\$ 232,477</u>	<u>\$ 1,074,176</u>

CITY OF PICO RIVERA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
PARAMOUNT/MINES LANDSCAPE MAINTENANCE ASSESSMENT CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2021

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Taxes and Assessments	\$ 10,190	\$ 10,135	\$ (55)
Investment and Rental	-	151	151
Total Revenues	<u>10,190</u>	<u>10,286</u>	<u>96</u>
EXPENDITURES			
Current:			
Public Works	<u>2,727</u>	<u>-</u>	<u>2,727</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	7,463	10,286	2,823
Fund Balance - Beginning of Year	<u>37,888</u>	<u>37,888</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 45,351</u></u>	<u><u>\$ 48,174</u></u>	<u><u>\$ 2,823</u></u>

**CITY OF PICO RIVERA
DESCRIPTION OF OTHER ENTERPRISE FUNDS
JUNE 30, 2021**

These funds account for operations that are financed and operated in a manner similar to private business enterprises. The Whittier Narrows Recreation Area Other Enterprise Funds are as follows:

Pico Rivera Sports Arena Fund accounts for funds received from the respective private concessionaires operating each facility.

Pico Rivera Golf Course Fund records the operations of the City-owned golf course.

**CITY OF PICO RIVERA
OTHER ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2021**

	Sports Arena	Golf Course	Total
ASSETS			
Current Assets:			
Cash and Investments	\$ 317,287	\$ 399,639	\$ 716,926
Receivables, Net:			
Accounts	-	18,877	18,877
Interest	99	-	99
Inventories, at Cost	-	24,005	24,005
Total Current Assets	<u>317,386</u>	<u>442,521</u>	<u>759,907</u>
Noncurrent Assets:			
Capital Assets, Not Depreciated	3,368	38,945	42,313
Capital Assets, Depreciated, Net	<u>36,384</u>	<u>260,905</u>	<u>297,289</u>
Total Noncurrent Assets	<u>39,752</u>	<u>299,850</u>	<u>339,602</u>
Total Assets	<u>357,138</u>	<u>742,371</u>	<u>1,099,509</u>
DEFERRED OUTFLOWS OF RESOURCES			
Amount Related to Pensions	<u>14,310</u>	<u>-</u>	<u>14,310</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	44,869	99,900	144,769
Accrued Liabilities	1,789	49,743	51,532
Deposits	-	1,800	1,800
Total Current Liabilities	<u>46,658</u>	<u>151,443</u>	<u>198,101</u>
Noncurrent Liabilities:			
Advances from Other Funds	-	3,124,162	3,124,162
Net Pension Liability	<u>122,281</u>	<u>-</u>	<u>122,281</u>
Total Noncurrent Liabilities	<u>122,281</u>	<u>3,124,162</u>	<u>3,246,443</u>
Total Liabilities	<u>168,939</u>	<u>3,275,605</u>	<u>3,444,544</u>
DEFERRED INFLOWS OF RESOURCES			
Amounts Related to Pensions	<u>190</u>	<u>-</u>	<u>190</u>
NET POSITION			
Net Investment in Capital Assets	39,752	299,850	339,602
Unrestricted	<u>162,567</u>	<u>(2,833,084)</u>	<u>(2,670,517)</u>
Total Net Position	<u>\$ 202,319</u>	<u>\$ (2,533,234)</u>	<u>\$ (2,330,915)</u>

**CITY OF PICO RIVERA
OTHER ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30, 2021**

	Sports Arena	Golf Course	Total
OPERATING REVENUES			
Charges for Services	\$ 404,706	\$ 1,437,038	\$ 1,841,744
OPERATING EXPENSES			
Salaries and Benefits	136,612	-	136,612
Contractual Services	82,026	71,949	153,975
Insurance Claims and Expenses	1,061	-	1,061
Administrative	384,122	952,087	1,336,209
Utilities	1,975	201,466	203,441
Repairs and Maintenance	-	38,990	38,990
Depreciation	78,247	31,650	109,897
Total Operating Expenses	<u>684,043</u>	<u>1,296,142</u>	<u>1,980,185</u>
OPERATING GAIN (LOSS)	(279,337)	140,896	(138,441)
NONOPERATING REVENUES			
Investment Income	<u>1,083</u>	<u>-</u>	<u>1,083</u>
Total Nonoperating Revenues	<u>1,083</u>	<u>-</u>	<u>1,083</u>
CHANGE IN NET POSITION	(278,254)	140,896	(137,358)
Net Position - Beginning of Year	<u>480,573</u>	<u>(2,674,130)</u>	<u>(2,193,557)</u>
NET POSITION - END OF YEAR	<u><u>\$ 202,319</u></u>	<u><u>\$ (2,533,234)</u></u>	<u><u>\$ (2,330,915)</u></u>

**CITY OF PICO RIVERA
OTHER ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2021**

	Sports Arena	Golf Course	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers and Users	\$ 484,120	\$ 1,436,507	\$ 1,920,627
Payments to Suppliers	(434,674)	(1,242,823)	(1,677,497)
Payments to Employees	(62,415)	-	(62,415)
Net Cash Provided (Used) by Operating Activities	<u>(12,969)</u>	<u>193,684</u>	<u>180,715</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Proceeds from Due to/from Other Funds	<u>-</u>	<u>85,989</u>	<u>85,989</u>
Net Cash Provided (Used) by Noncapital Financing Activities	<u>-</u>	<u>85,989</u>	<u>85,989</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	<u>1,594</u>	<u>-</u>	<u>1,594</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(11,375)	279,673	268,298
Cash and Cash Equivalents - Beginning of Year	<u>328,662</u>	<u>119,966</u>	<u>448,628</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 317,287</u></u>	<u><u>\$ 399,639</u></u>	<u><u>\$ 716,926</u></u>

**CITY OF PICO RIVERA
OTHER ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED JUNE 30, 2021**

	Sports Arena	Golf Course	Total
RECONCILIATION OF OPERATING GAIN (LOSS) TO NET CASH USED BY OPERATING ACTIVITIES			
Operating Gain (Loss)	\$ (279,337)	\$ 140,896	\$ (138,441)
Adjustments to Reconcile Operating Gain (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation	78,247	31,650	109,897
Changes in Operating Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:			
Increase in Accounts Receivables	79,414	(531)	78,883
Decrease in Deferred Outflows of Resources - Amount Related to Pensions	(8,949)	-	(8,949)
Increase (Decrease) in Accounts Payable	34,510	25,627	60,137
Increase (Decrease) in Accrued Liabilities	376	11,936	12,312
Increase in Deposits Payable	-	(15,894)	(15,894)
Increase (Decrease) in Net Pension Liability	83,293	-	83,293
Increase (Decrease) in Deferred Inflows of Resources - Amounts Related to Pensions	(523)	-	(523)
Total Adjustments	<u>266,368</u>	<u>52,788</u>	<u>319,156</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ (12,969)</u>	<u>\$ 193,684</u>	<u>\$ 180,715</u>

**STATISTICAL SECTION
(UNAUDITED)**

This page intentionally left blank.

**CITY OF PICO RIVERA
DESCRIPTION OF STATISTICAL SECTION CONTENTS
JUNE 30, 2021**

This part of the City of Pico Rivera'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 say about the government's overall financial health.

Contents:	Pages
<u>Financial Trends</u> – These schedules contain trend information that may assist the reader in understanding the City's current financial performance by placing it in historical perspective.	152-161
<u>Revenue Capacity</u> – These schedules contain information that may help in assessing the viability of the City's most significant revenue sources – property taxes, transient occupancy tax (TOT), and sales tax.	162-169
<u>Debt Capacity</u> – These schedules present information that may assist the reader in analyzing the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	170-176
<u>Demographic and Economic Information</u> – These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	177-178
<u>Operating Information</u> – these schedules contain service and infrastructure indicators that may assist the reader in understanding how the information in the City's financial report relates to the services that the City provides and the activities it performs.	180-183

**CITY OF PICO RIVERA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS**

	2011-12	2012-13	2013-14	2014-15
Governmental Activities:				
Net Investment in Capital Assets	\$ 231,879,296	\$ 232,734,954	\$ 224,917,267	\$ 224,650,021
Restricted	15,287,855	12,426,012	13,016,383	14,236,953
Unrestricted	43,474,498	39,163,377	43,883,873	22,142,254
Total Governmental Activities Net Position	<u>290,641,649</u>	<u>284,324,343</u>	<u>281,817,523</u>	<u>261,029,228</u>
Business-Type Activities:				
Net Investment in Capital Assets	26,753,906	30,079,954	30,964,232	31,370,373
Restricted	-	-	-	-
Unrestricted	(17,352,760)	(17,473,063)	(16,212,613)	(18,465,237)
Total Business-Type Activities Net Position	<u>9,401,146</u>	<u>12,606,891</u>	<u>14,751,619</u>	<u>12,905,136</u>
Primary Government:				
Net Investment in Capital Assets	258,633,202	262,814,908	255,881,499	256,020,394
Restricted	15,287,855	12,426,012	13,016,383	14,236,953
Unrestricted	26,121,738	21,690,314	27,671,260	3,677,017
Total Primary Government Net Position	<u>\$ 300,042,795</u>	<u>\$ 296,931,234</u>	<u>\$ 296,569,142</u>	<u>\$ 273,934,364</u>

Source: Statement of Net Position

CITY OF PICO RIVERA
NET POSITION BY COMPONENT (CONTINUED)
LAST TEN FISCAL YEARS

2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
\$ 231,562,736	\$ 223,976,465	\$ 230,499,724	\$ 232,291,558	\$ 235,399,358	\$ 234,764,478
11,854,987	13,274,422	16,360,144	19,565,580	22,661,392	23,672,803
23,639,282	25,960,550	18,735,128	17,860,702	15,000,619	23,195,137
267,057,005	263,211,437	265,594,996	269,717,840	273,061,369	281,632,418
31,761,672	32,604,651	33,236,723	33,680,356	34,129,206	36,403,397
-	-	-	-	-	-
(16,385,687)	(13,590,642)	(13,570,480)	(10,315,352)	(3,505,373)	(4,457,768)
15,375,985	19,014,009	19,666,243	23,365,004	30,623,833	31,945,629
263,324,408	256,581,116	263,736,447	265,971,914	269,528,564	271,167,875
11,854,987	13,274,422	16,360,144	19,565,580	22,661,392	23,672,803
7,253,595	12,369,908	5,164,648	7,545,350	11,495,246	18,737,369
\$ 282,432,990	\$ 282,225,446	\$ 285,261,239	\$ 293,082,844	\$ 303,685,202	\$ 313,578,047

**CITY OF PICO RIVERA
CHANGE IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	2011-12	2012-13	2013-14	2014-15
Expenses:				
Governmental Activities:				
General Government	\$ 10,557,055	\$ 8,339,448	\$ 9,954,786	\$ 9,248,597
Public Safety	10,690,805	10,946,303	11,202,782	10,457,770
Public Works	12,591,487	12,843,460	10,498,605	14,545,183
Parks and Recreation	5,901,305	5,483,656	5,422,037	5,600,669
Health and Welfare	5,705,432	5,678,172	5,339,488	4,840,878
Community Development	5,594,519	2,207,716	2,511,556	2,761,524
Interest and Fiscal Charges	3,522,364	975,580	1,742,562	1,656,613
Bond Issuance Costs	-	-	-	-
Total Governmental Activities Net Expenses	<u>54,562,967</u>	<u>46,474,335</u>	<u>46,671,816</u>	<u>49,111,234</u>
Business-Type Activities:				
Water	8,833,293	7,846,884	8,386,111	8,044,302
Pico Rivera Innovative Municipal Energy	-	-	-	-
Other Enterprise Funds	1,091,400	980,618	1,054,837	1,320,585
Total Business-Type Activities Net Expenses	<u>9,924,693</u>	<u>8,827,502</u>	<u>9,440,948</u>	<u>9,364,887</u>
Total primary government expenses	<u>\$ 64,487,660</u>	<u>\$ 55,301,837</u>	<u>\$ 56,112,764</u>	<u>\$ 58,476,121</u>
Program Revenues:				
Governmental Activities:				
Charges for Services:				
General Government	\$ 202,481	\$ 138,144	\$ 497,518	\$ 574,846
Public Safety	1,334,872	1,226,044	1,207,766	1,125,660
Public Works	737,184	751,194	744,905	1,821,210
Parks and Recreation	759,564	763,094	693,884	743,400
Health and Welfare	264,396	142,291	188,767	232,824
Community Development	585,021	468,266	712,626	644,344
Operating Contributions and Grants	11,863,231	12,357,708	13,322,885	12,236,612
Capital Contributions and Grants	13,830,665	7,346,536	2,378,797	2,287,187
Total Governmental Activities	<u>29,577,414</u>	<u>23,193,277</u>	<u>19,747,148</u>	<u>19,666,083</u>
Business-Type Activities:				
Charges for Services:				
Water Utility	7,371,154	7,866,087	8,909,351	8,698,444
Pico Rivera Innovative Municipal Energy	-	-	-	-
Other Enterprise Funds	944,337	898,336	921,432	996,548
Capital Contributions And Grants	-	-	-	-
Total Business-Type Activities	<u>8,315,491</u>	<u>8,764,423</u>	<u>9,830,783</u>	<u>9,694,992</u>
Primary Government Program Revenues	<u>\$ 37,892,905</u>	<u>\$ 31,957,700</u>	<u>\$ 29,577,931</u>	<u>\$ 29,361,075</u>
Net (Expense)/Revenue:				
Governmental Activities	\$ (24,985,553)	\$ (23,281,058)	\$ (26,924,668)	\$ (29,445,151)
Business-Type Activities	<u>(1,609,202)</u>	<u>(63,079)</u>	<u>389,835</u>	<u>330,105</u>
Total Primary Government Net Expense	<u>\$ (26,594,755)</u>	<u>\$ (23,344,137)</u>	<u>\$ (26,534,833)</u>	<u>\$ (29,115,046)</u>

Source: City of Pico Rivera Finance Division

CITY OF PICO RIVERA
CHANGE IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
\$ 8,790,816	\$ 10,048,704	\$ 8,190,494	\$ 10,589,517	\$ 11,832,065	\$ 8,799,110
10,468,357	12,330,023	11,885,957	11,998,792	12,460,600	12,314,336
14,472,969	15,104,130	12,488,922	16,339,812	15,688,114	16,834,980
5,585,521	6,263,237	7,146,278	7,958,749	7,319,903	6,765,477
5,266,352	5,587,157	5,311,548	5,416,605	5,508,857	6,248,362
2,827,231	2,540,908	4,407,647	4,194,760	5,269,424	4,630,014
1,626,960	2,628,006	1,013,498	1,507,430	1,527,256	1,486,071
-	-	-	398,345	-	-
49,038,206	54,502,165	50,444,344	58,404,010	59,606,219	57,078,350
7,865,853	8,155,205	8,382,375	8,506,305	8,743,689	9,503,242
-	-	4,900,927	12,944,076	12,800,550	16,116,785
1,624,391	1,622,319	2,270,317	1,804,018	1,411,093	1,980,185
9,490,244	9,777,524	15,553,619	23,254,399	22,955,332	27,600,212
\$ 58,528,450	\$ 64,279,689	\$ 65,997,963	\$ 81,658,409	\$ 82,561,551	\$ 84,678,562
\$ 606,726	\$ 739,432	\$ 493,265	\$ 657,280	\$ 310,572	\$ 415,826
1,022,464	962,627	1,044,921	1,114,647	970,410	1,160,968
1,788,821	786,053	801,487	836,847	852,467	878,464
578,529	773,631	791,906	579,751	359,398	63,530
202,262	174,314	198,238	205,328	9,104	155,361
746,395	873,536	1,196,287	982,241	826,524	1,240,644
12,817,403	11,093,802	16,678,586	13,168,680	13,826,068	16,416,848
1,620,798	778,116	2,874,341	3,604,445	5,855,720	2,986,830
19,383,398	16,181,511	24,079,031	21,149,219	23,010,263	23,318,471
8,304,240	8,819,676	9,802,992	9,904,084	10,376,513	10,641,130
-	-	5,354,524	13,581,101	16,685,058	14,798,777
1,302,652	1,478,893	1,176,972	1,119,812	1,056,567	1,841,744
-	-	-	-	-	-
9,606,892	10,298,569	16,334,488	24,604,997	28,118,138	27,281,651
\$ 28,990,290	\$ 26,480,080	\$ 40,413,519	\$ 45,754,216	\$ 51,128,401	\$ 50,600,122
\$ (29,654,808)	\$ (38,320,654)	\$ (26,365,313)	\$ (37,254,791)	\$ (36,595,956)	\$ (33,759,879)
116,648	521,045	780,869	1,350,598	5,162,806	(318,561)
\$ (29,538,160)	\$ (37,799,609)	\$ (25,584,444)	\$ (35,904,193)	\$ (31,433,150)	\$ (34,078,440)

CITY OF PICO RIVERA
CHANGE IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2011-12	2012-13	2013-14	2014-15
General Revenues and Other Changes				
in Net Position:				
Governmental Activities:				
Property Taxes	\$ 8,468,881	\$ 8,941,441	\$ 9,269,468	\$ 9,611,244
Sales Taxes	13,589,387	15,028,866	16,435,053	16,368,367
Franchise Taxes	1,212,463	1,683,174	1,641,171	1,646,884
Utility Users Taxes	3,365,218	3,397,538	3,504,363	3,525,036
Other Taxes	1,510,718	1,595,125	1,710,630	1,760,876
Unrestricted Motor Vehicle License In Lieu	3,538,844	-	-	-
Investment Earnings	1,399,894	209,340	39,582	151,636
Other	130,451	125,691	139,486	613,592
Transfers	136,520	371,165	648,626	611,727
Gain on Sale Of Property	162,675	205,756	104,912	257,194
Special Item	124,908,663	(10,921,476)	(9,075,443)	1,059,577
Total Governmental Activities	<u>158,423,714</u>	<u>20,636,620</u>	<u>24,417,848</u>	<u>35,606,133</u>
Business-Type Activities:				
Investment Earnings	2,449,432	2,367,181	2,308,060	2,226,339
Other	-	4,898	95,459	12,179
Transfers	(136,520)	(371,165)	(648,626)	(611,727)
Extraordinary Item	-	(149,583)	-	-
Total Business-Type Activities	<u>2,312,912</u>	<u>1,851,331</u>	<u>1,754,893</u>	<u>1,626,791</u>
Total Primary Government	<u>\$ 160,736,626</u>	<u>\$ 22,487,951</u>	<u>\$ 26,172,741</u>	<u>\$ 37,232,924</u>
Change in Net Position:				
Governmental Activities	\$ 133,438,161	\$ (2,644,438)	\$ (2,506,820)	\$ 6,160,982
Business-Type Activities	<u>703,710</u>	<u>1,788,252</u>	<u>2,144,728</u>	<u>1,956,896</u>
Total Primary Government	<u>\$ 134,141,871</u>	<u>\$ (856,186)</u>	<u>\$ (362,092)</u>	<u>\$ 8,117,878</u>

Source: City of Pico Rivera Finance Division

CITY OF PICO RIVERA
CHANGE IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
\$	10,049,454	\$ 10,591,691	\$ 11,173,640	\$ 11,734,058	\$ 12,259,774	\$ 13,000,934
	17,766,538	17,637,948	17,575,729	19,468,221	19,364,272	21,325,436
	1,654,275	1,582,026	1,703,255	1,729,336	1,787,568	1,876,407
	3,385,361	3,276,321	3,142,090	2,939,221	3,064,500	3,157,258
	1,850,151	1,632,337	1,807,130	1,968,094	1,690,687	2,055,932
	-	-	-	-	-	-
	193,684	347,422	637,086	1,528,199	1,502,934	542,108
	283,352	450,783	662,225	1,007,091	269,750	372,853
	479,232	(1,043,442)	42,027	-	-	-
	174,424	-	-	-	-	-
	(704,496)	-	-	-	-	-
	<u>35,131,975</u>	<u>34,475,086</u>	<u>36,743,182</u>	<u>40,374,220</u>	<u>39,939,485</u>	<u>42,330,928</u>
	2,128,937	2,073,537	2,025,078	2,140,163	2,096,023	1,640,357
	-	-	-	-	-	-
	(479,232)	1,043,442	(42,027)	-	-	-
	704,496	-	-	-	-	-
	<u>2,354,201</u>	<u>3,116,979</u>	<u>1,983,051</u>	<u>2,140,163</u>	<u>2,096,023</u>	<u>1,640,357</u>
\$	<u>37,486,176</u>	<u>\$ 37,592,065</u>	<u>\$ 38,726,233</u>	<u>\$ 42,514,383</u>	<u>\$ 42,035,508</u>	<u>\$ 43,971,285</u>
\$	5,477,167	\$ (3,845,568)	\$ 10,377,869	\$ 3,119,429	3,343,529	8,571,049
	2,470,849	3,638,024	2,763,920	3,490,761	7,258,829	1,321,796
\$	<u>7,948,016</u>	<u>\$ (207,544)</u>	<u>\$ 13,141,789</u>	<u>\$ 6,610,190</u>	<u>\$ 10,602,358</u>	<u>\$ 9,892,845</u>

CITY OF PICO RIVERA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2011-12	2012-13	2013-14	2014-15
General Fund:				
Nonspendable	\$ 28,313,381	\$ 25,222,739	\$ 25,222,739	\$ 25,222,739
Restricted	2,334,609	2,334,811	2,446,856	2,358,919
Committed	9,030,031	5,974,566	9,330,000	9,316,732
Assigned	3,267,506	6,745,120	8,285,480	10,272,833
Unassigned	-	50,490	48,092	4,341,395
Reserved	-	-	-	-
Unreserved	-	-	-	-
Total General Fund	<u>\$ 42,945,527</u>	<u>\$ 40,327,726</u>	<u>\$ 45,333,167</u>	<u>\$ 51,512,618</u>
All Other Governmental Funds:				
Nonspendable	\$ 2,523,366	\$ -	\$ -	\$ -
Restricted	26,063,969	14,808,900	10,669,538	11,366,458
Committed	1,435,352	-	-	-
Assigned	-	600,000	600,000	600,000
Unassigned	(2,868,577)	(3,012,144)	(3,335,743)	(2,869,762)
Reserved	-	-	-	-
Unreserved, Reported in:				
Special Revenue Funds	-	-	-	-
Debt Service Funds	-	-	-	-
Capital Projects Funds	-	-	-	-
Total all other governmental funds	<u>\$ 27,154,110</u>	<u>\$ 12,396,756</u>	<u>\$ 7,933,795</u>	<u>\$ 9,096,696</u>

Note: Please refer to MD&A for governmental fund balance change

Source: City of Pico Rivera Finance Division

CITY OF PICO RIVERA
FUND BALANCES OF GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
\$ 25,198,662	\$ 25,209,917	\$ 25,168,800	\$ 28,002,854	\$ 22,096,478	\$ 26,356,109
2,368,600	-	-	1,061,066	1,087,825	1,372,990
9,479,500	9,476,700	9,665,400	10,284,000	10,169,300	20,510,328
14,376,800	14,426,700	13,256,200	14,039,900	13,991,300	13,717,940
12,882,331	10,851,445	12,063,120	9,067,136	17,752,704	11,242,605
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 64,305,893</u>	<u>\$ 59,964,762</u>	<u>\$ 60,153,520</u>	<u>\$ 62,454,956</u>	<u>\$ 65,097,607</u>	<u>\$ 73,199,972</u>
\$ -	\$ -	\$ 4,508	\$ -	\$ -	\$ -
11,074,536	12,927,436	15,566,814	31,791,493	33,195,861	34,780,540
-	-	-	-	-	-
600,000	600,000	600,000	600,000	-	232,477
(2,141,161)	(1,749,394)	(1,607,854)	(60,712)	(1,257,821)	(1,046,569)
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 9,533,375</u>	<u>\$ 11,778,042</u>	<u>\$ 14,563,468</u>	<u>\$ 32,330,781</u>	<u>\$ 31,938,040</u>	<u>\$ 33,966,448</u>

CITY OF PICO RIVERA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2011-12	2012-13	2013-14	2014-15
Revenues:				
Taxes and Assessments	\$ 32,535,703	\$ 30,782,011	\$ 33,100,095	\$ 34,083,110
Licenses and Permits	2,031,210	1,912,315	2,320,618	2,363,477
Intergovernmental	23,513,337	18,257,848	10,891,308	11,703,565
Charges for Services	1,464,180	1,717,790	1,964,785	1,889,338
Fines, Forfeitures and Penalties	1,412,268	1,234,368	1,224,540	1,134,906
Investment Income	2,153,121	398,030	244,614	336,077
Miscellaneous	439,343	951,402	1,333,203	2,535,295
Gain on Sale of Land Held for Resale	-	-	-	-
Extraordinary Item	85,312,816	(5,029,315)	-	-
Total Revenues	148,861,978	50,224,449	51,079,163	54,045,768
Expenditures:				
General Government	7,678,136	6,555,866	7,183,738	6,884,398
Public Safety	10,689,067	10,940,211	11,188,047	10,435,184
Public Works	9,590,287	7,976,019	8,561,977	9,621,311
Parks and Recreation	5,672,110	4,967,899	4,890,183	4,794,720
Health and Welfare	5,705,431	5,678,172	5,339,488	4,840,878
Community Development	3,135,781	2,189,841	2,490,769	2,730,123
Pass Through to Other Agencies	2,440,863	-	-	-
Loss on Sale of Land Held for Resale	-	-	-	-
Capital Outlay	22,905,936	20,528,630	7,719,114	5,175,862
Debt Service:				
Principal Retirement	-	560,000	585,000	610,000
Interest and Other Charges	3,588,338	1,094,198	1,734,538	1,710,638
Bond Issuance Costs	-	-	-	-
Payments to Refunding Escrow Agent	-	-	-	-
Total Expenditures	71,405,949	60,490,836	49,692,854	46,803,114
Excess (Deficiency) of Revenues Over (Under) Expenditures	77,456,029	(10,266,387)	1,386,309	7,242,654
Other Financing Sources (Uses):				
Transfers in	34,505,092	24,558,694	11,719,264	7,618,952
Transfers out	(34,368,572)	(31,667,462)	(12,118,893)	(7,987,933)
Bond Issuance	-	-	-	-
Bond Premium	-	-	-	-
Payments to Refunding Escrow Agent	-	-	-	-
Total Other Financing Sources (Uses)	136,520	(7,108,768)	(399,629)	(368,981)
Special Item:				
Forgiveness of Debt	-	-	-	-
Net Change in Fund Balances	77,592,549	(17,375,155)	986,680	6,873,673
Fund Balances - July 1	(7,492,912)	70,099,637	52,180,282	53,166,962
Fund Balances - June 30	\$ 70,099,637	\$ 52,724,482	\$ 53,166,962	\$ 60,040,635
Debt service as a percentage of noncapital expenditures	7.40%	4.14%	5.53%	5.57%

Source: City of Pico Rivera Finance Division

CITY OF PICO RIVERA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

2015-16	2016-17	2017-18	2018-19	2019-20	2019-20	2020-21
\$ 35,534,141	\$ 34,592,924	\$ 35,567,380	\$ 38,653,543	\$ 39,179,631	\$ 39,179,631	\$ 39,647,861
2,491,636	2,442,190	2,960,639	2,861,711	2,212,910	2,212,910	3,209,557
12,214,500	11,927,598	13,433,014	12,973,062	15,079,031	15,079,031	19,310,930
1,871,009	2,124,665	1,851,030	1,819,310	1,443,249	1,443,249	1,234,332
1,031,031	898,203	1,002,532	1,109,430	952,095	952,095	1,108,568
341,746	488,369	812,776	1,433,476	1,523,385	1,523,385	557,114
785,171	538,177	5,593,359	1,436,364	996,245	996,245	600,081
-	-	-	-	-	-	-
-	-	-	-	-	-	-
54,269,234	53,012,126	61,220,730	60,286,896	61,386,546	61,386,546	65,668,443
6,805,810	11,819,289	12,938,296	7,901,483	8,291,063	8,291,063	7,367,989
10,439,469	11,375,573	11,857,271	11,971,740	12,433,612	12,433,612	12,286,345
9,707,823	10,255,784	14,095,351	15,527,553	17,986,339	17,986,339	16,457,143
4,554,724	5,374,259	6,122,665	6,993,470	6,356,907	6,356,907	5,766,663
5,266,352	5,587,157	5,311,548	5,416,605	5,508,857	5,508,857	6,248,362
2,787,070	3,435,809	4,367,766	4,157,152	5,231,905	5,231,905	4,591,099
-	-	-	-	-	-	-
-	-	-	-	-	-	-
7,287,913	2,453,883	1,547,832	1,633,063	571,952	571,952	64,075
635,000	980,000	865,000	1,090,000	1,155,000	1,155,000	1,190,000
1,682,562	655,944	1,061,150	1,530,496	1,601,001	1,601,001	1,565,994
	520,424	-	398,345	-	-	-
	2,368,685	-	-	-	-	-
49,166,723	54,826,807	58,166,879	56,619,907	59,136,636	59,136,636	55,537,670
5,102,511	(1,814,681)	3,053,851	3,666,989	2,249,910	2,249,910	10,130,773
19,274,660	3,986,323	3,309,866	4,667,515	2,986,078	2,986,078	2,491,287
(10,488,538)	(5,029,765)	(3,767,839)	(4,667,515)	(2,986,078)	(2,986,078)	(2,491,287)
-	30,470,000	-	14,695,000	-	-	-
-	3,082,378	-	703,345	-	-	-
-	(33,021,008)	-	-	-	-	-
8,786,122	(512,072)	(457,973)	15,398,345	-	-	-
(90,000)	-	-	-	-	-	-
13,798,633	(2,326,753)	2,595,878	19,065,334	2,249,910	2,249,910	10,130,773
60,040,635	73,839,268	72,121,110	75,720,403	94,785,737	94,785,737	97,035,647
\$ 73,839,268	\$ 71,512,515	\$ 74,716,988	\$ 94,785,737	\$ 97,035,647	\$ 97,035,647	\$ 107,166,420
5.53%	8.64%	3.42%	6.17%	5.42%	5.42%	5.83%

**CITY OF PICO RIVERA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS**

Fiscal Year	Property Taxes	Sales Tax	Transient Occupancy Tax	Motor Vehicle In-Lieu Tax	Franchise Tax
2011-12	8,468,881	13,589,387	309,423	3,538,844	1,212,463
2012-13	8,941,441	15,028,866	333,243	12,842	1,683,174
2013-14	9,269,468	16,435,053	367,804	28,547	1,641,171
2014-15	9,611,244	16,368,367	390,666	27,575	1,646,884
2015-16	10,049,454	17,766,538	417,938	25,896	1,654,275
2016-17	10,591,691	17,637,948	422,313	28,793	1,582,026
2017-18	11,173,640	17,575,729	424,542	33,713	1,703,255
2018-19	11,734,058	19,468,221	461,474	30,845	1,729,336
2019-20	12,209,094	19,364,271	438,232	50,679	1,787,568
2020-21	<u>12,954,453</u>	<u>21,325,436</u>	<u>433,797</u>	<u>46,481</u>	<u>1,876,407</u>
Change from Base Year 2011-12	<u>53%</u>	<u>57%</u>	<u>40%</u>	<u>-99%</u>	<u>55%</u>

Source: City of Pico Rivera Finance Division

CITY OF PICO RIVERA
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE (CONTINUED)
LAST TEN FISCAL YEARS

Utility Users Tax	Business License Tax	Total
3,365,218	1,201,295	31,685,511
3,397,538	1,249,040	30,646,144
3,504,363	1,342,826	32,589,232
3,525,036	1,370,210	32,939,982
3,385,361	1,432,213	34,731,675
3,276,231	1,210,024	34,749,026
3,142,090	1,382,588	35,435,557
2,939,221	1,454,896	37,818,051
3,064,500	1,209,199	38,123,543
3,157,258	1,611,415	41,405,247
-6%	34%	31%

**CITY OF PICO RIVERA
REVENUE BASE BY CATEGORY
LAST TEN FISCAL YEARS
(RATE PER \$1,000 OF ASSESSED VALUE)**

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Other* Property	Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2011-12	\$ 2,556,723,405	\$ 507,725,955	\$ 537,870,643	\$ 257,515,511	\$ 1,866,797	\$ 3,861,702,311	0.2636
2012-13	2,593,491,912	514,240,434	563,598,205	258,304,110	1,904,130	3,931,538,791	0.2639
2013-14	2,698,550,967	528,061,894	591,638,354	245,353,016	1,942,210	4,065,546,441	0.0941
2014-15	2,849,419,991	534,153,757	608,797,600	255,121,685	1,951,026	4,249,444,059	0.0938
2015-16	3,004,411,938	550,436,822	623,317,693	263,566,626	1,990,006	4,443,723,085	0.0936
2016-17	3,157,571,430	572,434,427	644,340,185	261,458,977	2,020,352	4,443,723,085	0.0933
2017-18	3,334,334,379	590,956,777	695,508,846	292,833,875	2,060,757	4,915,694,634	0.0930
2018-19	3,517,570,969	596,369,740	740,474,135	315,837,843	100,235	5,170,352,922	0.0927
2019-20	3,706,643,219	629,479,041	771,749,293	365,146,561	102,238	5,473,120,352	0.0924
2020-21	3,895,827,995	639,397,804	823,738,292	382,305,577	104,282	5,741,373,950	0.0923

*Other property includes recreational, institutional, vacant, and miscellaneous property.

Source: Los Angeles County Assessor

**CITY OF PICO RIVERA
PROPERTY TAX LEVIES AND TAX COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year	Taxes Levied	Collected Within the Fiscal Year of Levy		Collections in Subsequent Year (includes refunds)	Total Collections to Date	
		Amount	Percent of Levy		Amount	Final Percent of Levy
2011-12	2,250,274	2,037,518	90.55%	99,703	2,137,221	94.98%
2012-13	2,313,210	2,240,076	96.84%	38,305	2,278,381	98.49%
2013-14	2,388,030	2,311,646	96.80%	38,725	2,350,371	98.42%
2014-15	2,511,683	2,425,171	96.56%	20,888	2,446,059	97.39%
2015-16	2,552,922	2,511,115	98.36%	-	2,511,115	98.36%
2016-17	2,674,309	2,638,929	98.68%	-	2,638,929	98.68%
2017-18	2,840,017	2,798,898	98.55%	-	2,798,898	98.55%
2018-19	2,955,805	2,914,751	98.61%	-	2,914,751	98.61%
2019-20	3,169,235	3,055,052	96.40%	-	3,055,052	96.40%
2020-21	3,322,924	3,261,695	98.16%	-	3,261,695	98.16%

NOTE: Article XIII-A of the Constitution of the State of California adopted by the electorate in June 1978, precludes the City from a local property tax levy. All general-purpose property taxes are levied by the County and allocated to other governmental entities on a predetermined formula.

Source: County Assessor General Ledger, MuniServices, LLC

**CITY OF PICO RIVERA
DIRECT AND OVERLAPPING GOVERNMENTS PROPERTY TAX RATES
LAST TEN FISCAL YEARS**

Agency	2011-12	2012-13	2013-14	2014-15
Basic Levy	1.00000	1.00000	1.00000	1.00000
County Detention Facilities 1987 Debt	0.00000	0.00000	0.00000	0.00000
El Rancho Unified School District	0.09800	0.09985	0.09571	0.09907
LA Community College District	0.03530	0.04875	0.04454	0.04017
LA County Flood Control	0.00000	0.00000	0.00000	0.00000
Little Lake City School District	0.05286	0.06942	0.08537	0.07964
Los Nietos School District	0.03420	0.03351	0.02810	0.03041
Metropolitan Water District	0.00370	0.00350	0.00350	0.00350
Montebello Unified School District	0.10001	0.09630	0.09457	0.08750
Rio Hondo Community College Dist	0.03418	0.02812	0.02892	0.02821
Whittier City School District	0.03354	0.03439	0.06110	0.05792
Whittier Union High School Dist	0.04317	0.04556	0.04473	0.05270
Total Direct & Overlapping Tax Rate	1.43496	1.45940	1.48654	1.47912
City's Share of 1% Levy Per Prop 13	0.08917	0.08917	0.08917	0.08917
City Redevelopment Rate	1.00370	0.00000	0.00000	0.00000
Total Direct Rate	0.26358	0.26391	0.09412	0.09381

Source: Los Angeles County Assessor

(1) Overlapping rates are those of local and county governments that apply to property owners within the City.

Not all overlapping rates apply to all City property owners.

(2) City's Share of 1% Levy is based on the City's share of the general fund tax rate.

(3) Total Direct Rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information.

**CITY OF PICO RIVERA
DIRECT AND OVERLAPPING GOVERNMENTS PROPERTY TAX RATES (CONTINUED)
LAST TEN YEARS**

2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
0.09630	0.09627	0.19173	0.17840	0.17835	0.18754
0.03575	0.03596	0.04599	0.04621	0.02717	0.04016
0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
0.06522	0.00000	0.00000	0.00000	0.00000	0.00000
0.08062	0.07063	0.08396	0.06878	0.06576	0.06442
0.00350	0.00350	0.00350	0.00350	0.00350	0.00350
0.08715	0.14705	0.13514	0.13921	0.09306	0.09706
0.02712	0.02808	0.02748	0.02554	0.02571	0.01361
0.05757	0.05441	0.04781	0.05534	0.05096	0.05151
0.05063	0.06035	0.05781	0.05822	0.05502	0.05433
1.50386	1.49625	1.59342	1.57521	1.49952	1.51214
0.08917	0.08917	0.08917	0.08917	0.08917	0.08917
0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
0.09355	0.09330	0.09301	0.09280	0.09245	0.09231

**CITY OF PICO RIVERA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT FISCAL YEAR AND NINE FISCAL YEARS AGO**

Taxpayer	2020-21		2011-12	
	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value
Vestar California XXVI LLC	\$ 77,568,419	1.35%	\$ 66,214,404	1.71%
Paramount Pico Rivera Industrial LLC	53,194,335	0.93%		
Majestic Amb Pico Rivera	47,537,962	0.83%	40,079,206	1.04%
8540 Whittier Boulevard Investors LLC	40,975,928	0.71%		
Wal Mart Real Estate Business	38,312,360	0.67%	32,495,524	0.84%
Pico Rivera Holding LVT	36,752,076	0.64%		
RLF I-Pico SPE LLC	32,632,145	0.57%		
General American Life Insurance Co	31,622,547	0.55%	26,589,793	0.69%
GGF Pico Rivera LLC	30,239,513	0.53%	25,623,247	0.66%
Burke Street Fee Owner LLC	28,517,298	0.50%		
Princeton Medical Holdings LLC			30,287,000	0.78%
Showprop Pico Rivera LLC			24,334,268	0.63%
TRF Crossroads LLC			20,781,699	0.54%
Guardian Life Insurance Company of America			20,283,767	0.53%
Shade Family Properties INC			19,839,195	0.51%
	<u>\$ 417,352,583</u>	<u>7.27%</u>	<u>\$ 306,528,103</u>	<u>7.94%</u>

Excludes government and tax-exempt property owners

Total City Value for 2011-12	\$ 3,861,702,311
Total City Value for 2020-21	\$ 5,741,373,950

Source: Los Angeles County Assessor 2020-21 and 2011-12 Combined Tax Rolls

**CITY OF PICO RIVERA
TOP 25 SALES TAX PRODUCERS
CURRENT FISCAL YEAR AND NINE FISCAL YEARS AGO**

Fiscal Year 2020-21			Fiscal Year 2011-12		
	Taxpayers	Business Type		Taxpayers	Business Type
1	Arco AM PM	Service Stations	76		Service Stations
2	Arco AM PM	Service Stations		Arco AM PM	Service Stations
3	AutoZone	Automotive Supply Stores		Arco AM PM	Service Stations
4	Calply	Building Materials		Cal Wholesale Material Supply	Building Materials
5	Chevron	Service Stations		Chevron	Service Stations
6	Cintas	Business Services		Chevron	Service Stations
7	Circle K	Service Stations		Circle K	Service Stations
8	Food 4 Less	Grocery Stores		Home Depot	Building Materials
9	Homeco	Contractors		King Taco	Quick-Service Restaurants
10	In N Out Burger	Quick-Service Restaurants		Kwik/AI Sal Oil	Service Stations
11	Lowe's	Building Materials		Lowe's	Building Materials
12	Marshalls	Family Apparel		Marshalls	Family Apparel
13	McDonalds	Quick-Service Restaurants		McDonalds	Quick-Service Restaurants
14	Miss Lola	Fulfillment Centers		Oxnard Building Materials	Building Materials
15	Raising Cane's	Quick-Service Restaurants		Pico Rivera Gas & Carwash	Service Stations
16	Ross	Family Apparel		Ross	Family Apparel
17	Rush Peterbilt Truck Center	New Motor Vehicle Dealers		Rush Peterbilt Truck Center	New Motor Vehicle Dealers
18	Saw Service of America	Heavy Industrial		Saw Service of America	Heavy Industrial
19	Shell	Service Stations		So Cal Material Handling	Warehse/Farm/Const. Equip.
20	Suez Mobile Water	Drugs/Chemicals		Suez Mobile Water	Drugs/Chemicals
21	Target	Discount Dept Stores		Target	Discount Dept Stores
22	Unisource	Office Supplies/Furniture		Tesoro Refining & Marketing	Service Stations
23	United Rentals	Repair Shop/Equip. Rentals		Unisource	Office Supplies/Furniture
24	Walmart Supercenter	Discount Dept Stores		United Rentals	Repair Shop/Equip. Rentals
25	Whittier Fertilizer	Garden/Agricultural Supplies		Walmart Supercenter	Discount Dept Stores

Percentage of Fiscal Year Total Paid by Top 25 Accounts =

2020-21 68.95%

2011-12 64.76%

NOTE: The names are listed in alphabetical order and not by sales tax volume.

Source: Hinderliter, de Llamas & Associates, State Board of Equalization

**CITY OF PICO RIVERA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities			Business-Type Activities		
	County Deferral	Net Pension Obligation	Finance Authority Revenue Bonds (1)	Revenue Bonds	Net Pension Obligation	
2011-12	- (2)	-	34,080,467	49,935,000	-	
2012-13	- (2)	-	33,475,542	48,155,000	-	
2013-14	- (2)	-	32,845,617	46,422,768	-	
2014-15	- (2)	24,172,149	32,190,692	44,404,619	3,474,478	
2015-16	- (2)	25,366,413	31,510,767	42,271,468	3,646,800	
2016-17	- (2)	28,485,966	32,438,350	40,013,319	4,096,656	
2017-18	- (2)		31,439,322	37,620,169	4,473,787	
2018-19	- (2)		45,590,194	35,082,018	4,967,451	
2019-20	- (2)		44,277,732	32,393,869	5,146,415	
2020-21	- (2)		42,930,248	29,545,719	6,603,167	

(1) The Finance Authority Revenue Bonds are backed by lease payments made from General Fund Revenues. These lease payments and long-term debt are included in the Statement of Net Position.

(2) Upon dissolution of the former redevelopment agency on February 1, 2012, the County deferral obligation was transferred to the Successor Agency and is no longer an obligation of the City.

(3) City implement GASB 68 in FY 1415 and recognize pension obligation.

Source: City of Pico Rivera Finance Division

CITY OF PICO RIVERA
RATIOS OF OUTSTANDING DEBT BY TYPE (CONTINUED)
LAST TEN FISCAL YEARS

Total Primary Government	Percentage of Personal Income	Debt Per Capita
84,015,467	7.36%	1,331
81,630,542	7.03%	1,295
79,268,385	6.69%	1,241
104,241,938	8.68%	1,631
102,795,448	8.66%	1,599
105,034,291	8.85%	1,634
73,533,278	6.14%	1,148
85,639,663	6.70%	1,333
81,818,016	6.09%	1,278
79,079,134	5.32%	1,248

CITY OF PICO RIVERA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

Fiscal Year	General Obligation Bonds	Finance Authority Revenue Bonds (1)	Total Primary Government	Percent of Assessed Value	Debt Per Capita
2011-12	-	34,080,467	34,080,467	0.883%	539.92
2012-13	-	33,475,542	33,475,542	0.851%	530.34
2013-14	-	32,845,617	32,845,617	0.808%	520.92
2014-15	-	32,190,692	32,190,692	0.758%	503.98
2015-16	-	31,510,767	31,510,767	0.709%	493.11
2016-17	-	32,438,350	32,438,350	0.730%	506.49
2017-18	-	31,439,322	31,439,322	0.640%	489.25
2018-19	-	45,590,194	45,590,194	0.882%	711.98
2019-20	-	44,277,732	44,277,732	0.809%	698.67
2020-21	-	42,930,248	42,930,248	0.748%	679.74

(1) The Finance Authority Revenue Bonds are backed by lease payments made from General Fund Revenues. These lease payments and long-term debt are included in the Statement of Net Position.

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

Source: City of Pico Rivera Finance Department

**CITY OF PICO RIVERA
DIRECT AND OVERLAPPING DEBT
JUNE 30, 2021**

2020-21 Assessed Valuation:	\$ 4,697,328,625
Incremental Valuation:	1,044,045,325
Adjusted Assessed Valuation:	\$3,653,283,300

	Total Debt 6/30/2021	% Applicable (1)	City's Share of Debt 6/30/21
<u>DIRECT DEBT</u>			
City of Pico Rivera	42,930,248	100.000%	42,930,248
TOTAL DIRECT DEBT	42,930,248		42,930,248
<u>OVERLAPPING DEBT:</u>			
Metropolitan Water District	13,101,783	0.360%	47,166
Los Angeles Community College District	4,405,250,000	0.013%	572,683
Rio Hondo Community College District	117,367,824	12.943%	15,190,917
El Rancho Unified School District	71,642,943	99.996%	71,640,077
Montebello Unified School District	162,824,400	0.674%	1,097,436
Whittier Union High School District	156,424,361	0.499%	780,558
Los Nietos School District	35,460,132	0.050%	17,730
Whittier City School District	70,860,000	1.841%	1,304,533
TOTAL OVERLAPPING DEBT	5,032,931,443		90,651,100
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT			133,581,348

(1) Percentage of overlapping agency's assessed valuation located within boundaries of the City.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

Ratios to 2020-21 Assessed Valuation:

Direct Debt	0.91%
Total Overlapping Tax and Assessment Debt.....	1.93%

Ratios to Adjusted Assessed Valuation:

Direct Debt	1.18%
Total Overlapping Tax and Assessment Debt.....	2.48%
Combined Total Debt.....	3.66%

**CITY OF PICO RIVERA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	Fiscal Year			
	2011-12	2012-13	2013-14	2014-15
Debt Limit	\$ 585,365,738	\$ 596,007,885	\$ 618,519,977	\$ 643,657,163
Total Net Debt Applicable to Limit	-	-	-	-
Legal Debt Margin	<u>\$ 585,365,738</u>	<u>\$ 596,007,885</u>	<u>\$ 618,519,977</u>	<u>\$ 643,657,163</u>
Total Net Debt Applicable to the Limit as a Percent of Debt Limit	0.00%	0.00%	0.00%	0.00%
Legal Debt Margin Calculation				
Assessed Value	\$ 3,861,702,311	\$ 3,931,538,791	\$ 4,065,546,441	\$ 4,249,444,059
Add Back: Exempt Real Property	<u>40,735,942</u>	<u>41,847,108</u>	<u>57,920,073</u>	<u>41,603,696</u>
Total Assessed Value	<u>\$ 3,902,438,253</u>	<u>\$ 3,973,385,899</u>	<u>\$ 4,123,466,514</u>	<u>\$ 4,291,047,755</u>
Debt Limit (15% of Total Assessed Value)	\$ 585,365,738	\$ 596,007,885	\$ 618,519,977	\$ 643,657,163
Debt Applicable to Limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal Debt Margin	<u>\$ 585,365,738</u>	<u>\$ 596,007,885</u>	<u>\$ 618,519,977</u>	<u>\$ 643,657,163</u>

Note: Under state finance law, the City of Pico Rivera 's outstanding general obligation debt should not exceed 15 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Source: Los Angeles County Assessor 2016/17 Combined Tax Rolls

**CITY OF PICO RIVERA
LEGAL DEBT MARGIN INFORMATION (CONTINUED)
LAST TEN FISCAL YEARS**

Fiscal Year					
2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
\$ 673,079,843	\$ 710,507,871	\$ 750,729,280	\$ 791,460,728	\$ 836,367,534	\$ 868,018,885
-	-	-	-	-	-
<u>\$ 673,079,843</u>	<u>\$ 710,507,871</u>	<u>\$ 750,729,280</u>	<u>\$ 791,460,728</u>	<u>\$ 836,367,534</u>	<u>\$ 868,018,885</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
\$ 4,443,723,085	\$ 4,699,049,996	\$ 4,960,278,250	\$ 5,223,378,886	\$ 5,524,451,955	\$ 5,741,373,950
43,475,869	37,669,146	44,583,616	53,025,964	51,331,603	45,418,617
<u>\$ 4,487,198,954</u>	<u>\$ 4,736,719,142</u>	<u>\$ 5,004,861,866</u>	<u>\$ 5,276,404,850</u>	<u>\$ 5,575,783,558</u>	<u>\$ 5,786,792,567</u>
\$ 673,079,843	\$ 710,507,871	\$ 750,729,280	\$ 791,460,728	\$ 836,367,534	\$ 868,018,885
-	-	-	-	-	-
<u>\$ 673,079,843</u>	<u>\$ 710,507,871</u>	<u>\$ 750,729,280</u>	<u>\$ 791,460,728</u>	<u>\$ 836,367,534</u>	<u>\$ 868,018,885</u>

**CITY OF PICO RIVERA
PLEDGED REVENUE BOND COVERAGE
LAST TEN FISCAL YEARS**

1999 WATER AUTHORITY REVENUE BONDS - Last Ten Fiscal Years

Fiscal Year	Gross Revenue ⁽¹⁾	Less: Direct Costs ⁽²⁾	Net Revenue Available for Debt Service	1999 Bonded Debt (P & I)	Coverage
2011-12	9,819,509	(5,566,748)	4,252,761	1,635,400	2.60%
2012-13	10,148,149	(4,638,606)	5,509,543	1,641,063	3.36%
2013-14	11,311,659	(4,944,349)	6,367,310	1,638,813	3.89%
2014-15	10,934,757	(4,785,711)	6,149,046	1,638,925	3.75%
2015-16	10,787,717	(5,745,991)	5,041,726	1,638,500	3.08%
2016-17	11,969,572	(4,617,562)	7,352,010	1,635,875	4.49%
2017-18	11,825,467	(2,022,475)	9,802,992	1,636,050	5.99%
2018-19	11,995,293	(5,881,508)	6,113,785	1,638,750	3.73%
2019-20	12,398,054	(5,956,123)	6,441,932	1,638,700	3.93%
2020-21	12,260,342	(6,897,155)	5,363,187	1,635,900	3.28%

(1) Total Water Authority revenues

(2) Total expenditures less depreciation, amortization on issuance costs and allocated costs

2001 WATER AUTHORITY REVENUE BONDS (Subordinate to 1999 Water Bonds) - Last Ten Fiscal Years

Fiscal Year	Gross Revenue ⁽¹⁾	Less Purchased Security Revenue ⁽²⁾	Less: Direct Costs ⁽³⁾	Less: 1999 Debt Svce P & I Payments	Plus: Secured Revenues ⁽⁴⁾	Total Pledged Subordinate Net Revenues & Securities Revenues	2001 P & I Debt Service Payments	Coverage
2011-12	9,819,509	(2,345,875)	(5,566,748)	(1,635,400)	3,350,875	3,622,361	3,099,969	1.17
2012-13	10,148,149	(2,273,075)	(4,638,606)	(1,641,063)	3,348,075	4,943,480	3,101,863	1.59
2013-14	11,311,659	(2,195,200)	(4,944,349)	(1,638,813)	3,345,200	5,878,497	3,097,031	1.90
2014-15	10,934,757	(2,111,900)	(4,785,711)	(1,638,925)	3,341,900	5,740,121	3,095,000	1.85
2015-16	10,787,717	(2,022,650)	(5,369,848)	(1,638,500)	3,342,650	5,099,369	3,088,281	1.65
2016-17	11,969,572	(1,927,100)	(4,617,562)	(1,635,875)	3,337,100	7,126,135	3,086,563	2.31
2017-18	11,825,467	(2,022,475)	(6,483,639)	(1,636,050)	3,334,900	5,618,203	3,084,375	1.82
2018-19	11,995,293	(2,091,209)	(5,881,508)	(1,638,750)	3,330,525	5,714,351	3,081,406	1.85
2019-20	12,398,054	(2,021,540)	(5,990,421)	(1,638,700)	3,328,450	6,075,843	3,077,344	1.97
2020-21	12,260,342	(1,619,212)	(6,897,155)	(1,635,900)	3,323,150	5,431,225	3,076,718	1.77

(1) Total Water Authority revenues

(2) This column is the interest earned on the 2001 Tax Allocation Refunding Bonds

(3) Total expenditures less depreciation, amortization on bond costs and interest payments on the 1999 & 2001 water fund bonds

(4) Principal & interest received on the 2001 Redevelopment Agency Tax Allocation Refunding Bonds

2016 LEASE REVENUE BONDS (2)

Fiscal Year	Gross Revenue ⁽¹⁾	Principal	Interest	Total	Coverage
2016-17	37,906,839	980,000.00	655,944	1,635,944	23.17
2017-18		865,000.00	1,061,150	1,926,150	0.00
2018-19		885,000.00	1,043,650	1,928,650	0.00
2019-20		900,000.00	1,023,450	1,923,450	0.00
2020-21		925,000.00	998,225	1,923,225	0.00

(1) Total General Fund revenues

(2) In 2016 the City of Pico Rivera refinanced its 2009 Lease Revenue bonds

2018 CERTIFICATES OF PARTICIPATION

Fiscal Year	Gross Revenue ⁽¹⁾	Principal	Interest	Total	Coverage
2018-19		205,000.00	486,846	691,846	0.00
2019-20		255,000.00	577,969	832,969	0.00
2020-21		265,000.00	567,769	832,769	0.00

(1) Total General Fund revenues

Source: City of Pico Rivera Finance Department

**CITY OF PICO RIVERA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (in thousands) (2)</u>	<u>Per Capita Personal Income (2)</u>	<u>Unemployment Rate (3)</u>
2011-12	63,121	1,141,193	18,199	10.85%
2012-13	63,053	1,161,020	18,274	8.60%
2013-14	63,873	1,185,419	18,559	7.10%
2014-15	63,902	1,200,974	18,794	7.60%
2015-16	64,272	1,187,489	18,476	6.20%
2016-17	64,046	1,197,852	18,703	4.80%
2017-18	64,260	1,278,319	19,893	4.70%
2018-19	64,033	1,343,604	20,983	4.20%
2019-20	63,374	1,383,034	21,823	21.00%
2020-21	63,157	1,487,725	23,556	13.40%

(1) Population Projections are provided by the California State Department of Finance Projections.

(2) Income Data is provided by the United States Census Data and is adjusted for inflation.

(3) Unemployment Rate is provided by the EDD's Bureau of Labor Statistics Department.

Source: MuniServices LLC

**CITY OF PICO RIVERA
PRINCIPAL EMPLOYERS
CURRENT FISCAL YEAR AND NINE FISCAL YEARS AGO**

Employer	Business Type	2020-21		2011-12	
		Employees	% of Total City Employment	Employees	% of Total City Employment
Wal-Mart Supercenter	Department Store	523	335.26%	370	268.12%
Los Angeles Unified School District	Exempt	347	222.44%		
Riviera Nursing & Convalescent	Healthcare & Hospitals	279	178.85%		
Cintas Corp	Laundromat & Laundry Services	219	140.38%		
Target	Department Store	193	123.72%	186	134.78%
Feit Electric Company	Warehouse For Distribution	184	117.95%		
Manning Beef LLC	Meat - Miscellaneous	170	108.97%		
Bimbo Bakeries	Yard Storage Use Only	160	102.56%	110	79.71%
American Meat Companies	Meat - Wholesale	130	83.33%		
Unisource Solutions	Wholesale Business	122	78.21%		
Bay Cities Container	Yard Storage Use Only	103	66.03%		
Amini Innovation Corp/Aico	Wholesale Business	99	63.46%		
Miss Lola	Service - General	96	61.54%		
El Rancho Vista Healthcare Center	Healthcare & Hospitals	94	60.26%		
AOCLSC, Inc	Manufacturing	85	54.49%		
Dal Rae Restaurant	Entertainment - Dancing / With Food	84	53.85%		
Krieger Steel Products	Manufacturing	83	53.21%		
Food 4 Less	Grocery Store	82	52.56%		
All Source Container, Inc	Wholesale Business	74	47.44%		
Reeve Store Equipment Co	Manufacturing	68	43.59%		
McDonald's	Restaurant - Without Alcohol Sales	65	41.67%		
ABF Freight System, Inc	Exempt	61	39.10%		
Pacific Coast Feather Cushion, LLC	Manufacturing	58	37.18%		
McDonald's	Restaurant - Without Alcohol Sales	55	35.26%		
Pathways Community Services, LLC	Professional Service	55	35.26%		
Total Top Employers		3,489	2236.54%	666	482.61%
Total City Employment (1)		156		138	

Source: HDL Companies

*This count represents the entire school district not just employees located in Pico Rivera.

** Includes FTE and temp service employees

(1) Total City Labor Force provided by EDD Labor Force Data.

CITY OF PICO RIVERA
FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2011-2012	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
General Government	28	29	29	30	25	30	30	31	30	29
Public Safety	6	5	5	5	8	8	9	9	7	7
Public Works	57	47	47	54	55	64	65	66	51	51
Parks & Recreation	20	20	20	21	21	26	26	27	24	25
Community Development	17	16	16	16	15	20	19	20	20	20
Water	10	11	11	11	8	9	10	10	10	10
Total	<u>138</u>	<u>128</u>	<u>128</u>	<u>137</u>	<u>132</u>	<u>157</u>	<u>159</u>	<u>163</u>	<u>142</u>	<u>142</u>

Source: City of Pico Rivera Finance Department
The city historically only reports full-time salaried positions on this schedule.

**CITY OF PICO RIVERA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	Fiscal Year			
	2011-12	2012-13	2013-14	2014-15
Police:				
Calls Dispatched	21,735	22,369	21,602	21,878
Crime Reports	7,151	7,062	9,775	10,725
Moving Citations	4,326	4,947	4,822	4,250
Parking Citations - Sheriff	416	302	549	147
Parking Citations Issued By Public Safety	16,490	16,161	16,303	15,152
Streets and Highways:				
Asphalt Repair (In Tons)	1,012	669	160	427
Curb & Gutter Repair (Lineal Ft.)	720	1,059	26	530
Sidewalk Repair (Lineal Ft.)	5,152	4,690	877	1,200
Traffic Signals Maintained	50	51	42	45
Water:				
Number of Customer Accounts	9,486	9,510	9,393	9,400
Average Daily Consumption (Millions of Gallons)	5	6	5	5
Water Samples Taken (Annual)	825	783	900	1,162
Sewers:				
Feet of Sewer Mains Root Cut/Chemically Treated	15	11	11	11
Maintenance:				
Square Ft. Graffiti Removal	121,419	120,200	95,353	101,419
Streetsweeping Miles	21,285	21,285	21,285	21,285
Trees Trimmed Per Year	4,621	4,543	4,258	4,998
Culture And Recreation:				
Youth Sports	825	835	856	856
Aquatics	11,479	11,800	16,179	16,179
Recreation Classes	15,601	14,983	16,415	16,415
Senior Center Participants	132,211	133,143	117,978	117,978

(A) Information is not available

(*) City sewer rights were returned to LA County Public Works in FY 2015-16

Source: City of Pico Rivera Finance Department

CITY OF PICO RIVERA
OPERATING INDICATORS BY FUNCTION (CONTINUED)
LAST TEN FISCAL YEARS

Fiscal Year					
2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
24,523	26,177	25,363	22,854	31,780	29,039
10,268	7,275	6,680	6,288	5,969	5,255
3,296	3,146	3,931	3,216	1,770	2,720
171	158	69	167	74	20
15,468	16,285	15,985	28,037	16,543	20,974
100	2,523	7,263	4,813	4,061	1,312
500	146	121	200	606	1,220
1,600	2,523	7,263	208	2,008	2,400
47	47	47	47	47	48
9,435	9,435	9,435	9,435	9,450	9,452
4				4	4
520				728	749
0*	0	0	0	0	0
100,000	150,000	229,000	117,536	89,299	89,299
10,400	21,285	21,285	21,285	21,285	21,285
5,000	4,000	3,000	2,500	751	614
818	671	517	825	292	0
6,960	10,715	10,502	11,114	8,811	0
4,825	4,932	7,076	10,398	5,107	2,289
110,632	135,889	151,669	135,354	97,080	0

**CITY OF PICO RIVERA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	Fiscal Year			
	2011-12	2012-13	2013-14	2014-15
Public Safety:				
Police Stations	1	1	1	1
Number of Patrol Units	12	12	12	12
Highways and Streets:				
Miles of Streets	115.2	115.2	115.2	115.2
Traffic Signals	43	43	43	43
Water:				
Number of Active Water Wells	9	8	8	8
Number of Reservoirs	3	3	3	3
Miles of Lines & Mains	98	98	98	98
Sewer:				
Miles of Sanitary Sewers	285	285	285	285
Miles of Flood Control Channel	17.2	17	17	17
Culture and Recreation:				
Number of Parks	8	8	8	8
Number of Community Centers	6	6	6	6

CITY OF PICO RIVERA
CAPITAL ASSET STATISTICS BY FUNCTION (CONTINUED)
LAST TEN FISCAL YEARS

Fiscal Year					
2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
1	1	1	1	1	1
12	14	14	14	14	14
115.2	115.2	115.2	115.2	115.2	115.2
47	47	47	47	47	48
8	8	8	8	8	8
3	3	3	3	3	3
98	98	98	98	98	98
285	285	285	285	285	285
17	17	17	17	17	17
8	8	8	8	8	8
6	6	6	6	6	6



City of Pico Rivera • 6615 Passons Boulevard • Pico Rivera, CA 90660
Tel. no. (562) 942-2000 • www.pico-rivera.org