

City of

# PICO RIVERA

California

# ACFR

**Fiscal Year Ended June 30, 2023**



## ANNUAL COMPREHENSIVE FINANCIAL REPORT

**2023**

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**CITY OF PICO RIVERA, CALIFORNIA  
TABLE OF CONTENTS  
YEAR ENDED JUNE 30, 2023**

**INTRODUCTORY SECTION**

LETTER OF TRANSMITTAL	i
CITY OFFICIALS	xiv
ORGANIZATIONAL CHART	xv
CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING	xvi

**FINANCIAL SECTION**

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

**FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

STATEMENT OF NET POSITION	18
STATEMENT OF ACTIVITIES	19

**FUND FINANCIAL STATEMENTS**

**GOVERNMENTAL FUNDS**

DESCRIPTION OF MAJOR FUNDS	21
BALANCE SHEET	22
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION	24
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES	25
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES	27

**PROPRIETARY FUNDS**

STATEMENT OF NET POSITION	28
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	29
STATEMENT OF CASH FLOWS	30

**FIDUCIARY FUND**

DESCRIPTION OF FIDUCIARY FUND	32
STATEMENT OF FIDUCIARY NET POSITION	33
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION	34

NOTES TO FINANCIAL STATEMENTS	35
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**CITY OF PICO RIVERA, CALIFORNIA  
TABLE OF CONTENTS  
YEAR ENDED JUNE 30, 2023**

**REQUIRED SUPPLEMENTARY INFORMATION**

<b>SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS – MISCELLANEOUS PLAN</b>	<b>84</b>
<b>SCHEDULE OF CONTRIBUTIONS – MISCELLANEOUS PLAN</b>	<b>85</b>
<b>SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS – COUNCIL PLAN</b>	<b>86</b>
<b>SCHEDULE OF CONTRIBUTIONS – COUNCIL PLAN</b>	<b>87</b>
<b>SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS</b>	<b>88</b>
<b>SCHEDULE OF CONTRIBUTIONS – OPEB PLAN</b>	<b>89</b>
<b>BUDGETARY COMPARISON SCHEDULES</b>	
<b>GENERAL FUND</b>	<b>90</b>
<b>HOUSING AGENCY SECTION 8 SPECIAL REVENUE FUND</b>	<b>91</b>
<b>AMERICAN RESCUE PLAN SPECIAL REVENUE FUND</b>	<b>92</b>
<b>NOTE TO REQUIRED SUPPLEMENTARY INFORMATION</b>	<b>93</b>

**SUPPLEMENTARY INFORMATION**

<b>OTHER GOVERNMENTAL FUNDS</b>	
<b>DESCRIPTION OF OTHER GOVERNMENTAL FUNDS</b>	<b>94</b>
<b>COMBINING BALANCE SHEET</b>	<b>96</b>
<b>COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES</b>	<b>102</b>
<b>SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL</b>	
<b>COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND</b>	<b>108</b>
<b>STATE GAS TAX SPECIAL REVENUE FUND</b>	<b>109</b>
<b>LIGHTING ASSESSMENT DISTRICT SPECIAL REVENUE FUND</b>	<b>110</b>
<b>PROP A SPECIAL REVENUE FUND</b>	<b>111</b>
<b>PROP C SPECIAL REVENUE FUND</b>	<b>112</b>
<b>MEASURE R SPECIAL REVENUE FUND</b>	<b>113</b>
<b>MEASURE M SPECIAL REVENUE FUND</b>	<b>114</b>
<b>HOME GRANT SPECIAL REVENUE FUND</b>	<b>115</b>
<b>CALHOME GRANT SPECIAL REVENUE FUND</b>	<b>116</b>
<b>AIR QUALITY IMPROVEMENT SPECIAL REVENUE FUND</b>	<b>117</b>

**CITY OF PICO RIVERA, CALIFORNIA  
TABLE OF CONTENTS  
YEAR ENDED JUNE 30, 2023**

COUNTY GRANTS SPECIAL REVENUE FUND	118
STATE GRANTS SPECIAL REVENUE FUND	119
ECONOMIC SUSTAINABILITY SPECIAL REVENUE FUND	120
IMAGE ENHANCEMENT SPECIAL REVENUE FUND	121
SEWER MAINTENANCE SPECIAL REVENUE FUND	122
REACH GRANTS SPECIAL REVENUE FUND	123
CABLE/PEG SUPPORT SPECIAL REVENUE FUND	124
TRANSPORTATION DEVELOPMENT ACT SPECIAL REVENUE FUND	125
MEASURE W SPECIAL REVENUE FUND	126
FEDERAL GRANTS SPECIAL REVENUE FUND	127
CAPITAL IMPROVEMENT CAPITAL PROJECTS FUND	128
PARAMOUNT/MINES LANDSCAPE MAINTENANCE ASSESSMENT CAPITAL PROJECTS FUND	129
OTHER ENTERPRISE FUNDS	
DESCRIPTION OF OTHER ENTERPRISE FUNDS	130
COMBINING STATEMENT OF NET POSITION	131
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	132
COMBINING STATEMENT OF CASH FLOWS	133
STATISTICAL SECTION (UNAUDITED)	
DESCRIPTION OF STATISTICAL SECTION CONTENTS	134
FINANCIAL TRENDS	
NET POSITION BY COMPONENT – LAST TEN FISCAL YEARS	135
CHANGE IN NET POSITION – LAST TEN FISCAL YEARS	137
FUND BALANCES OF GOVERNMENTAL FUNDS – LAST TEN FISCAL YEARS	141
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS – LAST TEN FISCAL YEARS	143
REVENUE CAPACITY	
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE – LAST TEN FISCAL YEARS	145
REVENUE BASE BY CATEGORY – LAST TEN FISCAL YEARS	147
PROPERTY TAX LEVIES AND TAX COLLECTIONS – LAST TEN FISCAL YEARS	148



**CITY OF PICO RIVERA, CALIFORNIA  
TABLE OF CONTENTS  
YEAR ENDED JUNE 30, 2023**

<b>DIRECT AND OVERLAPPING GOVERNMENTS PROPERTY TAX RATES – LAST TEN YEARS</b>	<b>149</b>
<b>PRINCIPAL PROPERTY TAXPAYERS – CURRENT FISCAL YEAR AND NINE FISCAL YEARS AGO</b>	<b>151</b>
<b>TOP 25 SALES TAX PRODUCERS – CURRENT FISCAL YEAR AND NINE FISCAL YEARS AGO</b>	<b>152</b>
<b>DEBT CAPACITY</b>	
<b>RATIOS OF OUTSTANDING DEBT BY TYPE – LAST TEN FISCAL YEARS</b>	<b>153</b>
<b>RATIOS OF GENERAL BONDED DEBT OUTSTANDING – LAST TEN     FISCAL YEARS</b>	<b>154</b>
<b>DIRECT AND OVERLAPPING DEBT</b>	<b>155</b>
<b>LEGAL DEBT MARGIN INFORMATION – LAST TEN FISCAL YEARS</b>	<b>156</b>
<b>PLEDGED REVENUE BOND COVERAGE</b>	
<b>1999 WATER AUTHORITY REVENUE BONDS – LAST TEN FISCAL YEARS</b>	<b>158</b>
<b>2001 WATER AUTHORITY REVENUE BONDS – LAST TEN FISCAL YEARS</b>	<b>158</b>
<b>2016 LEASE REVENUE BONDS</b>	<b>158</b>
<b>2018 CERTIFICATES OF PARTICIPATION</b>	<b>158</b>
<b>DEMOGRAPHIC AND ECONOMIC INFORMATION</b>	
<b>DEMOGRAPHIC AND ECONOMIC STATISTICS – LAST TEN FISCAL YEARS</b>	<b>159</b>
<b>PRINCIPAL EMPLOYERS – CURRENT FISCAL YEAR AND NINE FISCAL     YEARS AGO</b>	<b>160</b>
<b>OPERATING INFORMATION</b>	
<b>FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION – LAST TEN     FISCAL YEARS</b>	<b>161</b>
<b>OPERATING INDICATORS BY FUNCTION – LAST TEN FISCAL YEARS</b>	<b>162</b>
<b>CAPITAL ASSET STATISTICS BY FUNCTION – LAST TEN FISCAL YEARS</b>	<b>164</b>

## INTRODUCTORY SECTION

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**Jane Guo**  
Director

# City of Pico Rivera

## **ADMINISTRATIVE SERVICES**

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### **City Council**

Erik Lutz

*Mayor*

Andrew C. Lara

*Mayor Pro Tem*

Gustavo V. Camacho

*Councilmember*

John R. Garcia

*Councilmember*

Dr. Monica Sanchez

*Councilmember*

December 1, 2023

Honorable Mayor and City Council  
City of Pico Rivera, California

**SUBJECT: ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE CITY OF PICO RIVERA FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

Honorable Mayor and City Councilmembers:

I am pleased to present the Annual Comprehensive Financial Report of the City of Pico Rivera for the fiscal year ended June 30, 2023, as mandated by both local ordinances and state statutes. These ordinances and statutes require that the City of Pico Rivera (City) 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. 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 (CLA), Certified Public Accountants & Consultants. For the year ended June 30, 2023, these financial statements received an unmodified opinion by CLA. 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. Situated on the eastern edge of the Los Angeles basin and the southern edge of the area known as the San Gabriel Valley, Pico Rivera is approximately 13 miles southeast of downtown Los Angeles, with a population of 60,000. Formed through the merging of two historic communities, Pico and Rivera, the City was officially incorporated in January 1958 as the 61<sup>st</sup> 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 of 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 City's programs, services, and projects. Five (5) City Council members are elected, at large, for staggered four-year terms. The Council members select two (2) 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 (2) 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 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. 7289 were formally adopted by the City Council on June 27, 2023, that include 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, 2023, after thorough review by appropriate Administrative Services Department staff, will either be released or re-appropriated for use in Fiscal Year (FY) 2023-24, as appropriate, in the respective funds, departments, programs, and accounts/objects.

### **Reserves and Fund Balance Policy**

In an effort to further secure the City's long-term financial health, the City Council first adopted comprehensive reserve policies as part of the FY 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 the City Council as part of the FY 2021-22 budget process. On July 28, 2020, the Pico Rivera City Council adopted revised "risk-based" General Fund and Proprietary Fund Reserve Policies, which increased 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 the 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 FY 2023-24 Budget.

The City strives to be well-positioned to weather potential economic downturns, natural disasters, or other calamities that 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 Administrative Services 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 judgments by management.

### **Significant Financial Events**

There were no changes to financial policies that resulted in a significant impact on the June 30, 2023, financial statements.

### **Long-term Financial Planning**

The City utilizes two (2) 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 the improvement and maintenance of 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 creating baseline and alternative revenue and spending forecasts, including historical and projected annual periods for the next five (5) 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**

The City of Pico Rivera is exceptionally well positioned to meet current and future challenges facing local government and our community. These accomplishments signify the City's commitment to working together in a collaborative manner for the betterment of the greater community. These accomplishments and many more demonstrate our diligence and commitment to implementing our strategic priorities and ensuring the City's economic prosperity and bettering the lives of our citizens and businesses. The City's performance goals, priorities, and strategies focus on the following areas:

- Fiscal and Organization Sustainability
- Economic Development and Land Use
- Infrastructure

- Health, Wellness and Safety
- Community Engagement

### Fiscal and Organizational Sustainability Accomplishments

#### **Administration**

- Successfully placed Measure AB on the ballot, and in November 2022, voters overwhelmingly approved it with a 75% approval.
- Conducted the City's General Municipal Election that included two (2) approved Measures
- Held the City's annual City Council Goal setting retreat
- Updated the City's Biennial Conflict-of-Interest Code
- Implemented an Online Records Center Public Portal and Public Records Request Automation Process
- Successfully adopted the City's first Legislative Platform
- Successfully led an advocacy trip to Sacramento, CA, for the California Contract Cities Conference, where City Council members and staff met with Assemblymembers Lisa Calderon and Senators Lena Gonzalez and Bob Archuleta
- Successfully led an advocacy trip to Washington DC where City Council members and staff met with US Congressional Representatives Judy Chu (D28), Grace Napolitano (D31), Linda Sanchez (D38), Robert Garcia (D42), Nanette Barragan (D44); US Senator Alex Padilla and the Office of the late Senator Feinstein; the US Departments of Transportation and Economic Development Administration; and President Biden's Infrastructure Team

#### **Administrative Services**

- Completed the FY 2021-22 Accomplishments Publication Book
- Published the "Budget-in-Brief" document, which provides the community with a summary of the City's Annual Budget, Priorities, and Accomplishments
- Received GFOA Award for Excellence in Financial Report for the 2022 Annual Comprehensive Financial Report (ACFR)
- Received GFOA Award for Distinguished Budget Presentation for Year 2 of the FY 2021-23 Biennial Budget
- Implemented industry "Best Practices":
  - Updated the Investment Policy
  - Updated Capital Asset Capitalization Policy
- Implemented TravelBank Apps to track and reconcile credit card transactions seamlessly online.
- Presented a balanced Biennial Budget for FY 2023-25
- Upgraded Virtual City Hall - 3Di Systems with VCH 311 platform to actively engage citizens with the City to maintain a clean & safe community
- Upgraded new City Phone system from a legacy on-premises system to a modern voice-over IP Cloud system
- Upgraded new Email system (Office 365) from Exchange 2007
- Implemented IT Standardization of documentation and remote tools, including IT Glue

SUBJECT: ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE CITY OF PICO RIVERA FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Page 6 of 13

for the centralized documentation platform and Pulseway for the remote monitoring and management platform

- Implemented Cyber Security Measures for Ransomware Protection, Cloud Antivirus, Multi-Factor Authentication (MFA), and Penetration Testing
- Enhanced Threat ZERO prevention-based platform for identifying and managing the presence of compromises & sophisticated threat actors
- Upgraded Internet Redundancy of Failover Internet line to prevent ISP-Related service interruptions

## **Human Resources**

- Successfully recruited for all executive positions.
- Completed CEA, SEIU, and SEIU Directors Labor Negotiations
- Rolled out Phase One of Supervisory/Management/Leadership Training
- Successfully received and reviewed 2,298 employment applications
- Provided New Hire Orientations to 19 full-time employees and 33 part-time employees
- Successfully facilitated and certified 17 full-time and 53 part-time interviews from eligibility list
- Implemented new training platform, Vector Solutions
- Successfully renewed all lines of insurance for FY 2023-24
- Recertified Heat Stress, CPR, and Mandated Reporter Trainings

## **Economic Development and Land Use Accomplishments**

- Initiated a partnership with the Rivers & Mountains Conservancy, City of Montebello, and the Los Angeles County Department of Public Works to explore, plan, and implement passive recreation facilities at Rio Hondo Coastal Basin Spreading Grounds
- Executed a Memorandum of Understanding with Landify to plan, design, and develop new parks, open spaces, trails, and recreational facilities at Ruben Salazar High School and other suitable sites throughout the City
- Collaborated with ERUSD to pursue and secure public and private funding opportunities for the renovation of Ruben Salazar High School
- Processed a Specific Plan and Conditional Use Permit for the Mercury Mixed Unit Housing Development for a 6-story 255-unit mixed-use project at 8255 Washington Boulevard
- Processed a Conditional Use Permit application for a 350,000-square-foot warehouse development on a 19-acre site for Insite Warehouse Development
- Entitled the development of a 70,000-square-foot office building for training and development at the Southern California Gas Company Office Building headquarters located at 8101 Rosemead Boulevard
- Entitled a 1,030-square-foot Starbucks location at the former Tamarack Inn at 9257 Slauson Avenue
- Processed a Conditional Use Permit for the development of a 45-unit townhome development located at 4820 Durfee Avenue
- Entitled a 4-story modern architectural-style Public Storage facility on a site that had

- been vacant for 42 years
- Issued grants of up to \$10,000 to 14 additional businesses, successfully concluding the COVID-19 impact relief program for small businesses
- Completed 3 home rehabilitation projects in partnership with Habitat for Humanity for low- and moderate-income households
- Sold an underutilized street portion on Baybar Road and generated \$1 million for City coffers
- Disposed of a 5,000-square-foot former Redevelopment Agency site located at 8631 Beverly Boulevard in the amount of \$180,000
- Disposed of a 1,144 square-foot underutilized former Redevelopment Agency parcel located on the northwest corner of Paramount Boulevard and Beverly Boulevard.
- Acquired a 5,000-square-foot site located at 9201 Whittier Boulevard in a parking deficient area for the development of additional parking spaces
- Acquired a vacant Veterans of Foreign Wars post located at 4865 Durfee Avenue. The 9,000-square-foot lot will allow the City to develop additional parking for local businesses, including the American Legion
- Acquired the former Montebello Bus Lines and Metro terminal at the southwest corner of Passons Boulevard and Jackson Street. The 20,000-square-foot lot will be developed into the future Passons Active Depot park
- Submitted a two-part federal request to US Senator Padilla and the late Senator Feinstein for the FY 24 Water Resources Development Act to address the impacts of the Whittier Narrows Dam Safet Modification Project

#### Infrastructure Accomplishments

- Submitted the following:
  - A grant proposal to the US Economic Development Administration in the amount of \$597,400 for the Southeast LA Micro EV Tech Hub and Pico Rivera Nucleus
  - A grant proposal to the California Regional Trails Program in the amount of \$1.4 million for the Pio Pico State Historic Park Trail Connection Project
  - A FY24 California State Budget Request with Assemblymember Lisa Calderon in the amount of \$1.125 million for the Historic Whittier Boulevard Paseo Project
  - A grant with the Rivers and Mountains Conservancy through Prop 1 in the amount of \$1.1 million for the Historic Whittier Boulevard Los Paseos Project
  - A Caltrans Clean CA Local Grant in the amount of \$3.5 million for the Historic Whittier Boulevard Los Paseos Project
- Received awards for the following:
  - A Caltrans Sustainable Community Planning Grant in the amount of \$585,334 for the Rosemead/Lakewood Boulevard Complete Corridor Project
  - A FY24 California State Budget Request with Assemblymember Lisa Calderon in the amount of \$1.125 million for the Alebrije Dog Park
  - A \$1,050,000 million dollar grant for The PAD project from Congresswoman Linda Sánchez
  - A New Mini-Pitch from National Recreation and Parks Association (NRPA)



- valued at \$100,000
  - A Congressional Community Funding Request through Congresswoman Linda Sánchez in the amount of \$1.5 million for the Historic Whittier Boulevard Los Paseos Project
- Began design phase of the following capital improvement projects:
  - Alebrije Dog Park
  - Youth Center Renovation
  - Rio Hondo Park Renovation
  - Utility Box Art Program
  - Pico Park Outdoor Restrooms
- Developed a new design for the Smith Park Aquatic Center
- Upgraded the following:
  - LED Lighting at Rivera Park Gym and Multi-purpose Room
  - HVAC unit for the Rivera Park Multi-purpose Room
  - Suppression System for Pico Park Kitchen
  - HVAC Compressor at City Hall
- Completed the following capital improvement projects:
  - City Hall and City Hall West ADA Improvements
  - Senior Center ADA Parking Lot Renovation
  - Beverly and San Gabriel River Parkway Median Improvements
  - Whittier Blvd Overlay
  - Whittier Blvd Landscape Median Improvements
  - Rosemead Blvd and Beverly Blvd Hot Spot and Block Wall at Lindell
  - Highway Safety Improvement Program (HSIP) Cycle 7 Traffic Signal Upgrades
  - Highway Safety Improvement Program (HSIP) Cycle 8 Traffic Signal Upgrades
  - Citywide Resurfacing Slurry and Cape Seal (2023)
  - Rosemead Blvd North of Whittier Blvd Street Rehabilitation
  - Annual Signing and stripping
  - Chip Seal/ARAM (Asphalt Rubber Aggregate Membrane) Street Rehabilitation
  - Overlay and Reconstruction of Streets
  - Well Rehabilitation
  - Electrical Switchboard Replacement at Plant No. 3
  - Citywide Traffic Signal Upgrades
  - Phase 1 of Smith Park Aquatic Renovation
  - Design for Rosemead Blvd Median and Parkway Beautification
  - Design for Major Corridors, Median and Parkway Beautification
  - Design for Regional Bikeway Phase I - Mines Ave Improvements
  - Design for Senior Center Tenant Improvements
  - Design for Youth Center Renovation
  - Installation of new canopies for the outdoor area at the Senior Center
  - Remodeling of outdoor restrooms at the Golf Course
  - Installation of new sewer lines for Clubhouse at Golf Course
  - Rebuilding of pumps in the Storm Water Lift Stations at Rosemead Blvd and

SUBJECT: ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE CITY OF PICO RIVERA FOR THE FISCAL YEAR ENDED JUNE 30, 2023

Page 9 of 13

Rex Rd.

- Purchased three (3) new transportation vehicles. Two (2) vehicles for Recreation Transit and one for Dial-A-Ride
- Participated, presented, and was recognized by the Association of State Dam Safety Officials and the US Army Corps of Engineers for the City's public outreach and engagement program regarding the Whitter Narrows Dam project
- Successfully secured the endorsement and support from US Senator Alex Padilla for the Rosemead/Lakewood Boulevard Complete Corridor Project
- Successfully established a partnership with the City of Long Beach to advance the Rosemead/Lakewood Boulevard Complete Corridor Project
- Successfully incorporated the Rosemead/Lakewood Boulevard Complete Corridor Project into SCAG's Federal Transportation Improvement Program list of projects, therefore making the Project eligible for federal funding

Health and Wellness & Safety Accomplishments

- Completed Vehicles Miles Traveled (VMT) Analysis
- Completed the Local Roadway Safety Plan
- Completed the Facilities Management Plan and Security System.
- Upgraded rain gutters at the City Yard
- Officially joined the California Jobs First – Los Angeles Collaborative to fund, establish, and support the long-term viability of the South East LA Micro EV Tech Hub and Pico Rivera Nucleus
- In collaboration with the City's Public Safety Ad Hoc Committee, completed the installation of 36 Automated License Plate Reader cameras by Flock Safety, a new and innovative program to improve ways of mitigating and solving crime using automated license plate recognition
- Increased PRIME energy generation rates to successfully meet the City's reserve policy for PRIME to 50% while continuing to provide a 3% discount on energy compared to Southern California Edison's rates
- Awarded an agreement to develop the City's first-ever Climate Action Plan (CAP). A CAP is a comprehensive strategy that outlines measures and policies to mitigate climate change, aiming to reduce greenhouse gas emissions, adapt to climate change conditions, and foster a transition to a low-carbon economy
- Celebrated five years of PRIME operations with \$1 million in cumulative savings since its inception
- Maintained an approximate 94% PRIME customer retention rate
- Completed converting and installing 428 LED lights, bringing the total converted LED lights to 3,341, generating 1.8 million kWh in energy savings, or \$567,000 in annual cost savings
- Increased OhmConnect registrations with 63 new active participants for FY 2022-23. OhmConnect is a platform that enables and incentivizes residents to participate in energy-saving activities, especially during summer heat events, to help prevent energy blackouts
- Collaborated with the Southern California Association of Governments (SCAG) and completed a study to determine the need for Electric Vehicle (EV) Charging Stations

in the City in anticipation of the State's target to have 5 million zero-emission vehicles on the road by 2030. The study identified a need for 1,856 EV charging stations in the City by 2030

- Received the 2022 Gateway Cities Council of Governments Energy Action Award – Gold. The awards are divided into four tiers, no award, bronze, silver, and gold (the most prestigious award), to recognize cities in their efforts and participation in energy efficiency and climate initiatives
- Distributed organic waste bins to all eligible commercial accounts, reaching 100% compliance with SB 1383 State mandates
- Successfully incorporated legislative language into the State Climate Resiliency Bond, prioritizing communities impacted by climate disasters or by projects mitigating disasters, such as dams for park funding
- Submitted over 20 letters to the State Legislature expressing the City's position for the record on various issues, including zoning, local control, climate resilience, and public safety
- Successfully partnered with Beverly Hospital to offer Wellness Classes and Health Screenings at the Senior Center
- Assisted 93 households in collaboration with the Southern California Housing Rights Center, delivering fair housing services, including discrimination prevention, referrals, case management, and resolution of landlord-tenant disputes
- Resolved 810 code enforcement cases generated on a complaint basis
- Successfully introduced a City Ordinance prohibiting participation in and speculation of illegal street takeovers
- The City Council recognized the importance of public safety and the need for effective coordination between law enforcement agencies and community stakeholders. To enhance this coordination, the City Council launched a pilot program in February 2023 that added a Public Safety Coordinator position in the City

#### Community Engagement Accomplishments

- Opened the Roldan Mini-Pitch and established a public/private partnership with the Roldan Family
- Developed PlayPASS subsidy program. The program will subsidize the registration fee for income-eligible youth to be able to participate in recreational youth sports programs, and over 50 participants were awarded assistance
- Awarded a \$20,000 grant from the National Recreation and Parks Association (NRPA) towards the PlayPASS program
- Served over 12,500 meals for the Summer Food Service Program
- Secured \$450,000 in grant funding towards the Outdoor Equity Program (OEP) from California State Parks that will offer new outdoor excursions and experiences to our community
- Successfully hosted thirteen (13) city-wide Special Events
- Successfully held six (6) Pool Days, in partnership with local cities, to ensure residents had access to aquatic programs, pending the Aquatic Center renovation
- Held the REACH program at eight (8) Elementary sites: Birney Tech Academy, Durfee Elementary, Magee Academy of Arts & Sciences, North Ranchito Elementary, Rio Vista Elementary, Rivera Elementary, South Ranchito Dual Language Academy, and

Valencia Academy of the Arts

- Successfully served approximately 482 students through the REACH program
- Resumed the Pico Rivera Senior Center Meal program
- Senior Clubs resumed Club meetings. A grand total of 200 seniors met regularly
- Opened the Veterans Resource Center at the Pico Rivera Senior Center
- Appointed over 130 Veterans Service Officers
- Appointed over 1,200 Case Workers
- Held the Ribbon Cutting ceremony to roll out the City's new Transportation/Dial-A-Ride program, "Pico Rivera Transit (PRT)". Over 160 Pico Rivera senior and disabled residents signed up for program
- Dial-A-Ride program provided over 11,000 trips and over 300 new participants
- Recreation Transit/Trips and Tours provided 23 excursions
- Issued 12 Profiles to the community for public information
- Successfully engaged and solicited input from over 5,000 people throughout phases 1 and 2 of the Historic Whittier Boulevard Specific Plan and Multimodal Plan, which will be used to develop initial concepts and recommendations for revitalizing "uptown" Pico Rivera
- Hosted city tours with Pico Rivera stakeholders and leaders to the City of Orange and Pasadena to explore, draw comparisons, and learn from best and experimental practices for creating vibrant mixed-use community and economic development districts
- Successfully partnered with El Rancho Unified School District to launch the Pico Rivera Youth Ambassador Program, engaging local high-school students with real-world city projects and exposing them to career paths in urban planning, civil engineering, architecture, public policy, public administration, and more
- Launched "The Boulevard Bulletin": A quarterly newsletter distributed communitywide that provides updates on the Historic Whittier Boulevard Program
- Acquired and activated the Pico Rivera IDEA Lab to support the Whittier Boulevard Revitalization Program delivery and serve as the on-site project and student and youth engagement center
- Successfully adopted a resolution and applied with the Local Agency Formation Commission to initiate the establishment of the Lower San Gabriel River Recreation and Park District
- Held a successful Clean California Bulky Item Dump Day Event in partnership with Caltrans.
- Distributed meals to 378 senior citizens through the Southeast Area Social Services Funding Authority's (SASSFA) congregate nutritional program in Pico Rivera, targeting vulnerable individuals aged 60 and above to prevent premature institutionalization
- Awards Received:
  - "Photography Award of Distinction" from California Association of Public Information Officials (CAPIO).
  - "Best of the Best" award for Pico Rivera Transit Graphic Design - Print from California Association of Public Information Officials (CAPIO).
  - "Epic Award" for Pico Rivera Transit Graphic Design from the California Association of Public Information Officials (CAPIO)
  - "Rebrand Award of Distinction" for Pico Rivera Transit from the California Association of Public Information Officials (CAPIO)
  - 1st place "Award in Excellence in Marketing" for the Pico Rivera Transit Dial-A-

- Ride program from the California Association of Coordinated Transportation (CalAct)
- “Award of Excellence” recipient for Pico Park Roldan Mini-Pitch in the “Excellence in Design Park Planning” Category from California Parks & Recreation Society (CPRS)
- 2022 CAPIO EPIC Award in Graphic Design – Online category for 2021’s Community Bike Ride. The project also received 1 of the 3 “Best in Show Award” for all statewide entries

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, our goal is not only to ensure financial sustainability but also to strive to strategically position the City to execute 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 \$8.65 million as of June 30, 2023.

The total fund balance grew by \$9.048 million to \$82.270 million – an amount that represents 146% of operating revenue. Further details of these and related financial statistics can be found in the MD&A and the Notes sections on the following pages.

The relative health of the City’s finances can be attributed to five (5) successive fiscal years of focused attention on improving the alignment of ongoing expenditures with ongoing revenues. While the City has enjoyed positive financial health in the recent past, it is essential to implement all available measures to safeguard against potential economic downturns that could impinge upon the City’s primary revenue sources: sales, property, and business license tax. Given the ongoing national economic challenges, including continuing inflation, constrained supply in the goods, services, and labor markets, more stringent Federal monetary policies, and market volatility, the City must proactively enhance revenues and improve operational efficiency to prevent impact from 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 fulfill City Council priorities. The efforts to focus on the City’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 Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June

30, 2022. This was the 25<sup>th</sup> consecutive year that the City had achieved this prestigious award. To be awarded a Certificate of Achievement, a government entity must publish an easily readable and efficiently organized ACFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one (1) year. We believe that our ACFR for FY 2022-23 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 CLA conducted this year's audit. The auditors' report on the government-wide financial statements and combining 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 provisions of the Single Audit Act of 1984 and the U.S. Office of Management and the Uniform Guidance. Results of the Single Audit are reported separately and will be available by March 2024.

### **Acknowledgments**

The Administrative Services 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.

Respectfully,



Jane Guo  
Director of Administrative Services



## **CITY OF PICO RIVERA**

### **CITY OFFICIALS**

#### **City Council**

Erik Lutz, Mayor

Andrew C. Lara, Mayor Pro Tem

Gustavo V. Camacho, Councilmember

John R. Garcia, Councilmember

Dr. Monica Sánchez, Councilmember

#### **Executive Team**

City Manager

Steve Carmona

Assistant City Manager

Angelina Garcia

City Clerk

Vacant

Director of Administrative Services

Jane Guo

Director of Community and Economic Development

Alvaro Betancourt

Director of Human Resources

Karine Shirinian

Director of Innovation and Communications

Javier Hernandez

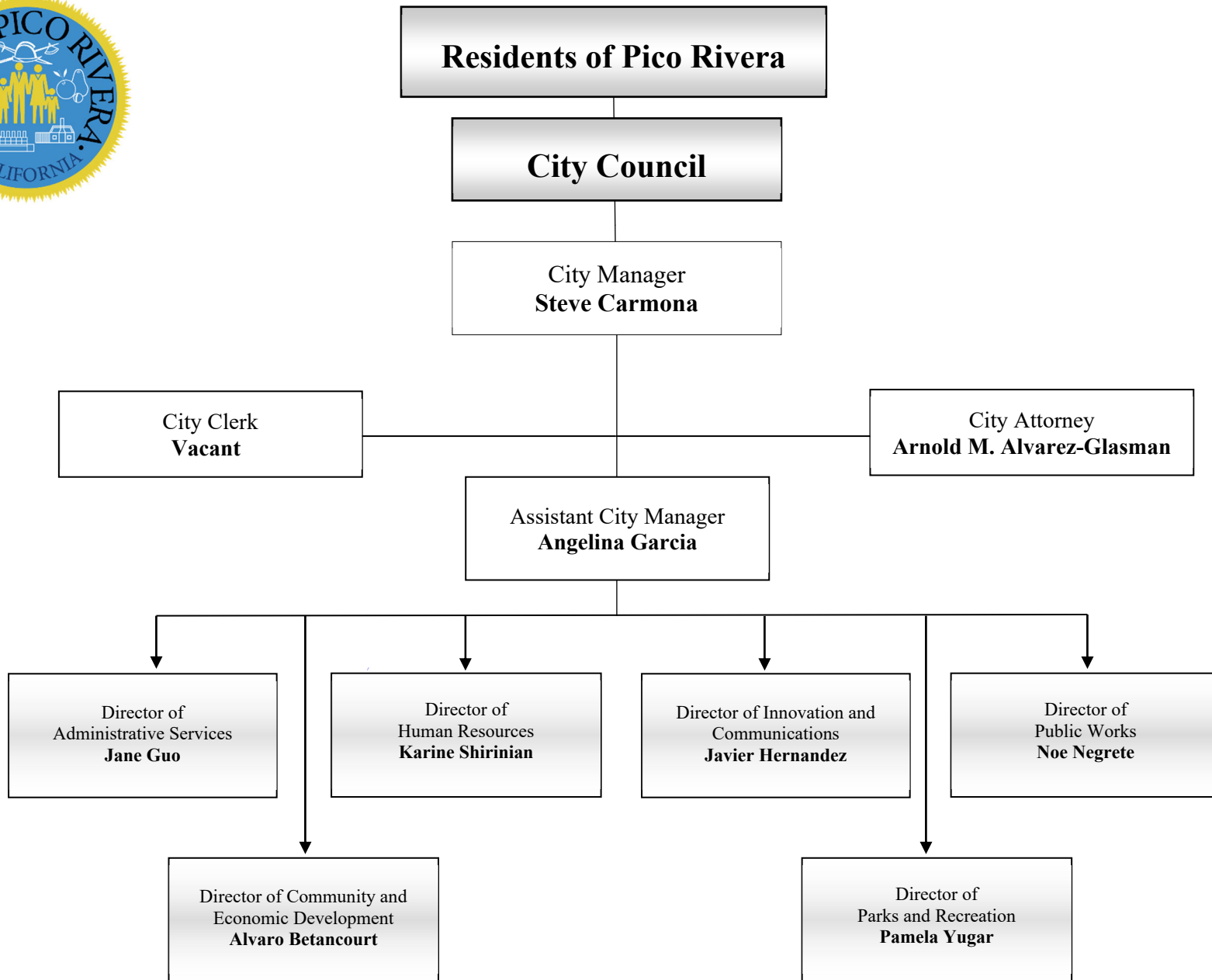
Director of Parks and Recreation

Pamela Yugar

Director of Public Works

Noe Negrete







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, 2022

*Christopher P. Morill*

Executive Director/CEO

## **FINANCIAL SECTION**

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## INDEPENDENT AUDITORS' REPORT

Honorable City Council  
City of Pico Rivera, California  
Pico Rivera, California

### **Report on the Audit of the Financial Statements** ***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Pico Rivera (the City), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the City of Pico Rivera's basic financial statements as listed in the table of contents.

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, 2023, 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.

### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Responsibilities of Management for the Financial Statements***

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

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

***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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

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

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

### **Required Supplementary Information**

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

### **Supplementary Information**

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

### **Other Information**

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

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



Honorable City Council  
City of Pico Rivera, California

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2023, on our consideration of the City of Pico Rivera's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City of Pico Rivera's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Pico Rivera'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 1, 2023

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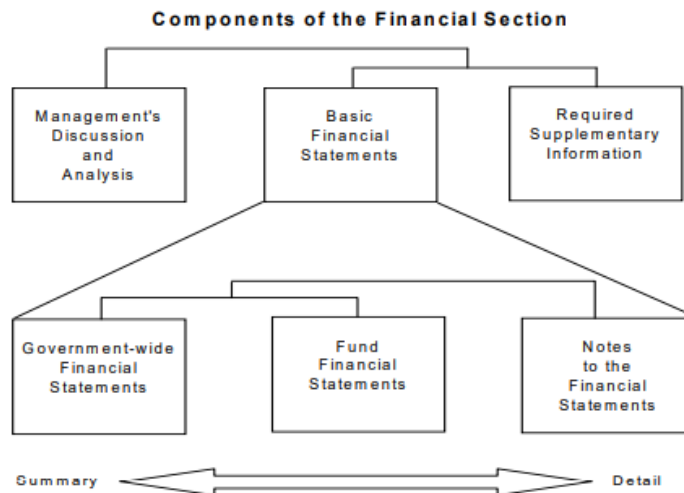
CITY OF PICO RIVERA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2023

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, 2023, 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 are intended to serve as an introduction to the City's basic financial statements.

The City's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to 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, 2023

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 18 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 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 22-23) and in the governmental funds statement of revenues, expenditures and changes in fund balances (pages 25-26) 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 94.

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 90-92 and 108 - 129. The governmental fund financial statements can be found on pages 18 through 27 of this report.

CITY OF PICO RIVERA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2023

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 the activity of the City's Community Choice Aggregate enterprise function. The basic proprietary fund financial statements can be found beginning on pages 28 through 30 and pages 130 through 133 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 resource 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 32 and 34 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 35 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) programs and the budgetary comparison for the general and major special revenue funds. The required supplementary information can be found on pages 84 through 93 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 94 through 133 of this report.

### **FINANCIAL HIGHLIGHTS**

#### **Citywide**

- Comparing the fiscal year ended June 30, 2023 with June 30, 2022, the City's total net position increased by \$35.171 million, from \$339.533 million to \$374.704 million. Of this amount, there was an increase in total assets of \$34.325 million to \$503.226 million, an increase in total liabilities of \$16.082 million to \$137.108 million, an increase in deferred outflows of resources of \$7.543 million and a decrease of deferred inflows of resource of \$9.385 million.
- Citywide revenues totaled \$125.307 million, an increase of \$10.304 million over the prior year. Expenses were \$90.136 million, an increase of \$1.088 million over the prior year.

CITY OF PICO RIVERA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2023

- During the year, the City actively worked on several capital improvement projects, resulting in some capital outlays including: \$8.322 million in the residential resurfacing program, \$4.272 million in the Per-and Polyfluorinated Substances (PFAS) Treatment, \$3.284 million in the Advance Metering Infrastructure project, \$2.043 million in the traffic signal upgrade, to name a few. As a result, the City's capital assets, after depreciation, increased by \$24.360 million to \$337.810 million.

**Citywide – Governmental Activities**

Governmental Activities revenues increased \$2.737 million to \$86,049 million (prior to any transfers). The net increase resulted from a combination of a few main factors: increases of \$1.134 million in charges for services, \$2.233 million in investment earnings, \$1.186 million in property taxes, \$566 thousand in sales taxes, \$434 thousand in utility users taxes, \$1.941 million in other taxes, and \$1.832 million in miscellaneous revenues, offset by decreases of \$4.515 million in operating grants and \$2.180 in capital grants.

Governmental Activities expenditures increased by \$1.172 million to \$62.321 million. This is mainly attributed to a combination of increases and decreases as follows: \$2.545 million increase in General Government, \$1.157 million in Public Works, and \$1.083 million in Parks and Recreation, total increases offset by a decrease in Community Development expenditures of \$4.934 million.

**Fund Level – General Fund**

- General Fund revenues were \$56.496 million, an increase of \$7.461 million over the prior year. The increase was mainly due to increased sales taxes, property taxes, utility user taxes, plan check fees, investment income, and miscellaneous income.
- Tax revenues increased by \$2.166 million as the City received \$566 thousand more sales taxes, primarily due to the impact of inflation on consumer goods. The City received \$1.110 million more property taxes due to the sales of several industrial parcels in FY 2023 and increased property assessments compared to the prior fiscal year. Utility user tax increased by \$434 thousand due to increased usage and pricing of electric and natural gas billed charges.
- Intergovernmental revenue decreased by \$546 thousand as less reimbursement was received than the prior fiscal year for the street and highway maintenance projects.
- Licenses and permits revenue increased by \$2.165 million due to increased building permits, plumbing permits, heating air conditioning permits, plan check fees, zoning and planning fees, and storm drains revenue categories that continue to show favorable growth.
- Fines, forfeitures, and penalties revenue decreased by \$27 thousand, primarily due to decreased court fines.
- Investment and rental revenues increased by \$1.930 million. The increase was mainly attributed to higher investment market value returns compared to the last fiscal year.
- Charges for services increase by \$252 thousand due to increasing in-person programs, services, and special events.

CITY OF PICO RIVERA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2023

- Miscellaneous revenues increased by \$1.522 million primarily due to legal settlements of \$811 thousand and insurance reimbursement of \$398 thousand for the golf course.
- General Fund expenditures were \$47.845 million, a \$9.931 million increase from the prior year. This was primarily due to the prior year's law enforcement costs being offset by \$10.228 million from ARPA funding related to "General Revenue Loss" with the law enforcement operating expenses.
- The Public Works expenditures increased by \$1.498 million as the department filled some vacancies and experienced increased contracted services and supplies due to inflation.
- Community and Economic expenditures decreased by \$4.664 million as the prior fiscal year amount included \$5 million transferred from the General Fund to the Successor Agency to refinance the 2001 Tax Allocation Bonds with the 2021 Tax Allocation Bonds.
- The General Fund's fund balance increased by \$9.048 million to \$82.270 million as of June 30, 2023.

**Fund Level – Proprietary Funds**

The City had four Enterprise Funds in Fiscal Year 2022-23.

Business-type Activities – Enterprise Funds – Overall, the total net position of these funds increased by \$11.500 million to \$47.237 million at June 30, 2023.

- Total assets increased by \$7.018 million to \$87.932 million, primarily due to an increase of \$7 million in water fund capital assets resulting from the Per-and Polyfluoroalkyl Substances (PFAS) project and the Advanced Metering Infrastructure (AMI) System that the City worked on in FY 2022-23.
- Total liabilities decreased by \$1.621 million to \$42.164 million, comprised of \$3.439 million decrease in current liabilities, and an increase of \$1.818 million in noncurrent liabilities. As of June 30, 2022, PRIME owed \$3.383 million to the General Fund. The balance was paid off as of June 30, 2023, decreasing the current liabilities by \$3.383 million. There are three notable changes in the noncurrent liabilities: an increase of \$2.307 million in the net pension liability, an increase of \$717 thousand in Advances from the General Fund to the Golf Course Fund, and a decrease of \$1.230 million in bonds payable as the City pays down the Water Authority Revenue Bond Series 1999 A.
- Total operating revenues increased \$8.182 million to \$38.588 million, and operating expenses increased \$235 thousand to \$27.353 million. Most changes were related to the operation of Pico Rivera Innovative Municipal Energy (PRIME). The Charges for Services revenue increased by \$5.582 million, primarily due to more demand for PRIME. At the same time, the cost of PRIME's power supply has increased by \$1.138 million.

CITY OF PICO RIVERA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2023

**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 96, require the reporting of subscription-based information technology arrangements (SBITAs).

Shown on the next page is the schedule of Statement of Net Position for the years ended June 30, 2023 and 2022, 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, 2023, the City's combined net position (governmental and business-type activities) totaled \$374.705 million, an increase of \$35.171 million from the prior year.

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**CITY OF PICO RIVERA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
June 30, 2023

**City of Pico Rivera**  
**Statement of Net Position**  
**Fiscal Year ended June 30, 2023 and June 30, 2022**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Assets :</b>						
<b>Current and Other Assets</b>	\$ 120,066,304	\$ 107,909,207	\$ 28,384,914	\$ 30,650,156	\$ 148,451,218	\$ 138,559,363
<b>Internal Balances</b>	19,701,636	22,367,512	(19,701,636)	(22,367,512)	-	-
<b>Land held for resale</b>	1,701,360	1,701,360	-	-	1,701,360	1,701,360
<b>Receivables from Successor Agency</b>	15,070,401	14,999,752	192,770	189,699	15,263,171	15,189,451
<b>Capital Assets</b>	278,632,226	263,552,334	59,177,953	49,898,279	337,810,179	313,450,613
<b>Total Assets</b>	\$ 435,171,927	\$ 410,530,165	\$ 68,054,001	\$ 58,370,622	\$ 503,225,928	\$ 468,900,787
<b>Deferred Outflow of resources</b>	\$ 13,149,379	\$ 6,896,596	\$ 2,255,705	\$ 965,262	\$ 15,405,084	\$ 7,861,858
<b>Liabilities :</b>						
<b>Current liabilities</b>	\$ 22,437,477	\$ 18,743,425	\$ 5,664,351	\$ 5,720,275	\$ 28,101,828	\$ 24,463,700
<b>Long-term liabilities</b>	41,600,203	42,951,499	7,491,870	8,712,416	49,092,073	51,663,915
<b>Net OPEB Obligation</b>	15,511,905	14,846,687	1,609,402	1,594,827	17,121,307	16,441,514
<b>Net Pension Liabilities</b>	35,272,270	23,242,557	7,520,930	5,214,285	42,793,200	28,456,842
<b>Total Liabilities</b>	\$ 114,821,855	\$ 99,784,168	\$ 22,286,553	\$ 21,241,803	\$ 137,108,408	\$ 121,025,971
<b>Deferred Inflows of resources</b>	\$ 6,031,718	\$ 13,846,693	\$ 786,394	\$ 2,356,809	\$ 6,818,112	\$ 16,203,502
<b>Net Position:</b>						
<b>Net investment in capital assets</b>	\$ 244,677,341	\$ 237,260,527	\$ 50,610,138	\$ 40,280,888	\$ 295,287,479	\$ 277,541,415
<b>Restricted</b>	31,184,653	27,978,094	-	-	31,184,653	27,978,094
<b>Unrestricted</b>	51,605,739	38,557,279	(3,373,379)	(4,543,616)	48,232,360	34,013,663
<b>Total Net Position</b>	\$ 327,467,733	\$ 303,795,900	\$ 47,236,759	\$ 35,737,272	\$ 374,704,492	\$ 339,533,172

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 \$295.287 million is the City's investment in capital assets, including 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.

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CITY OF PICO RIVERA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2023

On June 30, 2023, the City's restricted net position was \$31.185 million or 8.32% of the total net position. These are assets subject to external restrictions, constitutional provisions, or enabling legislation that limits how these assets may be used. The restricted net position includes the Housing Section 8 Grant Fund, Home Grant Fund, and other special revenue funds. The remaining balance of the net position of \$48.232 million is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors. The unrestricted amount increased by \$14.21 million when compared to the June 30, 2022 amount.

**Governmental Activities** - Governmental activities' assets increased \$24.642 million to \$435.172 million, liabilities increased \$15.038 million to \$114.822 million, and total net position increased \$23.672 million to \$327.468 million when compared to the prior year.

- Cash and investments increased by \$15.948 million to \$95.407 million compared to the prior year.
- As the City paid down outstanding bond payable principal, long-term liabilities decreased by \$1.351 million to \$41.600 million.
- There were \$27.207 million in pension liabilities along with the deferred outflow of resources and deferred inflows of resources that are related to the implementation of GASB 68, which was first effective for FY ended June 30, 2015, and was first reported on the financial statements for FY 2014-15.
- There were \$17.934 million in Other Post Employment Benefit (OPEB) liabilities along with deferred outflow of resources and deferred inflows of resources relative to 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 by \$9.683 million to \$68.054 million. Liabilities increased by \$1.045 million to \$22.287 million, primarily due to a \$2.3 million rise in pension liabilities, which is offset by the payment of \$1.125 million in principal on Water Authority Revenue Bond Series 1999 A.

- There were \$5.8 million in pension liabilities along with the deferred outflow of resources and deferred inflows of resources that are related to the implementation of GASB 68, which was first effective for FY ended June 30, 2015, and was first reported on the financial statements for FY 2014-15.
- There were \$1.861 million in Other Post Employment Benefit (OPEB) liabilities along with deferred outflow of resources and deferred inflows of resources relative to 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.

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, 2023

**City of Pico Rivera**  
**Statement of Activities**  
**Fiscal Year ended June 30, 2023 and June 30, 2022**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>Revenues</b>						
<b>Program Revenues:</b>						
Charges for services	\$ 5,972,134	\$ 4,837,941	\$ 36,069,315	\$ 30,406,043	\$ 42,041,449	\$ 35,243,984
Operating grants and contributions	22,046,380	26,561,448	246,661	476,602	22,293,041	27,038,050
Capital grants and contributions	3,207,183	5,387,593	2,518,595	-	5,725,778	5,387,593
<b>General Revenues:</b>						
Property taxes	15,016,822	13,831,113	-	-	15,016,822	13,831,113
Sales and use taxes	25,116,979	24,551,320	-	-	25,116,979	24,551,320
Franchise taxes	2,063,404	1,956,998	-	-	2,063,404	1,956,998
Utility users taxes	4,001,578	3,567,128	-	-	4,001,578	3,567,128
Other taxes	3,867,144	1,926,617	-	-	3,867,144	1,926,617
Unrestricted Investment earnings	2,035,505	(197,845)	423,345	449,236	2,458,850	2,513,911
Gain on bond defeasance	-	-	-	683,028	-	683,028
Gain on sale of capital assets	928,625	-	-	-	928,625	-
Miscellaneous	1,793,456	889,854	-	-	1,793,456	889,854
<b>Total Revenues</b>	<b>\$ 86,049,210</b>	<b>\$ 83,312,167</b>	<b>\$ 39,257,916</b>	<b>\$ 32,014,909</b>	<b>\$ 125,307,126</b>	<b>\$ 115,327,076</b>
<b>Expenses</b>						
General Government	10,634,542	8,089,449	-	-	10,634,542	8,089,449
Public safety	12,661,589	12,144,703	-	-	12,661,589	12,144,703
Public works	15,857,499	14,700,643	-	-	15,857,499	14,700,643
Parks and recreation	8,540,605	7,457,649	-	-	8,540,605	7,457,649
Health and welfare	7,274,930	6,414,485	-	-	7,274,930	6,414,485
Community development	5,957,282	10,891,361	-	-	5,957,282	10,891,361
Interest and fiscal charges	1,394,492	1,450,395	-	-	1,394,492	1,450,395
Enterprise operations	-	-	27,814,867	28,223,266	27,814,867	28,223,266
<b>Total Expenses</b>	<b>\$ 62,320,939</b>	<b>\$ 61,148,685</b>	<b>\$ 27,814,867</b>	<b>\$ 28,223,266</b>	<b>\$ 90,135,806</b>	<b>\$ 89,371,951</b>
<b>Increase/Decrease in net position before transfers</b>	<b>23,728,271</b>	<b>22,163,482</b>	<b>11,443,049</b>	<b>3,791,643</b>	<b>35,171,320</b>	<b>25,955,125</b>
<b>transfers</b>	<b>(56,438)</b>	<b>-</b>	<b>56,438</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in net position:</b>	<b>\$ 23,671,833</b>	<b>\$ 22,163,482</b>	<b>\$ 11,499,487</b>	<b>\$ 3,791,643</b>	<b>\$ 35,171,320</b>	<b>\$ 25,955,125</b>
<b>Net position-beginning of year</b>	<b>303,795,900</b>	<b>281,632,418</b>	<b>35,737,272</b>	<b>31,945,629</b>	<b>339,533,172</b>	<b>313,578,047</b>
<b>Net position-end of year</b>	<b>\$ 327,467,733</b>	<b>\$ 303,795,900</b>	<b>\$ 47,236,759</b>	<b>\$ 35,737,272</b>	<b>\$ 374,704,492</b>	<b>\$ 339,533,172</b>

**Governmental Activities** – Total revenues increased by \$2.737 million, and expenses increased by \$1.172 million compared to the previous year.

- Overall, program revenues decreased by \$5.561 million, primarily due to a decrease of \$4.515 million in operating grants and a decrease of \$2.180 in capital grants.
- Overall, general revenues increased by \$8.298 million, including the property taxes up by \$1.186 million, the sales and use taxes increased by \$566 thousand, the utility user taxes by \$434 thousand, the other taxes by \$1.941 million as the City's business licenses increased \$1.877 million due to Measure AB approved by the City voters in November 2021, the investment earnings by \$2.233 million due to stronger investment returns compared to the prior fiscal year, and the City sold a property with a gain of \$929 thousand.

CITY OF PICO RIVERA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2023

- Expenses increased by \$1.172 million in FY 2022-23. There are a few main factors: the General Government expenses increased by \$2.545 million, Public Works expenses increased by \$1.157 million, and Parks and Recreation expenses increased by \$1.083 million due to vacancies filling, higher contracted services and supplies, and the pension transactions. The Community Development expenses decreased by \$4.934 million, as the prior fiscal year amount included \$5 million transferred from the General Fund to the Successor Agency to refinance the 2001 Tax Allocation Bonds with the 2021 Tax Allocation Bonds.

**Business-Type Activities** - The City has two major Enterprise Funds, the Water Fund and the Pico Rivera Innovative Municipal Energy (PRIME), which operated for the fourth full year in FY 2022-23.

- Revenue increased by \$7.243 million, primarily due to Charges for Services revenue up by \$5.664 million and capital grants of \$2.519 million received from the Waer Replenishment District for the PFAS project.
- Expenses decreased by \$408 thousand. There are two notable items: \$1.239 million less pension expenses allocated for the Water Fund, and the rising cost of the purchased power of \$1.138 million in FY 2022-23.

## 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, 2023, the City's governmental funds reported a combined ending fund balance of \$125.456 million, as shown on page 23. The fund balance categories of governmental funds displayed \$26.900 million as nonspendable, \$33.007 million as restricted, \$28.904 million as committed, \$34.302 million as assigned, and \$2.343 million as unassigned. (Please refer to Note Number 12 of the Notes to Financial Statements for a detailed breakdown.)

The City reports four major governmental funds: the General Fund, the Special Revenue Housing Agency Section 8 Fund, the Special Revenue American Rescue Plan Fund, and the Capital Projects 2018 Series A COP, which is 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, which begins on page 94.

CITY OF PICO RIVERA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2023

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 \$82.303 million, an increase of \$9.081 million from the previous year. The nonspendable amount is \$26.900 million, the restricted amount is \$1.336 million, the committed amount is \$28.904 million, the assigned amount is \$20.990 million, and the unassigned amount is \$4.173 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 low-income families to meet their housing needs. During the year, \$6.206 million in revenue was received, and \$6.148 million was spent. The ending fund balance was \$533 thousand.

This fund's largest revenue source 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 2022-23, \$93 thousand less was received compared to the prior year, and overall expenditures were \$72 thousand higher when compared to the prior year.

American Rescue Plan Special Revenue 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 the 1<sup>st</sup> and the 2<sup>nd</sup> tranches of the allocation of \$7.386 million each in May 2021 and June 2022, respectively. The City offset \$10.228 million in "General Revenue Loss" funds with the law enforcement operating expenses in FY 2021-22. There is \$4.544 million remaining as unearned revenue in the American Rescue Plan Fund as of 6/30/2023. The City 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 financed with the 2018 Series A Certificates of Participation that were issued in FY 2018-19 in the aggregate outstanding principal amount of \$13.405 million at June 30, 2023.

During the year, there was interest revenue of \$265 thousand, a bond principal payment of \$290 thousand and interest charges of \$546 thousand in expenditures. The ending fund balance was \$5.088 million.

**Business-type Activities – Enterprise Funds**

The enterprise fund group has two major funds: 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, \$13.508 million was received as revenue, mainly from charges for services, with expenses coming in at \$7 million. During the year, there was a \$274 thousand investment income and \$461 thousand bond interest charges. The Water Fund's net position increased by \$6.377 million from the prior year to \$39.755 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 billing. However, PRIME utilizes third-party consultants to purchase power and answer billing inquiries from Pico Rivera residents. The benefit is that the overhead

CITY OF PICO RIVERA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2023

is lower, and those cost savings have been passed on to residential and commercial customers.

During the year, revenues increased \$5.975 million to \$24.006 million, and operating expenses increased \$1.713 million to \$18.935 million from the prior year.

Please refer to pages 22 and 23 for the Balance Sheet of Governmental Funds, page 24 for the Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position, pages 25 and 26 for the Statement of Revenues, Expenditures and Changes in Fund Balances-Governmental Funds, and page 27 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 28 through 29.

### Capital Assets Administration

The City's investments in capital assets at June 30, 2023 were \$278.632 million (net of accumulated depreciation of \$164.119 million) for its governmental activities and \$59.178 million (net of accumulated depreciation of \$25.715 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.

**City of Pico Rivera**  
**Capital Assets (Net of Accumulated Depreciation)**  
**Fiscal Year ended June 30, 2023 and June 30, 2022**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land*	\$ 120,696,364	\$ 118,908,710	\$ 18,174,060	\$ 18,174,060	\$ 138,870,424	\$ 137,082,770
Structures & Improvements	25,590,725	25,590,725	7,132,351	5,228,051	32,723,076	30,818,776
Furniture, Equipment & Vehicles	7,689,601	7,291,797	2,410,638	1,473,468	10,100,239	8,765,265
Infrastructure	252,352,928	247,089,714	17,692,287	17,692,287	270,045,215	264,782,001
Leased Assets	111,108	111,108	-	-	111,108	111,108
Construction in progress	36,310,556	22,684,844	12,118,244	4,302,493	48,428,800	26,987,337
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	\$ 442,751,282	\$ 421,676,898	\$ 84,893,169	\$ 74,235,948	\$ 527,644,451	\$ 495,912,846
Less depreciation	(164,119,056)	(158,124,564)	(25,715,216)	(24,337,669)	(189,834,272)	(182,462,233)
Net Capital Assets	\$ 278,632,226	\$ 263,552,334	\$ 59,177,953	\$ 49,898,279	\$ 337,810,179	\$ 313,450,613

\*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 54 to 55 of this report.

### Debt Administration

As of June 30, 2023, the City had a total indebtedness of \$ 112.636 million, an increase of \$12.551 million. Debt includes bonds, certificates of participation, pension obligations, post-employment benefits, lease obligations, 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 \$94.794 million. Governmental activities total indebtedness increased by \$11.385 million during the year, primarily due to the increase of net pension liabilities by \$12.030 million with no significant changes in staffing. Please refer to note 6 on pages 56 to 57 for further details.

CITY OF PICO RIVERA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
June 30, 2023

**Business-type activities** - Overall, business-type debt at year-end is \$17.842 million. Business-type activities total indebtedness increased during the year by \$1.167 million due to the increase of net pension liabilities by \$2.307 million with no significant changes in staffing; this increase has been offset by \$1.125 million principal payment for the 1999 Water Authority Revenue Bonds. Please refer to note 6 on pages 57 to 58 for further details.

**City of Pico Rivera  
Outstanding Long-Term Liabilities  
Fiscal Year ended June 30, 2023 and June 30, 2022**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2022	2021
<b>Bonded Indebtedness:</b>						
Revenue bonds	\$ 23,965,000	\$ 24,960,000	\$ 8,180,000	\$ 9,305,000	\$ 32,145,000	\$ 34,265,000
Certificates of Participation	13,405,000	13,695,000	-	-	13,405,000	13,695,000
Bond premium	2,730,302	2,887,775	232,506	272,364	2,962,808	3,160,139
Bond discount	-	-	-	-	-	-
<b>Other long-term debt:</b>						
Net pension liabilities	35,272,270	23,242,557	7,520,930	5,214,285	42,793,200	28,456,842
Other post-employment benefits	15,511,905	14,846,687	1,609,402	1,594,827	17,121,307	16,441,514
Claims and judgements	2,190,000	2,308,000	-	-	2,190,000	2,308,000
Compensated absences	1,719,281	1,468,505	299,293	288,947	2,018,574	1,757,452
<b>Total Indebtedness</b>	<b>\$ 94,793,758</b>	<b>\$ 83,408,524</b>	<b>\$ 17,842,131</b>	<b>\$ 16,675,423</b>	<b>\$ 112,635,889</b>	<b>\$ 100,083,947</b>

## ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The General Fund realized a \$9.579 million operating surplus (operating revenues less operating expenditures) as of June 30, 2023. (When Transfer In/Transfer Out are included, the net change in fund balance was \$9.048 million.)

The Fiscal Year 2023-24 General Fund budget is balanced. The City's sales tax and property tax revenues are projected to increase 2%-3% in FY 2023-24. Given the ongoing national economic challenges, including continuing inflation, constrained supply in the goods, services, and labor markets, more stringent Federal monetary policies and market volatility, the City will continue enhancing revenues and improving operational efficiency to ensure financial sustainability and security.

The budget document will be the basis of an ongoing effort to monitor the City's finances. Staff provides monthly and quarterly updates to the City Council to ensure the City stays on its financial plan and our ongoing budgets remain balanced and 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 requests for additional financial information should be addressed to the Director of Administrative Services, City of Pico Rivera, California.

**CITY OF PICO RIVERA, CALIFORNIA**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2023**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Investments	\$ 95,407,096	\$ 20,847,087	\$ 116,254,183
Restricted Cash and Investments:			
Cash and Investments with Fiscal Agents	6,829,385	1,083,143	7,912,528
Escrow Deposits	2,339	-	2,339
Receivables, Net:			
Accounts	6,209,115	6,383,280	12,592,395
Taxes	7,147,881	-	7,147,881
Interest	458,680	71,404	530,084
Internal Balances	19,701,636	(19,701,636)	-
Inventories	3,825	-	3,825
Prepaid Items	152,617	-	152,617
Long-Term Receivables	3,855,366	-	3,855,366
Land Held for Resale	1,701,360	-	1,701,360
Receivables from Successor Agency	15,070,401	192,770	15,263,171
Capital Assets, Not Depreciated	157,006,920	35,872,220	192,879,140
Capital Assets, Depreciated, Net	121,625,306	23,305,733	144,931,039
Total Assets	<u>435,171,927</u>	<u>68,054,001</u>	<u>503,225,928</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Amount on Refunding	1,474,284	-	1,474,284
Amounts Related to OPEB	2,147,827	222,843	2,370,670
Amounts Related to Pension Plans	9,527,268	2,032,862	11,560,130
Total Deferred Outflows of Resources	<u>13,149,379</u>	<u>2,255,705</u>	<u>15,405,084</u>
<b>LIABILITIES</b>			
Accounts Payable	7,780,790	3,075,905	10,856,695
Accrued Interest Payable	346,422	74,983	421,405
Accrued Liabilities	847,771	513,715	1,361,486
Deposits	901,332	609,557	1,510,889
Retention Payable	416,907	155,309	572,216
Unearned Revenue	5,824,425	14,953	5,839,378
Due to Other Agencies	3,849,131	-	3,849,131
Long-Term Liabilities:			
Due Within One Year	2,470,699	1,219,929	3,690,628
Due in More Than One Year:			
Long-Term Liabilities	41,600,203	7,491,870	49,092,073
Net OPEB Liability	15,511,905	1,609,402	17,121,307
Net Pension Liability	35,272,270	7,520,930	42,793,200
Total Liabilities	<u>114,821,855</u>	<u>22,286,553</u>	<u>137,108,408</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Amounts Related to OPEB	4,569,717	474,121	5,043,838
Amounts Related to Pension Plans	1,462,001	312,273	1,774,274
Total Deferred Inflows of Resources	<u>6,031,718</u>	<u>786,394</u>	<u>6,818,112</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	244,677,341	50,610,138	295,287,479
Restricted for Community Development	10,896,869	-	10,896,869
Restricted for Transportation	14,552,153	-	14,552,153
Restricted for Low- and Moderate-Income Housing	3,259,813	-	3,259,813
Restricted for Pension Contribution	1,288,720	-	1,288,720
Restricted for Other Purposes	1,187,098	-	1,187,098
Unrestricted	51,605,739	(3,373,379)	48,232,360
Total Net Position	<u>\$ 327,467,733</u>	<u>\$ 47,236,759</u>	<u>\$ 374,704,492</u>

See accompanying Notes to Financial Statements.



**CITY OF PICO RIVERA, CALIFORNIA  
STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2023**

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 10,634,542	\$ 1,161,745	\$ 3,062,648	\$ -
Public Safety	12,661,589	1,144,044	214,702	-
Public Works	15,857,499	991,248	7,012,517	3,207,183
Parks and Recreation	8,540,605	487,136	1,857,430	-
Health and Welfare	7,274,930	184,645	1,598,505	-
Community Development	5,957,282	2,003,316	8,300,578	-
Interest and Fiscal Charges	1,394,492	-	-	-
Total Governmental Activities	<u>62,320,939</u>	<u>5,972,134</u>	<u>22,046,380</u>	<u>3,207,183</u>
Business-Type Activities:				
Water	7,461,720	10,989,386	-	2,518,595
Pico Rivera Innovative Municipal Energy	18,935,357	24,006,009	246,661	-
Sports Arena	(2,795)	318,378	-	-
Golf	1,420,585	755,542	-	-
Total Business-Type Activities	<u>27,814,867</u>	<u>36,069,315</u>	<u>246,661</u>	<u>2,518,595</u>
Total	<u>\$ 90,135,806</u>	<u>\$ 42,041,449</u>	<u>\$ 22,293,041</u>	<u>\$ 5,725,778</u>

**GENERAL REVENUES**

Taxes:

Property

Sales and Use

Franchise

Utility Users

Other

Unrestricted Investment Earnings

Gain on sale of capital assets

Miscellaneous

Transfers

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, CALIFORNIA**  
**STATEMENT OF ACTIVITIES (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**

Net (Expense) Revenue and Changes in Net Position		
Governmental Activities	Business-Type Activities	Total
\$ (6,410,149)	\$ -	\$ (6,410,149)
(11,302,843)	-	(11,302,843)
(4,646,551)	-	(4,646,551)
(6,196,039)	-	(6,196,039)
(5,491,780)	-	(5,491,780)
4,346,612	-	4,346,612
(1,394,492)	-	(1,394,492)
<u>(31,095,242)</u>	<u>-</u>	<u>(31,095,242)</u>
-	6,046,261	6,046,261
-	5,317,313	5,317,313
-	321,173	321,173
-	(665,043)	(665,043)
<u>-</u>	<u>11,019,704</u>	<u>11,019,704</u>
<u>(31,095,242)</u>	<u>11,019,704</u>	<u>(20,075,538)</u>
15,016,822	-	15,016,822
25,116,979	-	25,116,979
2,063,404	-	2,063,404
4,001,578	-	4,001,578
3,867,144	-	3,867,144
2,035,505	423,345	2,458,850
928,625	-	928,625
1,793,456	-	1,793,456
(56,438)	56,438	-
<u>54,767,075</u>	<u>479,783</u>	<u>55,246,858</u>
23,671,833	11,499,487	35,171,320
<u>303,795,900</u>	<u>35,737,272</u>	<u>339,533,172</u>
<u>\$ 327,467,733</u>	<u>\$ 47,236,759</u>	<u>\$ 374,704,492</u>

See accompanying Notes to Financial Statements.

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**CITY OF PICO RIVERA, CALIFORNIA**  
**DESCRIPTION OF MAJOR FUNDS**  
**JUNE 30, 2023**

**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.

**2018 Series A COP Capital Projects Fund** accounts for activity related to the City's capital projects that are funded by the 2018 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, CALIFORNIA**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**JUNE 30, 2023**

		Special Revenue Funds	
		Housing Agency Section 8	American Rescue Plan
<b>ASSETS</b>	<b>General</b>		
Cash and Investments	\$ 47,223,118	\$ 551,892	\$ 4,544,655
Restricted Cash and Investments:			
Cash and Investments with Fiscal Agents	1,288,720	-	-
Escrow Deposits	-	2,339	-
Receivables:			
Accounts	153,258	-	-
Taxes	6,679,717	-	-
Interest	322,298	-	-
Due from Other Funds	2,347,765	-	-
Inventories	3,825	-	-
Advance to Other Funds	19,877,636	-	-
Long-Term Receivables	-	-	-
Prepaid Items	147,363	-	-
Land Held for Resale	1,701,360	-	-
Receivables from Successor Agency	13,557,003	-	-
Total Assets	<u>\$ 93,302,063</u>	<u>\$ 554,231</u>	<u>\$ 4,544,655</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ 2,240,838	\$ 3,207	\$ -
Accrued Liabilities	780,674	15,580	-
Due to Other Funds	176,000	-	-
Deposits	898,993	2,339	-
Retention Payable	-	-	-
Unearned Revenue	202,011	-	4,544,655
Due to Other Agencies	-	-	-
Total Liabilities	<u>4,298,516</u>	<u>21,126</u>	<u>4,544,655</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Unavailable Revenue	<u>6,733,576</u>	<u>-</u>	<u>-</u>
Total Deferred Inflows of Resources	<u>6,733,576</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES (DEFICIT)</b>			
Nonspendable	26,900,752	-	-
Restricted	1,335,720	533,105	-
Committed	28,903,778	-	-
Assigned	20,990,019	-	-
Unassigned	4,139,702	-	-
Total Fund Balances (Deficit)	<u>82,269,971</u>	<u>533,105</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 93,302,063</u>	<u>\$ 554,231</u>	<u>\$ 4,544,655</u>

See accompanying Notes to Financial Statements.

**CITY OF PICO RIVERA, CALIFORNIA  
GOVERNMENTAL FUNDS  
BALANCE SHEET (CONTINUED)  
JUNE 30, 2023**

Capital Projects Fund	Other	Total
2018 Series A COP	Governmental Funds	Governmental Funds
\$ 100,833	\$ 42,120,982	\$ 94,541,480
5,540,665	-	6,829,385
-	-	2,339
-	6,055,857	6,209,115
-	468,164	7,147,881
-	131,907	454,205
-	-	2,347,765
-	-	3,825
-	-	19,877,636
-	3,855,366	3,855,366
-	5,254	152,617
-	-	1,701,360
-	1,513,398	15,070,401
<u>\$ 5,641,498</u>	<u>\$ 54,150,928</u>	<u>\$ 158,193,375</u>
\$ 519,714	\$ 5,017,031	\$ 7,780,790
9	51,508	847,771
-	2,347,765	2,523,765
-	-	901,332
34,276	382,631	416,907
-	1,077,759	5,824,425
-	3,849,131	3,849,131
<u>553,999</u>	<u>12,725,825</u>	<u>22,144,121</u>
-	3,859,227	10,592,803
-	3,859,227	10,592,803
-	-	26,900,752
5,087,499	26,083,500	33,039,824
-	-	28,903,778
-	13,312,296	34,302,315
-	(1,829,920)	2,309,782
<u>5,087,499</u>	<u>37,565,876</u>	<u>125,456,451</u>
<u>\$ 5,641,498</u>	<u>\$ 54,150,928</u>	<u>\$ 158,193,375</u>

See accompanying Notes to Financial Statements.

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**CITY OF PICO RIVERA, CALIFORNIA**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE STATEMENT OF NET POSITION**  
**JUNE 30, 2023**

Fund Balances (Deficits) for Governmental Funds	\$ 125,456,451
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Amounts reported for governmental activities in the statement of net position are different because:

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

Capital Assets	\$ 441,952,014	
Lease Assets	60,138	
Less: Accumulated Depreciation	<u>(163,771,232)</u>	
Subtotal		278,240,920

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.

10,592,803

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.

1,261,397

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	(1,719,281)	
Claims Payable	(2,190,000)	
Accrued Interest Payable	(346,422)	
Lease Liability	(61,319)	
Revenue Bonds Payable	(40,100,302)	
Deferred Amount on Refunding	<u>1,474,284</u>	
Subtotal		(42,943,040)

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	2,147,827	
Deferred Inflows of Resources Related to OPEB	(4,569,717)	
Net OPEB Liability	(15,511,905)	
Deferred Outflows of Resources Related to Pensions	9,527,268	
Deferred Inflows of Resources Related to Pensions	(1,462,001)	
Net Pension Liability	<u>(35,272,270)</u>	
Subtotal		<u>(45,140,798)</u>

Net Position of Governmental Activities	<u><u>\$ 327,467,733</u></u>
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**CITY OF PICO RIVERA, CALIFORNIA  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2023**

		Special Revenue Funds	
	General	Housing Agency Section 8	American Rescue Plan
<b>REVENUES</b>			
Taxes and Assessments	\$ 44,582,928	\$ -	\$ -
Licenses and Permits	5,776,946	-	-
Intergovernmental	261,178	6,172,837	-
Charges for Services	1,561,583	-	-
Fines, Forfeitures, and Penalties	1,171,765	-	-
Investment and Rental	1,023,396	446	-
Miscellaneous	2,117,855	32,558	-
Total Revenues	<u>56,495,651</u>	<u>6,205,841</u>	<u>-</u>
<b>EXPENDITURES</b>			
Current:			
General Government	10,960,163	-	-
Public Safety	12,651,644	-	-
Public Works	10,051,681	-	-
Parks and Recreation	5,880,692	-	-
Health and Welfare	-	6,147,787	-
Community Development	5,988,525	-	-
Capital Outlay	364,171	-	-
Debt Service:			
Principal	995,000	-	-
Interest and Fiscal Charges	926,250	-	-
Lease Principal	25,205	-	-
Lease Interest	1,876	-	-
Total Expenditures	<u>47,845,207</u>	<u>6,147,787</u>	<u>-</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>8,650,444</u>	<u>58,054</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers In	1,847,348	-	-
Transfers Out	(2,378,608)	-	-
Sale of Capital Assets	928,625	-	-
Total Other Financing Sources (Uses)	<u>397,365</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	9,047,809	58,054	-
Fund Balances (Deficits) - Beginning of Year	<u>73,222,162</u>	<u>475,051</u>	<u>-</u>
<b>FUND BALANCES (DEFICITS) - END OF YEAR</b>	<u>\$ 82,269,971</u>	<u>\$ 533,105</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**CITY OF PICO RIVERA, CALIFORNIA  
GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

Capital Projects Fund 2018 Series A COP	Other Governmental Funds	Total Governmental Funds
\$ -	\$ 2,117,129	\$ 46,700,057
-	-	5,776,946
-	16,264,085	22,698,100
-	777,380	2,338,963
-	-	1,171,765
265,256	542,454	1,831,552
-	93,173	2,243,586
<u>265,256</u>	<u>19,794,221</u>	<u>82,760,969</u>
-	628	10,960,791
-	-	12,651,644
-	3,443,088	13,494,769
-	1,715,243	7,595,935
-	1,127,143	7,274,930
-	184,369	6,172,894
7,554,545	11,117,856	19,036,572
290,000	-	1,285,000
546,172	-	1,472,422
-	-	25,205
-	-	1,876
<u>8,390,717</u>	<u>17,588,327</u>	<u>79,972,038</u>
<u>(8,125,461)</u>	<u>2,205,894</u>	<u>2,788,931</u>
836,169	2,378,608	5,062,125
-	(2,683,517)	(5,062,125)
-	-	928,625
<u>836,169</u>	<u>(304,909)</u>	<u>928,625</u>
(7,289,292)	1,900,985	3,717,556
<u>12,376,791</u>	<u>35,664,891</u>	<u>121,738,895</u>
<u>\$ 5,087,499</u>	<u>\$ 37,565,876</u>	<u>\$ 125,456,451</u>

See accompanying Notes to Financial Statements.

**CITY OF PICO RIVERA, CALIFORNIA**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,**  
**EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2023**

Net Change in Fund Balances - Total Governmental Funds \$ 3,717,556

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	\$ 21,208,515	
Loss on Disposal	(710)	
Transfer of assets	(56,438)	
Depreciation Expense	<u>(6,462,781)</u>	
Subtotal		14,688,586

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	191,915	
Grant and Other Revenue Not Available to Pay for Current-Period Expenditures	<u>2,153,377</u>	
Subtotal		2,345,292

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	118,000	
Net Change in Compensated Absences	<u>(250,776)</u>	
Subtotal		(132,776)

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	1,285,000	
Principal Payments on Lease Liabilities	25,205	
Amortization of Deferred Bond Charges	65,331	
Change in Accrued Interest	<u>14,475</u>	
Subtotal		1,390,011

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.

216,186

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.

1,374,823

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.

72,155

Change in Net Position of Governmental Activities

\$ 23,671,833

**CITY OF PICO RIVERA, CALIFORNIA**  
**PROPRIETARY FUNDS**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2023**

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water Operations	Pico Rivera Innovative Municipal Energy	Other Funds	Total	Equipment Replacement Internal Service Fund
<b>ASSETS</b>					
Current Assets:					
Cash and Investments	\$ 12,154,901	\$ 7,894,845	\$ 797,341	\$ 20,847,087	\$ 865,616
Receivables, Net:					
Accounts	1,508,658	4,814,421	60,201	6,383,280	-
Interest	67,669	-	3,735	71,404	4,475
Due from Successor Agency	176,000	-	-	176,000	-
Total Current Assets	<u>13,907,228</u>	<u>12,709,266</u>	<u>861,277</u>	<u>27,477,771</u>	<u>870,091</u>
Noncurrent Assets:					
Restricted Cash and Investments with Fiscal Agent	883,143	200,000	-	1,083,143	-
Receivables from Successor Agency	192,770	-	-	192,770	-
Capital Assets, Not Depreciated	35,829,907	-	42,313	35,872,220	-
Capital Assets, Depreciated, Net	23,070,834	-	234,899	23,305,733	391,306
Total Noncurrent Assets	<u>59,976,654</u>	<u>200,000</u>	<u>277,212</u>	<u>60,453,866</u>	<u>391,306</u>
Total Assets	73,883,882	12,909,266	1,138,489	87,931,637	1,261,397
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Amounts Related to OPEB	196,766	26,077	-	222,843	-
Amount Related to Pensions	1,882,707	118,969	31,186	2,032,862	-
Total Deferred Outflows of Resources	<u>2,079,473</u>	<u>145,046</u>	<u>31,186</u>	<u>2,255,705</u>	<u>-</u>
<b>LIABILITIES</b>					
Current Liabilities:					
Accounts Payable	1,367,819	1,605,692	102,394	3,075,905	-
Accrued Interest Payable	74,983	-	-	74,983	-
Accrued Liabilities	113,983	343,077	56,655	513,715	-
Unearned Revenue	14,953	-	-	14,953	-
Deposits	609,557	-	-	609,557	-
Retentions Payable	155,309	-	-	155,309	-
Bonds Payable - Current Portion	1,190,000	-	-	1,190,000	-
Compensated Absences - Current Portion	28,032	1,898	-	29,929	-
Total Current Liabilities	<u>3,554,636</u>	<u>1,950,667</u>	<u>159,049</u>	<u>5,664,351</u>	<u>-</u>
Noncurrent Liabilities:					
Advance from Other Funds	16,084,289	-	3,793,347	19,877,636	-
Bonds Payable	7,222,506	-	-	7,222,506	-
Compensated Absences	252,285	17,078	-	269,364	-
Net OPEB Liability	1,421,068	188,334	-	1,609,402	-
Net Pension Liability	6,965,407	440,145	115,378	7,520,930	-
Total Noncurrent Liabilities	<u>31,945,555</u>	<u>645,557</u>	<u>3,908,725</u>	<u>36,499,838</u>	<u>-</u>
Total Liabilities	35,500,191	2,596,224	4,067,774	42,164,189	-
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Amounts Related to OPEB	418,639	55,482	-	474,121	-
Amounts Related to Pensions	289,207	18,275	4,791	312,273	-
Total Deferred Inflows of Resources	<u>707,846</u>	<u>73,757</u>	<u>4,791</u>	<u>786,394</u>	<u>-</u>
<b>NET POSITION</b>					
Net Investment in Capital Assets	50,332,926	-	277,212	50,610,138	-
Unrestricted	<u>(10,577,608)</u>	<u>10,384,331</u>	<u>(3,180,102)</u>	<u>(3,373,379)</u>	<u>1,261,397</u>
Total Net Position	<u>\$ 39,755,318</u>	<u>\$ 10,384,331</u>	<u>\$ (2,902,890)</u>	<u>\$ 47,236,759</u>	<u>\$ 1,261,397</u>

See accompanying Notes to Financial Statements.

**CITY OF PICO RIVERA, CALIFORNIA  
PROPRIETARY FUNDS  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
YEAR ENDED JUNE 30, 2023**

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Pico Rivera				Equipment Replacement Internal Service Fund
	Water Operations	Innovative Municipal Energy	Other Funds	Total	
<b>OPERATING REVENUES</b>					
Charges for Services	\$ 10,980,819	\$ 23,848,107	\$ 1,073,920	\$ 35,902,846	\$ -
Miscellaneous	8,567	157,902	-	166,469	226,950
Total Operating Revenues	<u>10,989,386</u>	<u>24,006,009</u>	<u>1,073,920</u>	<u>36,069,315</u>	<u>226,950</u>
<b>OPERATING EXPENSES</b>					
Cost of Power	-	17,747,976	-	17,747,976	-
Salaries and Benefits	2,374,453	243,012	81,859	2,699,324	-
Contractual Services	(275,385)	665,906	52,595	443,116	-
Insurance Claims and Expenses	275,926	132	1,207	277,265	-
Administrative	2,691,469	278,331	915,642	3,885,442	-
Utilities	436,968	-	243,745	680,713	-
Repairs and Maintenance	332,656	-	92,875	425,531	5,340
Depreciation	1,164,029	-	29,867	1,193,896	19,748
Total Operating Expenses	<u>7,000,116</u>	<u>18,935,357</u>	<u>1,417,790</u>	<u>27,353,263</u>	<u>25,088</u>
<b>OPERATING INCOME (LOSS)</b>	<u>3,989,270</u>	<u>5,070,652</u>	<u>(343,870)</u>	<u>8,716,052</u>	<u>201,862</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Investment Income	274,132	136,884	12,329	423,345	14,324
Grants	2,518,595	246,661	-	2,765,256	-
Interest Expense	(461,604)	-	-	(461,604)	-
Total Nonoperating Revenues (Expenses)	<u>2,331,123</u>	<u>383,545</u>	<u>12,329</u>	<u>2,726,997</u>	<u>14,324</u>
<b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS</b>	<u>6,320,393</u>	<u>5,454,197</u>	<u>(331,541)</u>	<u>11,443,049</u>	<u>216,186</u>
<b>CAPITAL CONTRIBUTIONS</b>	<u>56,438</u>	<u>-</u>	<u>-</u>	<u>56,438</u>	<u>-</u>
<b>NET INCOME (LOSS)</b>	<u>6,376,831</u>	<u>5,454,197</u>	<u>(331,541)</u>	<u>11,499,487</u>	<u>216,186</u>
<b>SPECIAL ITEM</b>					
Forgiveness of Debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>CHANGES IN NET POSITION</b>	<u>6,376,831</u>	<u>5,454,197</u>	<u>(331,541)</u>	<u>11,499,487</u>	<u>216,186</u>
Net Position - Beginning of Year	<u>33,378,487</u>	<u>4,930,134</u>	<u>(2,571,349)</u>	<u>35,737,272</u>	<u>1,045,211</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 39,755,318</u></u>	<u><u>\$ 10,384,331</u></u>	<u><u>\$ (2,902,890)</u></u>	<u><u>\$ 47,236,759</u></u>	<u><u>\$ 1,261,397</u></u>

See accompanying Notes to Financial Statements.

**CITY OF PICO RIVERA, CALIFORNIA  
PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2023**

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water Operations	Pico Rivera Innovative Municipal Energy	Other Funds	Total	Equipment Replacement Internal Service Fund
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Receipts from Customers and Users	\$ 11,387,770	\$ 23,059,489	\$ 1,135,311	\$ 35,582,570	\$ 226,950
Payments to Suppliers	(2,699,803)	(19,539,067)	(1,379,676)	(23,618,546)	(8,200)
Payments to Employees	(2,862,260)	(230,040)	(82,471)	(3,174,771)	-
Net Cash Provided (Used) by Operating Activities	<u>5,825,707</u>	<u>3,290,382</u>	<u>(326,836)</u>	<u>8,789,253</u>	<u>218,750</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>					
Grants received	-	246,661	-	246,661	-
Cash Received from Other Funds	-	(3,383,115)	717,239	(2,665,876)	-
Net Cash Provided (Used) by Noncapital Activities	<u>-</u>	<u>(3,136,454)</u>	<u>717,239</u>	<u>(2,419,215)</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>					
Acquisition of Capital Assets	(10,392,887)	-	(24,245)	(10,417,132)	(411,054)
Capital grants received	2,518,595				
Principal Retired	(1,125,000)	-	-	(1,125,000)	-
Interest Paid	(511,775)	-	-	(511,775)	-
Net Cash Used by Capital and Related Financing Activities	<u>(9,511,067)</u>	<u>-</u>	<u>(24,245)</u>	<u>(9,535,312)</u>	<u>(411,054)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Interest Received	220,614	136,884	8,975	366,473	11,003
Net Cash Provided by Investing Activities	<u>220,614</u>	<u>136,884</u>	<u>8,975</u>	<u>366,473</u>	<u>11,003</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	(3,464,746)	290,812	375,133	(2,798,801)	(181,301)
Cash and Cash Equivalents - Beginning of Year	<u>16,502,790</u>	<u>7,804,033</u>	<u>422,208</u>	<u>24,729,031</u>	<u>1,046,917</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u>\$ 13,038,044</u>	<u>\$ 8,094,845</u>	<u>\$ 797,341</u>	<u>\$ 21,930,230</u>	<u>\$ 865,616</u>

See accompanying Notes to Financial Statements.

**CITY OF PICO RIVERA, CALIFORNIA**  
**PROPRIETARY FUNDS**  
**STATEMENT OF CASH FLOWS (CONTINUED)**  
**YEAR ENDED JUNE 30, 2023**

	Business-Type Activities - Enterprise Funds				Governmental Activities
	Water Operations	Pico Rivera Innovative Municipal Energy	Other Funds	Total	Equipment Replacement Internal Service Fund
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>					
Operating Income (Loss)	\$ 3,989,270	\$ 5,070,652	\$ (343,870)	\$ 8,716,052	\$ 201,862
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation	1,164,029	-	29,867	1,193,896	19,748
Changes in Operating Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:					
(Increase) Decrease in Accounts Receivable	381,366	(946,520)	61,391	(503,763)	-
(Increase) Decrease in Deferred Outflows of Resources - Amount Related to OPEB	(4,552)	(8,799)	-	(13,351)	-
(Increase) Decrease in Deferred Outflows of Resources - Amount Related to Pensions	(1,192,501)	(64,908)	(19,683)	(1,277,092)	-
Increase (Decrease) in Accounts Payable	646,549	(846,722)	(93,499)	(293,672)	(2,860)
Increase (Decrease) in Accrued Liabilities	(29,065)	79,260	1,332	51,527	-
Increase (Decrease) in Unearned	4,095	-	-	4,095	-
Increase (Decrease) in Deposits Payable	12,923	-	(1,800)	11,123	-
Increase (Decrease) in Retentions Payable	115,282	-	-	115,282	-
Increase (Decrease) in Net OPEB Liability	(42,227)	56,802	-	14,575	-
Increase (Decrease) in Net Pension Liability	2,203,465	67,163	36,017	2,306,645	-
Increase (Decrease) in Compensated Absences	24,527	(14,181)	-	10,346	-
Increase (Decrease) in Deferred Inflows of Resources - Amounts Related to OPEB	(213,344)	(1,325)	-	(214,669)	-
Increase (Decrease) in Deferred Inflows of Resources - Amounts Related to Pensions	(1,234,110)	(101,040)	(20,596)	(1,355,746)	-
Total Adjustments	1,836,437	(1,780,270)	17,034	73,201	16,888
Net Cash Provided (Used) by Operating Activities	<u>\$ 5,825,707</u>	<u>\$ 3,290,382</u>	<u>\$ (326,836)</u>	<u>\$ 8,789,253</u>	<u>\$ 218,750</u>

See accompanying Notes to Financial Statements.

**CITY OF PICO RIVERA, CALIFORNIA  
FIDUCIARY FUND  
DESCRIPTION OF FIDUCIARY FUND  
JUNE 30, 2023**

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, CALIFORNIA  
FIDUCIARY FUND  
STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2023**

	Successor Agency to the City of Pico Rivera Redevelopment Agency Private-Purpose Trust Fund
<b>ASSETS</b>	
Cash and Investments	\$ 5,713,882
Restricted Cash and Investments:	
Cash and Investments with Fiscal Agents	1,958
Accounts Receivable	1,026
Interest Receivable	37,322
Loans Receivable	322,627
Capital Assets:	
Capital Assets, Not Depreciated	258,023
Capital Assets, Depreciated, Net	52,291
Total Assets	<u>6,387,129</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Loss on Refunding	<u>553,069</u>
<b>LIABILITIES</b>	
Accounts Payable	2,080
Accrued Liabilities	2,369
Interest Payable	12,545
Payable to City of Pico Rivera	48,282,876
Payable to Pico Rivera Housing Assistance Agency	1,513,398
Payable to the County of Los Angeles	45,939,514
Bond payable	9,970,000
Total Liabilities	<u>105,722,782</u>
<b>NET POSITION</b>	
Held in Trust for Successor Agency	<u>(98,782,584)</u>
Total Net Position	<u>\$ (98,782,584)</u>

See accompanying Notes to Financial Statements.

**CITY OF PICO RIVERA, CALIFORNIA  
FIDUCIARY FUND  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
YEAR ENDED JUNE 30, 2023**

	Successor Agency to the City of Pico Rivera Redevelopment Agency Private-Purpose Trust Fund
<b>ADDITIONS</b>	
Taxes	\$ 3,824,139
Contributions	1,065,000
Sale of Property	90,838
Investment Earnings	123,024
Total Additions	<u>5,103,001</u>
<b>DEDUCTIONS</b>	
Administrative Expenses	248,090
Interest	1,983,308
Depreciation	4,765
Total Deductions	<u>2,236,163</u>
<b>CHANGE IN NET POSITION</b>	2,866,838
Net Position - Beginning of Year	<u>(101,649,422)</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ (98,782,584)</u></u>

See accompanying Notes to Financial Statements.

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**CITY OF PICO RIVERA, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**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, 2023**

**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, 2023**

**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, 2023**

**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, 2023**

**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 96

In May 2020, the GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This standard defines a subscription-based information technology arrangement (SBITA); establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability; provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosure regarding SBITA. This statement had no effect on the City.

**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.



**CITY OF PICO RIVERA, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

**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.

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.

**CITY OF PICO RIVERA, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

**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.

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

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

**CITY OF PICO RIVERA, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

**K. Land Held for Resale**

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

**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 assets 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 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 through the plans.
- Deferred outflows related to pensions 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, 2023**

**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 asset 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 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 OPEB through the plan.
- Deferred inflows related to pensions and 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 and OPEB 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, 2023**

**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, 2023**

**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, 2023**

**NOTE 2 CASH AND INVESTMENTS**

**Cash and Investments**

Cash and investments at June 30, 2023 are classified in the accompanying financial statements as follows:

	Statement of Net Position		
	Government Wide	Fiduciary Funds	Total
Unrestricted Assets:			
Cash and Investments	\$ 116,254,183	\$ 5,713,882	\$ 121,968,065
Restricted Cash and Investments:			
Cash and Investments with Fiscal Agents	7,912,528	1,958	7,914,486
Escrow Deposits	2,339	-	2,339
Total Cash and Investments	<u>\$ 124,169,050</u>	<u>\$ 5,715,840</u>	<u>\$ 129,884,890</u>

Cash and investments at June 30, 2023 consisted of the following:

Cash on Hand	\$ 6,295
Deposits with Financial Institutions	15,679,660
Investments	114,198,935
Total Cash and Investments	<u>\$ 129,884,890</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, 2023**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**Investments Authorized by the California Government Code and the City's Investment Policy (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, 2023**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**Disclosures Relating to Interest Rate Risk (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 to 60 Months	
Local Agency Investment Fund	\$ 75,195,173	\$ -	\$ -	\$ 75,195,173
U.S. Government Sponsored				
Agency Securities	3,070,079	189,354	707,112	3,966,545
U.S. Treasury Notes	5,663,782	2,889,344	6,181,602	14,734,728
Money Market Mutual Funds	184,301	-	-	184,301
Collateralized Mortgage Obligations	164,759	-	1,392,836	1,557,595
Supranational	506,671	634,795	-	1,141,466
Medium-Term Notes	2,165,641	1,941,658	5,597,341	9,704,640
Held by Fiscal Agent:				
Money Market Mutual Funds	6,425,767	-	-	6,425,767
PARS Trust Pooled Investments	1,288,720	-	-	1,288,720
Total	<u>\$ 94,664,893</u>	<u>\$ 5,655,151</u>	<u>\$ 13,878,891</u>	<u>\$ 114,198,935</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, 2023	Rating as of Fiscal Year-End				
			AAA	AA+	AA	Other	Not Rated
Local Agency Investment Fund	N/A	\$ 75,195,173	\$ -	\$ -	\$ -	\$ -	\$ 75,195,173
U.S. Government Sponsored							
Agency Securities	N/A	3,966,545	-	3,966,545	-	-	-
U.S. Treasury Notes*	N/A	14,734,728	-	-	-	-	14,734,728
Money Market Mutual Funds	N/A	184,301	184,301	-	-	-	-
Supranational	A	1,141,466	1,141,466	-	-	-	-
Collateralized Mortgage Obligations	A	1,557,595	947,072	-	-	-	610,523
Certificates of Deposits					-	-	-
Medium-Term Notes	A	9,704,640	1,731,505	389,388	1,030,298	5,719,306	834,143
Held by Fiscal Agent:							
Money Market Mutual Funds	N/A	6,425,767	6,425,767	-	-	-	-
PARS Trust Pooled Investments	N/A	1,288,720	-	-	-	-	1,288,720
Total		\$ 114,198,935	\$ 10,430,111	\$ 4,355,933	\$ 1,030,298	\$ 5,719,306	\$ 92,663,287

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

**CITY OF PICO RIVERA, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 2 CASH AND INVESTMENTS (CONTINUED)**

**Disclosures Relating to Credit Risk (Continued)**

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

Investment Type	Total as of June 30, 2023	Rating as of Fiscal Year-End		
		A+	A	A-
Medium-Term Notes	\$ 5,719,306	\$ 2,312,099	\$ 2,540,222	\$ 866,985

**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, 2023, 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, 2023**

**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:				
Supranational	\$ -	\$ 1,141,466	\$ -	\$ 1,141,466
Collateralized Mortgage Obligations	-	1,557,595	-	1,557,595
Medium-Term Notes	-	9,704,640	-	9,704,640
U.S. Treasury Notes	-	14,734,728	-	14,734,728
U.S. Government Sponsored				
Agency Securities	-	3,966,545	-	3,966,545
Total Leveled Investments	<u>\$ -</u>	<u>\$ 31,104,974</u>	<u>\$ -</u>	<u>31,104,974</u>
Investments Not Subject to Fair Value Hierarchy:				
Local Agency Investment Fund				75,195,173
Money Market Mutual Funds				184,301
Held by Trustee:				
Money Market Mutual Funds				6,425,767
PARS Trust Pooled Investments				1,288,720
Total Investment Portfolio				<u>\$ 114,198,935</u>

**CITY OF PICO RIVERA, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 3 INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The composition of interfund balances as of June 30, 2023, 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	\$ 16,084,289
	Golf Course Enterprise Fund	3,793,347
	Total	<u>\$ 19,877,636</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 2022-23. The balance of the advance at June 30, 2023, is \$16,084,289. 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 15 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, 2023, is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Other Governmental Funds	\$ 2,347,765
Water Operations Enterprise Fund	General Fund	176,000
	Total	<u>\$ 2,523,765</u>

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

**CITY OF PICO RIVERA, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

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

**Transfers**

<u>Transfers Out</u>	<u>Transfers In</u>	<u>Amount</u>
General Fund	Other Governmental Funds (1)	\$ 2,378,608
Other Governmental Funds	General Fund (2)	1,847,348
	2018 Series A COP Capital Projects Fund (3)	836,169
	Total	<u>\$ 5,062,125</u>

- (1) The General Fund transferred \$2,290,695 to Other Governmental for approved capital outlays and \$87,913 to Other Governmental to subsidize expenditures.
- (2) The Other Governmental Funds – State Gas Tax Fund and Lighting Assessment District Fund transferred \$1,557,851 and \$289,497, respectively to General Fund for approved street maintenance activities and capital outlays.
- (3) The Other Governmental Fund – Measure M transferred \$836,169 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, 2023 is \$2,570,592 and is included in the HOME Grant Special Revenue Fund. At June 30, 2023, the City has an allowance of \$845,014 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, 2023 totaled \$176,409. At June 30, 2023, the City has an allowance of \$42,179 against the outstanding interest receivable related to these loans, as the City cannot ensure the collectability of this balance.

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, 2023 is \$1,102,130. At June 30, 2023, the City has an allowance of \$146,741 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, 2023**

**NOTE 4 LONG-TERM RECEIVABLES (CONTINUED)**

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 \$42,209 allowance, were zero at June 30, 2023.

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. All sums unpaid at maturity shall thereafter bear interest at the rate of ten percent (10%) per annum. The outstanding principal and interest balance at June 30, 2023 was \$287,050 and \$149,283, respectively. The City has an allowance against the outstanding principal and interest as the City cannot ensure the collectability of this loan.

**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	\$ 18,076,005	\$ -	\$ 257,027
Sales Tax Deferral Loan to Allow Former Redevelopment Agency to Meet its Debt Service Obligations	29,949,844	-	-
Loans to Make Payments to Supplemental Educational Revenue Augmentation Fund	-	1,513,398	-
Purchase of Former Redevelopment Agency's Tax Allocation Bonds, Series 2001 Treated as a Loan (See Note 15 for details)	-	-	-
Subtotal	48,025,849	1,513,398	257,027
Reserve on Long-Term Loans	(4,519,002)	-	(64,257)
Reserve on Sales Tax Deferral Loan	(29,949,844)	-	-
Total	<u>\$ 13,557,003</u>	<u>\$ 1,513,398</u>	<u>\$ 192,770</u>

**CITY OF PICO RIVERA, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 5 CAPITAL AND LEASE ASSETS**

**Governmental Activities**

Capital and leased asset activity for the year ended June 30, 2023, was as follows:

	Balance at July 1, 2022	Additions	Deletions	Transfers	Balance at June 30, 2023
Capital Assets, Not Being Depreciated:					
Land	\$ 118,908,710	\$ 1,787,654	\$ -	\$ -	\$ 120,696,364
Construction in Progress	22,684,844	18,889,636	(710)	(5,263,214)	36,310,556
Total Capital Assets, Not Being Depreciated	141,593,554	20,677,290	(710)	(5,263,214)	157,006,920
Capital Assets, Being Depreciated and Amortized					
Structures and Improvements	25,590,725	-	-	-	25,590,725
Furniture and Equipment	7,291,797	942,279	(304,386)	(240,089)	7,689,601
Infrastructure	247,089,714	-	-	5,263,214	252,352,928
Right to Use Asset - Equipment	111,108	-	-	-	111,108
Total Capital Assets, Being Depreciated and Amortized	280,083,344	942,279	(304,386)	5,023,125	285,744,362
Less Accumulated Depreciation for:					
Structures and Improvements	(13,120,992)	(555,867)	-	-	(13,676,859)
Furniture and Equipment	(5,971,704)	(239,483)	304,386	183,651	(5,723,150)
Infrastructure	(139,006,383)	(5,661,694)	-	-	(144,668,077)
Less Accumulated Amortization for:					
Right to Use Asset - Equipment	(25,485)	(25,485)	-	-	(50,970)
Total Accumulated Depreciation	(158,124,564)	(6,482,529)	304,386	183,651	(164,119,056)
Total Capital Assets, Being Depreciated Amortized, Net	121,958,780	(5,540,250)	-	5,206,776	121,625,306
Governmental Activities Capital and Leased Assets	<u>\$ 263,552,334</u>	<u>\$ 15,137,040</u>	<u>\$ (710)</u>	<u>\$ (56,438)</u>	<u>\$ 278,632,226</u>

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

General Government	\$ 395,487
Public Safety	9,945
Public Works	4,879,040
Parks and Recreation	1,164,219
Community Development	8,353
Total Depreciation Expense	<u>\$ 6,457,044</u>

Amortization expense was charged to general government.

**CITY OF PICO RIVERA, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 5 CAPITAL ASSETS (CONTINUED)**

**Business-Type Activities**

Capital asset activity for the year ended June 30, 2023, was as follows:

	Balance at July 1, 2022	Additions	Deletions	Transfers	Balance at June 30, 2023
Capital Assets, Not Being Depreciated:					
Land	\$ 18,174,060	\$ -	\$ -	\$ -	\$ 18,174,060
Rights of Way	5,579,916	-	-	-	5,579,916
Construction in Progress	4,302,493	7,815,751	-	-	12,118,244
Total Capital Assets, Not Being Depreciated	28,056,469	7,815,751	-	-	35,872,220
Capital Assets, Being Depreciated:					
Structures and Improvements	5,228,051	1,904,300	-	-	7,132,351
Utility Plant in Service	21,785,673	-	-	-	21,785,673
Equipment	1,473,468	697,081	-	240,089	2,410,638
Infrastructure	17,692,287	-	-	-	17,692,287
Total Capital Assets, Being Depreciated	46,179,479	2,601,381	-	240,089	49,020,949
Less Accumulated Depreciation for:					
Structures and Improvements	(4,277,493)	(51,027)	-	-	(4,328,520)
Utility Plant in Service	(8,344,891)	(367,624)	-	-	(8,712,515)
Equipment	(1,055,025)	(349,389)	-	(183,651)	(1,588,065)
Infrastructure	(10,660,260)	(425,856)	-	-	(11,086,116)
Total Accumulated Depreciation	(24,337,669)	(1,193,896)	-	(183,651)	(25,715,216)
Total Capital Assets, Being Depreciated, Net	21,841,810	1,407,485	-	56,438	23,305,733
Business-Type Activities Capital Assets, Net	<u>\$ 49,898,279</u>	<u>\$ 9,223,236</u>	<u>\$ -</u>	<u>\$ 56,438</u>	<u>\$ 59,177,953</u>

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

Water Operations	\$ 1,164,029
Sports Arena	1,718
Golf Course	28,149
Total Depreciation Expense	<u>\$ 1,193,896</u>



**CITY OF PICO RIVERA, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 6 LONG-TERM LIABILITIES**

Changes in long-term liabilities activity for the year ended June 30, 2023, were as follows:

	Balance at July 1, 2022	Additions	Deletions	Balance at June 30, 2023	Due Within One Year	Due in More Than One Year
<b>Governmental Activities:</b>						
Other Debt:						
2016 Lease Revenue Bonds	\$ 24,960,000	\$ -	\$ (995,000)	\$ 23,965,000	\$ 1,030,000	\$ 22,935,000
Bond Premium	2,278,210	-	(134,028)	2,144,182	-	2,144,182
2018 Series A Certificates of Participation	13,695,000	-	(290,000)	13,405,000	300,000	13,105,000
Bond Premium	609,565	-	(23,445)	586,120	-	586,120
Other Liabilities:						
Lease Liability	86,524		(25,205)	61,319	25,843	35,476
Compensated Absences	1,468,505	992,004	(741,228)	1,719,281	343,856	1,375,425
Claims and Judgements	2,308,000	233,100	(351,100)	2,190,000	771,000	1,419,000
<b>Total Governmental Activities</b>	<b>\$ 45,405,804</b>	<b>\$ 1,225,104</b>	<b>\$ (2,560,006)</b>	<b>\$ 44,070,902</b>	<b>\$ 2,470,699</b>	<b>\$ 41,600,203</b>
<b>Business-Type Activities:</b>						
Other Debt:						
Revenue Bonds Payable	\$ 9,305,000	\$ -	\$ (1,125,000)	\$ 8,180,000	\$ 1,190,000	\$ 6,990,000
Add (Less):						
Bond Premium	272,364	-	(39,858)	232,506	-	232,506
Subtotal Revenue Bonds Payable	9,577,364	-	(1,164,858)	8,412,506	1,190,000	7,222,506
Other Liabilities:						
Compensated Absences	288,947	156,876	(146,530)	299,293	29,929	269,364
<b>Total Business-Type Activities</b>	<b>\$ 9,866,311</b>	<b>\$ 156,876</b>	<b>\$ (1,311,388)</b>	<b>\$ 8,711,799</b>	<b>\$ 1,219,929</b>	<b>\$ 7,491,870</b>

**Governmental Activities**

**Compensated Absences**

The City's policies relating to compensated absences are described in Note 1L. The liability amounts of \$1,719,281 at June 30, 2023 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, 2023**

**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>
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	1,130,000	783,900	1,913,900
2028	1,175,000	749,550	1,924,550
2029 - 2033	6,520,000	3,016,556	9,536,556
2033 - 2037	8,255,000	1,265,006	9,520,006
2038 - 2040	3,705,000	111,975	3,816,975
Total	<u>\$ 23,965,000</u>	<u>\$ 8,504,512</u>	<u>\$ 32,469,512</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>
2024	\$ 300,000	\$ 531,669	\$ 831,669
2025	320,000	516,669	836,669
2026	335,000	500,669	835,669
2027	350,000	483,919	833,919
2028	370,000	466,419	836,419
2029 - 2033	2,130,000	2,037,094	4,167,094
2033 - 2037	2,670,000	1,501,106	4,171,106
2038 - 2042	3,170,000	998,725	4,168,725
2043 - 2047	3,760,000	404,075	4,164,075
Total	<u>\$ 13,405,000</u>	<u>\$ 7,440,345</u>	<u>\$ 20,845,345</u>

**Business-Type Activities**

**Compensated Absences**

The City's policies relating to compensated absences are described in Note 1L. The liability amount of \$299,293 at June 30, 2023 is expected to be paid in future years from future resources.

**CITY OF PICO RIVERA, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 6 LONG-TERM LIABILITIES (CONTINUED)**

**Business-Type Activities (Continued)**

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, 2023, is \$600,000.

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>
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	1,395,000	242,825	1,637,825
2028	1,470,000	166,100	1,636,100
2029	1,550,000	85,250	1,635,250
Total	<u>\$ 8,180,000</u>	<u>\$ 1,643,950</u>	<u>\$ 9,823,950</u>

**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.

**CITY OF PICO RIVERA, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 7 COMMITMENTS AND CONTINGENCIES (CONTINUED)**

**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, 2023 totaled \$272,364.

**NOTE 8 DEFINED BENEFIT PENSION PLANS**

The following is a summary of pension related items for the year ended June 30, 2023:

	Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense (Credit)
Miscellaneous Plan	\$ 42,732,558	\$ 11,550,349	\$ (1,774,274)	\$ 4,089,334
Council Plan	60,642	9,781	-	11,728
Total	<u>\$ 42,793,200</u>	<u>\$ 11,560,130</u>	<u>\$ (1,774,274)</u>	<u>\$ 4,101,062</u>

**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.

**CITY OF PICO RIVERA, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 8    DEFINED BENEFIT PENSION PLANS (CONTINUED)**

**General Information about the Pension Plans (Continued)**

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.

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 hired 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, 2022, the measurement date, are summarized as follows:

Hire Date	Miscellaneous Plan		
	Prior to June 26, 2012	On or After June 26, 2012, Prior to January 1, 2013	On or After January 1, 2013
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	7.30%	7.30%	6.75%
Required Employer Contribution Rates:			
Normal Cost Rate	9.380%	11.290%	7.860%
Payment of Unfunded	\$ 3,328,789	\$ -	\$ -

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, 2023**

**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, 2022, 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	33.70%
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	270	5
Inactive Employees Entitled to But		
Not Yet Receiving Benefits	155	2
Active Employees	<u>142</u>	<u>1</u>
Total	<u><u>567</u></u>	<u><u>8</u></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, 2023, the City contributed \$4,587,084 and \$3,591 to the Miscellaneous Plan and Council Plan, respectively.

**CITY OF PICO RIVERA, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**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, 2022, using an annual actuarial valuation as of June 30, 2021, rolled forward to June 30, 2022, using standard update procedures. The net pension liability of the Council Plan is measured as of June 30, 2023, 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, 2021 actuarial valuations were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>	<u>Council Plan</u>
Valuation Date	June 30, 2021	June 30, 2021
Measurement Date	June 30, 2022	June 30, 2023
Actuarial Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	6.90%	6.50%
Inflation	2.30%	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 used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

(3) Pre-retirement and Post-retirement: Consistent with the Non-Industrial rates used to value the Miscellaneous Agency CalPERS pension Plans after June 30, 2017.

(4) Less of contract cost-of-living adjustments up to 2.30% until Purchasing Power Protection Allowance Floor on purchasing power applies, 2.30% thereafter.

**Change of Assumptions**

The discount rate and long-term rate of return decreased from 7.15% to 6.90% and the inflation rate decreased from 2.50% to 2.30% from the measurement date June 30, 2021 to June 30, 2022 for the CalPERS plan.

**CITY OF PICO RIVERA, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 8    DEFINED BENEFIT PENSION PLANS (CONTINUED)**

**Net Pension Liability (Continued)**

**Discount Rate**

The discount rate used to measure the total pension liability was 6.9% 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, 2023**

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

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

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

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, 2022.

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	5.00 %	0.51 %	0.49 %
U.S. Core Fixed Income	37.41	2.07	1.93
U.S. Broad Equity Market	44.24	5.56	3.90
Foreign Developed Equity	7.11	6.89	5.07
Emerging Markets Equity	4.47	9.58	6.18
U.S. REITs	1.77	6.96	4.74
Total	100.00 %		
Assumed Inflation - Mean		2.32 %	2.32 %
Assumed Inflation Standard Deviation		1.42 %	1.42 %
Portfolio Real Mean Return		4.30 %	3.70 %
Portfolio Nominal Mean Return		6.62 %	6.12 %
Portfolio Standard Deviation			10.51 %

**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, 2023**

**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, 2021 (Measurement Date)	\$ 123,686,546	\$ 95,291,367	\$ 28,395,179
Changes in the Year:			
Service Cost	1,902,845	-	1,902,845
Interest on the Total Pension Liability	8,484,446	-	8,484,446
Differences between Expected and Actual Experience	(2,724,330)	-	(2,724,330)
Changes in Assumptions	4,188,315	-	4,188,315
Plan-to-Plan Resource Movement	-	-	-
Contribution - Employer	-	4,024,396	(4,024,396)
Contribution - Employee	-	758,203	(758,203)
Net Investment Income	-	(7,209,341)	7,209,341
Administrative Expenses	-	(59,361)	59,361
Benefit Payments, Including Refunds of Employee Contributions	(6,277,953)	(6,277,953)	-
Net Changes	<u>5,573,323</u>	<u>(8,764,056)</u>	<u>14,337,379</u>
Balance at June 30, 2022 (Measurement Date)	<u>\$ 129,259,869</u>	<u>\$ 86,527,311</u>	<u>\$ 42,732,558</u>

**CITY OF PICO RIVERA, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**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, 2022 (Measurement Date)	\$ 222,887	\$ 161,224	\$ 61,663
Changes in the Year:			
Service Cost	748	-	748
Interest on the Total Pension Liability	14,076	-	14,076
Differences between Actual and Expected Experience	-	-	-
Changes in Economic/Demographic	-	-	-
Changes in Assumptions	-	-	-
Changes in Benefit Terms	-	-	-
Contribution - Employer	-	3,591	(3,591)
Contribution - Employee	-	-	-
Net Investment Income	-	13,057	(13,057)
Administrative Expenses	-	(803)	803
Benefit Payments, Including Refunds of Employee Contributions	(14,372)	(14,372)	-
Net Changes	452	1,473	(1,021)
Balance at June 30, 2023 (Measurement Date)	<u>\$ 223,339</u>	<u>\$ 162,697</u>	<u>\$ 60,642</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 (5.9%)	Current Discount Rate (6.9%)	1% Increase (7.9%)
Net Pension Liability	<u>\$ 59,980,815</u>	<u>\$ 42,732,558</u>	<u>\$ 28,501,945</u>
	Council		
	1% Decrease (5.5%)	Current Discount Rate (6.5%)	1% Increase (7.5%)
Net Pension Liability	<u>\$ 81,794</u>	<u>\$ 60,642</u>	<u>\$ 42,889</u>

**CITY OF PICO RIVERA, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**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, 2023, the City recognized pension expense of \$4,089,334 and \$11,728 for the miscellaneous and council plans, respectively. At June 30, 2023, 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	\$ 4,587,084	\$ -
Differences Between Expected and Actual Experience	-	(1,774,274)
Change in Assumptions	2,637,087	-
Net Differences Between Projected and Actual		
Earnings on Plan Investments	4,326,178	-
Total Miscellaneous Plan	<u>\$ 11,550,349</u>	<u>\$ (1,774,274)</u>
 Differences Between Expected and Actual Experience	 \$ -	 \$ -
Change in Assumptions	-	-
Net Differences Between Projected and Actual		
Earnings on Plan Investments	9,781	-
Total Council Plan	<u>\$ 9,781</u>	<u>\$ -</u>

An amount of \$4,587,084 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, 2024. 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>
2024	\$ 1,167,648	\$ 2,202
2025	989,661	859
2026	286,457	7,308
2027	2,745,225	(588)
2028	-	-
Thereafter	-	-

**Payable to the Pension Plans**

At June 30, 2023, the City had no outstanding amount of contributions to the pension plans required for the year ended June 30, 2023.

**CITY OF PICO RIVERA, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**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, 2023, the City's payroll covered by the defined contribution plan was \$1,728,604. The City made employer contributions of \$64,824 (3.75% of current covered payroll), and employees contributed \$64,824 (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, 2023**

**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, 2022, 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	3
Active Employees	145
Total	<u><u>261</u></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, 2023, the City's cash contributions were \$1,068,807 in cash benefit payments and \$565,000 contributions to the trust, estimated implied subsidy was \$140,000 and administrative expense paid by were \$3,451 resulting in total contributions of \$1,777,258.

**Net OPEB Liability**

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

**CITY OF PICO RIVERA, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

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

**Total OPEB Liability**

Actuarial Assumptions

The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.25%
Inflation	2.50%
Projected Salary Increase	2.75% per Annum, in Aggregate
Expected Long-Term Investment Rate of Return	6.25%
Healthcare Cost Trend Rates	6.50% Non-Medicare/5.65% Medicare (Non-Kaiser), 4.6% Medicare (Kaiser) Decreasing to 3.75% in 2076
Mortality	Derived from CalPERS 2000-2019 Experience Study

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

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, 2022, the measurement date, are summarized in the following table:

Asset Class	New Strategic Allocation	Long-Term Expected Real Rate of Return
CERBT:		
Global Equity	49.00 %	4.56 %
Fixed Income	23.00	1.56
TIPS	5.00	(0.08)
Commodities	3.00	1.22
REITs	20.00	4.06
Total	100.00 %	

**CITY OF PICO RIVERA, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**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 6.25%. 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

There were no changes in assumptions in the current measurement period.

**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, 2021 (Measurement Date)	\$ 22,726,294	\$ 6,284,780	\$ 16,441,514
Changes in the Year:			
Service Cost	445,755	-	445,755
Interest on the Total OPEB Liability	1,410,651	-	1,410,651
Differences Between Actual and Expected Experience	-	-	-
Changes in Assumptions	-	-	-
Changes in Benefit Terms	-	-	-
Contribution - Employer	-	2,159,703	(2,159,703)
Net Investment Income	-	(978,822)	978,822
Administrative Expenses	-	(4,268)	4,268
Benefit Payments	(1,203,248)	(1,203,248)	-
Net Changes	653,158	(26,635)	679,793
Balance at June 30, 2022 (Measurement Date)	<u>\$ 23,379,452</u>	<u>\$ 6,258,145</u>	<u>\$ 17,121,307</u>



**CITY OF PICO RIVERA, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**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.

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 (5.25%) or one percentage point higher (7.25%) than the current discount rate:

	1% Decrease (5.25%)	Discount Rate (6.25%)	1% Increase (7.25%)
Net OPEB Liability	\$ 19,963,894	\$ 17,121,307	\$ 14,743,017

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 (5.50% Non-Medicare/4.65% Medicare (Non-Kaiser)/4.6 Medicare (Kaiser) decreasing to 2.75%) or one percentage point higher (7.5% Non-Medicare/6.65% Medicare (Non-Kaiser)/5.6% Medicare (Kaiser) decreasing to 4.75%) than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Net OPEB Liability	\$ 14,288,854	\$ 17,121,307	\$ 20,567,930

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

For the year ended June 30, 2023, the City recognized OPEB expense of \$188,988. At June 30, 2023, 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	\$ 1,777,258	\$ -
Differences Between Actual and Expected Experience	-	(4,396,817)
Change in Assumptions	-	(647,021)
Net Differences Between Projected and Actual Earnings on Plan Investments	593,412	-
Total	\$ 2,370,670	\$ (5,043,838)

**CITY OF PICO RIVERA, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

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

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

An amount of \$1,777,258 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, 2024. 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>
2024	\$ (1,213,886)
2025	(1,219,034)
2026	(892,751)
2027	(610,284)
2028	(514,471)
Thereafter	-

**Payable to the OPEB Plan**

At June 30, 2023, the City had no outstanding amount of contributions to the OPEB plan required for the year ended June 30, 2023.

**NOTE 11 RISK MANAGEMENT**

The City began its self-insured liability program with Public Risk Innovation, Solutions, and Management (PRISM) 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 PRISM pool for its general liability and workers' compensation insurance coverage. For its general liability insurance, the City, through PRISM has a self-insured retention amount of \$200,000 per occurrence. General claims above \$200,000 up to \$25,000,000 are shared by the pool.

For its workers' compensation liability insurance, the City, through PRISM has a self-insured retention amount of \$250,000 per occurrence. Workers' compensation claims above \$250,000 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 PRISM.

**CITY OF PICO RIVERA, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 11 RISK MANAGEMENT (CONTINUED)**

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, 2023, \$890,000 has been accrued for general liability claims and \$1,300,000 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, 2023, 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, 2023 and 2022, are as follows:

Fiscal Year	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Claim Payments	End of Fiscal Year Liability
2021-2022	\$ 1,696,000	\$ 923,371	\$ (311,371)	\$ 2,308,000
2022-2023	2,308,000	233,100	(351,100)	2,190,000

**CITY OF PICO RIVERA, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 12 GOVERNMENTAL FUND BALANCE CLASSIFICATIONS**

The City's governmental fund balances at June 30, 2023, are tabulated below, followed by explanations as to the nature and purpose of each classification.

		Special Revenue Funds	Capital Projects Fund		
		Housing	2018	Other	Total
	General	Agency Section 8	Series A COP	Govt. Funds	Govt. Funds
Other Continuing Appropriations					
Long-Term Receivables/Advances	\$ 26,749,564	\$ -	\$ -	\$ -	\$ 26,749,564
Inventories	3,825	-	-	-	3,825
Prepaid Items	147,363	-	-	-	147,363
Restricted for:					
Housing Agency	-	533,105	-	-	533,105
State Gas Tax	-	-	-	3,163,955	3,163,955
HOME	-	-	-	2,670,991	2,670,991
CalHome Grant	-	-	-	704,503	704,503
Lighting Assessment District	-	-	-	2,405,958	2,405,958
Park Development	-	-	-	4,438	4,438
Prop A	-	-	-	3,705,045	3,705,045
Prop C	-	-	-	2,555,774	2,555,774
Measure R	-	-	-	1,715,219	1,715,219
Measure M	-	-	-	493,055	493,055
Measure A	-	-	-	1	1
AQMD	-	-	-	504,055	504,055
Economic Development					
Assistance Grant	-	-	-	979,273	979,273
Image Enhancement	-	-	-	1,357,280	1,357,280
Sewer Maintenance	-	-	-	-	-
Reach Grants	-	-	-	877,739	877,739
Cable/PEG Support	-	-	-	252,862	252,862
Housing Agency LMIHF	-	-	-	2,726,708	2,726,708
Measure W	-	-	-	1,896,687	1,896,687
Paramount/Mines Landscape					
Maintenance District	-	-	-	69,957	69,957
CASp Service	47,000	-	-	-	47,000
Pension Contribution	1,288,720	-	-	-	1,288,720
Capital Improvements	-	-	5,087,499	-	5,087,499
Committed to:					
Emergency Reserve/ Economic Stabilization/ Stimulus	28,903,778	-	-	-	28,903,778
Assigned to:					
OPEB Unfunded Liability	856,070	-	-	-	856,070
Leave Liability	592,400	-	-	-	592,400
Equipment Replacement	556,020	-	-	-	556,020
Self-insured Retention	500,000	-	-	-	500,000
Bond Refinancing/Reserve	1,000,000	-	-	-	1,000,000
Capital improvements	2,000,000	-	-	13,312,296	15,312,296
Deferred Maintenance	1,000,000	-	-	-	1,000,000
Energy Efficiency	1,000,000	-	-	-	1,000,000
Economic Sustainability	1,000,000	-	-	-	1,000,000
Purchase Agreements	2,328,070	-	-	-	2,328,070
Other Continuing Appropriations	10,157,459	-	-	-	10,157,459
Unassigned	4,139,702	-	-	(1,829,920)	2,309,782
Total Fund Balances	<u>\$ 82,269,971</u>	<u>\$ 533,105</u>	<u>\$ 5,087,499</u>	<u>\$ 37,565,876</u>	<u>\$ 125,456,451</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, 2023**

**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. On July 28, 2020, the City Council adopted revised risk-based General Fund Reserve Policies, which increased the General Fund’s commitment to emergencies/economic stabilization from 25% to 50% of the General Fund’s annual operating revenues. For the fiscal year ending June 30, 2023, this commitment is equal to \$28,903,778.

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, 2023**

**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, 2023, total assignments equal \$20,990,019.

**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, 2023, the General Fund unassigned fund balance is \$4,139,702.

**CITY OF PICO RIVERA, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 13 OTHER REQUIRED DISCLOSURES**

**Deficit Fund Balances or Net Position**

The following funds reported deficit fund balances or net position at June 30, 2023:

Other Governmental Funds:

Community Development Block Grant Special Revenue Fund	\$ 156,537
County Grants	722,827
State Grants Special Revenue Fund	219,451
Sewer Maintenance Special Revenue Fund	20,380
Transportation Development Act Special Revenue Fund	4,561
Federal Grants Special Revenue Fund	706,164

Other Enterprise Fund - Golf Course Fund	3,604,402
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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.

**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	\$ 6,104,088	\$ 6,147,787	\$ (43,699)
Other Governmental Funds:			
Economic Sustainability Special Revenue Fund	-	39,667	(39,667)
Image Enhancement Special Revenue Fund	365	628	(263)
Federal Grants Special Revenue Fund	2,132,731	2,135,314	(2,583)

**CITY OF PICO RIVERA, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**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, 2023 totaled \$661,852.

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, 2023, the total payments made by PRIME under the take or pay contracts was \$16,865,661. At June 30, 2023, the remaining take or pay contracts for PRIME is \$76,049,205 through December May 2041.

**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.



**CITY OF PICO RIVERA, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 15 SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

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, 2022	Additions	Deletions	Balance at June 30, 2023
Capital Assets, Not Being Depreciated:				
Land	\$ 258,023	\$ -	\$ -	\$ 258,023
Total Capital Assets, Not Being Depreciated	<u>258,023</u>	<u>-</u>	<u>-</u>	<u>258,023</u>
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	<u>217,962</u>	<u>-</u>	<u>-</u>	<u>217,962</u>
Less Accumulated Depreciation:				
Structures and Improvements	(134,879)	(3,532)	-	(138,411)
Furniture and Equipment	(5,110)	-	-	(5,110)
Infrastructure	(20,917)	(1,233)	-	(22,150)
Total Accumulated Depreciation	<u>(160,906)</u>	<u>(4,765)</u>	<u>-</u>	<u>(165,671)</u>
Total Capital Assets, Being Depreciated, Net	<u>57,056</u>	<u>(4,765)</u>	<u>-</u>	<u>52,291</u>
Successor Agency Activities, Capital Assets, Net	<u>\$ 315,079</u>	<u>\$ (4,765)</u>	<u>\$ -</u>	<u>\$ 310,314</u>

**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, 2023 is \$322,627.

**CITY OF PICO RIVERA, CALIFORNIA**  
**NOTES TO FINANCIAL STATEMENTS**  
**JUNE 30, 2023**

**NOTE 15 SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

**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, 2023, the net advance balance was \$18,076,005, which included accrued interest of \$8,913,435 and a 25% reserve against this balance totaling \$4,519,002 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, 2023, the balance of the City Deferrals including interest was \$29,949,844.

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 \$29,949,844 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, 2023**

**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. Total outstanding balance at June 30, 2023 was \$1,513,398.

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.

**CITY OF PICO RIVERA, CALIFORNIA  
NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2023**

**NOTE 15 SUCCESSOR AGENCY DISCLOSURES (CONTINUED)**

**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, 2023, the net advance balance was \$257,027, which includes accrued interest of \$127,027 and a 25% reserve against this balance totaling \$64,257 due to the estimated collectability by the Water A as a result of the winding down of the affairs of the former Redevelopment Agency.

**Tax Allocation Refunding Bonds**

On December 16, 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 TARBs).

The 2021 SA TARBs pay interest at a rate of 1.5% payable semiannually on June 1 and December 1, commencing on June 1, 2022. Annual debt service for the 2021 SA TARBs is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 3,615,000	\$ 123,254	\$ 3,738,254
2025	3,720,000	67,874	3,787,874
2026	2,635,000	19,895	2,654,895
Total	<u>\$ 9,970,000</u>	<u>\$ 211,023</u>	<u>\$ 10,181,023</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, 2023, the balance of the County Deferral including interest was \$43,978,603. There is no fixed payment schedule for the repayment of the County Deferral.

Additionally, at June 30, 2023 the Successor Agency also has a payable to the County of Los Angeles for the gross proceeds received on the sale of land totaling \$1,960,911.

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## **REQUIRED SUPPLEMENTARY INFORMATION**

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Measurement Period:	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
<b>Total Pension Liability:</b>									
Service Cost	\$ 1,902,845	\$ 1,825,934	\$ 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	8,484,446	8,390,682	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	(2,724,330)	(227,395)	(96,456)	2,207,380	1,411,957	(1,258,219)	(1,495,731)	(845,358)	-
Changes in Assumptions	4,188,315	-	-	-	(828,380)	5,943,062	-	(1,681,626)	-
Changes in Benefits	-	-	-	-	-	-	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(6,277,953)	(5,938,611)	(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	5,573,323	4,050,610	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	123,686,546	119,635,936	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>\$ 129,259,869</u>	<u>\$ 123,686,546</u>	<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>
<b>Plan Fiduciary Net Position:</b>									
Plan-to-Plan Resource Movement	\$ -	\$ -	\$ -	\$ -	\$ (171)	\$ -	\$ -	\$ 12	\$ -
Contributions - Employer	4,024,396	3,785,703	3,510,945	3,152,902	2,902,032	2,552,475	2,352,483	2,240,763	2,552,214
Contributions - Employee	758,203	773,207	824,722	817,187	838,924	741,941	681,785	716,687	671,298
Net Investment Income	(7,209,341)	17,874,219	3,795,360	4,813,665	5,870,873	7,274,632	328,225	1,459,065	10,012,754
Administrative Expenses	(59,361)	(78,792)	(107,987)	(52,319)	(314,561)	(94,514)	(39,896)	(73,643)	-
Benefit Payments	(6,277,953)	(5,938,611)	(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	(8,764,056)	16,415,726	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	95,291,367	78,875,641	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>\$ 86,527,311</u>	<u>\$ 95,291,367</u>	<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>\$ 42,732,558</u>	<u>\$ 28,395,179</u>	<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	66.94%	77.04%	65.93%	66.27%	67.19%	66.21%	66.30%	69.32%	70.45%
Covered Payroll	\$ 12,290,342	\$ 11,613,022	\$ 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	347.69%	244.51%	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.

From Fiscal Year June 30, 2021 to June 30, 2022:

There were no changes in assumptions.

From Fiscal Year June 30, 2022 to June 30, 2023:

The discount rate and long-term rate of return decreased from 7.15% to 6.90% and the inflation rate decreased from 2.5% to 2.3%

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

See accompanying Note to Required Supplementary Information.



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

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 4,587,084	\$ 4,115,660	\$ 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	(4,587,084)	(4,115,660)	(3,510,945)	(3,511,156)	(3,152,687)	(2,902,032)	(2,552,475)	(2,352,483)	(2,240,763)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 14,458,762	\$ 12,290,342	\$ 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	31.73%	33.49%	30.23%	31.62%	29.26%	29.14%	26.57%	26.68%	25.83%
Notes to Schedule:									
Valuation Date	6/30/2020	6/30/2019	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 (1)	Entry age (1)	Entry age (1)	Entry age (1)	Entry age (1)	Entry age (1)	Entry age (1)	Entry age (1)	Entry age (1)
Amortization Method	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value	Market Value
Asset Valuation Method	2.75%	2.75%	2.75%	2.75%	2.50%	2.75%	2.75%	2.75%	2.75%
Inflation	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Salary Increases	7.10% (3)	7.375% (3)	7.375% (3)	7.375% (3)	7.15% (3)	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Investment Rate of Return	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Retirement Age	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)	(5)
Mortality									

(1) Level percentage of payroll, closed.

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

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

(4) 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 eight years are shown.

See accompanying Note to Required Supplementary Information.

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Measurement Period:	June 30, 2023	June 30, 2022	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	\$ 748	\$ 748	\$ 2,351	\$ 2,283	\$ 6,794	\$ 6,533	\$ 6,809	\$ 6,547	\$ 6,329
Interest on Total Pension Liability	14,076	14,044	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 Assumptions	-	-	22,057	22,367	-	(16,557)	-	-	-
Changes in Assumptions	-	-	(2,461)	2,623	-	-	8,226	7,389	-
Benefit Payments, Including Refunds of Employee Contributions	(14,372)	(14,214)	(14,492)	(14,412)	(12,399)	(10,426)	(10,426)	(10,426)	(10,426)
Net Change in Total Pension Liability	452	578	20,276	24,113	5,638	(8,602)	16,251	5,595	6,654
Total Pension Liability - Beginning of Year	222,887	222,309	202,033	177,920	172,282	180,884	164,633	159,038	152,384
Total Pension Liability - End of Year (a)	223,339	222,887	222,309	202,033	177,920	172,282	180,884	164,633	159,038
Plan Fiduciary Net Position:									
Contributions - Employer	3,591	3,591	7,183	10,774	14,227	18,648	17,266	18,647	17,957
Contributions - Employee	-	-	-	-	-	-	-	-	-
Net Investment Income	13,057	(26,881)	42,720	3,916	9,833	10,214	13,784	83	2,392
Administrative Expenses	(803)	(959)	(925)	(834)	(808)	(762)	(655)	(575)	(540)
Benefit Payments	(14,372)	(14,214)	(14,492)	(14,412)	(12,399)	(10,426)	(10,426)	(10,426)	(10,426)
Net Change in Plan Fiduciary Net Position	1,473	(38,463)	34,486	(566)	10,853	17,674	19,969	7,729	9,383
Plan Fiduciary Net Position - Beginning of Year	161,224	199,687	165,201	165,757	154,904	137,230	117,261	109,532	100,149
Plan Fiduciary Net Position - End of Year (b)	162,697	161,224	199,687	165,201	165,757	154,904	137,230	117,261	109,532
Net Pension Liability - Ending (a)-(b)	\$ 60,642	\$ 61,663	\$ 22,622	\$ 36,832	\$ 12,163	\$ 17,378	\$ 43,654	\$ 47,372	\$ 49,506
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	72.85%	72.33%	89.82%	81.77%	93.16%	89.91%	75.87%	71.23%	68.87%
Covered Payroll	\$ 10,655	\$ 10,655	\$ 9,865	\$ 32,924	\$ 39,460	\$ 55,406	\$ 57,622	\$ 55,406	\$ 57,622
Net Pension Liability as Percentage of Covered Payroll	569.14%	578.72%	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 nine years are shown.

*See accompanying Note to Required Supplementary Information.*

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

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 7,715	\$ 7,715	\$ 7,715	\$ 9,938	\$ 17,226	\$ 17,900	\$ 18,616	\$ 17,266	\$ 17,957
Contributions in Relation to the Actuarially Determined Contributions	(3,591)	(3,591)	(7,183)	(10,774)	(14,227)	(18,648)	(17,266)	(18,647)	(17,957)
Contribution Deficiency (Excess)	<u>\$ 4,124</u>	<u>\$ 4,124</u>	<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	\$ 10,655	\$ 10,655	\$ 9,865	\$ 32,924	\$ 39,460	\$ 55,406	\$ 57,622	\$ 55,406	\$ 57,622
Contributions as a Percentage of Covered Payroll	33.70%	33.70%	72.81%	32.72%	36.05%	33.66%	29.96%	33.66%	31.16%
Notes to Schedule:									
Valuation Date	6/30/2022	6/30/2021	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	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	Level Dollar, Closed Period	Level Dollar, Closed Period
Remaining Amortization Period	3-Year Fixed	3-Year Fixed	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	Market	Market
Inflation	2.50%	2.50%	2.50%	2.50%	2.75%	2.75%	2.75%	2.75%	3.00%
Salary Increases	0.00%	0.00%	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%	6.50%	6.50%	7.00%	7.00%
Retirement Age	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years	55 Years
Mortality	(1)	(1)	(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.

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

See accompanying Note to Required Supplementary Information.

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

Fiscal Year-End	2023	2022	2021	2020	2019	2018
Measurement Date	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Total OPEB Liability:						
Service Cost	\$ 445,755	\$ 568,492	\$ 585,937	\$ 605,152	\$ 614,912	\$ 597,000
Interest on Total OPEB Liability	1,410,651	1,832,841	1,790,952	1,873,005	1,792,862	1,717,000
Differences Between Expected and Actual Experience	-	(5,246,807)	-	(2,149,380)	-	-
Changes in Assumptions	-	(412,400)	(495,461)	(269,581)	-	-
Benefit Payments	(1,203,248)	(1,201,078)	(1,285,726)	(1,225,426)	(1,196,000)	(1,212,000)
Net Change in Total OPEB Liability	653,158	(4,458,952)	595,702	(1,166,230)	1,211,774	1,102,000
Total OPEB Liability - Beginning of Year	22,726,294	27,185,246	26,589,544	27,755,774	26,544,000	25,442,000
Total OPEB Liability - End of Year (a)	23,379,452	22,726,294	27,185,246	26,589,544	27,755,774	26,544,000
Plan Fiduciary Net Position:						
Contributions - Employer	2,159,703	1,203,599	1,288,526	1,227,833	1,199,000	5,212,000
Net Investment Income	(978,822)	1,356,239	168,441	277,177	331,815	165,000
Administrative Expenses	(4,268)	(4,388)	(5,129)	(3,369)	(10,734)	(1,000)
Benefit Payments	(1,203,248)	(1,201,078)	(1,285,726)	(1,225,426)	(1,196,000)	(1,212,000)
Net Change in Plan Fiduciary Net Position	(26,635)	1,354,372	166,112	276,215	324,081	4,164,000
Plan Fiduciary Net Position - Beginning of Year	6,284,780	4,930,408	4,764,296	4,488,081	4,164,000	-
Plan Fiduciary Net Position - End of Year (b)	6,258,145	6,284,780	4,930,408	4,764,296	4,488,081	4,164,000
Net OPEB Liability - Ending (a)-(b)	\$ 17,121,307	\$ 16,441,514	\$ 22,254,838	\$ 21,825,248	\$ 23,267,693	\$ 22,380,000
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	26.77%	27.65%	18.14%	17.92%	16.17%	15.69%
Covered - Employee Payroll	\$ 12,284,836	\$ 12,992,596	\$ 12,474,643	\$ 12,334,638	\$ 10,314,000	\$ 9,770,000
Net OPEB Liability as Percentage of Covered - Employee Payroll	139.37%	126.55%	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

From fiscal year June 30, 2021 to June 30, 2022:

Discount rate was updated based on newer capital market assumptions and inflation rate decreased 25 basis point

Demographic assumptions were updated to CalPERS 2000-2019 Experience Study.

Medical trend rate decreased for Kaiser Senior Advantage and Medicare Advantage age-related claims removed

Mortality improvement scale was updated to Scale MP-2021

From fiscal year June 30, 2022 to June 30, 2023:

There were no changes in assumptions.

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

See accompanying Note to Required Supplementary Information.

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

	2023	2022	2021	2020	2019	2018
Actuarially Determined Contribution	\$ 1,766,000	\$ 3,135,000	\$ 3,065,000	\$ 2,790,000	\$ 2,739,000	\$ 2,688,000
Contributions in Relation to the Actuarially Determined Contributions	(1,777,258)	(2,159,703)	(1,203,599)	(1,288,526)	(1,227,833)	(1,199,000)
Contribution Deficiency (Excess)	\$ (11,258)	\$ 975,297	\$ 1,861,401	\$ 1,501,474	\$ 1,511,167	\$ 1,489,000
Covered - Employee Payroll	\$ 14,315,004	\$ 12,284,836	\$ 12,992,596	\$ 12,474,643	\$ 12,334,638	\$ 10,314,000
Contributions as a Percentage of Covered - Employee Payroll	12.42%	17.58%	9.26%	10.33%	9.95%	11.62%
Notes to Schedule:						
Valuation Date	6/30/2021	6/30/2021	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%	2.75%	2.75%	2.75%	2.75%	2.75%
Medical Trend	Non-Medicare - 6.5% Decreasing to 3.75%		Non-Medicare - 7.25% Decreasing to 4.0%		Non-Medicare - 7.25% Decreasing to 4.0%	
	Medicare (Non-Kaiser) - 5.65% Decreasing to 4.0%		Medicare - 6.3% Decreasing to 4.0%		Medicare - 6.3% Decreasing to 4.0%	
	Medicare (Kaiser) - 4.6% Decreasing to 4.0%					
Investment Rate of Return	6.25%	6.25%	6.75%	6.75%	6.75%	6.75%
Mortality	CalPERS 2000-2019 Experience Study		CalPERS 1997-2015 Experience Study		CalPERS 1997-2015 Experience Study	

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

See accompanying Note to Required Supplementary Information.

**CITY OF PICO RIVERA, CALIFORNIA**  
**BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes and Assessments	\$ 42,345,046	\$ 42,358,146	\$ 44,582,928	\$ 2,224,782
Licenses and Permits	3,630,246	3,810,246	5,776,946	1,966,700
Intergovernmental	710,658	710,658	261,178	(449,480)
Charges for Services	1,430,126	1,430,126	1,561,583	131,457
Fines, Forfeitures, and Penalties	1,314,076	1,314,076	1,171,765	(142,311)
Investment and Rental	242,590	242,590	1,023,396	780,806
Miscellaneous	335,416	519,496	2,117,855	1,598,359
Total Revenues	50,008,158	50,385,338	56,495,651	6,110,313
<b>EXPENDITURES</b>				
Current:				
General Government	11,096,933	12,765,090	10,960,163	1,804,927
Public Safety	12,854,647	13,398,518	12,651,644	746,874
Public Works	9,947,234	11,368,880	10,051,681	1,317,199
Parks and Recreation	6,289,561	6,957,823	5,880,692	1,077,131
Community Development	7,511,108	9,635,436	5,988,525	3,646,911
Capital Outlay	-	-	364,171	(364,171)
Debt Service:				
Principal	995,000	995,000	995,000	-
Interest and Fiscal Charges	926,250	926,250	926,250	-
Lease Principal	-	-	25,205	(25,205)
Lease Interest	-	-	1,876	(1,876)
Total Expenditures	49,620,733	56,046,997	47,845,207	8,201,790
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	387,425	(5,661,659)	8,650,444	14,312,103
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	1,825,300	2,114,797	1,847,348	(267,449)
Transfers Out	(2,212,695)	(2,378,608)	(2,378,608)	-
Proceeds from Bond Issuance	-	-	928,625	928,625
Total Other Financing Sources (Uses)	(387,395)	(263,811)	397,365	661,176
<b>NET CHANGE IN FUND BALANCE</b>	30	(5,925,470)	9,047,809	14,973,279
Fund Balance - Beginning of Year	73,222,162	73,222,162	73,222,162	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 73,222,192</u>	<u>\$ 67,296,692</u>	<u>\$ 82,269,971</u>	<u>\$ 14,973,279</u>

See accompanying Note to Required Supplementary Information.

**CITY OF PICO RIVERA, CALIFORNIA  
BUDGETARY COMPARISON SCHEDULE  
HOUSING AGENCY SECTION 8 SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 5,191,400	\$ 5,191,400	\$ 6,172,837	\$ 981,437
Investment and Rental	-	-	446	446
Miscellaneous	22,272	22,272	32,558	10,286
Total Revenues	5,213,672	5,213,672	6,205,841	992,169
<b>EXPENDITURES</b>				
Current:				
Health and Welfare	6,062,675	6,104,088	6,147,787	(43,699)
<b>NET CHANGE IN FUND BALANCE</b>	(849,003)	(890,416)	58,054	948,470
Fund Balance - Beginning of Year	475,051	475,051	475,051	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ (373,952)</u>	<u>\$ (415,365)</u>	<u>\$ 533,105</u>	<u>\$ 948,470</u>

See accompanying Note to Required Supplementary Information.

**CITY OF PICO RIVERA, CALIFORNIA  
BUDGETARY COMPARISON SCHEDULE  
AMERICAN RESCUE PLAN SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2023**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers Out	\$ (770,391)	\$ (770,391)	\$ -	\$ 770,391
Fund Balance - Beginning of Year	-	-	-	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ (770,391)</u>	<u>\$ (770,391)</u>	<u>\$ -</u>	<u>\$ 770,391</u>

See accompanying Note to Required Supplementary Information.



**CITY OF PICO RIVERA, CALIFORNIA**  
**NOTE TO REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2023**

**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; 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.

## **SUPPLEMENTARY INFORMATION**

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**CITY OF PICO RIVERA, CALIFORNIA**  
**DESCRIPTION OF OTHER GOVERNMENTAL FUNDS**  
**JUNE 30, 2023**

**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, CALIFORNIA**  
**DESCRIPTION OF OTHER GOVERNMENTAL FUNDS (CONTINUED)**  
**JUNE 30, 2023**

**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.

**Measure W** accounts for the revenues and expenditures provided to the city by the Los Angeles County Measure W Safe Clean Water Program. The revenues are a parcel tax to be utilized to increase the local water supply, improve water quality, and invest in making the City of Pico Rivera greener or more livable.

**Federal Grants Fund** accounts for the various federal grants that are restricted to expenditures for specific programs and projects.

**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:

**Capital Improvement Capital Projects Fund** accounts for acquisition or construction of major capital facilities.

**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.

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**CITY OF PICO RIVERA, CALIFORNIA  
OTHER GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2023**

	Special Revenue Funds			
	Community Development Block Grant	State Gas Tax	Lighting Assessment District	Park Development
<b>ASSETS</b>				
Cash and Investments	\$ -	\$ 4,550,447	\$ 2,394,477	\$ 4,415
Accounts Receivable	619,139	-	349	-
Taxes Receivable	-	379,400	60,123	-
Interest Receivable	-	24,111	13,274	23
Long-Term Receivables	176,409	-	-	-
Prepaid Items	-	-	-	-
Receivables from Successor Agency	-	-	-	-
Total Assets	<u>\$ 795,548</u>	<u>\$ 4,953,958</u>	<u>\$ 2,468,223</u>	<u>\$ 4,438</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 483,483	\$ 1,771,946	\$ 49,921	\$ -
Accrued Liabilities	-	6,782	12,344	-
Retention Payable	-	11,275	-	-
Due to Other Funds	135,657	-	-	-
Unearned Revenue	-	-	-	-
Due to Other Agencies	176,409	-	-	-
Total Liabilities	<u>795,549</u>	<u>1,790,003</u>	<u>62,265</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue	<u>156,536</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES (DEFICITS)</b>				
Restricted	-	3,163,955	2,405,958	4,438
Assigned	-	-	-	-
Unassigned	(156,537)	-	-	-
Total Fund Balances (Deficits)	<u>(156,537)</u>	<u>3,163,955</u>	<u>2,405,958</u>	<u>4,438</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 795,548</u>	<u>\$ 4,953,958</u>	<u>\$ 2,468,223</u>	<u>\$ 4,438</u>

**CITY OF PICO RIVERA, CALIFORNIA  
OTHER GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET (CONTINUED)  
JUNE 30, 2023**

Special Revenue Funds (Continued)

Prop A	Prop C	Measure R	Measure M	Measure A	HOME Grant	CalHOME Grant
\$ 3,793,840	\$ 3,546,918	\$ 2,533,447	\$ 596,794	\$ 1	\$ 2,660,371	\$ 704,503
13,373	74,713	1,630,626	-	-	6	-
-	-	-	-	-	-	-
19,443	18,557	13,278	3,348	-	10,614	-
-	-	-	-	-	2,570,592	1,102,130
-	-	-	2,627	-	-	-
-	-	-	-	-	-	-
<u>\$ 3,826,656</u>	<u>\$ 3,640,188</u>	<u>\$ 4,177,351</u>	<u>\$ 602,769</u>	<u>\$ 1</u>	<u>\$ 5,241,583</u>	<u>\$ 1,806,633</u>
\$ 116,377	\$ 937,195	\$ 565,099	\$ 109,318	\$ -	\$ -	\$ -
5,234	5,136	5,125	396	-	-	-
-	67,370	288,401	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	2,570,592	1,102,130
<u>121,611</u>	<u>1,009,701</u>	<u>858,625</u>	<u>109,714</u>	<u>-</u>	<u>2,570,592</u>	<u>1,102,130</u>
-	74,713	1,603,507	-	-	-	-
3,705,045	2,555,774	1,715,219	493,055	1	2,670,991	704,503
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>3,705,045</u>	<u>2,555,774</u>	<u>1,715,219</u>	<u>493,055</u>	<u>1</u>	<u>2,670,991</u>	<u>704,503</u>
<u>\$ 3,826,656</u>	<u>\$ 3,640,188</u>	<u>\$ 4,177,351</u>	<u>\$ 602,769</u>	<u>\$ 1</u>	<u>\$ 5,241,583</u>	<u>\$ 1,806,633</u>



**CITY OF PICO RIVERA, CALIFORNIA  
OTHER GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET (CONTINUED)  
JUNE 30, 2023**

Special Revenue Funds (Continued)				
	Air Quality Improvement	County Grants	State Grants	Economic Sustainability
<b>ASSETS</b>				
Cash and Investments	\$ 501,762	\$ 17,334	\$ 476,607	\$ 974,237
Accounts Receivable	-	1,748,150	1,158,741	-
Taxes Receivable	-	-	-	-
Interest Receivable	2,526	-	640	5,036
Long-Term Receivables	-	-	-	-
Prepaid Items	-	-	-	-
Receivables from Successor Agency	-	-	-	-
Total Assets	<u>\$ 504,288</u>	<u>\$ 1,765,484</u>	<u>\$ 1,635,988</u>	<u>\$ 979,273</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable	\$ 233	\$ 243,296	\$ 196,024	\$ -
Accrued Liabilities	-	5,351	1,981	-
Retention Payable	-	-	-	-
Due to Other Funds	-	1,500,360	-	-
Unearned Revenue	-	-	1,077,759	-
Due to Other Agencies	-	-	-	-
Total Liabilities	<u>233</u>	<u>1,749,007</u>	<u>1,275,764</u>	<u>-</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Unavailable Revenue	<u>-</u>	<u>739,304</u>	<u>579,675</u>	<u>-</u>
<b>FUND BALANCES (DEFICITS)</b>				
Restricted	504,055	-	-	979,273
Assigned	-	-	-	-
Unassigned	-	(722,827)	(219,451)	-
Total Fund Balances (Deficits)	<u>504,055</u>	<u>(722,827)</u>	<u>(219,451)</u>	<u>979,273</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 504,288</u>	<u>\$ 1,765,484</u>	<u>\$ 1,635,988</u>	<u>\$ 979,273</u>

**CITY OF PICO RIVERA, CALIFORNIA  
OTHER GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET (CONTINUED)  
JUNE 30, 2023**

Special Revenue Funds (Continued)

Image Enhancement	Sewer Maintenance	Reach Grants	Cable/PEG Support	Transportation Development Act
\$ 1,351,423	\$ -	\$ 956,742	\$ 252,331	\$ -
-	-	-	-	123,513
-	-	-	531	28,110
6,120	-	4,648	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 1,357,543</u>	<u>\$ -</u>	<u>\$ 961,390</u>	<u>\$ 252,862</u>	<u>\$ 151,623</u>
\$ 263	\$ 7,190	\$ 75,454	\$ -	\$ 683
-	-	8,197	-	936
-	-	-	-	-
-	13,190	-	-	31,054
-	-	-	-	-
-	-	-	-	-
<u>263</u>	<u>20,380</u>	<u>83,651</u>	<u>-</u>	<u>32,673</u>
-	-	-	-	123,511
1,357,280	-	877,739	252,862	-
-	-	-	-	-
-	(20,380)	-	-	(4,561)
<u>1,357,280</u>	<u>(20,380)</u>	<u>877,739</u>	<u>252,862</u>	<u>(4,561)</u>
<u>\$ 1,357,543</u>	<u>\$ -</u>	<u>\$ 961,390</u>	<u>\$ 252,862</u>	<u>\$ 151,623</u>

**CITY OF PICO RIVERA, CALIFORNIA  
OTHER GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET (CONTINUED)  
JUNE 30, 2023**

	Special Revenue Funds (Continued)			
	Housing Agency LMIHF	Measure W	Federal Grants	Total Special Revenue Funds
ASSETS				
Cash and Investments	\$ 1,207,075	\$ 1,911,417	\$ 15,158	\$ 28,449,299
Accounts Receivable	-	-	662,997	6,031,607
Taxes Receivable	-	-	-	468,164
Interest Receivable	-	9,932	-	131,550
Long-Term Receivables	6,235	-	-	3,855,366
Prepaid Items	-	2,627	-	5,254
Receivables from Successor Agency	1,513,398	-	-	1,513,398
Total Assets	<u>\$ 2,726,708</u>	<u>\$ 1,923,976</u>	<u>\$ 678,155</u>	<u>\$ 40,454,638</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ -	\$ 27,289	\$ 343,893	\$ 4,927,664
Accrued Liabilities	-	-	-	51,482
Retention Payable	-	-	15,585	382,631
Due to Other Funds	-	-	442,860	2,123,121
Unearned Revenue	-	-	-	1,077,759
Due to Other Agencies	-	-	-	3,849,131
Total Liabilities	<u>-</u>	<u>27,289</u>	<u>802,338</u>	<u>12,411,788</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	<u>-</u>	<u>-</u>	<u>581,981</u>	<u>3,859,227</u>
FUND BALANCES (DEFICITS)				
Restricted	2,726,708	1,896,687	-	26,013,543
Assigned	-	-	-	-
Unassigned	-	-	(706,164)	(1,829,920)
Total Fund Balances (Deficits)	<u>2,726,708</u>	<u>1,896,687</u>	<u>(706,164)</u>	<u>24,183,623</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,726,708</u>	<u>\$ 1,923,976</u>	<u>\$ 678,155</u>	<u>\$ 40,454,638</u>

**CITY OF PICO RIVERA, CALIFORNIA  
OTHER GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEET (CONTINUED)  
JUNE 30, 2023**

Capital Projects Funds			
Capital Improvement	Paramount/Mines Landscape Maintenance Assessment	Total Capital Projects Funds	Total Other Governmental Funds
\$ 13,602,083	\$ 69,600	\$ 13,671,683	\$ 42,120,982
24,250	-	24,250	6,055,857
-	-	-	468,164
-	357	357	131,907
-	-	-	3,855,366
-	-	-	5,254
-	-	-	1,513,398
<u>\$ 13,626,333</u>	<u>\$ 69,957</u>	<u>\$ 13,696,290</u>	<u>\$ 54,150,928</u>
\$ 89,367	\$ -	\$ 89,367	\$ 5,017,031
26	-	26	51,508
-	-	-	382,631
224,644	-	224,644	2,347,765
-	-	-	1,077,759
-	-	-	3,849,131
<u>314,037</u>	<u>-</u>	<u>314,037</u>	<u>12,725,825</u>
-	-	-	3,859,227
-	69,957	69,957	26,083,500
13,312,296	-	13,312,296	13,312,296
-	-	-	(1,829,920)
<u>13,312,296</u>	<u>69,957</u>	<u>13,382,253</u>	<u>37,565,876</u>
<u>\$ 13,626,333</u>	<u>\$ 69,957</u>	<u>\$ 13,696,290</u>	<u>\$ 54,150,928</u>

**CITY OF PICO RIVERA, CALIFORNIA  
OTHER GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
YEAR ENDED JUNE 30, 2023**

	Special Revenue Funds			
	Community Development Block Grant	State Gas Tax	Lighting Assessment District	Park Development
<b>REVENUES</b>				
Taxes and Assessments	\$ -	\$ -	\$ 2,083,313	\$ -
Intergovernmental	1,579,782	2,944,884	-	-
Charges for Services	-	-	-	-
Investment and Rental	-	79,540	33,636	2,413
Miscellaneous	-	-	-	-
Total Revenues	<u>1,579,782</u>	<u>3,024,424</u>	<u>2,116,949</u>	<u>2,413</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Works	-	122,491	731,406	-
Parks and Recreation	-	-	-	-
Health and Welfare	-	-	-	-
Community Development	144,702	-	-	-
Capital Outlay	<u>1,589,855</u>	<u>2,724,019</u>	<u>-</u>	<u>227,000</u>
Total Expenditures	<u>1,734,557</u>	<u>2,846,510</u>	<u>731,406</u>	<u>227,000</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(154,775)</u>	<u>177,914</u>	<u>1,385,543</u>	<u>(224,587)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	<u>-</u>	<u>(1,557,851)</u>	<u>(289,497)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>(1,557,851)</u>	<u>(289,497)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(154,775)</u>	<u>(1,379,937)</u>	<u>1,096,046</u>	<u>(224,587)</u>
Fund Balances (Deficits) - Beginning of Year	<u>(1,762)</u>	<u>4,543,892</u>	<u>1,309,912</u>	<u>229,025</u>
<b>FUND BALANCES (DEFICITS) - END OF YEAR</b>	<u>\$ (156,537)</u>	<u>\$ 3,163,955</u>	<u>\$ 2,405,958</u>	<u>\$ 4,438</u>

**CITY OF PICO RIVERA, CALIFORNIA  
OTHER GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

Special Revenue Funds (Continued)

Prop A	Prop C	Measure R	Measure M	Measure A	HOME Grant	CalHOME Grant
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1,660,062	1,376,974	1,328,314	1,167,903	1	-	-
-	-	-	-	-	-	-
62,490	61,183	40,229	17,402	-	78,475	-
15,030	-	-	-	-	13,217	1,200
<u>1,737,582</u>	<u>1,438,157</u>	<u>1,368,543</u>	<u>1,185,305</u>	<u>1</u>	<u>91,692</u>	<u>1,200</u>
-	-	-	-	-	-	-
1,352,122	312,423	76,743	243,697	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	1,724,869	1,259,308	-	-	-	-
<u>1,352,122</u>	<u>2,037,292</u>	<u>1,336,051</u>	<u>243,697</u>	<u>-</u>	<u>-</u>	<u>-</u>
385,460	(599,135)	32,492	941,608	1	91,692	1,200
-	-	-	-	-	-	-
-	-	-	(836,169)	-	-	-
-	-	-	(836,169)	-	-	-
385,460	(599,135)	32,492	105,439	1	91,692	1,200
3,319,585	3,154,909	1,682,727	387,616	-	2,579,299	703,303
<u>\$ 3,705,045</u>	<u>\$ 2,555,774</u>	<u>\$ 1,715,219</u>	<u>\$ 493,055</u>	<u>\$ 1</u>	<u>\$ 2,670,991</u>	<u>\$ 704,503</u>

**CITY OF PICO RIVERA, CALIFORNIA  
OTHER GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

	Special Revenue Funds (Continued)			
	Air Quality Improvement	County Grants	State Grants	Economic Sustainability
<b>REVENUES</b>				
Taxes and Assessments	\$ -	\$ -	\$ -	\$ -
Intergovernmental	77,122	1,077,808	1,061,298	-
Charges for Services	-	-	-	-
Investment and Rental	7,891	-	1,948	55,926
Miscellaneous	-	1,855	-	-
Total Revenues	<u>85,013</u>	<u>1,079,663</u>	<u>1,063,246</u>	<u>55,926</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Works	35,485	-	-	-
Parks and Recreation	-	647,746	-	-
Health and Welfare	-	-	1,127,143	-
Community Development	-	-	-	39,667
Capital Outlay	-	1,047,500	-	-
Total Expenditures	<u>35,485</u>	<u>1,695,246</u>	<u>1,127,143</u>	<u>39,667</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>49,528</u>	<u>(615,583)</u>	<u>(63,897)</u>	<u>16,259</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	49,528	(615,583)	(63,897)	16,259
Fund Balances (Deficits) - Beginning of Year	<u>454,527</u>	<u>(107,244)</u>	<u>(155,554)</u>	<u>963,014</u>
<b>FUND BALANCES (DEFICITS) - END OF YEAR</b>	<u>\$ 504,055</u>	<u>\$ (722,827)</u>	<u>\$ (219,451)</u>	<u>\$ 979,273</u>

**CITY OF PICO RIVERA, CALIFORNIA  
OTHER GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

Special Revenue Funds (Continued)

Image Enhancement	Sewer Maintenance	Reach Grants	Cable/PEG Support	Transportation Development Act
\$ -	\$ 168	\$ 22,403	\$ -	\$ -
-	-	1,423,983	-	28,110
777,380	-	-	-	-
12,797	-	6,344	-	-
-	-	-	54,077	-
<u>790,177</u>	<u>168</u>	<u>1,452,730</u>	<u>54,077</u>	<u>28,110</u>
628	-	-	-	-
-	-	-	32,703	27,179
-	-	1,067,497	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	69,384	-
<u>628</u>	<u>-</u>	<u>1,067,497</u>	<u>102,087</u>	<u>27,179</u>
<u>789,549</u>	<u>168</u>	<u>385,233</u>	<u>(48,010)</u>	<u>931</u>
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
789,549	168	385,233	(48,010)	931
<u>567,731</u>	<u>(20,548)</u>	<u>492,506</u>	<u>300,872</u>	<u>(5,492)</u>
<u>\$ 1,357,280</u>	<u>\$ (20,380)</u>	<u>\$ 877,739</u>	<u>\$ 252,862</u>	<u>\$ (4,561)</u>



**CITY OF PICO RIVERA, CALIFORNIA  
OTHER GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

	Special Revenue Funds (Continued)			
	Housing Agency LMIHF	Measure W	Federal Grants	Total Special Revenue Funds
<b>REVENUES</b>				
Taxes and Assessments	\$ -	\$ -	\$ -	\$ 2,105,884
Intergovernmental	-	896,420	1,641,424	16,264,085
Charges for Services	-	-	-	777,380
Investment and Rental	50,310	30,794	-	541,378
Miscellaneous	7,794	-	-	93,173
Total Revenues	<u>58,104</u>	<u>927,214</u>	<u>1,641,424</u>	<u>19,781,900</u>
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	628
Public Works	-	192,525	316,314	3,443,088
Parks and Recreation	-	-	-	1,715,243
Health and Welfare	-	-	-	1,127,143
Community Development	-	-	-	184,369
Capital Outlay	-	-	1,819,000	10,460,935
Total Expenditures	<u>-</u>	<u>192,525</u>	<u>2,135,314</u>	<u>16,931,406</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	58,104	734,689	(493,890)	2,850,494
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	(2,683,517)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,683,517)</u>
<b>NET CHANGE IN FUND BALANCES</b>	58,104	734,689	(493,890)	166,977
Fund Balances (Deficits) - Beginning of Year	<u>2,668,604</u>	<u>1,161,998</u>	<u>(212,274)</u>	<u>24,016,646</u>
<b>FUND BALANCES (DEFICITS) - END OF YEAR</b>	<u>\$ 2,726,708</u>	<u>\$ 1,896,687</u>	<u>\$ (706,164)</u>	<u>\$ 24,183,623</u>

**CITY OF PICO RIVERA, CALIFORNIA  
OTHER GOVERNMENTAL FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES (CONTINUED)  
YEAR ENDED JUNE 30, 2023**

Capital Projects Funds					
Capital Improvement	Paramount/Mines Landscape Maintenance Assessment	2009 Lease Revenue Bond	Total Capital Projects Funds	Total Other Governmental Funds	
\$ -	\$ 11,245	\$ -	\$ 11,245	\$ 2,117,129	
-	-	-	-	16,264,085	
-	-	-	-	777,380	
-	1,076	-	1,076	542,454	
-	-	-	-	93,173	
-	12,321	-	12,321	19,794,221	
-	-	-	-	628	
-	-	-	-	3,443,088	
-	-	-	-	1,715,243	
-	-	-	-	1,127,143	
-	-	-	-	184,369	
656,921	-	-	656,921	11,117,856	
656,921	-	-	656,921	17,588,327	
(656,921)	12,321	-	(644,600)	2,205,894	
2,378,608	-	-	2,378,608	2,378,608	
-	-	-	-	(2,683,517)	
2,378,608	-	-	2,378,608	(304,909)	
1,721,687	12,321	-	1,734,008	1,900,985	
11,590,609	57,636	-	11,648,245	35,664,891	
\$ 13,312,296	\$ 69,957	\$ -	\$ 13,382,253	\$ 37,565,876	

**CITY OF PICO RIVERA, CALIFORNIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND**  
**YEAR ENDED JUNE 30, 2023**

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 1,091,484	\$ 1,579,782	\$ 488,298
Miscellaneous	50,000	-	(50,000)
Total Revenues	<u>1,141,484</u>	<u>1,579,782</u>	<u>438,298</u>
<b>EXPENDITURES</b>			
Current:			
Community Development	271,023	144,702	126,321
Capital Outlay	2,036,183	1,589,855	446,328
Total Expenditures	<u>2,307,206</u>	<u>1,734,557</u>	<u>572,649</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,165,722)	(154,775)	1,010,947
Fund Balance (Deficit) - Beginning of Year	<u>(1,762)</u>	<u>(1,762)</u>	<u>-</u>
<b>FUND BALANCE (DEFICIT) - END OF YEAR</b>	<u><u>\$ (1,167,484)</u></u>	<u><u>\$ (156,537)</u></u>	<u><u>\$ (1,010,947)</u></u>

**CITY OF PICO RIVERA, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
STATE GAS TAX SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2023**

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 3,264,913	\$ 2,944,884	\$ (320,029)
Investment and Rental	10,722	79,540	68,818
Total Revenues	<u>3,275,635</u>	<u>3,024,424</u>	<u>(251,211)</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	194,825	122,491	72,334
Capital Outlay:	<u>2,726,027</u>	<u>2,724,019</u>	<u>2,008</u>
Total Expenditures	<u>2,920,852</u>	<u>2,846,510</u>	<u>74,342</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	354,783	177,914	(176,869)
<b>OTHER FINANCING USES</b>			
Transfers Out	<u>(1,825,300)</u>	<u>(1,557,851)</u>	<u>267,449</u>
<b>NET CHANGE IN FUND BALANCE</b>	(1,470,517)	(1,379,937)	90,580
Fund Balance - Beginning of Year	<u>4,543,892</u>	<u>4,543,892</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 3,073,375</u></u>	<u><u>\$ 3,163,955</u></u>	<u><u>\$ 90,580</u></u>

**CITY OF PICO RIVERA, CALIFORNIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**LIGHTING ASSESSMENT DISTRICT SPECIAL REVENUE FUND**  
**YEAR ENDED JUNE 30, 2023**

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Taxes and Assessments	\$ 1,094,185	\$ 2,083,313	\$ 989,128
Investment and Rental	7,407	33,636	26,229
Total Revenues	<u>1,101,592</u>	<u>2,116,949</u>	<u>1,015,357</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	<u>1,183,671</u>	<u>731,406</u>	<u>452,265</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(82,079)	1,385,543	1,467,622
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	<u>(289,497)</u>	<u>(289,497)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(371,576)	1,096,046	1,467,622
Fund Balance - Beginning of Year	<u>1,309,912</u>	<u>1,309,912</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 938,336</u></u>	<u><u>\$ 2,405,958</u></u>	<u><u>\$ 1,467,622</u></u>

**CITY OF PICO RIVERA, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
PROP A SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2023**

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 1,540,828	\$ 1,660,062	\$ 119,234
Investment and Rental	10,465	62,490	52,025
Miscellaneous	20,000	15,030	(4,970)
Total Revenues	<u>1,571,293</u>	<u>1,737,582</u>	<u>166,289</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	<u>1,762,437</u>	<u>1,352,122</u>	<u>(410,315)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(191,144)	385,460	576,604
Fund Balance - Beginning of Year	<u>3,319,585</u>	<u>3,319,585</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 3,128,441</u></u>	<u><u>\$ 3,705,045</u></u>	<u><u>\$ 576,604</u></u>

**CITY OF PICO RIVERA, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
PROP C SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2023**

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 1,278,100	\$ 1,376,974	\$ 98,874
Investment and Rental	8,435	61,183	52,748
Total Revenues	<u>1,286,535</u>	<u>1,438,157</u>	<u>151,622</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	366,495	312,423	54,072
Public Works	1,836,224	1,724,869	111,355
Total Expenditures	<u>2,202,719</u>	<u>2,037,292</u>	<u>165,427</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(916,184)	(599,135)	317,049
Fund Balance - Beginning of Year	<u>3,154,909</u>	<u>3,154,909</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 2,238,725</u></u>	<u><u>\$ 2,555,774</u></u>	<u><u>\$ 317,049</u></u>

**CITY OF PICO RIVERA, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
MEASURE R SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2023**

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 958,600	\$ 1,328,314	\$ 369,714
Investment and Rental	3,271	40,229	36,958
Total Revenues	<u>961,871</u>	<u>1,368,543</u>	<u>406,672</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	170,000	76,743	93,257
Capital Outlay	2,010,246	1,259,308	750,938
Total Expenditures	<u>2,180,246</u>	<u>1,336,051</u>	<u>844,195</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,218,375)	32,492	1,250,867
Fund Balance - Beginning of Year	<u>1,682,727</u>	<u>1,682,727</u>	<u>-</u>
<b>FUND BALANCE (DEFICIT) - END OF YEAR</b>	<u><u>\$ 464,352</u></u>	<u><u>\$ 1,715,219</u></u>	<u><u>\$ 1,250,867</u></u>



**CITY OF PICO RIVERA, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
MEASURE M SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2023**

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 3,783,400	\$ 1,167,903	\$ (2,615,497)
Investment and Rental	2,558	17,402	14,844
Total Revenues	<u>3,785,958</u>	<u>1,185,305</u>	<u>(2,600,653)</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	<u>569,859</u>	<u>243,697</u>	<u>326,162</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	3,216,099	941,608	(2,274,491)
<b>OTHER FINANCING USES</b>			
Transfers Out	<u>(836,169)</u>	<u>(836,169)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	2,379,930	105,439	(2,274,491)
Fund Balance - Beginning of Year	<u>387,616</u>	<u>387,616</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 2,767,546</u></u>	<u><u>\$ 493,055</u></u>	<u><u>\$ (2,274,491)</u></u>

**CITY OF PICO RIVERA, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
HOME GRANT SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2023**

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Investment and Rental	\$ 3,661	\$ 78,475	\$ 74,814
Miscellaneous	-	13,217	13,217
Total Revenues	3,661	91,692	88,031
 Fund Balance - Beginning of Year	 2,579,299	 2,579,299	 -
<b>FUND BALANCE - END OF YEAR</b>	<b>\$ 2,582,960</b>	<b>\$ 2,670,991</b>	<b>\$ 88,031</b>

**CITY OF PICO RIVERA, CALIFORNIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**CalHOME GRANT SPECIAL REVENUE FUND**  
**YEAR ENDED JUNE 30, 2023**

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Miscellaneous	\$ -	\$ 1,200	\$ 1,200
Fund Balance - Beginning of Year	<u>703,303</u>	<u>703,303</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 703,303</u></u>	<u><u>\$ 704,503</u></u>	<u><u>\$ 1,200</u></u>

**CITY OF PICO RIVERA, CALIFORNIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**AIR QUALITY IMPROVEMENT SPECIAL REVENUE FUND**  
**YEAR ENDED JUNE 30, 2023**

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 80,900	\$ 77,122	\$ (3,778)
Investment and Rental	1,370	7,891	6,521
Total Revenues	<u>82,270</u>	<u>85,013</u>	<u>(2,743)</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	<u>77,680</u>	<u>35,485</u>	<u>42,195</u>
<b>NET CHANGE IN FUND BALANCE</b>	4,590	49,528	44,938
Fund Balance - Beginning of Year	<u>454,527</u>	<u>454,527</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 459,117</u></u>	<u><u>\$ 504,055</u></u>	<u><u>\$ 44,938</u></u>

**CITY OF PICO RIVERA, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
COUNTY GRANTS SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2023**

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 1,110,000	\$ 1,077,808	\$ (32,192)
Miscellaneous	20,000	1,855	(18,145)
Total Revenues	<u>1,130,000</u>	<u>1,079,663</u>	<u>(50,337)</u>
<b>EXPENDITURES</b>			
Current:			
Parks and Recreation	1,448,312	647,746	800,566
Capital Outlay	1,050,000	1,047,500	2,500
Total Expenditures	<u>2,498,312</u>	<u>1,695,246</u>	<u>803,066</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,368,312)	(615,583)	752,729
<b>OTHER FINANCING USES</b>			
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(1,368,312)	(615,583)	752,729
Fund Balance - Beginning of Year	<u>(107,244)</u>	<u>(107,244)</u>	<u>-</u>
<b>FUND BALANCE (DEFICIT) - END OF YEAR</b>	<u><u>\$ (1,475,556)</u></u>	<u><u>\$ (722,827)</u></u>	<u><u>\$ 752,729</u></u>

**CITY OF PICO RIVERA, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
STATE GRANTS SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2023**

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 21,488,704	\$ 1,061,298	\$ (20,427,406)
Investment and Rental	448	1,948	1,500
Total Revenues	<u>21,489,152</u>	<u>1,063,246</u>	<u>(20,425,906)</u>
<b>EXPENDITURES</b>			
Current:			
Health and Welfare	<u>2,064,201</u>	<u>1,127,143</u>	<u>937,058</u>
<b>NET CHANGE IN FUND BALANCE</b>	19,424,951	(63,897)	19,488,848
Fund Balance - Beginning of Year	<u>(155,554)</u>	<u>(155,554)</u>	<u>-</u>
<b>FUND BALANCE (DEFICIT) - END OF YEAR</b>	<u><u>\$ 19,269,397</u></u>	<u><u>\$ (219,451)</u></u>	<u><u>\$ (19,488,848)</u></u>

**CITY OF PICO RIVERA, CALIFORNIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**ECONOMIC SUSTAINABILITY SPECIAL REVENUE FUND**  
**YEAR ENDED JUNE 30, 2023**

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Investment and Rental	\$ 3,755	\$ 55,926	\$ 52,171
<b>EXPENDITURES</b>			
Current:			
Community Development	-	39,667	(39,667)
<b>NET CHANGE IN FUND BALANCE</b>	3,755	16,259	12,504
Fund Balance - Beginning of Year	963,014	963,014	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 966,769</u>	<u>\$ 979,273</u>	<u>\$ 12,504</u>

**CITY OF PICO RIVERA, CALIFORNIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**IMAGE ENHANCEMENT SPECIAL REVENUE FUND**  
**YEAR ENDED JUNE 30, 2023**

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Charges for Services	\$ 139,432	\$ 777,380	\$ 637,948
Investment and Rental	1,102	12,797	11,695
Total Revenues	<u>140,534</u>	<u>790,177</u>	<u>649,643</u>
<b>EXPENDITURES</b>			
Current:			
General Government	<u>365</u>	<u>628</u>	<u>(263)</u>
<b>NET CHANGE IN FUND BALANCE</b>	140,169	789,549	649,380
Fund Balance - Beginning of Year	<u>567,731</u>	<u>567,731</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 707,900</u></u>	<u><u>\$ 1,357,280</u></u>	<u><u>\$ 649,380</u></u>



**CITY OF PICO RIVERA, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
SEWER MAINTENANCE SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2023**

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Taxes and Assessments	\$ 1,600	\$ 168	\$ (1,432)
<b>EXPENDITURES</b>			
Current:			
General Government	132,879	-	132,879
Public Works	5,700	-	5,700
Total Expenditures	138,579	-	138,579
<b>NET CHANGE IN FUND BALANCE</b>	(136,979)	168	137,147
Fund Balance (Deficit) - Beginning of Year	(20,548)	(20,548)	-
<b>FUND BALANCE (DEFICIT) - END OF YEAR</b>	<u>\$ (157,527)</u>	<u>\$ (20,380)</u>	<u>\$ 137,147</u>

**CITY OF PICO RIVERA, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
REACH GRANTS SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2023**

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Taxes and Assessments	\$ 24,000	\$ 22,403	\$ (1,597)
Intergovernmental	1,114,410	1,423,983	309,573
Investment and Rental	1,839	6,344	4,505
Miscellaneous	-	-	-
Total Revenues	<u>1,140,249</u>	<u>1,452,730</u>	<u>312,481</u>
<b>EXPENDITURES</b>			
Current:			
Parks and Recreation	<u>1,124,125</u>	<u>1,067,497</u>	<u>56,628</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	16,124	385,233	369,109
Fund Balance - Beginning of Year	<u>492,506</u>	<u>492,506</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 508,630</u></u>	<u><u>\$ 877,739</u></u>	<u><u>\$ 369,109</u></u>

**CITY OF PICO RIVERA, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
CABLE/PEG SUPPORT SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2023**

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Miscellaneous	\$ 23,000	\$ 54,077	\$ 31,077
<b>EXPENDITURES</b>			
Current:			
Public Works	37,355	32,703	4,652
Capital Outlay	69,384	69,384	-
Total Expenditures	106,739	102,087	4,652
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(83,739)	(48,010)	35,729
Fund Balance - Beginning of Year	300,872	300,872	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 217,133</u>	<u>\$ 252,862</u>	<u>\$ 35,729</u>

**CITY OF PICO RIVERA, CALIFORNIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**TRANSPORTATION DEVELOPMENT ACT SPECIAL REVENUE FUND**  
**YEAR ENDED JUNE 30, 2023**

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 80,000	\$ 28,110	\$ (51,890)
<b>EXPENDITURES</b>			
Current:			
Public Works	<u>27,232</u>	<u>27,179</u>	<u>53</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	52,768	931	(51,837)
Fund Balance (Deficit) - Beginning of Year	<u>(5,492)</u>	<u>(5,492)</u>	<u>-</u>
<b>FUND BALANCE (DEFICIT) - END OF YEAR</b>	<u><u>\$ 47,276</u></u>	<u><u>\$ (4,561)</u></u>	<u><u>\$ 51,837</u></u>

**CITY OF PICO RIVERA, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
MEASURE W SPECIAL REVENUE FUND  
YEAR ENDED JUNE 30, 2023**

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 954,810	\$ 896,420	\$ (58,390)
Investment and Rental	-	30,794	30,794
Total Revenues	<u>954,810</u>	<u>927,214</u>	<u>(27,596)</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	<u>351,428</u>	<u>192,525</u>	<u>158,903</u>
<b>NET CHANGE IN FUND BALANCE</b>	603,382	734,689	131,307
Fund Balance - Beginning of Year	<u>1,161,998</u>	<u>1,161,998</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 1,765,380</u></u>	<u><u>\$ 1,896,687</u></u>	<u><u>\$ 131,307</u></u>

**CITY OF PICO RIVERA, CALIFORNIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**FEDERAL GRANTS SPECIAL REVENUE FUND**  
**YEAR ENDED JUNE 30, 2023**

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Intergovernmental	\$ 6,458,823	\$ 1,641,424	\$ (4,817,399)
<b>EXPENDITURES</b>			
Current:			
Public Works	311,701	316,314	(4,613)
Capital outlay	1,821,030	1,819,000	2,030
Total Expenditures	2,132,731	2,135,314	(2,583)
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	4,326,092	(493,890)	(4,819,982)
Fund Balance (Deficit) - Beginning of Year	(212,274)	(212,274)	-
<b>FUND BALANCE (DEFICIT) - END OF YEAR</b>	<u>\$ 4,113,818</u>	<u>\$ (706,164)</u>	<u>\$ (4,819,982)</u>

**CITY OF PICO RIVERA, CALIFORNIA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE – BUDGET AND ACTUAL  
CAPITAL IMPROVEMENT CAPITAL PROJECTS FUND  
YEAR ENDED JUNE 30, 2023**

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>EXPENDITURES</b>			
Capital Outlay	\$ 1,300,257	\$ 656,921	\$ 643,336
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	<u>2,378,608</u>	<u>2,378,608</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	1,078,351	1,721,687	643,336
Fund Balance - Beginning of Year	<u>11,590,609</u>	<u>11,590,609</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 12,668,960</u></u>	<u><u>\$ 13,312,296</u></u>	<u><u>\$ 643,336</u></u>

**CITY OF PICO RIVERA, CALIFORNIA**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCE – BUDGET AND ACTUAL**  
**PARAMOUNT/MINES LANDSCAPE MAINTENANCE ASSESSMENT CAPITAL PROJECTS FUND**  
**YEAR ENDED JUNE 30, 2023**

	Final Budgeted Amounts	Actual	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Taxes and Assessments	\$ 10,200	\$ 11,245	\$ 1,045
Investment and Rental	139	1,076	937
Total Revenues	<u>10,339</u>	<u>12,321</u>	<u>1,982</u>
 Fund Balance - Beginning of Year	 <u>57,636</u>	 <u>57,636</u>	 <u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 67,975</u></u>	<u><u>\$ 69,957</u></u>	<u><u>\$ 1,982</u></u>



**CITY OF PICO RIVERA, CALIFORNIA**  
**DESCRIPTION OF OTHER ENTERPRISE FUNDS**  
**JUNE 30, 2023**

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, CALIFORNIA  
OTHER ENTERPRISE FUNDS  
COMBINING STATEMENT OF NET POSITION  
JUNE 30, 2023**

	Sports Arena	Golf Course	Total
<b>ASSETS</b>			
Current Assets:			
Cash and Investments	\$ 739,257	\$ 58,084	\$ 797,341
Receivables, Net:			
Accounts	12,954	47,247	60,201
Interest	3,735	-	3,735
Total Current Assets	<u>755,946</u>	<u>105,331</u>	<u>861,277</u>
Noncurrent Assets:			
Capital Assets, Not Depreciated	3,368	38,945	42,313
Capital Assets, Depreciated, Net	4,361	230,538	234,899
Total Noncurrent Assets	<u>7,729</u>	<u>269,483</u>	<u>277,212</u>
Total Assets	<u>763,675</u>	<u>374,814</u>	<u>1,138,489</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Amount Related to Pensions	<u>20,791</u>	<u>10,395</u>	<u>31,186</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	-	102,394	102,394
Accrued Liabilities	2,841	53,814	56,655
Total Current Liabilities	<u>2,841</u>	<u>156,208</u>	<u>159,049</u>
Noncurrent Liabilities:			
Advances from Other Funds	-	3,793,347	3,793,347
Net Pension Liability	76,919	38,459	115,378
Total Noncurrent Liabilities	<u>76,919</u>	<u>3,831,806</u>	<u>3,908,725</u>
Total Liabilities	<u>79,760</u>	<u>3,988,014</u>	<u>4,067,774</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Amounts Related to Pensions	<u>3,194</u>	<u>1,597</u>	<u>4,791</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	7,729	269,483	277,212
Unrestricted	<u>693,783</u>	<u>(3,873,885)</u>	<u>(3,180,102)</u>
Total Net Position	<u>\$ 701,512</u>	<u>\$ (3,604,402)</u>	<u>\$ (2,902,890)</u>

**CITY OF PICO RIVERA, CALIFORNIA  
OTHER ENTERPRISE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION  
YEAR ENDED JUNE 30, 2023**

	Sports Arena	Golf Course	Total
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 318,378	\$ 755,542	\$ 1,073,920
Other	-	-	-
Total Operating Revenues	<u>318,378</u>	<u>755,542</u>	<u>1,073,920</u>
<b>OPERATING EXPENSES</b>			
Salaries and Benefits	52,751	29,108	81,859
Contractual Services	(59,325)	111,920	52,595
Insurance Claims and Expenses	1,207	-	1,207
Administrative	-	915,642	915,642
Utilities	854	242,891	243,745
Repairs and Maintenance	-	92,875	92,875
Depreciation	1,718	28,149	29,867
Total Operating Expenses	<u>(2,795)</u>	<u>1,420,585</u>	<u>1,417,790</u>
<b>OPERATING GAIN (LOSS)</b>	321,173	(665,043)	(343,870)
<b>NONOPERATING REVENUES</b>			
Investment Income	<u>12,329</u>	<u>-</u>	<u>12,329</u>
<b>CHANGE IN NET POSITION</b>	333,502	(665,043)	(331,541)
Net Position - Beginning of Year	<u>368,010</u>	<u>(2,939,359)</u>	<u>(2,571,349)</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 701,512</u></u>	<u><u>\$ (3,604,402)</u></u>	<u><u>\$ (2,902,890)</u></u>

**CITY OF PICO RIVERA, CALIFORNIA  
OTHER ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
YEAR ENDED JUNE 30, 2023**

	Sports Arena	Golf Course	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers and Users	\$ 408,142	\$ 727,169	\$ 1,135,311
Payments to Suppliers	(14,775)	(1,364,901)	(1,379,676)
Payments to Employees	(59,052)	(23,419)	(82,471)
Net Cash Provided (Used) by Operating Activities	<u>334,315</u>	<u>(661,151)</u>	<u>(326,836)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Proceeds from Due to/from Other Funds	-	717,239	717,239
Net Cash Provided by Noncapital Financing Activities	<u>-</u>	<u>717,239</u>	<u>717,239</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received	8,975	-	8,975
Net Cash Used by Investing Activities	<u>8,975</u>	<u>-</u>	<u>8,975</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	343,290	31,843	375,133
Cash and Cash Equivalents - Beginning of Year	<u>395,967</u>	<u>26,241</u>	<u>422,208</u>
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	<u><u>\$ 739,257</u></u>	<u><u>\$ 58,084</u></u>	<u><u>\$ 797,341</u></u>
<b>RECONCILIATION OF OPERATING GAIN (LOSS) TO NET CASH USED BY OPERATING ACTIVITIES</b>			
Operating Gain (Loss)	\$ 321,173	\$ (665,043)	\$ (343,870)
Adjustments to Reconcile Operating Gain (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation	1,718	28,149	29,867
Changes in Operating Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:			
Increase in Accounts Receivables	89,764	(28,373)	61,391
Decrease in Inventories	-	24,005	24,005
Decrease in Deferred Outflows of Resources - Amount Related to Pensions	(12,631)	(7,052)	(19,683)
Increase (Decrease) in Accounts Payable	(72,039)	(21,460)	(93,499)
Increase (Decrease) in Accrued Liabilities	520	812	1,332
Increase in Deposits Payable	-	(1,800)	(1,800)
Increase (Decrease) in Net Pension Liability	20,624	15,393	36,017
Increase (Decrease) in Deferred Inflows of Resources - Amounts Related to Pensions	(14,814)	(5,782)	(20,596)
Total Adjustments	<u>13,142</u>	<u>3,892</u>	<u>17,034</u>
Net Cash Provided (Used) by Operating Activities	<u><u>\$ 334,315</u></u>	<u><u>\$ (661,151)</u></u>	<u><u>\$ (326,836)</u></u>

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**STATISTICAL SECTION  
(UNAUDITED)**

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**CITY OF PICO RIVERA, CALIFORNIA**  
**DESCRIPTION OF STATISTICAL SECTION CONTENTS**  
**JUNE 30, 2023**

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.	135-144
<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.	145-152
<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.	153-158
<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.	159-160
<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.	161-164



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

	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
Governmental Activities:				
Net investment in capital assets	\$ 224,917,267	\$ 224,650,021	\$ 231,562,736	\$ 223,976,465
Restricted	13,016,383	14,236,953	11,854,987	13,274,422
Unrestricted	<u>43,883,873</u>	<u>22,142,254</u>	<u>23,639,282</u>	<u>25,960,550</u>
Total governmental activities net position	<u>281,817,523</u>	<u>261,029,228</u>	<u>267,057,005</u>	<u>263,211,437</u>
Business-type Activities:				
Net investment in capital assets	30,964,232	31,370,373	31,761,672	32,604,651
Restricted	-	-	-	-
Unrestricted	<u>(16,212,613)</u>	<u>(18,465,237)</u>	<u>(16,385,687)</u>	<u>(13,590,642)</u>
Total business-type activities net position	<u>14,751,619</u>	<u>12,905,136</u>	<u>15,375,985</u>	<u>19,014,009</u>
Primary Government:				
Net investment in capital assets	255,881,499	256,020,394	263,324,408	256,581,116
Restricted	13,016,383	14,236,953	11,854,987	13,274,422
Unrestricted	<u>27,671,260</u>	<u>3,677,017</u>	<u>7,253,595</u>	<u>12,369,908</u>
Total primary government net position	<u>\$ 296,569,142</u>	<u>\$ 273,934,364</u>	<u>\$ 282,432,990</u>	<u>\$ 282,225,446</u>

Source: Statement of Net Position

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

<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
\$ 230,499,724	\$ 232,291,558	\$ 235,399,358	\$ 234,764,478	\$ 237,260,527	\$ 244,677,341
16,360,144	19,565,580	22,661,392	23,672,803	27,978,094	31,184,653
<u>18,735,128</u>	<u>17,860,702</u>	<u>15,000,619</u>	<u>23,195,137</u>	<u>38,557,279</u>	<u>51,605,739</u>
<u>265,594,996</u>	<u>269,717,840</u>	<u>273,061,369</u>	<u>281,632,418</u>	<u>303,795,900</u>	<u>327,467,733</u>
33,236,723	33,680,356	34,129,206	36,403,397	40,280,888	50,610,138
-	-	-	-	-	-
<u>(13,570,480)</u>	<u>(10,315,352)</u>	<u>(3,505,373)</u>	<u>(4,457,768)</u>	<u>(4,543,616)</u>	<u>(3,373,379)</u>
<u>19,666,243</u>	<u>23,365,004</u>	<u>30,623,833</u>	<u>31,945,629</u>	<u>35,737,272</u>	<u>47,236,759</u>
263,736,447	265,971,914	269,528,564	271,167,875	277,541,415	295,287,479
16,360,144	19,565,580	22,661,392	23,672,803	27,978,094	31,151,411
<u>5,164,648</u>	<u>7,545,350</u>	<u>11,495,246</u>	<u>18,737,369</u>	<u>34,013,663</u>	<u>482,656,002</u>
<u>\$ 285,261,239</u>	<u>\$ 293,082,844</u>	<u>\$ 303,685,202</u>	<u>\$ 313,578,047</u>	<u>\$ 339,533,172</u>	<u>\$ 374,704,492</u>

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

	2013-14	2014-15	2015-16	2016-17	2017-18
<b>Expenses:</b>					
Governmental Activities:					
General government	\$ 9,954,786	\$ 9,248,597	\$ 8,790,816	\$ 10,048,704	\$ 8,190,494
Public safety	11,202,782	10,457,770	10,468,357	12,330,023	11,885,957
Public works	10,498,605	14,545,183	14,472,969	15,104,130	12,488,922
Parks and recreation	5,422,037	5,600,669	5,585,521	6,263,237	7,146,278
Health and welfare	5,339,488	4,840,878	5,266,352	5,587,157	5,311,548
Community development	2,511,556	2,761,524	2,827,231	2,540,908	4,407,647
Interest and fiscal charges	1,742,562	1,656,613	1,626,960	2,628,006	1,013,498
Total governmental activities net expenses	<u>46,671,816</u>	<u>49,111,234</u>	<u>49,038,206</u>	<u>54,502,165</u>	<u>50,444,344</u>
Business-type Activities:					
Water	8,386,111	8,044,302	7,865,853	8,155,205	8,382,375
Pico Rivera Innovative Municipal Energy	-	-	-	-	4,900,927
Other enterprise funds	1,054,837	1,320,585	1,624,391	1,622,319	2,270,317
Total business-type activities net expenses	<u>9,440,948</u>	<u>9,364,887</u>	<u>9,490,244</u>	<u>9,777,524</u>	<u>15,553,619</u>
Total primary government expenses	<u>\$ 56,112,764</u>	<u>\$ 58,476,121</u>	<u>\$ 58,528,450</u>	<u>\$ 64,279,689</u>	<u>\$ 65,997,963</u>
<b>Program Revenues:</b>					
Governmental Activities:					
Charges for services:					
General government	\$ 497,518	\$ 574,846	\$ 606,726	\$ 739,432	\$ 493,265
Public safety	1,207,766	1,125,660	1,022,464	962,627	1,044,921
Public works	744,905	1,821,210	1,788,821	786,053	801,487
Parks and recreation	693,884	743,400	578,529	773,631	791,906
Health and welfare	188,767	232,824	202,262	174,314	198,238
Community development	712,626	644,344	746,395	873,536	1,196,287
Operating contributions and grants	13,322,885	12,236,612	12,817,403	11,093,802	16,678,586
Capital contributions and grants	2,378,797	2,287,187	1,620,798	778,116	2,874,341
Total governmental activities program revenues	<u>19,747,148</u>	<u>19,666,083</u>	<u>19,383,398</u>	<u>16,181,511</u>	<u>24,079,031</u>
Business-type Activities:					
Charges for services:					
Water utility	8,909,351	8,698,444	8,304,240	8,819,676	9,802,992
Pico Rivera Innovative Municipal Energy	-	-	-	-	5,354,524
Other enterprise funds	921,432	996,548	1,302,652	1,478,893	1,176,972
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	-	-	-	-	-
Total business-type activities program revenues	<u>9,830,783</u>	<u>9,694,992</u>	<u>9,606,892</u>	<u>10,298,569</u>	<u>16,334,488</u>
Primary government program revenues	<u>\$ 29,577,931</u>	<u>\$ 29,361,075</u>	<u>\$ 28,990,290</u>	<u>\$ 26,480,080</u>	<u>\$ 40,413,519</u>
<b>Net (Expense)/Revenue:</b>					
Governmental activities	\$ (26,924,668)	\$ (29,445,151)	\$ (29,654,808)	\$ (38,320,654)	\$ (26,365,313)
Business-type activities	<u>389,835</u>	<u>330,105</u>	<u>116,648</u>	<u>521,045</u>	<u>780,869</u>
Total primary government net expense	<u>\$ (26,534,833)</u>	<u>\$ (29,115,046)</u>	<u>\$ (29,538,160)</u>	<u>\$ (37,799,609)</u>	<u>\$ (25,584,444)</u>

Source: City of Pico Rivera Finance Division

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

2018-19	2019-20	2020-21	2021-22	2022-23
\$ 10,589,517	\$ 11,832,065	\$ 8,799,110	\$ 8,089,449	\$ 10,634,542
11,998,792	12,460,600	12,314,336	12,144,703	12,661,589
16,339,812	15,688,114	16,834,980	14,700,643	15,857,499
7,958,749	7,319,903	6,765,477	7,457,649	8,540,605
5,416,605	5,508,857	6,248,362	6,414,485	7,274,930
4,194,760	5,269,424	4,630,014	10,891,361	5,957,282
1,507,430	1,527,256	1,486,071	1,450,395	1,394,492
<u>58,404,010</u>	<u>59,606,219</u>	<u>57,078,350</u>	<u>61,148,685</u>	<u>62,320,939</u>
8,506,305	8,743,689	9,503,242	9,570,530	7,461,720
12,944,076	12,800,550	16,116,785	17,222,547	18,935,357
1,804,018	1,411,093	1,980,185	1,430,189	1,417,790
<u>23,254,399</u>	<u>22,955,332</u>	<u>27,600,212</u>	<u>28,223,266</u>	<u>27,814,867</u>
<u>\$ 81,658,409</u>	<u>\$ 82,561,551</u>	<u>\$ 84,678,562</u>	<u>\$ 89,371,951</u>	<u>\$ 90,135,806</u>
\$ 657,280	\$ 310,572	\$ 415,826	\$ 545,101	\$ 1,161,745
1,114,647	970,410	1,160,968	1,163,935	1,144,044
836,847	852,467	878,464	882,256	991,248
579,751	359,398	63,530	279,041	487,136
205,328	9,104	155,361	285,648	184,645
982,241	826,524	1,240,644	1,681,960	2,003,316
13,168,680	13,826,068	16,416,848	26,561,448	22,046,380
3,604,445	5,855,720	2,986,830	5,387,593	3,207,183
<u>21,149,219</u>	<u>23,010,263</u>	<u>23,318,471</u>	<u>36,786,982</u>	<u>31,225,697</u>
9,904,084	10,376,513	10,641,130	11,180,400	10,989,386
13,581,101	16,685,058	14,798,777	18,030,558	24,006,009
1,119,812	1,056,567	1,841,744	1,195,085	1,073,920
-	-	-	476,602	246,661
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,518,595</u>
<u>24,604,997</u>	<u>28,118,138</u>	<u>27,281,651</u>	<u>30,882,645</u>	<u>38,834,571</u>
<u>\$ 45,754,216</u>	<u>\$ 51,128,401</u>	<u>\$ 50,600,122</u>	<u>\$ 67,669,627</u>	<u>\$ 70,060,268</u>
\$ (37,254,791)	\$ (36,595,956)	\$ (33,759,879)	\$ (24,361,703)	\$ (31,095,242)
<u>1,350,598</u>	<u>5,162,806</u>	<u>(318,561)</u>	<u>2,659,379</u>	<u>11,019,704</u>
<u>\$ (35,904,193)</u>	<u>\$ (31,433,150)</u>	<u>\$ (34,078,440)</u>	<u>\$ (21,702,324)</u>	<u>\$ (20,075,538)</u>

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

	2013-14	2014-15	2015-16	2016-17	2017-18
<b>General Revenues and Other Changes</b>					
<b>in Net Position:</b>					
Governmental Activities:					
Property taxes	\$ 9,269,468	\$ 9,611,244	\$ 10,049,454	\$ 10,591,691	\$ 11,173,640
Sales taxes	16,435,053	16,368,367	17,766,538	17,637,948	17,575,729
Franchise taxes	1,641,171	1,646,884	1,654,275	1,582,026	1,703,255
Utility users taxes	3,504,363	3,525,036	3,385,361	3,276,321	3,142,090
Other taxes	1,710,630	1,760,876	1,850,151	1,632,337	1,807,130
Unrestricted motor vehicle license in lieu					
Investment Earnings	39,582	151,636	193,684	347,422	637,086
Other	139,486	613,592	283,352	450,783	662,225
Transfers	648,626	611,727	479,232	(1,043,442)	42,027
Gain on sale of property	104,912	257,194	174,424	-	-
Special Item	(9,075,443)	1,059,577	(704,496)	-	-
Total governmental activities	24,417,848	35,606,133	35,131,975	34,475,086	36,743,182
Business-type Activities:					
Investment Earnings	2,308,060	2,226,339	2,128,937	2,073,537	2,025,078
Other	95,459	12,179	-	-	-
Transfers	(648,626)	(611,727)	(479,232)	1,043,442	(42,027)
Gain on bond defeasance	-	-	-	-	-
Extraordinary item	-	-	704,496	-	-
Total business-type activities	1,754,893	1,626,791	2,354,201	3,116,979	1,983,051
Total primary government	<u>\$ 26,172,741</u>	<u>\$ 37,232,924</u>	<u>\$ 37,486,176</u>	<u>\$ 37,592,065</u>	<u>\$ 38,726,233</u>
<b>Change in Net Position:</b>					
Governmental activities	\$ (2,506,820)	\$ 6,160,982	\$ 5,477,167	\$ (3,845,568)	\$ 10,377,869
Business-type activities	2,144,728	1,956,896	2,470,849	3,638,024	2,763,920
Total primary government	<u>\$ (362,092)</u>	<u>\$ 8,117,878</u>	<u>\$ 7,948,016</u>	<u>\$ (207,544)</u>	<u>\$ 13,141,789</u>

Source: City of Pico Rivera Finance Division

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

2018-19	2019-20	2020-21	2021-22	2022-23
\$ 11,734,058	\$ 12,259,774	\$ 13,000,934	\$ 13,831,113	\$ 15,016,822
19,468,221	19,364,272	21,325,436	24,551,320	25,116,979
1,729,336	1,787,568	1,876,407	1,956,998	2,063,404
2,939,221	3,064,500	3,157,258	3,567,128	4,001,578
1,968,094	1,690,687	2,055,932	1,926,617	3,867,144
1,528,199	1,502,934	542,108	(197,845)	2,035,505
1,007,091	269,750	372,853	889,854	1,793,456
-	-	-	-	(56,438)
-	-	-	-	928,625
-	-	-	-	-
40,374,220	39,939,485	42,330,928	46,525,185	54,767,075
2,140,163	2,096,023	1,640,357	449,236	423,345
-	-	-	-	-
-	-	-	-	56,438
-	-	-	683,028	-
-	-	-	-	-
2,140,163	2,096,023	1,640,357	1,132,264	479,783
\$ 42,514,383	\$ 42,035,508	\$ 43,971,285	\$ 47,657,449	\$ 55,246,858
\$ 3,119,429	3,343,529	8,571,049	22,163,482	23,671,833
3,490,761	7,258,829	1,321,796	3,791,643	11,499,487
\$ 6,610,190	\$ 10,602,358	\$ 9,892,845	\$ 25,955,125	\$ 35,171,320

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

	2013-14	2014-15	2015-16	2016-17	2017-18
General Fund:					
Nonspendable	\$ 25,222,739	\$ 25,222,739	\$ 25,198,662	\$ 25,209,917	\$ 25,168,800
Restricted	2,446,856	2,358,919	2,368,600	-	-
Committed	9,330,000	9,316,732	9,479,500	9,476,700	9,665,400
Assigned	8,285,480	10,272,833	14,376,800	14,426,700	13,256,200
Unassigned	48,092	4,341,395	12,882,331	10,851,445	12,063,120
Total general fund	<u>\$ 45,333,167</u>	<u>\$ 51,512,618</u>	<u>\$ 64,305,893</u>	<u>\$ 59,964,762</u>	<u>\$ 60,153,520</u>
All Other Governmental Funds:					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 4,508
Restricted	10,669,538	11,366,458	11,074,536	12,927,436	15,566,814
Assigned	600,000	600,000	600,000	600,000	600,000
Unassigned	(3,335,743)	(2,869,762)	(2,141,161)	(1,749,394)	(1,607,854)
Total all other governmental funds	<u>\$ 7,933,795</u>	<u>\$ 9,096,696</u>	<u>\$ 9,533,375</u>	<u>\$ 11,778,042</u>	<u>\$ 14,563,468</u>

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

Source: City of Pico Rivera Finance Division

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

2018-19	2019-20	2020-21	2021-22	2022-23
\$ 28,002,854	\$ 22,096,478	\$ 23,232,000	\$ 26,139,104	\$ 26,900,752
1,061,066	1,087,825	1,372,990	1,180,688	1,335,720
10,284,000	10,169,300	20,510,328	24,517,211	28,903,778
14,039,900	13,991,300	13,717,940	14,926,791	20,990,019
9,067,136	17,752,704	14,366,714	6,458,368	4,172,944
<u>\$ 62,454,956</u>	<u>\$ 65,097,607</u>	<u>\$ 73,199,972</u>	<u>\$ 73,222,162</u>	<u>\$ 82,303,213</u>
\$ -	\$ -	\$ -	\$ -	\$ -
31,791,493	33,195,861	34,780,540	37,428,998	31,670,862
600,000	-	232,477	11,590,609	13,312,296
(60,712)	(1,257,821)	(1,046,569)	(502,874)	(1,829,920)
<u>\$ 32,330,781</u>	<u>\$ 31,938,040</u>	<u>\$ 33,966,448</u>	<u>\$ 48,516,733</u>	<u>\$ 43,153,238</u>



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

	2013-14	2014-15	2015-16	2016-17	2017-18
<b>Revenues:</b>					
Taxes and Assessments	\$ 33,100,095	\$ 34,083,110	\$ 35,534,141	\$ 34,592,924	\$ 35,567,380
Licenses and permits	2,320,618	2,363,477	2,491,636	2,442,190	2,960,639
Intergovernmental	10,891,308	11,703,565	12,214,500	11,927,598	13,433,014
Charges for services	1,964,785	1,889,338	1,871,009	2,124,665	1,851,030
Fines, forfeitures and penalties	1,224,540	1,134,906	1,031,031	898,203	1,002,532
Investment income	244,614	336,077	341,746	488,369	812,776
Miscellaneous	1,333,203	2,535,295	785,171	538,177	5,593,359
Total revenues	51,079,163	54,045,768	54,269,234	53,012,126	61,220,730
<b>Expenditures:</b>					
General government	7,183,738	6,884,398	6,805,810	11,819,289	12,938,296
Public safety	11,188,047	10,435,184	10,439,469	11,375,573	11,857,271
Public works	8,561,977	9,621,311	9,707,823	10,255,784	14,095,351
Parks and recreation	4,890,183	4,794,720	4,554,724	5,374,259	6,122,665
Health and welfare	5,339,488	4,840,878	5,266,352	5,587,157	5,311,548
Community development	2,490,769	2,730,123	2,787,070	3,435,809	4,367,766
Pass through to other agencies	-	-	-	-	-
Loss on sale of land held for resale	-	-	-	-	-
Capital outlay	7,719,114	5,175,862	7,287,913	2,453,883	1,547,832
Debt service:					
Principal retirement	585,000	610,000	635,000	980,000	865,000
Interest and other charges	1,734,538	1,710,638	1,682,562	655,944	1,061,150
Lease Principal	-	-	-	-	-
Lease Interest	-	-	-	-	-
Bond issuance costs	-	-	-	520,424	-
payments to refunding escrow agent	-	-	-	2,368,685	-
Total expenditures	49,692,854	46,803,114	49,166,723	54,826,807	58,166,879
Excess (deficiency) of revenues over (under) expenditures	1,386,309	7,242,654	5,102,511	(1,814,681)	3,053,851
<b>Other Financing Sources (Uses):</b>					
Transfers in	11,719,264	7,618,952	19,274,660	3,986,323	3,309,866
Transfers out	(12,118,893)	(7,987,933)	(10,488,538)	(5,029,765)	(3,767,839)
Sale of capital assets	-	-	-	-	-
Bond issuance	-	-	-	30,470,000	-
Bond premium	-	-	-	3,082,378	-
Payments to refunding escrow agent	-	-	-	(33,021,008)	-
Total other financing sources (uses)	(399,629)	(368,981)	8,786,122	(512,072)	(457,973)
<b>Special Item:</b>					
Forgiveness of debt	-	-	(90,000)	-	-
Net change in fund balances	986,680	6,873,673	13,798,633	(2,326,753)	2,595,878
Fund balances - July 1	52,180,282	53,166,962	60,040,635	73,839,268	72,121,110
Fund balances - June 30	\$ 53,166,962	\$ 60,040,635	\$ 73,839,268	\$ 71,512,515	\$ 74,716,988
Debt service as a percentage of noncapital expenditures	5.53%	5.57%	5.53%	8.64%	3.42%

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

2018-19	2019-20	2020-21	2021-22	2022-23
\$ 38,653,543	\$ 39,179,631	\$ 39,647,861	\$ 44,310,901	\$ 46,700,057
2,861,711	2,212,910	3,209,557	3,612,057	5,776,946
12,973,062	15,079,031	19,310,930	33,355,732	22,698,100
1,819,310	1,443,249	1,234,332	1,437,497	2,338,963
1,109,430	952,095	1,108,568	1,199,256	1,171,765
1,433,476	1,523,385	557,114	(359,384)	1,831,552
1,436,364	996,245	600,081	1,233,409	2,243,586
60,286,896	61,386,546	65,668,443	84,789,468	82,760,969
7,901,483	8,291,063	7,367,989	9,309,236	10,960,791
11,971,740	12,433,612	12,286,345	12,135,586	12,651,644
15,527,553	17,986,339	16,457,143	17,374,179	13,494,769
6,993,470	6,356,907	5,766,663	7,085,982	7,595,935
5,416,605	5,508,857	6,248,362	6,414,485	7,274,930
4,157,152	5,231,905	4,591,099	11,558,866	6,172,894
-	-	-	-	-
-	-	-	-	-
1,633,063	571,952	64,075	2,559,159	19,036,572
1,090,000	1,155,000	1,190,000	1,230,000	1,285,000
1,530,496	1,601,001	1,565,994	1,522,419	1,472,422
-	-	-	24,584	25,205
-	-	-	2,497	1,876
398,345	-	-	-	-
-	-	-	-	-
56,619,907	59,136,636	55,537,670	69,216,993	79,972,038
3,666,989	2,249,910	10,130,773	15,572,475	2,788,931
4,667,515	2,986,078	2,491,287	24,116,170	5,062,125
(4,667,515)	(2,986,078)	(2,491,287)	(25,116,170)	(5,062,125)
-	-	-	-	928,625
14,695,000	-	-	-	-
703,345	-	-	-	-
-	-	-	-	-
15,398,345	-	-	(1,000,000)	928,625
-	-	-	-	-
19,065,334	2,249,910	10,130,773	14,572,475	3,717,556
75,720,403	94,785,737	97,035,647	107,166,420	121,738,895
\$ 94,785,737	\$ 97,035,647	\$ 107,166,420	\$ 121,738,895	\$ 125,456,451
6.17%	5.42%	5.46%	4.66%	4.74%

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

<u>Fiscal Year</u>	<u>Property Taxes</u>	<u>Sales Tax</u>	<u>Transient Occupancy Tax</u>	<u>Motor Vehicle In-Lieu Tax</u>
2013-14	\$ 9,269,468	\$ 16,435,053	\$ 367,804	\$ 28,547
2014-15	9,611,244	16,368,367	390,666	27,575
2015-16	10,049,454	17,766,538	417,938	25,896
2016-17	10,591,691	17,637,948	422,313	28,793
2017-18	11,173,640	17,575,729	424,542	33,713
2018-19	11,734,058	19,468,221	461,474	30,845
2019-20	12,209,094	19,364,271	438,232	50,679
2020-21	12,954,453	21,325,436	433,797	46,481
2021-22	13,758,151	24,551,320	533,482	72,962
2022-23	<u>14,953,118</u>	<u>25,116,980</u>	<u>597,129</u>	<u>63,705</u>
Change from Base Year 2013-14	<u>61%</u>	<u>53%</u>	<u>62%</u>	<u>123%</u>

Source: City of Pico Rivera Finance Division

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

<u>Franchise Tax</u>	<u>Utility Users Tax</u>	<u>Business License Tax</u>	<u>Total</u>
\$ 1,641,171	\$ 3,504,363	\$ 1,342,826	\$ 32,589,232
1,646,884	3,525,036	1,370,210	32,939,982
1,654,275	3,385,361	1,432,213	34,731,675
1,582,026	3,276,231	1,210,024	34,749,026
1,703,255	3,142,090	1,382,588	35,435,557
1,729,336	2,939,221	1,454,896	37,818,051
1,787,568	3,064,500	1,209,199	38,123,543
1,876,407	3,157,258	1,611,415	41,405,247
1,956,998	3,567,128	1,393,084	45,833,126
<u>2,063,404</u>	<u>4,001,578</u>	<u>3,270,000</u>	<u>50,065,914</u>
<u><u>26%</u></u>	<u><u>14%</u></u>	<u><u>144%</u></u>	<u><u>54%</u></u>

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

<b>Fiscal Year</b>	<b>Residential Property</b>	<b>Commercial Property</b>	<b>Industrial Property</b>	<b>Other* Property</b>	<b>Tax-Exempt Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>
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
2021-22	4,079,513,033	657,191,391	978,113,682	374,506,281	105,361	6,089,429,748	0.0921
2022-23	4,322,883,001	678,393,685	1,123,348,084	415,534,522	112,567	6,540,271,859	0.0918

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

Source: Los Angeles County Assessor 2022/23 Combined Tax Rolls

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

<b>Fiscal Year</b>	<b>Taxes Levied</b>	<b>Collected within the Fiscal Year of Levy</b>		<b>Collections in Subsequent Year (Includes Refunds)</b>	<b>Total Collections to Date</b>	
		<b>Amount</b>	<b>Percent of Levy</b>		<b>Amount</b>	<b>Final Percent of Levy</b>
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%
2021-22	3,496,505	3,433,991	98.21%	-	3,433,991	98.21%
2022-23	4,048,127	3,903,368	96.42%	144,759	4,048,127	100.00%

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

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

<b>Agency</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>
<b>Basic Levy</b>	<b>1.00000</b>	<b>1.00000</b>	<b>1.00000</b>	<b>1.00000</b>
County Detention Facilities 1987 Debt	0.00000	0.00000	0.00000	0.00000
El Rancho Unified School District	0.09571	0.09907	0.09630	0.09627
LA Community College District	0.04454	0.04017	0.03575	0.03596
LA County Flood Control	0.00000	0.00000	0.00000	0.00000
Little Lake City School District	0.08537	0.07964	0.06522	0.00000
Los Nietos School District	0.02810	0.03041	0.08062	0.07063
Metropolitan Water District	0.00350	0.00350	0.00350	0.00350
Montebello Unified School District	0.09457	0.08750	0.08715	0.14705
Rio Hondo Community College Dist	0.02892	0.02821	0.02712	0.02808
Whittier City School District	0.06110	0.05792	0.05757	0.05441
Whittier Union High School Dist	0.04473	0.05270	0.05063	0.06035
<b>Total Direct &amp; Overlapping Tax Rate</b>	<b>1.48654</b>	<b>1.47912</b>	<b>1.50386</b>	<b>1.49625</b>
<b>City's Share of 1% Levy Per Prop 13</b>	<b>0.08917</b>	<b>0.08917</b>	<b>0.08917</b>	<b>0.08917</b>
<b>City Redevelopment Rate</b>	<b>0.00000</b>	<b>0.00000</b>	<b>0.00000</b>	<b>0.00000</b>
<b>Total Direct Rate</b>	<b>0.09412</b>	<b>0.09381</b>	<b>0.09355</b>	<b>0.09330</b>

(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, CALIFORNIA  
DIRECT AND OVERLAPPING GOVERNMENTS PROPERTY TAX RATES (CONTINUED)  
LAST TEN YEARS**

<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>
<b>1.00000</b>	<b>1.00000</b>	<b>1.00000</b>	<b>1.00000</b>	<b>1.00000</b>	<b>1.00000</b>
0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
0.19173	0.17840	0.17835	0.18754	0.15321	0.14140
0.04599	0.04621	0.02717	0.04016	0.04376	0.02488
0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
0.08396	0.06878	0.06576	0.06442	0.05249	0.05639
0.00350	0.00350	0.00350	0.00350	0.00350	0.00350
0.13514	0.13921	0.09306	0.09706	0.09031	0.12770
0.02748	0.02554	0.02571	0.01361	0.01526	0.01535
0.04781	0.05534	0.05096	0.05151	0.04780	0.04848
0.05781	0.05822	0.05502	0.05433	0.05395	0.05342
<b>1.59342</b>	<b>1.57521</b>	<b>1.49952</b>	<b>1.51214</b>	<b>1.46028</b>	<b>1.47110</b>
<b>0.08917</b>	<b>0.08917</b>	<b>0.08917</b>	<b>0.08917</b>	<b>0.08917</b>	<b>0.08917</b>
<b>0.00000</b>	<b>0.00000</b>	<b>0.00000</b>	<b>0.00000</b>	<b>0.00000</b>	<b>0.00000</b>
<b>0.09301</b>	<b>0.09280</b>	<b>0.09245</b>	<b>0.09231</b>	<b>0.09210</b>	<b>0.09184</b>



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

Taxpayer	2022-23		2013-14	
	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value
Paramount Pico Rivera Industrial	\$ 85,675,510	1.31%	\$ -	0.00%
Vestar California XXVI LLC	80,183,990	1.23%	68,889,447	1.69%
Center Point Properties Trust	65,645,880	1.00%	-	0.00%
BCORE Mercury Lane Owner LLC	63,240,000	0.97%	-	0.00%
Airef Pico Rivera Distribution Center	63,100,000	1.01%	-	0.00%
TRPF CAM Pico Rivera Venture LLC	56,500,000	0.86%	-	0.00%
Majestic AMB Pico Rivera	48,991,051	0.75%	41,785,092	1.03%
8540 Whittier Boulevard	42,228,439	0.65%	-	0.00%
Wal-Mart Real Estate Business Trust	39,207,236	0.60%	33,235,309	0.82%
Pico Rivera Holdings LVT LLC	37,875,481	0.58%	-	0.00%
Iron Mountain Information	-	0.00%	31,908,174	0.78%
Princeton Medical Holdings LLC	-	0.00%	28,442,000	0.70%
Showprop Pico Rivera LLC	-	0.00%	27,930,753	0.69%
General American Life Insurance Company	-	0.00%	27,664,017	0.68%
GGF Pico Rivera LLC	-	0.00%	26,707,159	0.66%
Bakemark Ingredients West	-	0.00%	26,503,382	0.65%
Public Storage Inc	-	0.00%	21,761,548	0.54%
	<u>\$ 582,647,587</u>	<u>8.91%</u>	<u>\$ 334,826,881</u>	<u>8.24%</u>

Excludes government and tax-exempt property owners.

Total City Value for 2013-14	\$ 4,065,546,441
Total City Value for 2022-23	\$ 6,540,271,859

Source: Los Angeles County Assessor 2022-23 and 2013-14 Combined Tax Rolls

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

Fiscal Year 2022-23		Fiscal Year 2013-14	
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 Bay Cities Container	Light Industrial/Printers	Arco AM PM	Service Stations
4 Calply	Building Materials	Bay Cities Container	Light Industrial/Printers
5 Chevron	Service Stations	Cal Wholesale Material Supply	Building Materials
6 Chick Fil A	Quick-Service Restaurants	Chevron	Service Stations
7 Cintas	Business Services	Chevron	Service Stations
8 Circle K	Service Stations	Cintas	Business Services
9 Dal Rae	Fine Dining	Circle K	Service Stations
10 Lowes	Building Materials	Food 4 Less	Grocery Stores
11 Marshalls	Family Apparel	Home Depot	Building Materials
12 McDonalds	Quick-Service Restaurants	Lowes	Building Materials
13 Raising Cane's	Quick-Service Restaurants	Marshalls	Family Apparel
14 Ross	Family Apparel	McDonalds	Quick-Service Restaurants
15 Rush Peterbilt Truck Center	New Motor Vehicle Dealers	Oxnard Building Materials	Building Materials
16 Saw Service of America	Heavy Industrial	Pico Rivera Gas & Carwash	Service Stations
17 Shell	Service Stations	Ross	Family Apparel
18 Suez Mobile Water	Drugs/Chemicals	Rush Peterbilt Truck Center	New Motor Vehicle Dealers
19 Sunbelt Rentals	Repair Shop/Equip. Rentals	Saw Service of America	Heavy Industrial
20 Target	Discount Dept Stores	So Cal Material Handling	Warehse/Farm/Const. Equip.
21 Unisource	Office Supplies/Furniture	Target	Discount Dept Stores
22 United Rentals	Repair Shop/Equip. Rentals	Unisource	Office Supplies/Furniture
23 Versai Petroleum	Petroleum Prod/Equipment	United Rentals	Repair Shop/Equip. Rentals
24 Vesta Home	Home Furnishings	USA Gasoline	Service Stations
25 Walmart Supercenter	Discount Dept Stores	Walmart Supercenter	Discount Dept Stores

Percentage of Fiscal Year Total Paid by Top 25 Accounts =  
2022-23 58.51%  
2013-14 64.25%

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

Source: HdL Companies, State Board of Equalization

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

Fiscal Year	Governmental Activities				Business-Type Activities			Percentage of Personal Income	Debt Per Capita
	County Deferral		Net Pension Obligation (3)	Finance Authority Revenue Bonds (1)	Revenue Bonds	Net Pension Obligation (3)	Total Primary Government		
2012-13	-	(2)	-	33,475,542	48,155,000	-	81,630,542	7.03%	1,295
2013-14	-	(2)	-	32,845,617	46,422,768	-	79,268,385	6.69%	1,241
2014-15	-	(2)	24,172,149	32,190,692	44,404,619	3,474,478	104,241,938	8.68%	1,631
2015-16	-	(2)	25,366,413	31,510,767	42,271,468	3,646,800	102,795,448	8.66%	1,599
2016-17	-	(2)	28,485,966	32,438,350	40,013,319	4,096,656	105,034,291	8.85%	1,640
2017-18	-	(2)	31,078,035	31,439,322	37,620,169	4,473,787	104,611,313	8.73%	1,628
2018-19	-	(2)	30,962,654	45,590,194	35,082,018	4,967,451	116,602,317	9.12%	1,821
2019-20	-	(2)	33,878,412	44,277,732	32,393,869	5,146,415	115,696,428	8.61%	1,826
2020-21	-	(2)	34,179,750	42,930,248	29,545,719	6,603,167	113,258,884	7.61%	1,793
2021-22	-	(2)	23,242,557	41,542,775	9,577,364	5,214,285	79,576,981	4.79%	1,295
2022-23	-	(2)	35,272,270	40,100,302	8,412,506	7,520,930	91,306,008	5.38%	1,497

- (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 14/15 and recognize pension obligation. Prior Year Governmental Activities information had been updated to provide figures from FY 17-18 to FY 20-21.

**CITY OF PICO RIVERA, CALIFORNIA  
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
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
2021-22	-	41,542,775	41,542,775	0.682%	676.13
2022-23	-	40,100,302	40,100,302	0.613%	657.65

(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, CALIFORNIA  
DIRECT AND OVERLAPPING DEBT  
JUNE 30, 2023**

2022-23 Assessed Valuation: \$ 6,540,271,859

	<u>Total Debt 6/30/2023</u>	<u>% Applicable (1)</u>	<u>City's Share of Debt 6/30/2023</u>
<b><u>DIRECT DEBT</u></b>			
<b>City of Pico Rivera</b>	23,965,000	100.000%	23,965,000
<b>TOTAL DIRECT DEBT</b>	<b>23,965,000</b>		<b>23,965,000</b>
<b><u>OVERLAPPING DEBT:</u></b>			
Metropolitan Water District	19,215,000	0.180%	34,587
Los Angeles Community College District	4,500,730,000	0.013%	585,095
Rio Hondo Community College District	170,234,080	13.077%	22,261,511
El Rancho Unified School District	93,268,121	99.996%	93,264,390
Montebello Unified School District	248,196,585	0.689%	1,710,074
Whittier Union High School District	127,929,361	0.517%	661,395
Los Nietos School District	40,882,715	0.039%	15,944
Whittier City School District	68,080,000	1.918%	1,305,774
<b>TOTAL OVERLAPPING DEBT</b>	<b>5,268,535,862</b>		<b>119,838,771</b>
<b>TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT</b>			<b>143,803,771</b>

(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 lease obligations.

**Ratios to 2022-23 Assessed Valuation:**

Total Overlapping Tax and Assessment Debt.....	1.83%
<b>Total Direct Debt (\$23,965,000).....</b>	<b>0.37%</b>
Combined Total Debt .....	2.20%

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

	Fiscal Year			
	2013-14	2014-15	2015-16	2016-17
Debt limit	\$ 618,519,977	\$ 643,657,163	\$ 673,079,843	\$ 710,507,871
Total net debt applicable to limit	-	-	-	-
Legal debt margin	<u>\$ 618,519,977</u>	<u>\$ 643,657,163</u>	<u>\$ 673,079,843</u>	<u>\$ 710,507,871</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	\$ 4,065,546,441	\$ 4,249,444,059	\$ 4,443,723,085	\$ 4,699,049,996
Add back: exempt real property	<u>57,920,073</u>	<u>41,603,696</u>	<u>43,475,869</u>	<u>37,669,146</u>
Total assessed value	<u>\$ 4,123,466,514</u>	<u>\$ 4,291,047,755</u>	<u>\$ 4,487,198,954</u>	<u>\$ 4,736,719,142</u>
Debt limit (15% of total assessed value)	\$ 618,519,977	\$ 643,657,163	\$ 673,079,843	\$ 710,507,871
Debt applicable to limit	-	-	-	-
Legal debt margin	<u>\$ 618,519,977</u>	<u>\$ 643,657,163</u>	<u>\$ 673,079,843</u>	<u>\$ 710,507,871</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 2022/23 Combined Tax Rolls

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

Fiscal Year					
2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
\$ 750,729,280	\$ 791,460,728	\$ 836,367,534	\$ 868,018,885	\$ 926,960,187	\$ 994,004,218
-	-	-	-	-	-
<u>\$ 750,729,280</u>	<u>\$ 791,460,728</u>	<u>\$ 836,367,534</u>	<u>\$ 868,018,885</u>	<u>\$ 926,960,187</u>	<u>\$ 994,004,218</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
\$ 4,960,278,250	\$ 5,223,378,886	\$ 5,524,451,955	\$ 5,741,373,950	\$ 6,134,582,164	\$ 6,583,483,323
44,583,616	53,025,964	51,331,603	45,418,617	45,152,416	43,211,464
<u>\$ 5,004,861,866</u>	<u>\$ 5,276,404,850</u>	<u>\$ 5,575,783,558</u>	<u>\$ 5,786,792,567</u>	<u>\$ 6,179,734,580</u>	<u>\$ 6,626,694,787</u>
\$ 750,729,280	\$ 791,460,728	\$ 836,367,534	\$ 868,018,885	\$ 926,960,187	\$ 994,004,218
-	-	-	-	-	-
<u>\$ 750,729,280</u>	<u>\$ 791,460,728</u>	<u>\$ 836,367,534</u>	<u>\$ 868,018,885</u>	<u>\$ 926,960,187</u>	<u>\$ 994,004,218</u>



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

**1999 WATER AUTHORITY REVENUE BONDS - Last Ten Fiscal Years**

Fiscal Year	Gross Revenue <sup>(1)</sup>	Less: Direct Costs <sup>(2)</sup>	Net Revenue Available for Debt Service	1999 Bonded Debt (P & I)	Coverage
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%
2021-22	12,457,186	(7,692,571)	4,764,615	1,635,350	2.91%
2022-23	13,782,113	(5,779,647)	8,002,466	1,363,775	5.87%

(1) Total Water Authority revenues

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

**2016 LEASE REVENUE BONDS (2)**

Fiscal Year	Gross Revenue <sup>(1)</sup>	Principal	Interest	Total	Coverage
2016-17	\$ 37,906,839	\$ 980,000	\$ 655,944	\$ 1,635,944	23.17
2017-18	43,598,587	865,000.00	1,061,150	1,926,150	22.64
2018-19	41,859,180	885,000.00	1,043,650	1,928,650	21.70
2019-20	41,115,931	900,000.00	1,023,450	1,923,450	21.38
2020-21	45,235,968	925,000.00	998,225	1,923,225	23.52
2021-22	49,034,402	955,000.00	965,520	1,920,520	25.53
2022-23	57,424,276	995,000.00	926,250	1,921,250	29.89

(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 <sup>(1)</sup>	Principal	Interest	Total	Coverage
2018-19	\$ 901,383	\$ 205,000	\$ 486,846	\$ 691,846	1.30
2019-20	871,222	255,000.00	577,969	832,969	1.05
2020-21	909,366	265,000.00	567,769	832,769	1.09
2021-22	1,126,471	275,000.00	557,169	832,169	1.35
2022-23	1,167,903	290,000.00	546,169	836,169	1.40

(1) Total Metropolitan Transportation Authority Measure M local return revenues

**2021 REDEVELOPMENT AGENCY TAX ALLOCATION REFUNDING BONDS (2)**

Fiscal Year	Gross Revenue <sup>(1)</sup>	Principal	Interest	Total	Coverage
2021-22	\$ 8,595,990	\$ -	\$ 93,224	\$ 93,224	92.21
2022-23	6,716,953	3,500,000	176,972	3,676,972	1.83

(1) Total Successor revenues

(2) In 2021, the 2001 Redevelopment Agency Tax Allocation Refunding Bonds was refunded

Source: City of Pico Rivera Finance Department

**CITY OF PICO RIVERA, CALIFORNIA  
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>
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%
2021-22	61,442	1,662,431	27,057	4.60%
2022-23	60,975	1,698,355	27,853	5.00%

(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: HDL Companies

**CITY OF PICO RIVERA, CALIFORNIA  
PRINCIPAL EMPLOYERS  
CURRENT FISCAL YEAR AND NINE FISCAL YEARS AGO**

Employer	Business Type	2022-23 (1)		2013-14 (2)	
		Employees	% of Total City Employment	Employees	% of Total City Employment
Wal-Mart Supercenter	Department Store	250	0.90%	600	2.22%
Feit Electric Company, Inc	Warehouse For Distribution	199	0.72%		
Target	Department Store	191	0.69%	186	0.69%
Parts Authority LLC	Wholesale Business	191	0.69%		
Riviera Nursing & Convalescent	Healthcare & Hospitals	173	0.62%		
Vesta Home	Home Furnishing & Appliances	142	0.51%		
Manning Beef LLC	Meat - Miscellaneous	125	0.45%		
American Meat Companies	Meat - Wholesale	120	0.43%		
El Super	Grocery Store	104	0.37%		
Unisource Solutions	Wholesale Business	103	0.37%		
BakeMark	Manufacturer			300	1.11%
Los Angeles County Sheriff	Patrol Station			153	0.57%
Home Depot	Retailer			138	0.51%
Rush Truck Center	New Motor Vehicles			112	0.41%
Bimbo Bakeries	Distribution Center			110	0.41%
Lowes	Retailer			105	0.39%
Total Top Employers		1,598	5.75%	1,704	6.31%
Total City Employment (3)		27,800		27,000	

(1) Excludes government and tax-exempt property owners, Source: HDL Companies

(2) Source: CAFR 2013-2014, removed government and tax-exempt owners

(3) Total City Labor Force provided by EDD Labor Force Data.

**CITY OF PICO RIVERA, CALIFORNIA  
FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION  
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
General Government	29	30	25	30	30	31	30	29	31	32
Public Safety	5	5	8	8	9	9	7	7	7	7
Public Works	47	54	55	64	65	66	51	51	48	53
Parks & Recreation	20	21	21	26	26	27	24	25	26	27
Community Development	16	16	15	20	19	20	20	20	24	24
Water	11	11	8	9	10	10	10	10	9	11
Total	128	137	132	157	159	163	142	142	145	154

Source: City of Pico Rivera Finance Department  
The city historically only reports full-time salaried positions on this schedule.

**CITY OF PICO RIVERA, CALIFORNIA  
OPERATING INDICATORS BY FUNCTION  
LAST TEN FISCAL YEARS**

Function	Fiscal Year			
	2013-14	2014-15	2015-16	2016-17
Police:				
Calls dispatched	21,602	21,878	24,523	26,177
Crime reports	9,775	10,725	10,268	7,275
Moving citations	4,822	4,250	3,296	3,146
Parking citations - Sheriff	549	147	171	158
Parking citations issued by Public Safety	16,303	15,152	15,468	16,285
Streets and Highways:				
Asphalt repair (in tons)	160	427	100	2,523
Curb & gutter repair (lineal ft.)	26	530	500	146
Sidewalk repair (lineal ft.)	877	1,200	1,600	2,523
Traffic signals maintained	42	45	47	47
Water:				
Number of customer accounts	9,393	9,400	9,435	9,435
Average daily consumption (millions of gallons)	5	5	4	
Water samples taken (annual)	900	1,162	520	
Sewers:				
Feet of sewer mains root cut/chemically treated	11	11	0*	0
Maintenance:				
Square ft. graffiti removal	95,353	101,419	100,000	150,000
Street sweeping miles	21,285	21,285	10,400	21,285
Trees trimmed per year	4,258	4,998	5,000	4,000
Culture and Recreation:				
Youth sports	856	856	818	671
Aquatics	16,179	16,179	6,960	10,715
Recreation classes	16,415	16,415	4,825	4,932
Senior Center participants	117,978	117,978	110,632	135,889

(A) Information is not available

(\*) City sewer rights were returned to LA County Public Works in FY 2015-16

**CITY OF PICO RIVERA, CALIFORNIA  
OPERATING INDICATORS BY FUNCTION (CONTINUED)  
LAST TEN FISCAL YEARS**

Fiscal Year					
2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
25,363	22,854	31,780	29,039	29,532	30,863
6,680	6,288	5,969	5,255	5,563	5,655
3,931	3,216	1,770	2,720	3,168	2,480
69	167	74	20	22	65
15,985	28,037	16,543	20,974	20,957	20,950
7,263	4,813	4,061	1,312	12,114	30,556
121	200	606	1,220	5,904	9,477
7,263	208	2,008	2,400	9,010	3,449
47	47	47	48	48	47
9,435	9,435	9,450	9,452	9,470	9,514
		4	4	4	4
		728	749	840	650
0	0	0	0	0	0
229,000	117,536	89,299	260,000	265,000	273,000
21,285	21,285	21,285	21,285	21,285	21,285
3,000	2,500	751	614	3,035	2,569
517	825	292	0	530	1,440
10,502	11,114	8,811	0	0	0
7,076	10,398	5,107	2,289	1,678	1,307
151,669	135,354	97,080	0	5,500	35,636

**CITY OF PICO RIVERA, CALIFORNIA  
CAPITAL ASSET STATISTICS BY FUNCTION  
LAST TEN FISCAL YEARS**

Function	Fiscal Year			
	2013-14	2014-15	2015-16	2016-17
Public Safety:				
Police stations	1	1	1	1
Number of patrol units	12	12	12	14
Highways and Streets:				
Miles of streets	115.2	115.2	115.2	115.2
Traffic Signals	43	43	47	47
Water:				
Number of active water wells	8	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	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, CALIFORNIA  
CAPITAL ASSET STATISTICS BY FUNCTION (CONTINUED)  
LAST TEN FISCAL YEARS**

Fiscal Year					
<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>
1 14	1 14	1 14	1 14	1 14	1 14
115.2 47	115.2 47	115.2 47	115.2 48	115.2 50	115.2 53
8 3 98	8 3 98	8 3 98	8 3 98	8 3 98	8 3 98
285 17	285 17	285 17	285 17	285 17	285 17
8 6	8 6	8 6	8 6	9 6	9 6





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