



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED
JUNE 30, 2022

CITY OF LAWDALE

Organization

THIS PAGE INTENTIONALLY LEFT BLANK

City of Lawndale, California

ANNUAL COMPREHENSIVE
FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Prepared by:
Finance Department

THIS PAGE INTENTIONALLY LEFT BLANK

**Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022**

TABLE OF CONTENTS

	<u>Page Number</u>
INTRODUCTORY SECTION	
Letter of Transmittal	i
Directory of Officials	vi
Organizational Chart	vii
FINANCIAL SECTION	
Independent Auditor's Report	1
Management's Discussion and Analysis	4
Basic Financial Statements:	
Government-Wide Financial Statements	
Statement of Net Position	14
Statement of Activities	15
Fund Financial Statements	
Balance Sheet - Governmental Funds	16
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	17
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	19
Statement of Fiduciary Net Position – Fiduciary Funds	20
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	21
Notes to Financial Statements	22
REQUIRED SUPPLEMENTARY INFORMATION	
Notes to Required Supplementary Information	72
Budgetary Comparison Schedules	
General Fund	73
Restricted Urban Development	74
ARPA Fund	75
Pension Plan	
Schedule of the City's Proportionate Share of Net Pension Liability and Related Ratios as of the Measurement Date - CalPERS Cost Sharing Miscellaneous Plan	76
Schedule of Plan Contributions - CalPERS Cost Sharing Miscellaneous Plan	77
Schedule of Changes in Net Pension Liability and Related Ratios as of the Measurement Date - PARS Retirement Enhancement Plan	78
Schedule of Plan Contributions - PARS Retirement Enhancement Plan	80
Schedule of Investment Returns - PARS Retirement Enhancement Plan	81
Schedule of Changes in the Total OPEB Liability and Related Ratios	82

TABLE OF CONTENTS (Continued)

	<u>Page Number</u>
SUPPLEMENTARY INFORMATION	
Combining Balance Sheet – Non-Major Governmental Funds	85
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Non-Major Governmental Funds	90
Budgetary Comparison Schedule – Special Revenue Funds	
Gas Tax	95
Air Quality	96
Proposition A Local Transit Assistance	97
Narcotics Forfeiture	98
State COPS Grant	99
CA Law Enforcement Equipment	100
Used Oil Recycling Grant	101
Lawndale Cable Usage Corporation	102
Department of Conservation Grant	103
Justice Assisted Grant	104
Park Development	105
Measure M Local Return	106
LA County Park Maintenance Grant	107
SB1 RMRA	108
Groundwater Sustainability (AB 939)	109
Disability Access (AB 1379)	110
Measure W Safe Clean Water	111
SB1383 Local Assistance	112
Lawndale Housing Authority	113
Budgetary Comparison Schedule – Capital Projects Funds	
TDA Article 3 (Metro)	114
Proposition C Local Transit Assistance	115
Community Development Block Grant	116
Prop C25 Grant	117
Measure R	118
Metro STPL Exchange 2017	119
STATISTICAL SECTION	
Financial Trends	
Net Position by Component	120
Changes in Net Position	121
Fund Balances of Governmental Funds	123
Revenue Capacity	
2021/22 Use Category Summary	124
Property Tax Dollar Breakdown	125
2021/22 Roll Summary	126
Net Taxable Assessed Value History	127
Assessed Value of Taxable Property	128

TABLE OF CONTENTS (Continued)

	<u>Page Number</u>
STATISTICAL SECTION (Continued)	
Debt Capacity	
Direct & Overlapping Property Tax Rates	129
Demographic and Economic Information	
2021/22 Top Ten Property Taxpayers	130
2012/13 Top Ten Property Taxpayers	131
Direct & Overlapping Debt as of June 30, 2022	132
Direct & Overlapping Debt as of June 30, 2013	134
Demographic and Economic Statistics	135
Principal Employers	136
Sales Value History	137
Top 25 Sales Tax Producers for Fiscal Year 2021-22	138
Top 25 Sales Tax Producers for Fiscal Year 2012-13	139
Taxable Sales by Category	140
Operating Information	
Full-Time Equivalent City Employees by Function	141

THIS PAGE INTENTIONALLY LEFT BLANK



December 15, 2022

To the citizens of The City of Lawndale, California:

The Annual Comprehensive Financial Report (ACFR) of the City of Lawndale (the City) for the fiscal year ended June 30, 2022, is hereby submitted in accordance with the provisions of Section 25253 of the Government Code of the State of California. The report contains financial statements that have been prepared in conformity with the United States generally accepted accounting principles (GAAP) prescribed for governmental entities. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the management of 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 designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The report includes the City's government-wide financial statements and fund financial statements. The government-wide financial statements include two statements: the Statement of Net Position showing the total net equity of the City, including infrastructure, and the Statement of Activities, showing the cost of providing government services. Both of these statements have been prepared using the accrual basis of accounting used by most businesses, as compared to the modified accrual method used in fund financial statements (the traditional governmental financial reports). A reconciliation report is provided in the ACFR Fund Financial Statements to account for the differences between the two reporting methods.

Also, the reporting model includes an emphasis on the City's major funds, as shown in the Governmental Fund Statements. The statements, combined with other information, are further analyzed in the **Management's Discussion and Analysis** (MD&A). The MD&A provides "financial highlights" and a financial interpretation of trends, fluctuations, and variances in the financial data. The MD&A further discusses any events or decisions that significantly affect the financial condition of the City.

The City is required to undergo an annual single audit in accordance with Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) when it receives \$750,000 or more of federal financial assistance. Information related to this single audit, including the schedule of federal financial assistance, findings and recommendations, and auditor's reports on the internal control structure and compliance with applicable laws and regulations, are included in a separate report.

The City provides a range of services, including public safety, municipal services, recreation and community services, public works, planning and community development, and general government services. In addition to general government activities, the City is an integral part of the Lawndale Cable Usage Corporation, Lawndale Housing Authority, and Lawndale Financing Authority. These activities are combined with the City reporting entity.

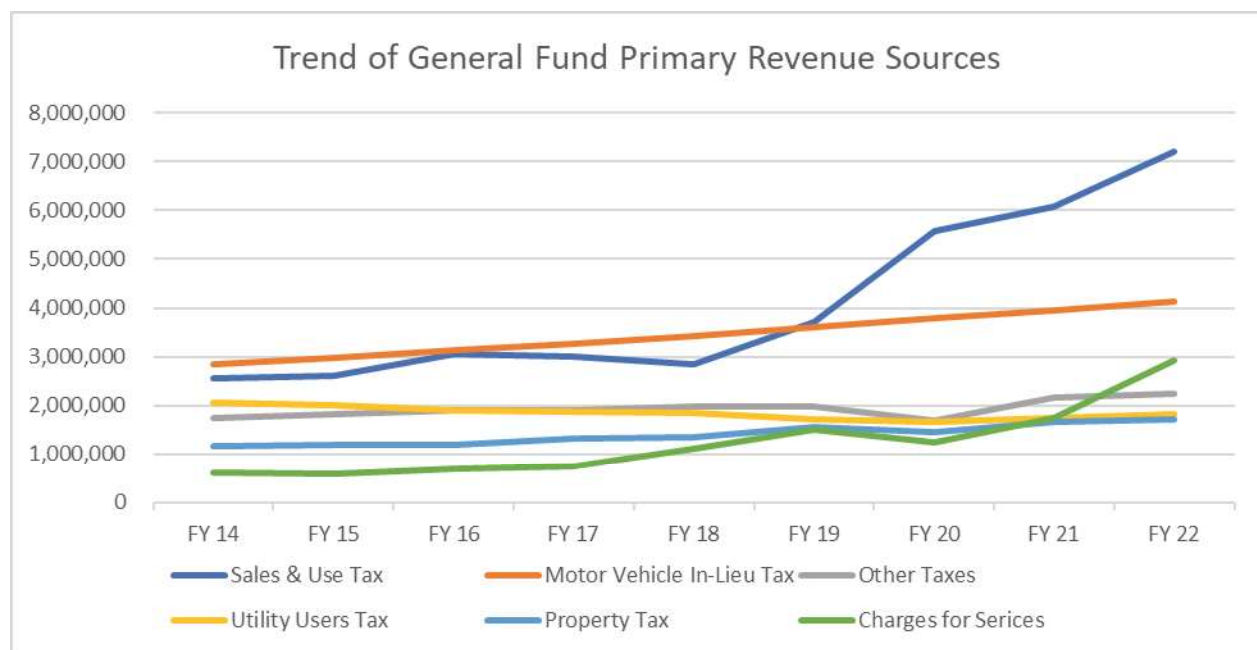
GENERAL INFORMATION

The City of Lawndale, incorporated in 1959, is located in the Centinela Valley of Los Angeles County, approximately fifteen miles southwest of downtown Los Angeles and five miles east of the Pacific Ocean. Lawndale is an urbanized area of predominately single-family homes, encompassing 1.9 square miles. The City enjoys a moderate climate with a yearly average temperature of 68 degrees. The population is approximately 31,000.

The City has a council-manager form of government with an elected Mayor, four Councilmembers, and a full-time appointed City Manager. The City contracts with the County of Los Angeles for police and fire services. City Attorney and Information Technology are also contracted services. The remaining services are provided by 51 full-time and part-time customer-oriented City staff.

ECONOMIC CONDITION AND OUTLOOK

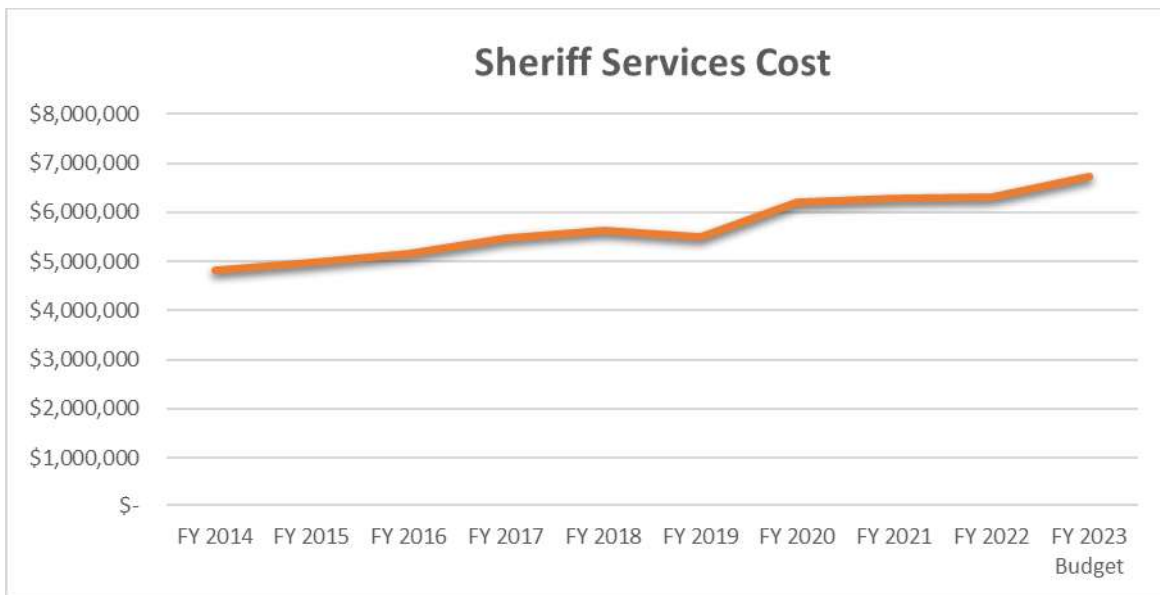
The below chart represents the top six general fund revenue sources for the City of Lawndale. Sales and use tax shows the most significant change due to the passage of Measure L, a local revenue measure increasing the local sales tax by $\frac{3}{4}$ cent per dollar to maintain key city services. Measure L was effective April 1, 2019, with \$3.4 million generated in the fiscal year ending June 30, 2022 compared to \$2.8M generated in fiscal year ending June 30, 2021. Motor vehicle in-lieu tax has remained consistent with a roughly 4% increase year over year. Utility user taxes has remained fairly flat sloping slightly downward over the years. Property tax has also remained constant trending upwards by an average of 5% over the years. Other taxes (which includes business license, transient occupancy, franchise fees, and other miscellaneous revenues) as well as charges for services displayed the economic down-turn impacted by stay-at-home orders related to the coronavirus pandemic and therefore experienced some downturn during FY 2020 and FY 2021 have since recovered.



Revenue generated from utility user taxes have been declining since 2014. Charges for services has increased as a result of rate increases in the building permit and inspection fee area. Overall, general fund revenue is anticipated to increase in the upcoming fiscal years due to Measure L and the traditional Bradley-Burns sales tax, however, expenditures are also increasing. The increases in both revenues and expenditures is largely due to the rising inflation rates and other economic factors as we come out of the pandemic.

Sheriff contract services increase was the significant factor related to Measure L being submitted for voter-approval. Following is a graph of costs from fiscal year 2013-14 through fiscal year 2021-22 demonstrating the increased costs to the City. We anticipate costs to continue to increase due to increased cost of living and current inflation rates.

The following graph demonstrates the actual year-to-year cost increase to the City.



Sound fiscal controls and conservative spending measures will continue to be employed at the City to sustain operations in the economic uncertainty ahead and ensure citizens receive desired services.

FINANCIAL INFORMATION

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse, and provide adequate compiled accounting data 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.

Single Audit. As a recipient of federal, state, and county financial assistance, the City also 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 and City staff. As a part of the City's single audit, described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the government has complied with applicable laws and regulations. The City did not reach the \$750,000 expenditure threshold to trigger a Single Audit, therefore there was no Single Audit report for fiscal year ending on June 30, 2022.

Financial and Budgetary Controls. In addition, the City maintains financial and budgetary controls. These budgetary controls' objective is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is at the fund level. The City maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Purchase orders that would result in an overrun of a department line item account may not be processed until either a budget transfer from another account is processed or after a budget adjustment is processed, which requires City Council approval. Multi-year Capital Improvement Plan (CIP) projects, encumbered amounts and unspent budgeted appropriations are reviewed at year-end.

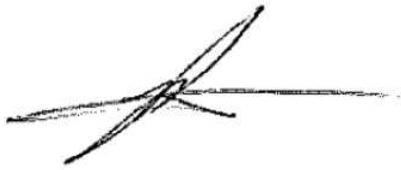
Appropriation Limitation. As required by Article XIII B of the California Constitution, the City's appropriation limitation for 2022-2023 expenditures were calculated at \$40.4 million. Appropriations subject to limitation totaled \$15.5 million, or \$24.9 million below the City's legal appropriation limit.

OTHER INFORMATION

Independent Audit. State statute requires an annual audit by independent certified public accountants. The accounting firm of Rogers, Anderson, Malody & Scott, LLP, was selected by the City Council with the recommendation of the Director of Finance after a formal Request for Proposal process. Subsequently, a contract was entered into with Rogers, Anderson, Malody & Scott, LLP, to perform audit services for the City. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Federal Single Audit Act of 1984 and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The auditor's report on the general purpose financial statements and combining, individual fund, and schedules are included in the financial section of this report. The City's independent auditors, Rogers, Anderson, Malody & Scott, LLP, have issued an unmodified opinion. The City did not expend a minimum of \$750,000 for the fiscal year ending June 30, 2022, therefore the single audit threshold was not met and the auditors did not perform nor issue the Federal Single Audit report.

Acknowledgments. The preparation of this Annual Comprehensive Financial Report could not have been accomplished without the dedicated service of the entire staff of the Finance Department, especially the efforts of the Accounting Manager Maribel Palmer, the Accounting/Payroll Specialist Rhodora Reginaldo, and our Accounting Specialists Katie Hoang and Joshua Aasness. Additionally, I would like to extend my gratitude to our City Council and Sean Moore our City Manager, for their continued support. Finally, I would like to thank our independent auditors, Rogers, Anderson, Malody & Scott, LLP, for their efforts through this audit

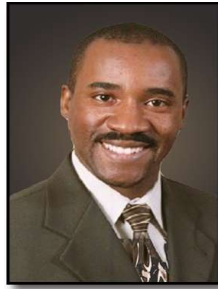
Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Hrant Manuelian', with a long horizontal stroke extending to the right.

Hrant Manuelian
Director of Finance

THIS PAGE INTENTIONALLY LEFT BLANK

CITY ELECTED OFFICIALS



**Mayor
Robert Pullen-Miles**

Term Expires: November 2022



**Mayor Pro Tem
Rhonda Hofmann**

Term Expires:
November 2024



**Councilmember
Bernadette Suarez**

Term Expires:
November 2022



**Councilmember
Pat Kearney**

Term Expires:
November 2022



**Councilmember
Sirley Cuevas**

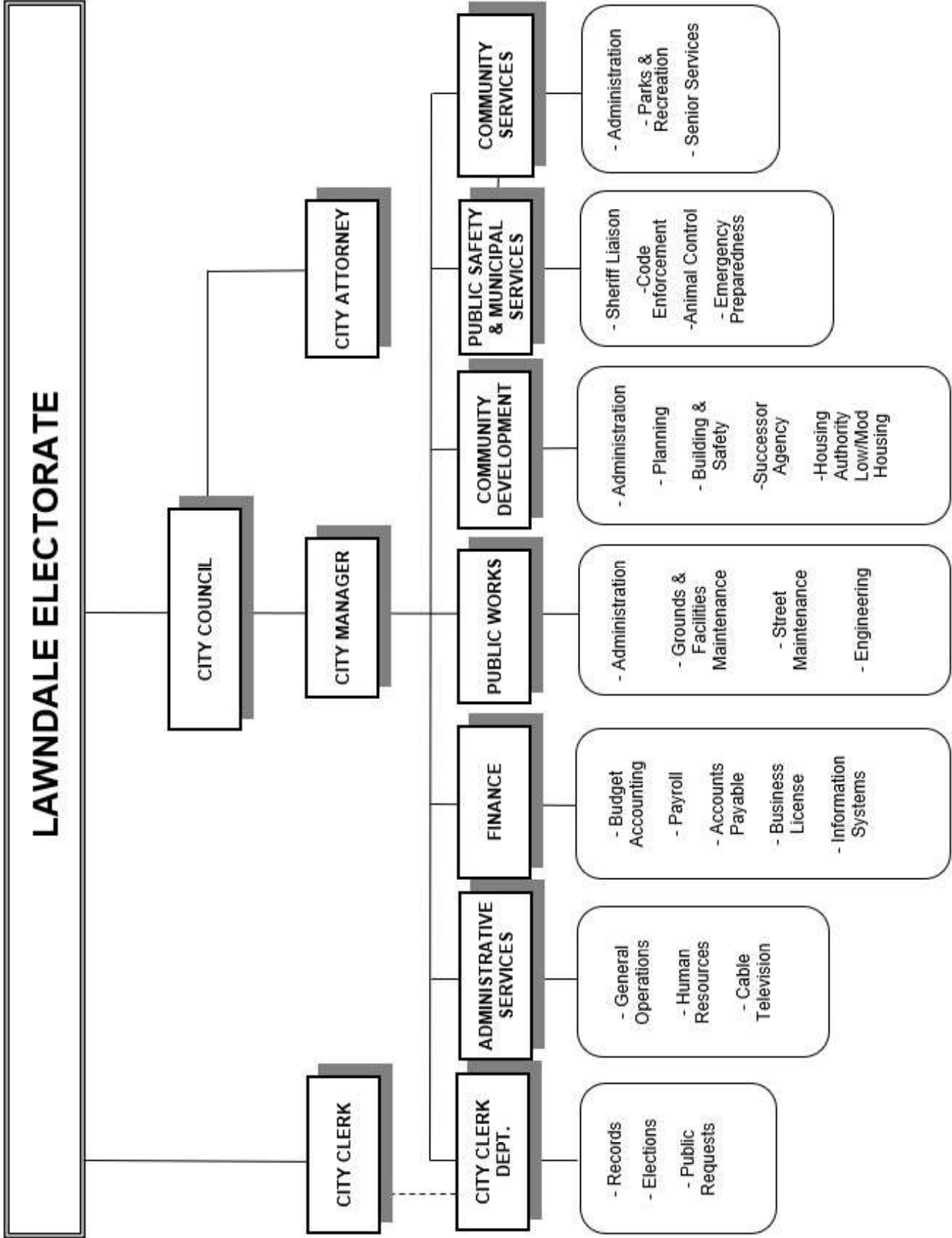
Term Expires:
November 2024

City Clerk – Erica Harbison

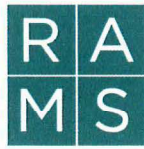
CENTRAL MANAGEMENT TEAM

City Manager: Sean M. Moore, AICP
Acting Director of Community Development: Jared Chavez
Director of Finance/City Treasurer: Hrant Manuelian, CPA
Director of Public Works/ City Engineer: Julian Lee
Acting Assistant City Clerk: Raylette Felton
Asst. to the City Manager/HR Director: Raylette Felton
Director of Community Services: Mike Estes
Director of Municipal Services: Michael Reyes

THIS PAGE INTENTIONALLY LEFT BLANK



THIS PAGE INTENTIONALLY LEFT BLANK



ROGERS, ANDERSON, MALODY & SCOTT, LLP
CERTIFIED PUBLIC ACCOUNTANTS, SINCE 1948

735 E. Carnegie Dr. Suite 100
San Bernardino, CA 92408
909 889 0871 T
909 889 5361 F
ramscpa.net

Independent Auditor's Report

To the Honorable Mayor and Members of City Council
City of Lawndale, California

PARTNERS

Terry P. Shea, CPA
Scott W. Manno, CPA, CGMA
Leena Shanbhag, CPA, MST, CGMA
Bradferd A. Welebir, CPA, MBA, CGMA
Jenny W. Liu, CPA, MST
Brenda L. Odle, CPA, MST (Partner Emeritus)

MANAGERS / STAFF

Gardenya Duran, CPA, CGMA
Brianna Schultz, CPA, CGMA
Seong-Hyea Lee, CPA, MBA
Evelyn Morentin-Barcena, CPA
Veronica Hernandez, CPA
Laura Arvizu, CPA
Xinlu Zoe Zhang, CPA, MSA
John Maldonado, CPA, MSA
Julia Rodriguez Fuentes, CPA, MSA
Demi Hite, CPA
Jeffrey McKennan, CPA

MEMBERS

American Institute of
Certified Public Accountants

*PCPS The AICPA Alliance
for CPA Firms*

*Governmental Audit
Quality Center*

*Employee Benefit Plan
Audit Quality Center*

California Society of
Certified Public Accountants



Proud Member of
AlliottGlobalAlliance™

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Lawndale (the City), as of and for the year ended June 30, 2022, and the related notes to the 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, each major fund, and the aggregate remaining fund information of the City as of June 30, 2022, and the respective changes in financial position 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 Auditor's 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

The City's 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.

To the Honorable Mayor and Members of City Council
City of Lawndale, California

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.

Auditor's 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 auditor's 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 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, 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 required supplementary information, as listed in the table of contents, 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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and

To the Honorable Mayor and Members of City Council
City of Lawndale, California

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 supplementary information, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining schedules and budgetary comparison 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information included in the Annual Report

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2022 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Rogers, Anderson, Malody & Scott, LLP.

San Bernardino, California
December 15, 2022

THIS PAGE INTENTIONALLY LEFT BLANK

MANAGEMENT DISCUSSION AND ANALYSIS

THIS PAGE INTENTIONALLY LEFT BLANK

This section of the City of Lawndale's (the City) Annual Comprehensive Report (ACFR) provides a narrative overview of the City's financial activities for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with the Letter of Transmittal and the City's basic financial statements identified in the accompanying table of contents.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Management's Discussion and Analysis (MD&A) is intended to serve as an introduction to the City's basic financial statements which are comprised on the following three components: (1) Government-wide Financial Statements, (2) Fund Financial Statements, and (3) Notes to the Basic Financial Statements.

In addition to the basic financial statements, Required Supplementary Information is included to provide additional detail to support the basic financial statements.

Government-wide Financial Statements are designed to provide readers with a broad overview of City finances in a manner similar to a private-sector business.

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

The *statement of activities* provides information about the City's net position demonstrating how it changed during the most recent fiscal year. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

Both of these government-wide financial statements distinguish functions of the City that are principally supported by taxes (motor vehicle in-lieu, sales, utility users and property tax - governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, municipal services, planning and community development, recreation and community services and public works. The City does not have any business-type activities. Governmental activities include three major governmental funds: General Fund, Restricted Urban Development, and ARPA Fund, and 22 non-major governmental funds.

The government-wide financial statements also provide information regarding the City's component units, entities for which the City (the primary government) is considered to be financially accountable. Although the City's three blended component units (the Lawndale Cable Usage Corporation, the Lawndale Housing Authority and the Lawndale Financing Authority) are legally separate entities, they are, in substance, part of the City's operations. Accordingly, the financial information from these units is combined with financial information of the primary government.

Fund Financial Statements provide information about the City's three category of funds – governmental, proprietary, and fiduciary, rather than the City as a whole. Some funds are required to be established by State law or by bond covenant. However, City Council established many other funds to segregate money related to government functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Governmental funds, which focus on the sources, uses, and balances of current financial resources, are used to account for City services. 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 unlike government-wide financial statements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's near-term financing decisions. The governmental funds' balance sheet and statement of revenue, expenditures, and changes in fund balances provided are accompanied by reconciliations to the government-wide financial statements in order to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains several individual governmental funds organized according to their type (general, special revenue and capital projects). The governmental fund financial statements present the financial information for each major fund (the General Fund and Restricted Urban Development) in separate columns. Financial information for the remaining governmental funds (non-major funds) is combined into a single, aggregated presentation. Financial information for each of these non-major governmental funds is presented in the supplementary information section.

Budgetary comparison statements are also included in the fund financial statements. The statements present the City's annual estimated revenue and appropriation budgets for all governmental funds. The budgetary comparison statements have been provided to demonstrate compliance with their respective budgets.

Fiduciary funds report assets held in a trustee or agency capacity for others and therefore cannot be used to support City programs nor be reflected in the government-wide financial statements.

The City maintains two different types of fiduciary funds. The Custodial Fund (Park Recreation Social Services Committee (PRSSC) Fund) accounts for annual firework sales income earned by the PRSSC and private donations to be used at the discretion of the PRSSC for social and leisure services and events within the City of Lawndale. The Private-Purpose Trust Fund (Lawndale Successor Agency Fund), which assumed the former Lawndale Redevelopment Agency's assets and obligations and is responsible for winding down the activities related to the dissolution. The fund accounts for revenue received to pay estimated annual installment payments on enforceable obligations approved by the Successor Agency Oversight Board and the California Department of Finance. The City is responsible for ensuring that assets reported in this fund are used for their intended purposes.

**Management's Discussion and Analysis
June 30, 2022**

Notes to the Basic Financial Statements provide additional information other than that displayed on the face of the financial statements and are essential for fair presentation of the financial information in the government-wide and fund financial statements.

Required Supplemental Information provides changes in net pension liability and related ratios, employer schedule of pension plan contributions, changes in total OPEB liability and related ratios, budgetary comparison schedules for the General Fund, Restricted Urban Development and ARPA Fund.

Combining statements, individual fund budgetary schedules provide information for non-major governmental funds and are presented immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve as a useful indicator of a government's financial position. The following table (Table 1) focuses on the net position and changes in net position in the City's governmental activities. It presents an analysis of the City's net position as of June 30, 2022, compared to June 30, 1899. At the end of the current fiscal year, the City reported positive net position in all three categories; net investment in capital assets, restricted net position and unrestricted net position. Total assets and deferred outflows of resources, exceeded total liabilities and deferred inflows of resources by \$84.9 million as of June 30, 2022, representing an overall increase of \$5.5 million, 25.6%, from June 30, 1899.

A summary of the government-wide Statement of Net Position is as follows:

**Government-wide Financial Statements
Statement of Net Position (in thousands)**

	<u>Governmental Activities</u>			<u>Percentage Change</u>
	<u>2022</u>	<u>2021</u>	<u>Dollar Change</u>	
Current and other assets	\$ 61,027	\$ 50,948	\$ 10,079	19.8%
Capital assets	45,592	44,367	1,225	2.8%
Total assets	<u>106,619</u>	<u>95,315</u>	<u>11,304</u>	<u>22.5%</u>
Deferred Outflows	1,815	3,897	(2,082)	-53.4%
Long-term debt/pension liability	5,208	8,849	(3,641)	-41.2%
Other liabilities	13,333	10,432	2,901	27.8%
Total liabilities	<u>18,541</u>	<u>19,281</u>	<u>(740)</u>	<u>-66.8%</u>
Deferred Inflows	4,940	621	4,319	695.4%
Net position:				
Net Investment in capital assets	45,194	43,926	1,268	2.9%
Restricted	12,813	17,281	(4,468)	-25.9%
Unrestricted	26,947	18,105	8,842	48.8%
Total net position	<u>\$ 84,954</u>	<u>\$ 79,312</u>	<u>\$ 5,642</u>	<u>25.9%</u>

Management's Discussion and Analysis
June 30, 2022

Government-wide Financial Statements (Continued)

Analysis of Net Position

Below are the three components of net position and their respective balances as of June 30, 2022:

The largest portion of the City's net position reflects its investment in capital assets of \$45.2 million, an increase of \$1.3 million or 2.9% from the prior fiscal year. This component consists of capital assets such as land, construction in progress, building and structures, improvements, vehicles, machinery and equipment and infrastructure, net of accumulated depreciation. The amount is further reduced by any debt attributed to the acquisition, construction, or improvement of the assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's net investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be liquidated for these liabilities. The \$1.3 million increase is attributed to capital asset additions and adjustments of \$3.4 million less current year depreciation of \$2.1 million.

The restricted net position is \$12.8 million, a decrease of \$4.5 million, or 34.5% from the prior fiscal year, and represents resources that are subject to external restrictions on how they may be used. External restrictions include those imposed by creditors, grantors, contributors, or laws and regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. The most significant changes from the prior year were attributed to Capital Projects, Recreation and Community Services, and Public Works.

The unrestricted net position is \$26.9 million, an increase of \$8.8 million, or 54.0% from the prior fiscal year. This amount is available for future spending.

The following table provides information from the Statement of Activities of the City as of June 30, 2022 compared to the prior year:

	Government Activities		Dollar Change	Percentage Change
	2022	2021		
Revenues				
Program revenues:				
Charges for services	\$ 2,913	\$ 3,475	\$ (562)	-16.2%
Operating contributions & grants	682	1,005	(323)	-32.1%
Capital contributions & grants	4,436	4,464	(28)	-0.6%
General revenues:				
Property taxes	1,729	1,673	56	3.4%
Sales taxes	7,217	6,073	1,144	18.8%
Motor vehicle in lieu	4,124	3,948	176	4.5%
Other taxes	3,306	3,305	1	0.0%
Gain on sale of capital assets	-	62	(62)	-100.0%
Other general revenues	742	425	317	74.7%
Total revenue	<u>25,149</u>	<u>24,430</u>	<u>719</u>	<u>2.9%</u>
Program expenses				
General government	4,558	5,066	(508)	-10.0%
Public safety	6,305	6,291	14	0.2%
Code enforcement and animal control	1,285	1,334	(49)	-3.7%
Housing	1,549	1,663	(114)	-6.8%
Recreation & community services	781	577	204	35.3%
Public works	5,183	4,628	555	12.0%
Interest on long-term debt	15	16	(1)	-7.5%
Total expenses	<u>19,675</u>	<u>19,575</u>	<u>100</u>	<u>0.5%</u>
Change in net position	5,474	4,855	619	12.8%
Beginning net position, as restated	79,479	74,624	4,855	6.5%
Ending net position	<u>\$ 84,953</u>	<u>\$ 79,479</u>	<u>\$ 5,474</u>	<u>6.9%</u>

Analysis of Changes in Net Position

The following are major factors attributing to the net position changes between fiscal years 2021-22 and 2020-21, as shown in the table above.

Revenues for governmental activities

Total revenues for governmental activities were \$25 million, an increase of \$0.7 million, or 2.9%, from fiscal year 2020-21. The increase consisted of net decreases in program revenues of \$0.9 million and general revenues of \$1.6 million. The decrease in program revenues was primarily attributed to:

- Charges for services decreased \$562 thousand, or 16.2%, attributed to less than anticipated fees such as community center rental fees, business license late fees, encroachment permits, industrial waste permits, vehicle impound fees.
- Operating contributions and grants decreased \$0.3 million, or 32.1%, primarily attributed to the reduction of funds received during prior year related to COVID pandemic relief funding.

General Revenues

General Revenues are \$17 million, an increase of \$1.6 million, or 10.5%, from fiscal year 2020-21.

The increase in general revenues was primarily attributed to:

- Sales taxes increased \$1.1 million, or 18.8% attributed to Measure L, a $\frac{3}{4}$ district transaction tax.
- Property taxes increased by \$56 thousand, or 3.4%.
- Property taxes in lieu of Motor vehicle fees increase by \$176 thousand, or 4.5%.

Expenses for governmental activities

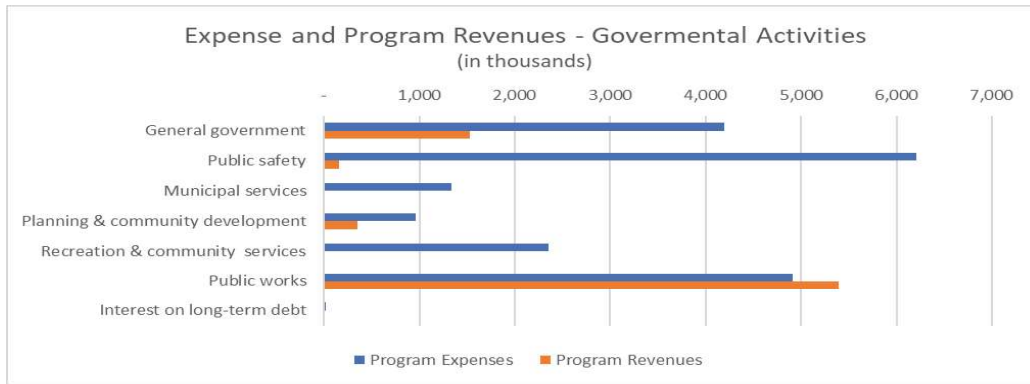
Total expenses for governmental activities were \$19.7 million for the current fiscal year, a increase of \$100 thousand, or 0.5%, compared to the prior fiscal year. Significant factors attributing to the increase included public works and recreation and community services program expense increases of \$555 thousand and \$204 thousand respectively. These increases were offset by general government and housing decreased of \$508 thousand and \$114 respectively.

- Increases in public works expenses were primarily attributed to the street improvements and traffic signal improvements, which incurred an increase in non-major governmental funding offset by a reduction in Gas Tax, SB1, and Prop C Local Transit funds.
- Recreation and community services program expense was primarily attributed to the cancellation of most recreation and senior activity programs along with the City's fixed route bus program due to the COVID pandemic. Additional increase costs were the result of the change in pension, and other employee benefit liability and costs incurred related to the staff reductions as compared to the prior year.

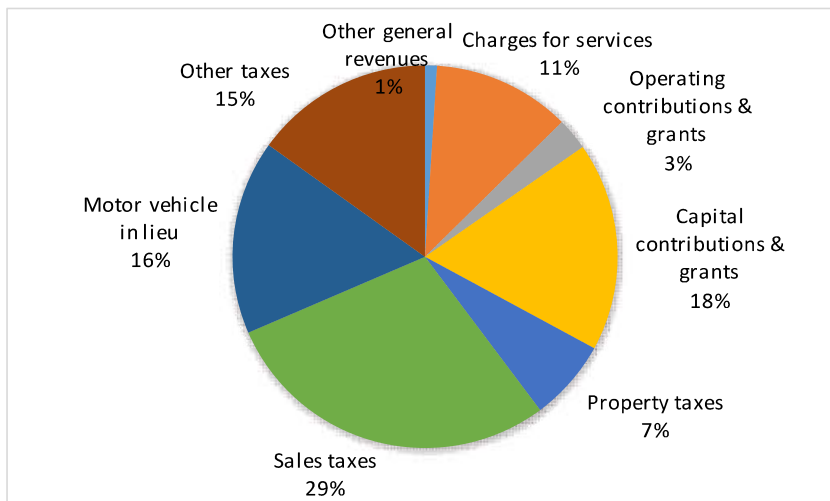
City of Lawndale

**Management’s Discussion and Analysis
June 30, 2022**

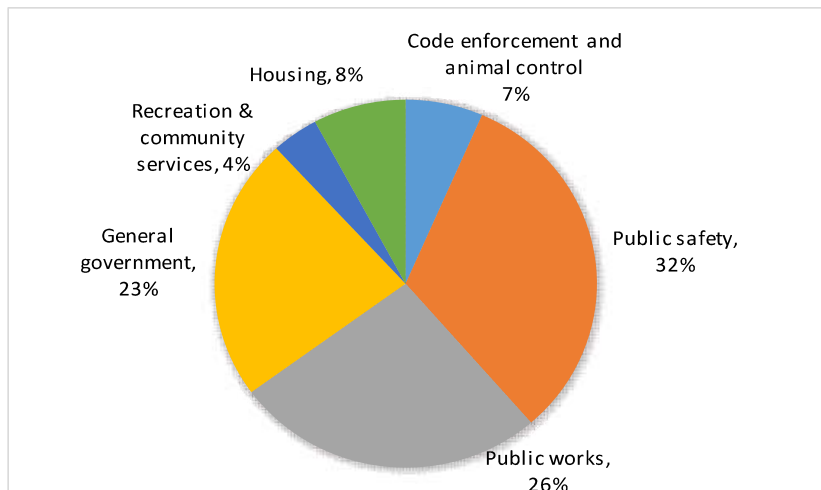
The following chart displays expenses and the associated program revenues by function for fiscal year ended June 30, 2022, governmental activities (in thousands):



Revenue by Source – Governmental Activities



Expense by Function – Governmental Activities



FINANCIAL ANALYSIS OF FUND STATEMENTS

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

Governmental Funds

The focus of the City's governmental funds is to provide information on the sources, uses, and balances of spendable resources. Such information is useful in assessing the City's short-term financial requirements. In particular, the total fund balance less the non spendable amount may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year. Types of governmental funds reported by the City include the general fund, special revenue funds and capital project funds. As of June 30, 2022, the City's governmental funds reported combined fund balances of \$44.3 million, an increase of \$4.9 million, or 12.6% in comparison with the prior year. The components of the total fund balance are as follows:

- Non-spendable fund balance - \$9.5 million, amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.
- Restricted fund balance - \$11.9 million, amounts that are constrained to be used for a specific purpose by external parties such as creditors, grantors, laws, or regulations.
- Unassigned fund balance - \$22 million, amounts that are not reported in any other category and are available for any purpose within the General Fund.

Total governmental fund revenue was \$24.9 million, an increased of \$350 thousand, or 1.42%, from the prior fiscal year. Expenditures total \$20 million an increased by \$1 million, or 5.5%, from the prior fiscal year. Overall, governmental fund balance increased \$4.9 million, or 12.5%, compared to an increase of \$5.7 million, or 7.4% in fiscal year 2021-22 compared to 2020-21.

Major Governmental Funds

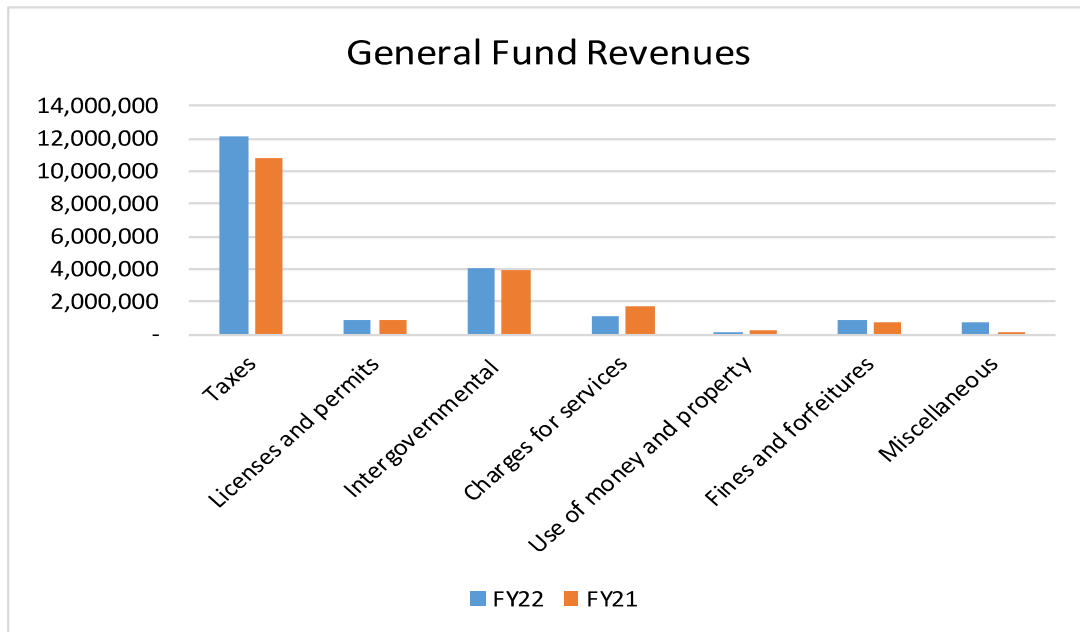
General Fund

The General Fund is the primary operating fund of the City. At the end of the current fiscal year, the General Fund's total fund balance was \$26.5 million, compared to \$21.9 million as stated in fiscal year 2020-21, an increase of \$4.6 million, or 20.7%. As a measure of the General Fund's liquidity, it is useful to compare both total fund balance and spendable fund balance to total fund expenditures. The non-spendable portion of the fund balance was \$4.3 million, and the spendable portion was \$22.3 million, which was 62% and 145%, respectively, of the total General Fund expenditures of \$15.4 million, as compared to 37% and 116%, respectively, of the prior year General Fund expenditures of \$14.3 million.

Total General Fund revenue increased \$1.4 million, 7.5%, from \$18.4 to \$19.8 million. Significant factors attributed to the net increase included taxes, miscellaneous revenues, and fines and forfeitures, with \$1.2, \$0.6, and \$0.1 million increase from the prior year. Decreases from charges for services, use of money and property and licenses and permits were \$0.6, \$0.1 and \$0.07 million respectively.

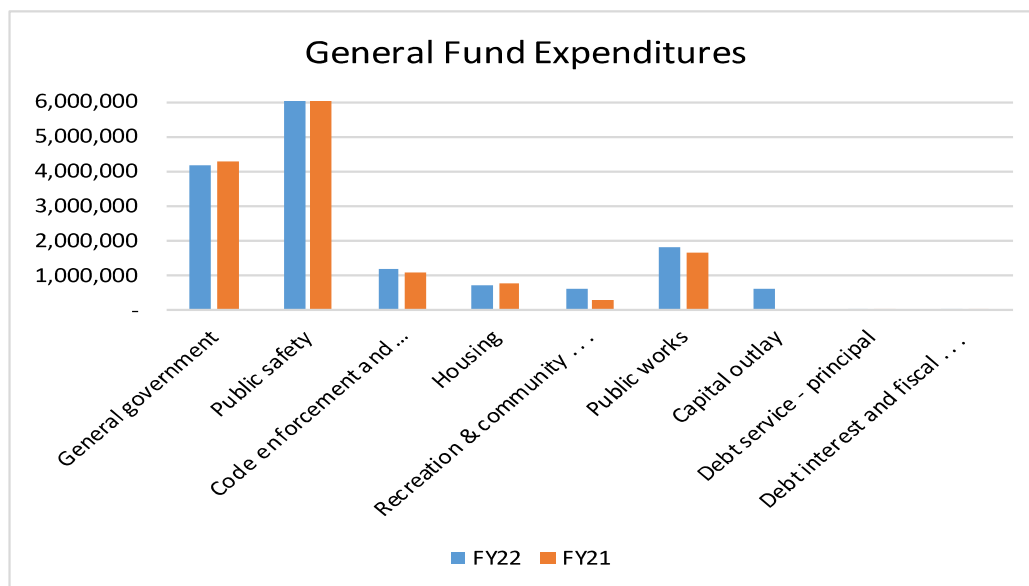
Management’s Discussion and Analysis
June 30, 2022

- Sales and user tax increased by \$560 thousand due to increase online sales and county pool, Measure L ¾ cent district transaction tax increased by \$ 583 thousand, property taxes, Motor vehicle in-lieu tax increased by \$176 thousand and utility user tax increased by \$84 thousand from prior year.
- Parking fines and forfeitures increased by \$206 thousand from prior year due to increase in parking citation.
- Business licenses and business late fees decreased \$17 thousand and \$132 thousand respectively more than the previous year as a result of a large number of default fees being paid in previous year.
- Other decreases from prior year are attributed to \$111 thousand decrease in transient occupancy tax, \$30 thousand decrease in rental income, \$15 thousand decrease in vehicle impound fees.



Total General Fund expenditures increased \$1 million, or 7%, from \$14.3 to \$15.3 million. Significant factors attributed to the net increase included capital outlay with \$236 thousand increase, increase of \$271 thousand in recreation and community services from prior year. These increases were partially offset by decreases in general government and housing expenditures with \$93 and \$27 thousand decrease from the prior year.

- The \$236 thousand increase in capital outlay is primarily attributed to [the completion of the street improvement Manhattan Beach and Grevillea project.]
- The \$271 thousand increase in recreation and community services was due to the reopening of programs due to cancelations with pandemic from prior year.
- The general government \$93 thousand decrease were primarily due to increases in interest rate of return with pension costs.



The other Major Governmental Funds include Restricted Urban Development and the ARPA Fund. Revenue for the fund is nominal, with current year revenue decreasing \$17 thousand from the previous year.

Nonmajor Governmental Funds

Non-major governmental fund had a net change in fund balance of \$464 thousand, or 4.1%, decrease from prior year. Non-major governmental funds fund balance is primarily due to and \$385 thousand increase in revenues over expenditures and \$78 thousand in net transfers-in. Compared to prior year non-major governmental fund operations, revenue and expenditures decreased \$1.1 million and \$88 thousand, respectively. Revenue decreased \$1.1 million, or 17.8%, to \$5 million in the non-major governmental funds. Expenditures were offset with \$88 thousand, or 1.9%, lower in the current fiscal year. The most significant factor attributing to the decrease were street and highway improvement costs funded with Measure M Local Return, CDBG, Measure R and Metro STPL Exchange 2017 funding, was expended in the current year.

GENERAL FUND BUDGET

The original budget compared to the final General Fund budget, as presented in the Budgetary Comparison Schedule included in the Required Supplementary Information Section, increased \$1.8 million. General Fund revenue was originally budgeted at \$17.6 million and \$22 million of budgetary fund balance was available, resulting in \$39.5 million available for appropriations during the year. The budget was monitored throughout the year, and adjustments were made, resulting in the final revenue budget of \$19.3 million (including transfers), an increase of \$1.18 million, or 4.5%. Significant revenue budget increases were attributed to taxes, license and permits, and charges for services.

- Taxes and special assessment revenue budget increased which was attributed to sales and use tax by \$546 thousand due to a surge in sales combined with higher prices from local gasoline stations, increase in restaurant sells and increase due to online sales. Utility user tax (UTT) revenue budget increased by \$75 thousand due to increase in user consumption of utility services, including communication, electric, gas, water and cable television.
- License and permits revenue budget increased by \$201 thousand due to increase in business licenses
- Charges for services revenue budget increase by \$7 thousand due to increase of issuance of encroachment permits, waste permits and plan check fees.
- Other budget revenue increased by \$269 thousand which includes court and traffic fines, code enforcement collection, and slight increase from investment returns mainly due to increasing interest rates as the economy recovers.

CAPITAL ASSETS

Capital assets, net of depreciation, increased \$1.2 million, from \$44.3 million on July 1, 2021, to \$45.5 million on June 30, 2022. The increase is attributed to a depreciation expense of \$2.1 million offset by \$3.2 million of additions. The additions were in construction in progress (ongoing Inglewood Avenue Corridor widening project, Manhattan Beach Blvd. to North End, 167th Street from Hawthorne Blvd. to Freeman Ave., 161st Street from Inglewood Ave. to Grevillea Ave scope of work included: cold milling, placement of asphalt, pavement overlay, reconstruction of sidewalks, driveways, street striping, curb ramps to meet the requirement of the Americans with Disabilities Act (ADA). For more information, see Capital Assets Note 7 in the Notes to Financial Statements.

LONG-TERM LIABILITIES

Total long-term liabilities city-wide equal \$11.1 million, a decrease of \$1.0 million from fiscal year 2020-21 due to better than expected rate of returns. Additional information is presented in Notes 8-12.

Requests for Information

This financial report is designed to provide a general overview of the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Lawndale, Finance Department, 14717 Burin Avenue, Lawndale, California 90260; Phone (310) 973-3241; Fax: (310) 970-2183; website: www.lawndalecity.org.

City of Lawndale

Statement of Net Position June 30, 2022

	Governmental Activities
Assets	
Cash and investments	\$ 38,825,566
Receivables:	
Accounts	2,683,694
Grants	84,754
Accrued interest	34,609
Notes and loans	288,818
Agreements with Successor Agency	18,473,959
Prepaid costs	712
Land held for development	634,983
Capital assets not being depreciated	11,211,070
Capital assets, net of depreciation	<u>34,381,204</u>
Total Assets	<u>106,619,369</u>
Deferred Outflows of Resources	
Pension related	<u>1,814,735</u>
Total Deferred Outflows of Resources	<u>1,814,735</u>
Liabilities	
Accounts payable	1,866,094
Accrued liabilities	200,731
Accrued interest	5,525
Deposits payable	1,549,973
Unearned revenue	3,810,858
Noncurrent liabilities:	
Due within one year	
Long-term debt	44,266
Compensated absences	234,711
Due in more than one year	
Long-term debt	354,280
Compensated absences	252,949
Total pension liability	4,808,957
Total OPEB liability	<u>5,412,180</u>
Total Liabilities	<u>18,540,524</u>
Deferred Inflows of Resources	
Pension related	4,577,485
OPEB related	<u>362,239</u>
Total Deferred Inflows of Resources	<u>4,939,724</u>
Net Position	
Net investment in capital assets	45,193,728
Restricted for:	
Community development projects	188,375
Public safety	236,697
Parks and recreation	2,710,358
Public works	6,467,891
Capital projects	814,671
Air quality	169,542
Code enforcement and animal control	172,094
Housing	2,053,515
Unrestricted	<u>26,946,986</u>
Total Net Position	<u>\$ 84,953,857</u>

See accompanying notes to financial statements.

City of Lawndale

Statement of Activities
For the Fiscal Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	Primary Governmental Activities
Primary Government					
Governmental Activities:					
General government	\$ 4,557,959	\$ 1,842,754	\$ 63,211	\$ -	\$ (2,651,994)
Public safety	6,304,671	-	161,285	-	(6,143,386)
Code enforcement and animal control	1,284,905	-	-	-	(1,284,905)
Housing	1,549,137	1,069,946	-	-	(479,191)
Recreation and community services	780,739	-	8,425	-	(772,314)
Public works	5,182,500	-	449,009	4,435,800	(297,691)
Interest on long-term debt	14,799	-	-	-	(14,799)
Total Governmental Activities	\$ 19,674,710	\$ 2,912,700	\$ 681,930	\$ 4,435,800	(11,644,280)
General Revenues					
Taxes:					
Property taxes, levied for general purpose					1,729,089
Property taxes in lieu of vehicle license fees					4,123,994
Transient occupancy taxes					601,130
Sales taxes					7,216,511
Franchise taxes					885,280
Utility users tax					1,820,079
Use of money and property					(2,233)
Miscellaneous					744,729
Total General Revenues					17,118,579
Change in Net Position					5,474,299
Net Position, Beginning of Year, as Restated					79,479,558
Net Position, End of Year					\$ 84,953,857

See accompanying notes to financial statements.

City of Lawndale

Balance Sheet
Governmental Funds
June 30, 2022

	Special Revenue Fund				
	General	Restricted Urban Development	ARPA Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Cash and investments	\$ 22,378,443	\$ 813,870	\$ 3,810,858	\$ 11,822,395	\$ 38,825,566
Receivables:					
Accounts	2,341,907	-	-	341,787	2,683,694
Grants	-	-	-	84,754	84,754
Accrued interest	23,805	801	-	10,003	34,609
Notes and loans	-	-	-	288,818	288,818
Agreements with Successor Agency	8,996,123	9,477,836	-	-	18,473,959
Prepaid costs	712	-	-	-	712
Due from other funds	246,488	-	-	-	246,488
Land held for development	147,900	-	-	487,083	634,983
Total Assets	\$ 34,135,378	\$ 10,292,507	\$ 3,810,858	\$ 13,034,840	\$ 61,273,583
Liabilities, Deferred Inflows of Resources, and Fund Balances					
Liabilities					
Accounts payable	\$ 988,233	\$ -	\$ -	\$ 877,861	\$ 1,866,094
Accrued liabilities	168,799	-	-	31,932	200,731
Deposits payable	1,549,973	-	-	-	1,549,973
Due to other funds	-	-	-	246,488	246,488
Unearned revenue	-	-	3,810,858	-	3,810,858
Total Liabilities	2,707,005	-	3,810,858	1,156,281	7,674,144
Deferred Inflows of Resources					
Unavailable revenues	4,870,597	4,299,849	-	146,291	9,316,737
Total Deferred Inflows of Resources	4,870,597	4,299,849	-	146,291	9,316,737
Fund Balances					
Nonspendable:					
Prepaid costs	712	-	-	-	712
Land held for development	147,900	-	-	-	147,900
Agreements with Successor Agency	4,125,526	5,177,987	-	-	9,303,513
Restricted for:					
Community development projects	-	-	-	188,375	188,375
Public safety	-	-	-	236,697	236,697
Recreation and community services	-	-	-	2,710,358	2,710,358
Public works	-	-	-	6,467,891	6,467,891
Capital projects	-	814,671	-	-	814,671
Air quality	-	-	-	169,542	169,542
Municipal services	-	-	-	172,094	172,094
Housing	-	-	-	2,053,515	2,053,515
Unassigned	22,283,638	-	-	(266,204)	22,017,434
Total Fund Balances	26,557,776	5,992,658	-	11,732,268	44,282,702
Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 34,135,378	\$ 10,292,507	\$ 3,810,858	\$ 13,034,840	\$ 61,273,583

See accompanying notes to financial statements.

City of Lawndale

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position June 30, 2022

Total Fund Balances - Governmental Funds		\$ 44,282,702
Amounts reported for governmental activities in the statement of position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet.		45,592,274
Long-term liabilities are not due and payable in the current period and therefore are not included in the governmental funds:		
Facility and site lease note	\$ (398,546)	
Net pension liability	(4,808,957)	
Total OPEB liability	(5,412,180)	
Compensated absences	<u>(487,660)</u>	(11,107,343)
Deferred outflows and inflows of resources related to pensions have not been reported in the governmental funds:		
Pension related deferred outflows of resources	1,814,735	
Pension related deferred inflows of resources	<u>(4,577,485)</u>	(2,762,750)
Accrued interest payable for the current portion of interest due on notes that has not been reported in the governmental funds.		(5,525)
Deferred outflows and inflows of resources related to OPEB have not been reported in the governmental funds:		
OPEB related deferred outflows of resources		(362,239)
Revenues reported as unavailable in the governmental funds are recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.		<u>9,316,737</u>
Net Position of Governmental Activities		<u>\$ 84,953,856</u>

See accompanying notes to financial statements.

City of Lawndale

Statement of Revenues, Expenditures and Changes in Fund Balances
 Governmental Funds
 For the Fiscal Year Ended June 30, 2022

	Special Revenue Fund				Total Governmental Funds
	General	Restricted Urban Development	ARPA Fund	Nonmajor Governmental Funds	
Revenues					
Taxes	\$ 12,116,086	\$ -	\$ -	\$ -	\$ 12,116,086
Licenses and permits	833,265	-	-	-	833,265
Intergovernmental	4,123,994	-	63,211	5,074,498	9,261,703
Charges for services	1,094,965	-	-	38,529	1,133,494
Use of money and property	53,400	(9,185)	-	(84,727)	(40,512)
Fines and forfeitures	936,895	-	-	-	936,895
Miscellaneous	713,484	-	-	-	713,484
Total Revenues	19,872,089	(9,185)	63,211	5,028,300	24,954,415
Expenditures					
Current:					
General government	4,195,159	-	5,643	5,000	4,205,802
Public safety	6,168,820	-	-	132,100	6,300,920
Code enforcement and animal control	1,169,069	-	-	-	1,169,069
Housing	746,670	-	-	119,198	865,868
Recreation and community services	599,263	-	-	90,422	689,685
Public works	1,812,682	-	-	2,582,143	4,394,825
Capital outlay	615,755	-	-	1,713,882	2,329,637
Debt service:					
Principal retirement	42,831	-	-	-	42,831
Interest and fiscal charges	15,393	-	-	-	15,393
Total Expenditures	15,365,642	-	5,643	4,642,745	20,014,030
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,506,447	(9,185)	57,568	385,555	4,940,385
Other Financing Sources (Uses)					
Transfers in	207,251	-	-	160,482	367,733
Transfers out	(150,842)	(77,640)	(57,568)	(81,683)	(367,733)
Total Other Financing Sources (Uses)	56,409	(77,640)	(57,568)	78,799	-
Net Change in Fund Balances	4,562,856	(86,825)	-	464,354	4,940,385
Fund Balances					
Beginning of year	21,994,920	6,079,483	-	11,267,914	39,342,317
End of Year	\$ 26,557,776	\$ 5,992,658	\$ -	\$ 11,732,268	\$ 44,282,702

See accompanying notes to financial statements.

City of Lawndale

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Fiscal Year Ended June 30, 2022

Net Change in Fund Balances - Total Governmental Funds \$ 4,940,385

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

Governmental funds report capital outlay as expenditures. However, in the government-wide Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expenses. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital asset expenditures capitalized	\$ 3,227,947	
Depreciation	<u>(2,170,432)</u>	1,057,515

Governmental funds report revenues and expenditures primarily pertaining to long-term liabilities, which are not reported in the statement of activities. At the government-wide level, these activities are reported in the statement of net position. This is the net expenditure reported in the governmental funds, which are not reported in the statement of activities.

Pension related net adjustments	(524,881)	
OPEB related net adjustments	<u>(311,639)</u>	(836,520)

Long-term debt activities are not considered revenues or expenses in the government-wide Statement of Activities, but are considered revenues, expenditures, and sources and uses in governmental funds. These include:

Principal payments on long-term debt		42,831
--------------------------------------	--	--------

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 governmental funds.

Change in compensated absences	74,900	
Change in accrued interest	<u>594</u>	75,494

Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.

		<u>194,594</u>
--	--	----------------

Change in Net Position of Governmental Activities

	<u><u>\$ 5,474,299</u></u>
--	----------------------------

See accompanying notes to financial statements.

City of Lawndale

Statement of Fiduciary Net Position
 Fiduciary Funds
 June 30, 2022

	<u>Custodial Fund</u>	<u>Private-Purpose Trust Funds</u>
	<u>PRSSC Fund</u>	<u>Lawndale Successor Agency</u>
Assets		
Cash and investments	\$ 41,015	\$ 1,663,124
Receivables:		
Accrued interest	64	-
Firework deposits	500	
Restricted assets:		
Cash and investments held with fiscal agents	-	2,274,259
Total Assets	41,579	3,937,383
Liabilities		
Accrued liabilities	-	1,541
Accrued interest	-	409,404
Long-term liabilities:		
Due in one year		
Tax allocation bonds	-	350,000
Direct borrowings	-	1,679,841
Due in more than one year		
Tax allocation bonds	-	17,026,475
Direct borrowings	-	17,745,240
Total Liabilities	-	37,212,501
Net Position (Deficit)		
Held in trust for other purposes	41,579	(33,275,118)
Total Net Position (Deficit)	\$ 41,579	\$ (33,275,118)

See accompanying notes to financial statements.

City of Lawndale

Statement of Changes in Fiduciary Net Position
 Fiduciary Funds
 For the Fiscal Year Ended June 30, 2022

	<u>Custodial Fund</u>	<u>Private-Purpose Trust Funds</u>
	<u>PRSSC Fund</u>	<u>Lawndale Successor Agency</u>
Additions		
Taxes	\$ -	\$ 2,999,669
Interest income	(821)	-
Total Additions	<u>(821)</u>	<u>2,999,669</u>
Deductions		
Administrative expenses	-	104,403
Contractual services	-	446,557
Interest and fiscal charges	-	1,290,118
Donations	2,000	-
Transfer to other governments	54,188	-
Total Deductions	<u>56,188</u>	<u>1,841,078</u>
Changes in Net Position	(57,009)	1,158,591
Net Position (Deficit), Beginning of Year	<u>98,588</u>	<u>(34,433,709)</u>
Net Position (Deficit), End of Year	<u><u>\$ 41,579</u></u>	<u><u>\$ (33,275,118)</u></u>

See accompanying notes to financial statements.

I. SIGNIFICANT ACCOUNTING POLICIES

Note 1: Organization and Summary of Significant Accounting Policies

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the City of Lawndale's significant accounting policies applied in the preparation of these financial statements follows.

a. Description of the Reporting Entity

The City of Lawndale, California (the City), is a municipal corporation, incorporated on December 28, 1959. The City operates under a Council-Manager form of government and the City Council is comprised of five members, with the Mayor elected by the council itself. Services provided by the City include public safety, public works (streets and facilities maintenance, and engineering), municipal services (animal control, parking and code enforcement, and emergency preparedness), planning and community development, recreation and community services, local access cable television, and other general operations and administrative services.

As required by accounting principles generally accepted in the United States of America, the accompanying financial statements present the activities of the City, as the primary government, and its component units.

The inclusion of an organization within the scope of the reporting entity of the City of Lawndale is based on the provisions of GASB Statement No. 14 (as amended by GASB Statements No. 39, 61 and 80). The blended component units described below, although legally separate entities, are in substance part of the government operation and so data from these component units has been combined herein. The following criteria were used in the determination of the blended component units:

1. The members of the City Council also act as the governing body of the Lawndale Cable Usage Corporation, the Lawndale Housing Authority, and the Lawndale Public Financing Authority.
2. The Cable Usage Corporation, the Housing Authority, and the Public Financing Authority are managed by employees of the City. A portion of the City's personnel costs is allocated to these component units each year.
3. The City, the Cable Usage Corporation, the Housing Authority, and the Public Financing Authority are financially interdependent. They provide a financial benefit/burden to the City.

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

a. Description of the Reporting Entity (Continued)

Blended Component Units

The Lawndale Cable Usage Corporation (the Corporation) was established on September 30, 1986. The Corporation was created for the purpose of supporting community television for the citizens of Lawndale. The City Council acts as the Corporation's governing board and exerts significant influence over its operations. The activities of the Corporation have been reported as a special revenue fund of the City and are included in the governmental activities of the accompanying financial statements. Separate financial statements for the Corporation are not prepared.

The Lawndale Housing Authority (the Authority) was established on October 15, 1984. The Authority was created for the purpose of providing housing assistance for low income families, elderly and disabled persons. The City Council acts as the Authority's governing board and exerts significant influence over its operations. The activities of the Housing Authority are related to Section 8 Rental Assistance Program and as of March 2011, the Housing Authority has also assisted in providing Low/Mod Housing to eligible residents. The activities of the Authority have been reported as a special revenue fund of the City and are included in the governmental activities of the accompanying financial statements. Separate financial statements for the Corporation are not prepared.

The Lawndale Financing Authority (the Financing Authority) was established on August 3, 2009. The Financing Authority is a body that serves to expedite transactions between multiple entities under the City's umbrella and therefore does not specifically have its own fund or assets. The City Council acts as the Financing Authority's governing board and exerts significant influence over its operations. Separate financial statements for the Corporation are not prepared.

Private Purpose Trust Fund

The Successor Agency of the Former Redevelopment Agency (the Successor Agency) was created January 17, 2012, as outlined in Assembly Bill 1X 26 (the Bill) which provides the requirements for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City which had previously reported the activities of the former redevelopment agency within the reporting entity of the City as a blended component unit. The Successor Agency is a separate legal entity from the City, but City Council serves in separate sessions as their governing body. The responsibilities of the City as Successor Agency of the Former Redevelopment Agency are limited to acting in a fiduciary capacity, until all enforceable obligations of the Successor Agency have been paid. Because of the nature and significance of the relationship between the City and the Successor Agency, it would be misleading to exclude the Successor Agency from the City's financial statements. The financial activities of the Successor Agency are reported in the City's fiduciary fund statements as a private-purpose trust fund. Separate financial statements for the Successor Agency are not prepared.

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

b. Measurement Focus, Basis of Accounting, and Basis of Presentation

The basic financial statements of the City are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to the financial statements

Government-wide Financial Statements

Government-wide financial statements, which include the Statement of Net Position and Statement of Activities, report information about the primary government and its component units, excluding its fiduciary activities. The statements include separate columns for the governmental activities and business-type activities, as well as discretely presented component units. Eliminations have been made to minimize the double-counting of internal activities. General government expenses have not been allocated as indirect expenses to the various functions of the City.

Government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under the economic resources measurement focus, all (both current and long-term) economic resources and obligations of the City are reported in the government-wide financial statements. Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, deferred outflows or resources, liabilities, and deferred inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

The Statement of Net Position reports the difference between the combined assets and deferred outflows of resources, and the combined liabilities and deferred inflows of resources, as net position.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include charges for services, special assessments, and payments made by parties outside of the reporting government's citizenry, if that money is restricted to a particular program. Program revenues are reported net of direct expenses in the Statement of Activities to present the net cost of each program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

b. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as another financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

Fund Financial Statements

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

Fund financial statements for the primary government's governmental and fiduciary funds are presented after the government-wide financial statements. These statements display information about major governmental funds individually and non-major governmental funds in the aggregate. Fiduciary funds of the City primarily represent assets held by the City in a custodial capacity for other individuals or organizations.

Governmental Funds

In the fund financial statements, governmental funds are presented using the modified-accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Measurable means that the amounts can be estimated, or otherwise determined. Available means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period. The City uses an availability period of 60 days.

Sales taxes, property taxes, utility user taxes, motor vehicle in-lieu, licenses and permits, fines and forfeitures, grants and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period to the extent normally collected within the availability period. Other revenue items are considered to be measurable and available when cash is received by the government.

**Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022**

Note 1: Summary of Significant Accounting Policies (Continued)

**b. Measurement Focus, Basis of Accounting, and Basis of Presentation
(Continued)**

Governmental Funds (continued)

Revenue recognition is subject to the measurability and availability criteria for the governmental funds in the fund financial statements. Exchange transactions are recognized as revenues in the period in which they are earned (i.e., the related goods or services are provided). Locally imposed derived tax revenues are recognized as revenues in the period in which the underlying exchange transaction upon which they are based takes place. Imposed non-exchange transactions are recognized as revenues in the period for which they were imposed. If the period of use is not specified, they are recognized as revenues when an enforceable legal claim to the revenues arises or when they are received, whichever occurs first. Government-mandated and voluntary non-exchange transactions are recognized as revenues when all applicable eligibility requirements have been met.

In the fund financial statements, governmental funds are presented using the current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. The reported fund balance (net current assets) is considered to be a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Non-current portions of long-term receivables due to governmental funds are reported on their balance sheets in spite of their spending measurement focus. Special reporting treatments are used to indicate, however, that they should not be considered "available spendable resources," since they do not represent net current assets. Recognition of governmental fund type revenue represented by non-current receivables is deferred until they become current receivables. Non-current portions of other long-term receivables are reported as non-spendable fund balance in the General Fund, and restricted, committed, or assigned fund balance in all other governmental funds, based on the intended use of the proceeds from liquidation of these long-term receivables.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current assessments, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets, the proceeds of long-term debt are recorded as other financing sources rather than as a fund liability. Amounts paid to reduce long-term indebtedness are reported as fund expenditures.

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

b. Measurement Focus, Basis of Accounting, and Basis of Presentation (Continued)

Fiduciary Funds

In the fund financial statements, fiduciary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when the related goods or services are delivered. In the fund financial statements, fiduciary funds are presented using the economic resources measurement focus. This means that all assets and all liabilities (whether current or non-current) associated with their activity are included on their balance sheets. Fiduciary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

Private-purpose trust funds account for the assets and liabilities of other agencies and report additions such as taxes and deductions such as administrative and contract services.

Custodial funds account for assets held by the City in a custodial capacity.

c. Fund Classification

Governmental funds with assets and deferred outflows, liabilities and deferred inflows, revenues, or expenditures equal to at least 10% of their fund-type total, and at least 5% of the combined total of governmental funds and enterprise funds, as applicable, are required to be reported as a major fund. A governmental fund may also be presented as a major fund in the basic financial statements, even if it does not meet the size criteria just described, if the City's officials believe that the fund is particularly important to the financial statement users (because of public interest, reporting consistency, or otherwise). The General Fund is always reported as a major fund.

Governmental Funds

The City reports the following major governmental funds in the accompanying financial statements:

The **General Fund** is the general operating fund of the City. It is used to account for all financial resources of the City, except those required to be accounted for in another fund.

The **Restricted Urban Development Fund** is used to account for funds derived from the Urban Development Action Grant.

The **ARPA Fund** is used to account for funds related to the State and Local Fiscal Recovery Act.

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

c. Fund Classification (Continued)

Governmental Funds (Continued)

Additionally, the City reports the following governmental fund types in the accompanying financial statements:

Special Revenue Funds account for taxes and other revenues, which are set aside for a specific purpose in accordance with law or administrative regulation.

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

Fiduciary Funds

The City reports the following fiduciary funds which are excluded from the government-wide financial statements:

Private Purpose Trust Funds account for resources assumed from the former Lawndale Redevelopment Agency's assets and obligations and is responsible for winding down the activities related to the dissolution. The fund accounts for revenue received to pay estimated annual installment payments on enforceable obligations approved by the Successor Agency Oversight Board and the California Department of Finance. The City is responsible for ensuring that assets reported in this fund are used for their intended purposes.

Custodial Funds account for assets held by the City in a custodial capacity. These funds include the Custodial Fund (Park Recreation Social Services Committee (PRSSC) Fund) accounts for annual firework sales income earned by the PRSSC and private donations to be used at the discretion of the PRSSC for social and leisure services and events within the City of Lawndale.

d. Cash and Investments

The City pools cash and investments of all funds for the benefit of obtaining the highest yield with the greatest safety and least risk, with the exception of restricted funds required to be held separately. Each fund's share in this pool is displayed in the accompanying financial statements as cash and investments. Investment income, earned by the pooled investments, is allocated to the various funds based on each fund's average monthly cash and investment balance.

Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash on hand, deposits with financial institutions, and short-term investments with original maturities of three months or less from the date of acquisition. Cash and cash equivalents are included in the amounts reported as cash and investments.

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

d. Cash and Investments (Continued)

Investments

Investments are reported at fair value, the value at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Changes in fair value that occur during a fiscal year are recognized as investment income reported for the fiscal year. Investment income includes, interest earnings, changes in fair value, and any gains or losses realized upon the liquidation, maturity or sale of investments.

City investments are recorded at fair value, which is primarily determined on the basis of quoted market prices at the end of the year. The City invests in certificates of deposit in various financial institutions through a custodial agent and participates in an investment pool managed by the State of California titled Local Agency Investment Fund (LAIF). The custodial agent makes decisions on behalf of the City into which financial institutions to invest and LAIF invests the City's portion of the pool funds in structured notes and asset-backed securities. LAIF's investments are subject to credit risk with the full faith and credit of the State of California collateralizing these investments. In addition, these structured notes and asset-backed securities are subject to market risk as to change in interest rates. Earnings from these investments along with LAIF are allocated to all funds on a quarterly basis.

e. Prepaid Costs

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid costs in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

f. Land Held for Development

The former Lawndale Redevelopment Agency had purchased properties for the purpose of making them available for sale to developers who have the ability to complete various projects consistent with the mission and activities of the City. Land held for development is valued at the lower of cost or estimated net realizable value determined upon the execution of a disposition and development agreement. If resale of land is not anticipated in the near future, a corresponding portion of the fund balance, which is not available for current expenditure, is reported as non-spendable in the General Fund, and restricted, committed, or assigned in all other governmental funds, based on the intended use of the proceeds from disposition of the land held for development.

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

g. Capital Assets and Depreciation

Capital assets, which include buildings, machinery and equipment, and infrastructure are reported in the applicable governmental activities column in the Government-Wide Financial Statements. Capital assets are defined by the government as assets with an initial, individual cost that exceeds \$5,000 to \$10,000, depending on the class of asset, and an estimated useful life in excess of one year. Such capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Capital assets received in a service concession arrangement are valued at acquisition cost. Donated capital assets are valued at acquisition value on the date donated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets are depreciated over their estimated useful lives using the straight-line method. The purpose of depreciation is to spread the cost of capital assets over the useful life of these assets. The amount charged to depreciation expense each year represents that year's pro rata share of the cost of capital assets. Depreciation of all exhaustible capital assets is charged as an expense against operations.

The estimated useful lives and capitalization thresholds are as follows:

<u>Capital Asset Type</u>	<u>Useful Lives</u>	<u>Capitalization Threshold</u>
Buildings and Structures	30 years	\$ 10,000
Improvements Other than Buildings	20 years	10,000
Vehicles, Machine and Equipment	5-30 years	5,000
Infrastructure	30 years	10,000

Infrastructure assets include roads, bridges, sidewalks, curbs and gutters, park improvements and traffic signals.

h. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of inter-fund loans) or "advances to/from other funds" (i.e., the non-current portion of inter-fund loans).

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

i. Deferred Outflows and Inflows of Resources

Deferred Outflows of Resources

In addition to assets, the Statement of Net Position and governmental fund Balance Sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position of fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. Deferred pension related outflows from changes in net pension and total OPEB liability arise only under a full accrual basis of accounting and are reported in the government-wide Statement of Net Position.

Deferred Inflows of Resources

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and thus will not be recognized as an inflow of resources (revenue) until that time. The City has one item which qualifies for reporting in this category. Deferred pension related inflows from changes in net pension liability arise only under a full accrual basis of accounting and are reported in the government-wide Statement of Net Position. Additionally, unavailable revenues arise only under a modified accrual basis of accounting and are reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: grants, and accrued interest on long-term receivables. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

j. Long-Term Debt

Long-term debt and other financed obligations are reported as liabilities in the government-wide financial statements and the fiduciary fund financial statements.

Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable premium or discount.

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

k. Compensated Absences

The City accrues a liability for compensated absences which meets the following criteria:

1. The City's obligation relating to employees' rights to receive compensation for future absences is attributable to employees' services already rendered.
2. The obligation relates to rights that vest or accumulate.
3. Payment of the compensation is probable.
4. The amount can be reasonably estimated.

A liability is recorded only if it has matured for unused vacation and similar compensatory leave balances since the employees' entitlement to these balances are attributable to services already rendered and it is probable that virtually all of these balances will be liquidated by either paid time off or payments upon termination or retirement.

A liability is recorded for unused sick leave balances only to the extent that it is probable that the unused balances will result in termination payments. This is estimated by including in the liability the unused balances of employees currently entitled to receive termination payment, as well as those who are expected to become eligible to receive termination benefits as a result of continuing their employment with the City.

l. Pension

PERS Pension Plans

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 (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. Net pension liabilities are generally liquidated by the City's General Fund.

GASB Statement No. 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date (VD)	June 30, 2020
Measurement Date (MD)	June 30, 2021
Measurement Period (MP)	July 1, 2020 to June 30, 2021

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

I. Pension (Continued)

PARS Pension Plans

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the Public Agency Retirement Services (PARS) Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. PARS audited financial statements are publicly available reports that can be obtained at PARS' website. Net pension liabilities are generally liquidated by the City's General Fund.

GASB Statement No. 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

Valuation Date (VD)	June 30, 2021
Measurement Date (MD)	June 30, 2022
Measurement Period (MP)	July 1, 2021 to June 30, 2022

m. Postemployment Benefits Other than Pension (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense, information about the City's OPEB plan have been determined by an independent actuary. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Total OPEB liabilities are generally liquidated by the City's General Fund.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used:

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

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

n. Net Position and Fund Balance

Government-Wide Financial Statements

In the government-wide financial statements, net position is classified in the following categories:

Net Investment in Capital Assets consists of capital assets net of accumulated depreciation and reduced by outstanding debt and related deferred outflows and inflows of resources that are attributed to the acquisition, construction, or improvement of the assets.

Restricted net position includes amounts restricted by external creditors, grantors, contributors, laws or regulations of other governments.

Unrestricted net position 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 and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide 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 policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Fund Financial Statements

In the fund financial statements, government funds report the following fund balance classification:

Non-spendable 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 includes amounts that are constrained on the use of resources by either (a) external creditors, grantors, contributors, or laws or regulations of other governments or (b) by law through constitutional provisions or enabling legislation.

Committed includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest authority, City Council. The formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution of the City Council.

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 1: Summary of Significant Accounting Policies (Continued)

n. Net Position and Fund Balance (Continued)

Fund Financial Statements (Continued)

Assigned include amounts that are constrained by the government's intent to be used for specific purposes but are neither restricted nor committed. The Finance Director and/or Treasurer is authorized to assign amounts to a specific purpose, which was established by the governing body in resolution.

Unassigned include the residual amounts that have not been restricted, committed, or assigned to specific purposes. The General Fund is the only fund that should report this category of fund balance, unless a negative fund balance exists.

An individual governmental fund could include non-spendable resources and amounts that are restricted or unrestricted (committed, assigned, or unassigned) or any combination of those classifications. Restricted amounts are to be considered spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available and committed, assigned, then unassigned amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications can be used.

Sometimes the City will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental 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 policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned, and lastly the unassigned fund balance.

o. Property Taxes

With the passage of Proposition 13 in 1978 (Article XIII A, California State Constitution), property taxes are limited to one percent of market value, plus additional taxes for repayment of existing or subsequent voter-approved indebtedness. Under Article XIII A, the market value of taxable property is subject to a maximum annual increase of two percent. Market value may be appraised at significantly more than two percent depending on other factors such as improvements, sale or change of ownership.

**Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022**

Note 1: Summary of Significant Accounting Policies (Continued)

o. Property Taxes (Continued)

The City receives a portion of the one percent general tax levy which is shared by several other local governments including the county and the school district. The City's share is based on a formula prescribed in Section 26912(b) of the Government Code. The county apportions property taxes to the City on a scheduled basis which generally adheres to the actual tax collection periods. The tax lien date is January 1 of each year and covers the ensuing fiscal year's tax returns. The tax levy date is from July 1 to June 30 of each year. The first installment becomes due on November 1 with penalties and interest accruing after December 10. The second installment is due no later than April 10.

p. Use of Estimates

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

Notes to Financial Statements (Continued)
 For the Fiscal Year Ended June 30, 2022

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Note 2: Stewardship, Compliance and Accountability

Deficit Fund Balances

The following non-major governmental funds reported a deficit fund balance at June 30, 2022:

	<u>Deficit Fund Balance</u>
Governmental Funds:	
Non-major Governmental Funds:	
Justice Assisted Grant	\$ (10,000)
TDA Article 3 (Metro)	(1,664)
Prop C25 Grant	(254,540)

Deficits in the in the funds listed above will be resolved with future grant revenue.

Expenditures in Excess of Appropriations

Excess of expenditures over appropriations in individual funds are as follows:

	<u>Final Budget</u>	<u>Expenditures</u>	<u>Excess</u>
Non-major Funds:			
Justice Assisted Grant	\$ -	\$ 10,000	\$ (10,000)
Park Development	-	1,146	(1,146)
Metro STPL Exchange 2017	-	114	(114)

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

III. DETAILED NOTES ON ALL FUNDS

Note 3: Cash and Investments

Summary of Cash and Investments

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

Statement of Net Position:	
Cash and investments	\$ 38,825,566
Fiduciary Funds:	
Cash and investments	1,704,139
Cash and investments held with fiscal agents	<u>2,274,259</u>
Total	<u><u>\$ 42,803,964</u></u>

Cash and investments as of June 30, 2022, consist of the following:

Cash on hand	\$ 1,150
Deposits with financial institutions	18,659,086
Restricted cash held with fiscal agents	2,274,259
Investments	<u>21,869,469</u>
Total	<u><u>\$ 42,803,964</u></u>

Deposits

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

As of June 30, 2022, deposits were not subject to custodial credit risk as they were entirely insured or collateralized with securities held by the City or the City's agent in the City's name.

City of Lawndale

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 3: Cash and Investments (Continued)

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 and the City's investment policy. The table also identifies certain provisions of the California Government Code (or the City's investment policy, if more restrictive) that address interest rate risk and concentration of credit risk. This table does not address investments in vehicles which if not specifically mentioned in the City's investment policy, are not authorized unless the policy is amended by the City Council or are approved as indentures, rather than the general provisions of the California Government Code or the City's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage or Amount of Portfolio*	Maximum Investment in One Issuer
U.S. Treasury Bills	1 year	None	None
U.S. Treasury Notes	10 years	None	None
Federal Agency Issues	N/A	None	None
Certificates of Deposit	5 years	None	\$250,000
Bankers' Acceptances	180 days	40%	None
County Pool Investment Funds	N/A	5% of County Pool	None
Local Agency Investment Fund (LAIF)	N/A	None	\$75 million
U.S. Treasury Bonds	30 years	None	None
Mutual Funds	N/A	5%	None
Passbook Savings	N/A	None	\$250,000
Negotiable Certificates of Deposit	N/A	None	None

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

No investment shall be made that will cause the total investment pool to have greater than 30% of investments to have a maturity date greater than two years. The City's investment policy does not contain any specific provisions intended to limit the City's exposure to interest rate risk, credit risk, and concentration of credit risk.

Investments as of June 30, 2022 consist of the following:

	<u>Fair Value</u>
Investments Authorized by CA Government Code/City Investment Policy	
Local Agency Investment Fund (LAIF)	\$ 18,280,608
Certificates of deposit	3,588,861
	<hr/>
Total Investments	\$ 21,869,469

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 3: Cash and Investments (Continued)

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. 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. Currently, LAIF does not have an investment rating. LAIF has a minimum \$5,000 transaction amount in increments of \$1,000 with a maximum of 15 transactions (combination of deposits and withdrawals) per month. LAIF required a one-day prior notice for deposits and withdrawals of \$10 million or more.

Fair Value Measurement

Fair value is defined as the price that would be received to sell an asset or transfer a liability in an orderly transaction between market participants at the measurement date. A fair value hierarchy is established prioritizing the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1 - Inputs are quoted market prices (unadjusted) in active markets for identical assets or liabilities that the entity has the ability to access at the measurement date.

Level 2 - Inputs other than quoted prices within Level 1 that are observable, either directly or indirectly such as quoted prices for similar assets or liabilities in active markets or inactive markets, or inputs other than quoted prices that are observable for the asset or liability.

Level 3 - Inputs are unobservable. Valuations for assets and liabilities are derived from other valuation methodologies, including option pricing models, discounted cash flow models and similar techniques, and not based on market exchange, dealer, or broker traded transactions. Level 3 valuations incorporate certain assumptions and projections in determining the fair value assigned to such assets or liabilities.

The City uses appropriate valuation techniques based on the available inputs to measure the fair value of its investments. When available, the City measures fair value using Level 1 inputs because they generally provide the most reliable evidence of fair value. Level 3 inputs are only used when Level 1 or Level 2 inputs are not available.

City of Lawndale

**Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022**

Note 3: Cash and Investments (Continued)

The use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurement at the reporting date. The valuation levels are not necessarily an indication of the risk or liquidity associated with the underlying investments.

The City does not hold any investments subject to the fair value hierarchy.

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. The City has certificates of deposit that are over 60 months, which is a current violation of the investment policy.

Information about the sensitivity of the fair values of the City's investments to market interests is provided by the following table that shows the distribution of the City's investments by maturity:

Investment Type	Fair Value	Fair Value Measurement			Uncategorized
		Level 1	Level 2	Level 3	
Investments					
Local Agency Investment Fund (LAIF)	\$ 18,280,608	\$ -	\$ -	\$ -	\$ 18,280,608
Certificates of deposit	3,588,861	-	-	-	3,588,861
Total Investments	<u>\$ 21,869,469</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 21,869,469</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. Investments in LAIF and certificates of deposit are not rated by a nationally recognized statistical rating organization.

Investment Type	Fair Value	Remaining Maturity (in Months)			
		12 Months or Less	13 to 24 Months	25 to 60 Months	More than 60 Months
Investments					
Local Agency Investment Fund (LAIF)	\$ 18,280,608	\$ 18,280,608	\$ -	\$ -	\$ -
Certificates of deposit	3,588,861	741,182	245,971	491,974	2,109,734
Total Investments	<u>\$ 21,869,469</u>	<u>\$ 19,021,790</u>	<u>\$ 245,971</u>	<u>\$ 491,974</u>	<u>\$ 2,109,734</u>

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code.

City of Lawndale

**Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022**

Note 3: Cash and Investments (Continued)

The City did not have investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of the City's total investments.

Custodial Credit Risk

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 City's investment policy requires that all securities owned by the City be held in third-party safekeeping by the trust department of the City's bank or another designated third-party trust, in the City's name and control, under the terms of a custody agreement executed by the trust institution and the City. Investments held by the City were not subject to custodial credit risk at June 30, 2022. As of June 30, 2022, no City investments were held by the same broker-dealer (counterparty) that was used by the City to buy the securities.

Note 4: Notes and Loans Receivable

The City's outstanding loans receivable as of June 30, 2022, are as follows:

Nonmajor Governmental Funds:

Housing rehabilitation loan program	<u>\$ 288,818</u>
Total	<u><u>\$ 288,818</u></u>

Housing Rehabilitation Loan Program

The Lawndale Housing Authority and Community Development Block Grant Special Revenue Funds operate a housing rehabilitation loan program, which provides loans to borrowers who meet certain qualifications for the purpose of rehabilitating their homes. Loans that are not forgivable are secured by a deed of trust and are normally repaid when the relating home changes ownership. The City did not fund any new loans during the fiscal year. As of June 30, 2022, the outstanding receivable balance for the housing rehabilitation loan program was \$288,818.

The balance of the forgivable loans receivable was \$87,000 at June 30, 2022 and have been fully allowed for.

City of Lawndale

**Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022**

Note 5: Agreements with Successor Agency Receivable

The City previously loaned the former Lawndale Redevelopment Agency (RDA) funds prior to dissolution of various redevelopment activities. The repayment of these amounts has been approved by the California Department of Finance. Additionally, the former RDA agreed to reimburse the City for the debt service on the lease, under the terms of a Public Works Agreement between the City and former RDA. This reimbursement has also been approved by the California Department of Finance. With the dissolution of the City's former RDA pursuant to ABx1 26, repayment of the loans and reimbursement of the debt service on the lease is now being made by the Successor Agency to the former RDA, Lawndale Successor Agency (the Successor Agency).

During the 2015-16 fiscal year, the State of California passed Senate Bill 107 (SB 107) which amended the Health and Safety Code to require interest on loans between the City and the Successor Agency to be calculated quarterly using a 3% simple interest rate, from the previously required historical LAIF compounding interest rate. SB 107 also requires that any amount received relating to these outstanding balances must be applied towards the outstanding principal balance before it may be applied towards accrued interest. Because governmental funds are accounted for under the modified accrual basis of accounting, the amounts representing accrued interest have been deferred and reported as unavailable revenue on the governmental fund financial statements balance sheet. See Note 15 to the financial statements for additional information.

As of June 30, 2022, agreements with the Successor Agency receivable were reported in the accompanying financial statements as follows:

	<u>Principal</u>	<u>Accrued Interest</u>	<u>Balance at June 30, 2022</u>
General Fund			
2000 Cooperation Agreement	\$ 2,115,076	\$ 2,520,697	\$ 4,635,773
2001 Cooperation Agreement	<u>2,035,197</u>	<u>2,325,154</u>	<u>4,360,351</u>
Subtotal General Fund	4,150,273	4,845,850	8,996,123
Restricted Urban Development			
2000 Financing Agreement	<u>5,177,987</u>	<u>4,299,849</u>	<u>9,477,836</u>
Total	<u>\$ 9,328,260</u>	<u>\$ 9,145,699</u>	<u>\$ 18,473,959</u>

City of Lawndale

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 6: Interfund Receivables, Payables and Transfers

a. Due To/From Other Funds:

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

	Due to Other Funds	Due from Other Funds
	Non-major Governmental Funds	General Fund
		\$ 246,488

Short-term loans from the General Fund to the Non-major Governmental Funds were made to eliminate short-term cash deficits.

b. Transfers In/Out:

Transfers in and out for the year ended June 30, 2022, were as follows:

Transfers In	Transfers Out				Total
	General Fund	Restricted Urban Development	ARPA Fund	Non-Major Governmental Fund	
General Fund	\$ -	\$ 68,000	\$ 57,568	\$ 81,683	\$ 207,251
Non-Major Governmental Fund	150,842	9,640	-	-	160,482
	\$ 150,842	\$ 77,640	\$ 57,568	\$ 81,683	\$ 367,733

In fiscal year 2022, the General Fund and the Restricted Urban Development transferred \$150,842 and \$9,640, respectively, to the Lawndale Housing Authority to provide the 20% housing set aside funds required by the Successor Agency loans. The Restricted Urban Development Fund transferred \$68,000 to the General Fund for the purchase of IT equipment and for its portion of the City-wide telephone system. The ARPA fund transferred \$57,568 to the General Fund for HVAC repairs and sliding door repair and installation. Non-major funds transferred funds to the General Fund for the following items: Safety plan expenses of \$10,283, litter containers for \$71,400.

City of Lawndale

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 7: Capital Assets

A summary of changes in capital assets activity for the year ended June 30, 2022, is as follows:

	Balance at June 30, 2021	Adjustments	Additions	Construction Placed in Service	Disposals	Balance at June 30, 2022
Capital assets not depreciated:						
Land	\$ 5,215,937	\$ -	\$ -	\$ -	\$ -	\$ 5,215,937
Construction in progress	5,455,130	200,983	3,145,152	(2,806,132)	-	5,995,133
Total capital assets not being depreciated	10,671,067	200,983	3,145,152	(2,806,132)	-	11,211,070
Capital assets being depreciated:						
Building and structures	18,192,044	(950)	-	-	-	18,191,094
Improvements other than buildings	1,038,241	(13,044)	-	-	-	1,025,197
Vehicles, machinery and equipment	2,795,502	(7,501)	82,795	-	-	2,870,796
Infrastructure	37,727,993	(11,750)	-	2,806,132	-	40,522,375
Total capital assets being depreciated	59,753,780	(33,245)	82,795	2,806,132	-	62,609,462
Accumulated depreciation:						
Building and structures	8,174,854	-	476,588	-	-	8,651,442
Improvements other than buildings	391,024	-	168,743	-	-	559,767
Vehicles, machinery and equipment	2,121,238	-	144,761	-	-	2,265,999
Infrastructure	15,370,710	-	1,380,340	-	-	16,751,050
Total accumulated depreciation	26,057,826	-	2,170,432	-	-	28,228,258
Total capital assets being depreciated, net	33,695,954	(33,245)	(2,087,637)	2,806,132	-	34,381,204
Total capital assets, net	\$ 44,367,021	\$ 167,738	\$ 1,057,515	\$ -	\$ -	\$ 45,592,274

Adjustments in the current year were related to various items being removed from the City's capital asset listing that were erroneously included in prior year balances, and the addition of two projects that were erroneously expensed in the prior year.

Depreciation expense was charged to functions/programs based on their usage of the related assets. The allocation of depreciation expense for the year ended June 30, 2022, is as follows:

General government	\$ 120,206
Public safety	3,751
Housing	609,117
Recreation and community services	3,750
Public works	1,433,608
Total	<u>\$ 2,170,432</u>

City of Lawndale

**Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022**

Note 8: Long-Term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2022:

	Balance at June 30, 2021	Additions	Deletions	Balance at June 30, 2022	Due Within One Year
Direct borrowings:					
Facility and site lease note	\$ 441,377	\$ -	\$ 42,831	\$ 398,546	\$ 44,266
Total	<u>\$ 441,377</u>	<u>\$ -</u>	<u>\$ 42,831</u>	<u>\$ 398,546</u>	<u>\$ 44,266</u>

Facility and Site Lease Note

In 2005, the City and the former RDA entered into a Public Works Agreement, as authorized by the Community Development Law, in which the former RDA agreed to provide funding for certain public works projects, and the City agreed to construct them. In 2009, the former RDA funded most of the construction and land acquisition for Hopper Park. The former RDA wanted to finance a portion of the construction with California Infrastructure and Economic Development Bank (CIEDB), but in order to obtain the loan it was necessary to pledge a public facility. Since the former RDA did not own any public facilities, the City pledged a maintenance office building and a portion of the land located at 4722 Manhattan Beach Blvd., Lawndale, California, and on February 1, 2010, the City entered into a Facility and Site Lease Agreement with CIEDB. This agreement required that the City pay CIEDB "lease" payments on the pledged property, with the City retaining the title to the pledged property at the end of the lease term. CIEDB agreed to loan the City \$830,100, to be used for the construction of Hopper Park. Under the terms of the Public Works Agreement, the former RDA was to reimburse the City for the debt service on the lease.

With the dissolution of the City's former RDA pursuant to ABx1 26, reimbursement of the debt service on the lease is now being made by the Successor Agency to the former RDA, Lawndale Successor Agency (the Successor Agency).

Principal payments are due annually on August 1, with interest due semi-annually on February 1 and August 1. The annual interest rate on the facility and site lease is 3.35%, and the lease matures on August 1, 2029. Principal and interest payments remaining at June 30, 2022, are as follows:

Year Ended June 30,	Facility and Site Lease Note		
	Principal	Interest	Total
2023	\$ 44,266	\$ 12,610	\$ 56,876
2024	45,748	11,102	56,850
2025	47,281	9,544	56,825
2026	48,865	7,933	56,798
2027	50,502	6,269	56,771
2028-2030	161,884	8,254	170,138
Total	<u>\$ 398,546</u>	<u>\$ 55,712</u>	<u>\$ 454,258</u>

City of Lawndale

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 9: Compensated Absences

Vacation time may be accumulated up to two years' entitlement plus the current year's leave allowance. Cash compensation for accrued vacations is generally not payable until the employee terminates employment with the City. Cash compensation for unused sick leave is payable to an employee only upon termination of employment with the City and the employee is compensated at the rate of 50 percent of their sick leave daily rate, as long as it does not exceed the threshold of 391 hours of combined vacation and sick leave.

Cash compensation for vacation, sick leave, and compensatory time will be paid in future years from the General Fund. The following is a summary of changes in compensated absences liabilities for the year ended June 30, 2022:

	<u>Balance at June 30, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2022</u>	<u>Due in One Year</u>
Compensated Absences	<u>\$ 562,560</u>	<u>\$ 247,379</u>	<u>\$ 322,279</u>	<u>\$ 487,660</u>	<u>\$ 234,711</u>

The remainder of this page has been left intentionally blank.

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 10: Liability, Workers' Compensation, and Purchased Insurance

a. Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City of Lawndale is a member of the CALIFORNIA JOINT POWERS INSURANCE AUTHORITY (Authority). The Authority is composed of 123 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

b. Primary Self-Insurance Programs of CJPIA

Each member pays an annual contribution at the beginning of the coverage period. A retrospective adjustment is then conducted annually thereafter, for coverage years 2012- 13 and prior. Coverage years 2013-14 and forward are not subject to routine annual retrospective adjustment. The total funding requirement for primary self-insurance programs is based on an actuarial analysis. Costs are allocated to individual agencies based on payroll and claims history, relative to other members of the risk-sharing pool.

Primary Liability Program

Claims are pooled separately between police and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$100,000 to \$500,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$500,000 to \$50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Subsidence losses have a sub-limit of \$50 million per occurrence. The coverage structure includes retained risk that is pooled among members, reinsurance, and excess insurance. More detailed information about the various layers of coverage is available on the following website: <https://cjpia.org/coverage/risk-sharing-pools/>.

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 10: Liability, Workers' Compensation, and Purchased Insurance (Continued)

b. Primary Self-Insurance Programs of CJPIA (Continued)

Primary Workers' Compensation Program

Claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$50,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$50,000 to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$100,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2020-21 the Authority's pooled retention is \$1 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$1 million. Coverage from \$1 million to \$5 million is purchased through reinsurance policies, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

c. Purchased Insurance

Pollution Legal Liability Insurance

The City of Lawndale participates in the pollution legal liability insurance program which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City of Lawndale. Coverage is on a claims-made basis. There is a \$50,000 deductible. The Authority has an aggregate limit of \$50 million for the 3-year period from July 1, 2019 through July 1, 2022. Each member of the Authority has a \$10 million sub-limit during the 3-year policy term.

Property Insurance

The City of Lawndale participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of Lawndale property is currently insured according to a schedule of covered property submitted by the City of Lawndale to the Authority. City of Lawndale property currently has all-risk property insurance protection in the amount of \$31,004,416. There is a \$10,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 deductible.

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 10: Liability, Workers' Compensation, and Purchased Insurance (Continued)

c. Purchased Insurance (Continued)

Crime Insurance

The City of Lawndale purchases crime insurance coverage in the amount of \$1,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority.

d. Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2021-22.

Note 11: Defined Benefit Pension Plan

Summary of Pension Plans

	Net Pension Liability	Deferred Outflows	Deferred Inflows	Pension (Income)/ Expense
CalPERS Plan	\$4,663,673	\$1,738,359	\$(4,577,485)	\$1,438,763
PARS Plan	145,284	76,376	-	27,897
Totals	<u>\$4,808,957</u>	<u>\$1,814,735</u>	<u>\$(4,577,485)</u>	<u>\$1,466,660</u>

CalPERS Miscellaneous Cost Sharing Plan

a. General Information about the Pension Plan

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan or PERF C) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of a miscellaneous pool and a safety pool (also referred to as "risk pools"), which are comprised of individual employer miscellaneous and safety rate plans, respectively. Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under generally accepted accounting principles. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City sponsors two miscellaneous plans. Benefit provisions under the Plan are established by State statute and City resolution.

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 11: Defined benefit pension plan (Continued)

a. General Information about the Pension Plan (Continued)

Plan Description (continued)

CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS' website, at www.calpers.ca.gov.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 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 Plan operates under the provisions of the California Public Employees' Retirement Law (PERL), the California Public Employees' Pension Reform Act of 2013 (PEPRA), and the regulations, procedures and policies adopted by the CalPERS Board of Administration. The Plan's authority to establish and amend the benefit terms are set by the PERL and PEPRA, and may be amended by the California state legislature and in some cases require approval by the CalPERS Board.

The Plan's provisions and benefits in effect at June 30, 2022 are summarized as follows:

	<u>Miscellaneous</u>	
	<u>Prior to January 1, 2013</u>	<u>On or after January 1, 2013</u>
Hire date		
Benefit formula	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	50 - 67	52 - 67
Monthly benefits, as a % of eligible compensation	1.426% to 2.418%	1.000% to 2.500%
Required employee contribution rates	7.000%	6.750%
Required employer contribution rates	10.880%	7.590%

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 11: Defined benefit pension plan (Continued)

a. General Information about the Pension Plan (Continued)

Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. Employer Contributions to the Plan for the fiscal year ended June 30, 2022 were \$947,169. The actual employer payments of \$883,365 made to CalPERS by the City during the measurement period ended June 30, 1899 differed from the City's proportionate share of the employer's contributions of \$1,242,407 by \$359,042, which is being amortized over the expected average remaining service lifetime in the Public Agency Cost-Sharing Multiple Employer Plan.

b. Net Pension Liability

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

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 11: Defined benefit pension plan (Continued)

b. Net Pension Liability (Continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

All other actuarial assumptions used in the June 30, 2020 valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. The Experience Study report can be obtained at CalPERS' website, at www.calpers.ca.gov.

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry age normal in accordance with the requirements of GASB
Asset Valuation Method	Market Value of Assets
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table ⁽¹⁾	Derived using CalPERS' membership data for all funds
Post Retirement Benefit Increase	The lesser of contract COLA or 2.50% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.50% thereafter

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

Long-term Expected Rate of Return

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

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

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 11: Defined benefit pension plan (Continued)

b. Net Pension Liability (Continued)

Long-term Expected Rate of Return (Continued)

The expected real rates of return by asset class are as follows:

<u>Asset Class¹</u>	<u>Assumed Asset Allocation</u>	<u>Real Return Years 1 - 10²</u>	<u>Real Return Years 11+³</u>
Global equity	50.0%	4.80%	5.98%
Fixed income	28.0%	1.00%	2.62%
Inflation assets	0.0%	0.77%	1.81%
Private equity	8.0%	6.30%	7.23%
Real assets	13.0%	3.75%	4.93%
Liquidity	1.0%	0.00%	-0.92%

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

²An expected inflation of 2.00% used for this period

³An expected inflation of 2.92% used for this period

Change of Assumptions

There were no change of assumptions for measurement date June 30, 2021.

Discount Rate

The discount rate used to measure the total pension liability for PERF C was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Note 11: Defined benefit pension plan (Continued)

b. Net Pension Liability (Continued)

Subsequent Events

On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-21. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

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

Pension Plan Fiduciary Net Position

Information about the pension plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position are presented in CalPERS' audited financial statements, which are publicly available reports that can be obtained at CalPERS' website, at www.calpers.ca.gov. The plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis used by the pension plan, which is the economic resources measurement focus and the accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. Investments are reported at fair value.

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 11: Defined benefit pension plan (Continued)

c. Proportionate Share of Net Pension Liability

The following table shows the Plan's proportionate share of the net pension liability over the measurement period.

	Increase (Decrease)		
	Plan Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (c) = (a) - (b)
Balance at: 6/30/2020(VD)	\$ 34,281,941	\$ 25,895,269	\$ 8,386,672
Balance at: 6/30/2021 (MD)	36,251,710	31,588,037	4,663,673
Net Changes during 2020-21	<u>\$ 1,969,769</u>	<u>\$ 5,692,768</u>	<u>\$ (3,722,999)</u>

Valuation Date (VD), Measurement Date (MD)

The Local Government's proportion of the net pension liability was determined by CalPERS using the output from the Actuarial Valuation System and the fiduciary net position, as provided in the CalPERS Public Agency Cost-Sharing Allocation Methodology Report, which is a publicly available report that can be obtained at CalPERS' website, at www.calpers.ca.gov.

The City's proportionate share of the net pension liability for the miscellaneous Plan as of the June 30, 2020 and 2021 measurement dates was as follows:

Proportionate Share - June 30, 2020	0.19883%
Proportionate Share - June 30, 2021	<u>0.24561%</u>
Change - Increase (Decrease)	<u>0.04678%</u>

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

The following presents the City's proportionate share of the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 7.15 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15 percent) or 1 percentage-point higher (8.15 percent) than the current rate:

	Discount Rate - 1% (6.15%)	Current Discount (7.15%)	Discount rate + 1% (8.15%)
Plan's Net Pension Liability	\$ 9,450,019	\$ 4,663,673	\$ 706,870

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 11: Defined benefit pension plan (Continued)

Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss:

Net difference between projected and actual earnings on pension plan investments	5 year straight-line amortization
--	-----------------------------------

All other amounts	Straight-line amortization over the expected average remaining service lives (EARSL) of all members that are provided with benefits (active, inactive and retired) as of the beginning of the measurement period
-------------------	--

The expected average remaining service lifetime (EARSL) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired) in the Public Agency Cost-Sharing Multiple-Employer Plan (PERF C).

The EARSL for PERF C for the measurement period ending June 30, 2021 is 3.7 years, which was obtained by dividing the total service years of 561,622 (the sum of remaining service lifetimes of the active employees) by 150,648 (the total number of participants: active, inactive, and retired) in PERF C. Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

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

As of the start of the measurement period (July 1, 2020), the City's net pension liability was \$8,386,672. For the measurement period ending June 30, 2021 (the measurement date), the City incurred a pension expense of \$1,438,763.

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 11: Defined benefit pension plan (Continued)

d. Pension Expense and Deferred Outflows and Deferred Inflows of Resources Related to Pensions (continued)

As of June 30, 2022, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 522,981	\$ -
Net difference between projected and actual earnings on pension plan investments	-	(4,071,140)
Changes in employer's proportion	268,209	-
Differences between the employer's contributions and the employer's proportionate share of contributions	-	(506,345)
Pension contributions subsequent to measurement date	947,169	-
Total	<u><u>\$ 1,738,359</u></u>	<u><u>\$ (4,577,485)</u></u>

The amounts above are net of outflows and inflows recognized in the 2020-21 measurement period expense. Contributions subsequent to the measurement date of \$947,169 reported with deferred outflows of resources will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

<u>Measurement Period Ended June 30:</u>	<u>Deferred Outflows/(Inflows) of Resources</u>
2022	\$ (840,152)
2023	(876,176)
2024	(944,914)
2025	(1,125,053)
2026	-
Thereafter	-

e. Payable to the Pension Plan

At June 30, 2022, the City reported a payable of \$0 for the outstanding amount of contributions to the pension plan required for the year then ended.

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 11: Defined benefit pension plan (Continued)

PARS Retirement Enhancement Plan

a. General Information about the Pension Plan

Plan Description

The City established an agent multiple-employer defined benefit Retirement Enhancement Plan (PARS-REP) administered by Public Agency Retirement System (PARS) for its Central Management Team (CMT) effective July 1, 2007. PARS-REP is a defined benefit 401 (a) tax-qualified multiple agency trust and meets the requirements of a pension trust under California Government code.

Benefits Provided

The plan provides supplemental retirement benefits in addition to CalPERS. Created in 1991 and amended in 1999, the PARS-REP plan has a master agreement between Phase II Systems - the Plan Administrator, Union Bank of California - the Custodian of funds and various participating agencies. The plan provides supplemental retirement benefits in addition to CalPERS. The Director of Finance/City Treasurer is the internal plan administrator and bears the responsibility of completing and executing all plan documents, logistical payroll set-up, providing information on new participants and continuing disclosure in future years. Upon meeting the eligibility requirements, the plan provides a supplemental retirement benefit equal to the "3.0% at 55" plan factor (formula is a static 3.0% at age 55 and older), less the CalPERS "2% at 55" plan factors for years of City services as a CMT member. Employees will be eligible for the benefit upon attaining age 50 with two years of City service as a CMT member and concurrent CalPERS retirement. The plan was designed to reduce the high-level of turnover in top management and support the City's goal of retaining quality employees to ensure good public service. The City later added the City Manager to the PARS-REP plan under a different tier in 2008. The latter individual received a "1% at 65" plan through PARS-REP. The City has full discretionary authority to control, amend, modify or terminate this plan at any time. Effective, January 1, 2013, the City entered into the PARS-REP plan under which the City Manager will no longer be covered under the plan.

Employees Covered

At June 30, 2022, the following employees were covered by the benefit terms of the Plan:

<u>Description</u>	<u>Members</u>
Actives	-
Terminated vested and other inactives	-
Retirees and beneficiaries	6
Total	6

**Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022**

Note 11: Defined Benefit Pension Plan (Continued)

a. General Information about the Pension Plan (Continued)

Funding Policy

The City contributed 7.00% of eligible employees' gross wages to fund the benefits available under this plan in prior years. Employee contributions are not required. The City contributed \$48,680 during fiscal year 2022 to the Plan.

PARS-REP issues a separate comprehensive annual financial report. Copies of PARS-REP annual financial report may be obtained from the PARS-REP Executive Office, 3961 MacArthur Boulevard, Suite 200, Newport Beach, California 92660.

b. Net Pension Liability

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ended June 30, 2022 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2021 total pension liability. The June 30, 2022 total pension liability was based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions	
Discount Rate	6.50%
Inflation	2.50%
Salary Increases	Not applicable, no active participants.
Investment Rate of Return	6.50%
Cost of Living Adjustments	2.00%
Mortality	Pre-retirement: Consistent with the Non-Industrial rates used to value the Miscellaneous Agency CalPERS Pension Plans after June 30, 2017. Post-retirement: Consistent with the Non-Industrial rates used to value the Miscellaneous Agency CalPERS Pension Plans after June 30, 2017.
Retirement	The assumed retirement age for terminated vested participants is 65.
Maximum Benefits and Salary	Salary used in the calculation of final average compensation is subject to the limitations of IRC 401(a)(17). The limit is assumed to increase 2.75% per annum.

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 11: Defined Benefit Pension Plan (Continued)

b. Net Pension Liability (Continued)

Long-term Expected Rate of Return

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 actuarial investment consulting practice as of June 30, 2022 are as follows:

<u>Asset Class</u>	<u>Index</u>	<u>Target Allocation</u>	<u>Long-Term Expected Arithmetic Real Rate of Return</u>	<u>Long-Term Expected Geometric Real Rate of Return</u>
US Cash	BAML 3-Mon Tbill	6.85%	0.21%	0.20%
US Core Fixed Income	Bloomberg Barclays Aggregate	46.01%	1.95%	1.84%
US Equity Market	Russell 3000	37.57%	5.70%	4.10%
Foreign Developed Equity	MSCI EAFE NR	4.73%	6.99%	5.25%
Emerging Market Equity	MSCI EM NR	3.08%	9.44%	5.97%
US REITs	FTSE NAREIT Equity REIT	1.76%	6.27%	4.11%
Assumed Inflation - Mean			2.35%	2.35%
Assumed Inflation - Standard Deviation			1.25%	1.25%
Portfolio Real Mean Return			3.78%	3.39%
Portfolio Nominal Mean Return (50 th percentile)			6.14%	5.83%
Portfolio Standard Deviation				8.20%
Long-Term Expected Rate of Return				6.50%

Change in Assumptions

There were no changes of assumptions.

Discount Rate

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

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 11: Defined Benefit Pension Plan (Continued)

b. Net Pension Liability (Continued)

Discount Rate (Continued)

A blended discount rate is generally required to be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate will often require that the actuary perform complex projects asset values. Alternative evaluations of projected solvency are allowed, if such evaluation can reliably be made.

Pension Plan Fiduciary Net Position

Information about the plan's fiduciary net position are issued in a separate comprehensive annual financial report and may be obtained from the PARS-REP Executive Office, 3961 MacArthur Boulevard, Suite 200, Newport Beach, California 92660.

c. Changes in the Net Pension Liability

The following table shows the changes in net pension liability recognized over the measurement period for the PARS Plan.

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(c) = (a) - (b)
Balance as of June 30, 2021	\$ 846,609	\$ 826,149	\$ 20,460
Changes for the year:			
Interest on the total pension liability	53,042	-	53,042
Benefit payments	(62,138)	(62,138)	-
Employer Contributions	-	48,680	(48,680)
Net investment income	-	(108,611)	108,611
Effect of economic/demographics gains or losses	7,702	-	7,702
Administrative expenses	-	(4,149)	4,149
Balance as of June 30, 2022	<u>\$ 845,215</u>	<u>\$ 699,931</u>	<u>\$ 145,284</u>

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 11: Defined Benefit Pension Plan (Continued)

c. Changes in the Net Pension Liability (Continued)

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

The following presents the net pension liability of the City of Lawndale, calculated using the discount rate of 6.50%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1 % point lower (5.50%) or 1% point higher (7.50%) than the current rate.

	<u>Discount Rate - 1%</u> <u>(5.50%)</u>	<u>Current Discount</u> <u>(6.50%)</u>	<u>Discount rate + 1%</u> <u>(7.50%)</u>
Net Pension Liability	\$ 232,814	\$ 145,284	\$ 70,842

d. Pension Expense and Deferred Outflows/Inflows of Resources Related to Pensions

As of the start of the measurement period, July 1, 2021, the net pension liability was \$20,460. For the measurement period ending June 30, 2022, the City incurred a pension expense of \$27,897 for the PARS Plan. A complete breakdown of the pension income is as follows:

Description	Amount
Interest on total pension liability	\$ 53,042
Administrative expenses	4,149
Expected investment return of net investment expenses	(53,934)
Recognition of deferred inflows/outflows of resources:	
Economic/demographic gains or losses	7,702
Investment gains or losses	16,938
	<hr/>
Pension expense	<u>\$ 27,897</u>

Note that no adjustments have been made for contributions subsequent to the measurement date. Adequate treatment of any contributions made after the measurement date is the responsibility of the City.

City of Lawndale

**Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022**

Note 11: Defined Benefit Pension Plan (Continued)

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

As of June 30, 2022, the City reported deferred outflows and deferred inflows of resources related to pensions as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net difference between projected and actual earnings	\$ 76,376	\$ -
Total	<u>\$ 76,376</u>	<u>\$ -</u>

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

<u>Measurement period ended June 30</u>	<u>Deferred Inflows of Resources</u>
2023	\$ 16,484
2024	16,044
2025	11,339
2026	32,509
2027	-
Thereafter	-

For the fiscal year ended June 30, 2022, the City recognized an aggregate pension expense of \$1,466,660.

Note 12: Other Post-Employment Benefits Plan

Plan Description

The City provides retiree medical benefits under the CalPERS health plan which provides medical insurance benefits to eligible retirees and their spouses in accordance with various labor agreements. The plan is considered to be a single employer defined benefit plan. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, California 95814.

City of Lawndale

**Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022**

Note 12: Other Post-Employment Benefits Plan (Continued)

Employees Covered

As of the June 30, 2022, actuarial valuation, membership of the plan consisted of the following:

Participating active employees	26
Inactive employees receiving benefits	45
Inactive employees entitled to, but not receiving benefits	-
Total number of participants	<u>71</u>

Contributions

The contribution requirements of plan members and the City are established and may be amended by the City Council, and/or the employee associations. The City is currently funding this OPEB obligation based on a pay-as-you-go basis. For the measurement date ended June 30, 2022, the City's cash contributions were \$230,013.

Total OPEB Liability

The City's total OPEB liability was measured as of June 30, 2022 and was determined by an actuarial valuation dated June 30, 2022, based on the following actuarial methods and assumptions:

<u>Actuarial Assumptions</u>	<u>June 30, 2022 Measurement Date</u>
Actuarial Valuation Date	June 30, 2022
Contribution Policy	No pre-funding
Discount Rate	3.54% in 2022
General Inflation	2.50%
Mortality, Retirement, Disability, Termination	Based on CalPERS 2017 CalPERS Mortality for Miscellaneous and School Employees
Salary increases	2.80% per year
Medical Trend	4% per year
Healthcare Participation	<i>Current Actives:</i> 100%
	<i>Current Retirees:</i> 100%

Subsidy is not applicable in calculating the total projection of benefit payments.

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 12: Other Post-Employment Benefits Plan (Continued)

Change of Assumptions

The discount rate increased from 2.16% to 3.54% based on the updated municipal bond index. Payroll growth, mortality, termination and retirement rate assumptions have been updated from CalPERS Experience Study and Review of Actuarial Assumptions published in December 2017 to the most recent study published in November 2021. Healthcare trend rates have been updated from 4.00% to Getzen 2022 table that reflects actual premium increases from 2022 to 2023 followed by 6.50% in 2023 that decreases gradually to an ultimate rate of 3.94% in 2075 for non-Medicare and 4.00% for all years on/after 2023 for Medicare. Percentage of active employees assumed to elect spousal coverage at retirement has been reduced from 80% to 25%.

Discount Rate

The discount rate used to measure the total OPEB liability was 3.54%. The discount rate is based on the most recent municipal bond index. The City does not participate in a trust fiduciary fund.

Changes in the Total OPEB Liability

The changes in the total OPEB liability for the Plan are as follows:

	<u>Total OPEB Liability</u>
Balance at June 30, 2021 (6/30/21 measurement date)	<u>\$ 7,379,154</u>
Changes recognized for the measurement period:	
Service cost	447,040
Interest	166,575
Contributions – employer	-
Benefit payments	(230,013)
Experience (gains)/losses	(581,425)
Change in assumptions	(1,769,151)
Net changes	<u>(1,966,974)</u>
Balance at June 30, 2022 (6/30/22 measurement date)	<u><u>\$ 5,412,180</u></u>

City of Lawndale

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 12: Other Post-Employment Benefits Plan (Continued)

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

The following presents the total OPEB liability of the City if it were calculated using a discount rate that is one percentage point lower or one or one percentage point higher than the current rate, for measurement period ended June 30, 2022:

	1% Decrease (2.54%)	Current Discount Rate (3.54%)	1% Increase (4.54%)
Total OPEB Liability	\$ 6,274,778	\$ 5,412,180	\$ 4,716,184

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

The following presents the total OPEB liability of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2022:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Total OPEB Liability	\$ 4,617,491	\$ 5,412,180	\$ 6,429,669

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

For the fiscal year ended June 30, 2022, the City recognized OPEB expense of \$541,652. A complete breakdown of OPEB expense is as follows:

Description	<u>Amount</u>
Service cost	\$ 447,040
Interest cost	166,575
Recognition of experience (gains)/loss deferrals	(53,611)
Recognition of assumption change deferrals	<u>(18,352)</u>
Total OPEB expense	<u>\$ 541,652</u>

As of fiscal year ended June 30, 2022, the City reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ (309,884)
Changes of assumptions	-	<u>(52,355)</u>
Total	<u>\$ -</u>	<u>\$ (362,239)</u>

City of Lawndale

**Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022**

Note 12: Other Post-Employment Benefits Plan (Continued)

Amount reported as deferred outflows related to OPEB will be recognized in future OPEB expense as follows:

Year Ended June 30,	Deferred Outflows/ Inflows of Resources
2023	\$ (71,963)
2024	(71,963)
2025	(71,963)
2026	(71,963)
2027	(79,185)
Thereafter	4,798

Note 13: Commitments and Contingencies

As of June 30, 2022, in the opinion of City Management, there were no additional outstanding commitments or contingencies that would have a significant effect on the financial position of the City.

Note 14: Prior Period Adjustment

a. Government-wide Financial Statements

Restatement of governmental activities beginning net position for the year ended June 30, 2022, is summarized as follows:

	Governmental Activities
Net position, beginning of year, as originally reported	\$ 79,311,820
Restatement	<u>167,738</u>
Net position, beginning of year, as restated	<u>\$ 79,479,558</u>

Restatement was made in the amount of \$167,738 due the correction of prior year capital asset balances.

City of Lawndale

**Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022**

Note 15: Successor Agency to the Former Lawndale Redevelopment Agency

On December 29, 2011, the California Supreme Court upheld AB 1X 26 that provides for the dissolution of all redevelopment agencies in the State of California. The Lawndale Successor Agency (the Successor Agency), a legally separate entity from the City itself, assumed the former Lawndale Redevelopment Agency (RDA)'s assets and obligations, and is responsible for winding down the remaining activities of the former RDA.

After enactment of the law, redevelopment agencies in the State of California could not enter into new projects, obligations or commitments. Subject to the control of an oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

Successor agencies are only allocated revenue in the amount that is necessary to pay the estimated annual installment payments on the enforceable obligations as approved by the Successor Agency Oversight Board and the California Department of Finance.

a. Cash and Investments

As of June 30, 2022, cash and investments were reported in accompanying financial statements as follows:

	<u>Lawndale Successor Agency</u>
Cash and investments	\$ 1,663,124
Cash and investments held with fiscal agents	<u>2,274,259</u>
Total	<u>\$ 3,937,383</u>

b. Long-Term Debt

A description of long-term debt outstanding of the Successor Agency as of June 30, 2022, is as follows:

	<u>Balance at June 30, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance at June 30, 2022</u>	<u>Due Within One Year</u>
Tax Allocation Bonds					
Tax Allocation Bonds, Series 2009	\$ 17,805,000	\$ -	\$ 335,000	\$ 17,470,000	\$ 350,000
Bonds Discount	(97,759)	-	(4,234)	(93,525)	-
Total Tax Allocation Bonds	<u>17,707,241</u>	<u>-</u>	<u>330,766</u>	<u>17,376,475</u>	<u>350,000</u>
Direct Borrowings					
Tax Allocation Loan Agreement Note	1,028,802	-	77,679	951,123	80,515
Agreements with City	<u>19,572,844</u>	<u>47,514</u>	<u>1,146,400</u>	<u>18,473,958</u>	<u>1,599,326</u>
Total Direct Borrowings	<u>20,601,646</u>	<u>47,514</u>	<u>1,224,079</u>	<u>19,425,081</u>	<u>1,679,841</u>
Total	<u>\$ 38,308,887</u>	<u>\$ 47,514</u>	<u>\$ 1,554,845</u>	<u>\$ 36,801,556</u>	<u>\$ 2,029,841</u>

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 15: Successor Agency to the Former Lawndale Redevelopment Agency (Continued)

b. Long-Term Debt (Continued)

Tax Allocation Bonds, Series 2009

On November 1, 2009, the RDA issued \$20,545,000 of Tax Allocation Bonds, Series 2009 to finance public improvements and redevelopment projects benefitting the Project Areas. Interest rates range from 2% to 5.6% with interest payable semiannually on February 1 and August 1 and principal maturing annually on August 1. Pursuant to Assembly Bill 1X 26, the bond was transferred to the Successor Agency from the former RDA on February 1, 2012. The bond is secured solely by future tax increment revenues allocated to the Successor Agency. As of June 30, 2022, the outstanding principal on the bonds was \$17,470,000, and relating unamortized discount was \$93,525. The debt service schedule for the Tax Allocation Bonds, Series 2009 is as follows:

Year Ending June 30,	Tax Allocation Bonds, Series 2009		
	Principal	Interest	Total
2023	\$ 350,000	\$ 946,138	\$ 1,296,138
2024	370,000	928,575	1,298,575
2025	385,000	909,700	1,294,700
2026	405,000	888,938	1,293,938
2027	430,000	865,975	1,295,975
2028-2032	2,540,000	3,936,625	6,476,625
2033-2037	3,965,000	3,050,437	7,015,437
2038-2042	5,180,000	1,799,875	6,979,875
2043-2045	3,845,000	324,637	4,169,637
Total	<u>\$ 17,470,000</u>	<u>\$ 13,650,900</u>	<u>\$ 31,120,900</u>

The remedies available to the Trustee and the owners of the Bonds upon an event of default under the Indenture are dependent upon regulatory and judicial actions enforceable through various legal instruments by limitations imposed by bankruptcy, reorganization, solvency or other similar laws affecting the rights of creditors and by equitable remedies and proceedings.

Tax Allocation Loan Agreement Note

On April 30, 2002, the RDA entered into a Tax Allocation Loan Agreement with the California Infrastructure and Economic Development Bank (CIEDB). The CIEDB agreed to loan the former RDA an amount, up to \$2,000,000, to be used by the former RDA for the Hawthorne Boulevard Revitalization Project.

Pursuant to Assembly Bill 1X 26, the loan was transferred to the Successor Agency from the former RDA on February 1, 2012. The loan is secured by future tax increment revenues and bears interest at a rate of 3.65% per annum. As of June 30, 2007, the \$2,000,000 of loan proceeds were fully disbursed under the loan agreement. As of June 30, 2022, the outstanding principal on the note was \$951,123.

City of Lawndale

Notes to Financial Statements (Continued)
For the Fiscal Year Ended June 30, 2022

Note 15: Successor Agency to the Former Lawndale Redevelopment Agency (Continued)

b. Long-Term Debt (Continued)

The debt service schedule for the Tax Allocation Loan Agreement Note is as follows:

Year Ending June 30,	Tax Allocation Loan Agreement Note		
	Principal	Interest	Total
2023	\$ 80,515	\$ 33,247	\$ 113,762
2024	83,453	30,254	113,707
2025	86,499	27,152	113,651
2026	89,657	23,938	113,595
2027	92,929	20,605	113,534
2028-2032	518,070	48,629	566,699
Total	\$ 951,123	\$ 183,825	\$ 1,134,948

Agreements with City

The City previously loaned the former RDA funds prior to dissolution for various redevelopment activities. The repayment of these amounts has been approved by the California Department of Finance. Additionally, the former RDA agreed to reimburse the City for the debt service on the lease, under the terms of a Public Works Agreement between the City and former RDA. This reimbursement has also been approved by the California Department of Finance. With the dissolution of the City's former RDA pursuant to AB 1X 26, repayment of the loans and reimbursement of the debt service on the lease is now being made by the Successor Agency.

During the 2015-16 fiscal year, the State of California passed Senate Bill 107 (SB 107) which amended the Health and Safety Code to require interest on loans between the City and the Successor Agency to be calculated quarterly using a 3% simple interest rate, from the previously required historical LAIF compounding interest rate. SB 107 also requires that any amount received relating to these outstanding balances must be applied towards the outstanding principal balance before it may be applied towards accrued interest. The Successor Agency experienced an extraordinary loss as a result of the revocation of the receivables and interest income earned on the receivables.

**REQUIRED SUPPLEMENTARY
INFORMATION**

THIS PAGE INTENTIONALLY LEFT BLANK

Note 1: Stewardship, Compliance and Accountability

Budgetary Information

Procedures for establishing the budgetary data reflected in the budgetary comparison schedules are as follows:

- The annual budget adopted by the City Council provides for the general operation of the City. It includes a forecast of revenues for the fiscal year and proposed expenditures.
- The City Council approves total budgeted appropriations and any amendments to appropriations during the year for all governmental funds. This "appropriated budget" covers substantially all City expenditures, with the exception of debt service on bond issues which expenditures constitute legally authorized "non-appropriated budget." Actual expenditures may not exceed budgeted appropriations at the fund level. All appropriations lapse at year-end unless a carryover is authorized by the City Manager.
- Purchase commitments are recorded as encumbrances when purchase orders or contracts are issued. These encumbrances represent an allocation of fund balances. When the related goods or services are received, the encumbrance is liquidated and an expenditure and liability for payment to the vendor are recorded.
- Budgets for the General Fund, Special Revenue Funds, and the Capital Projects Fund are adopted on a basis consistent with accounting principles generally accepted in the United States of America (U.S. GAAP).

THIS PAGE INTENTIONALLY LEFT BLANK

City of Lawndale

**Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 21,994,920	\$ 21,994,920	\$ 21,994,920	\$ -
Resources (Inflows):				
Taxes	10,386,000	11,007,550	12,116,086	1,108,536
Licenses and permits	591,200	792,695	833,265	40,570
Intergovernmental	4,113,500	4,113,500	4,123,994	10,494
Charges for services	1,122,800	1,130,120	1,094,965	(35,155)
Use of money and property	354,303	387,303	53,400	(333,903)
Fines and forfeitures	738,000	821,500	936,895	115,395
Miscellaneous	249,500	319,871	713,484	393,613
Transfers in	10,000	787,111	207,251	(579,860)
Amounts Available for Appropriations	39,560,223	41,354,570	42,074,260	719,690
Charges to Appropriation (Outflows):				
General government	4,824,150	5,078,272	4,195,159	883,113
Public safety	6,508,065	6,508,065	6,168,820	339,245
Code enforcement and animal control	1,181,609	1,214,609	1,169,069	45,540
Planning and community development	1,219,631	1,219,631	746,670	472,961
Recreation and community services	814,157	921,909	599,263	322,646
Public works	1,865,856	2,139,001	1,812,682	326,319
Capital outlay	577,500	1,124,530	615,755	508,775
Debt service:				
Principal retirement	42,831	42,831	42,831	-
Interest and fiscal charges	15,393	15,393	15,393	-
Transfers out	255,842	197,842	150,842	47,000
Total Charges to Appropriations	17,305,034	18,462,083	15,516,484	2,945,599
Budgetary Fund Balance, June 30	\$ 22,255,189	\$ 22,892,487	\$ 26,557,776	\$ 3,665,289

City of Lawndale

**Budgetary Comparison Schedule
 Restricted Urban Development
 For the Fiscal Year Ended June 30, 2022**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 6,079,483	\$ 6,079,483	\$ 6,079,483	\$ -
Resources (Inflows):				
Use of money and property	4,500	4,500	(9,185)	(13,685)
Amounts Available for Appropriations	6,083,983	6,083,983	6,070,298	(13,685)
Charges to Appropriation (Outflows):				
Transfers out	29,280	87,280	77,640	9,640
Total Charges to Appropriations	29,280	87,280	77,640	9,640
Budgetary Fund Balance, June 30	\$ 6,054,703	\$ 5,996,703	\$ 5,992,658	\$ (4,045)

City of Lawndale

**Budgetary Comparison Schedule
 ARPA Fund
 For the Fiscal Year Ended June 30, 2022**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	3,874,100	3,874,100	63,211	(3,810,889)
Amounts Available for Appropriations	3,874,100	3,874,100	63,211	(3,810,889)
Charges to Appropriation (Outflows):				
General Government	-	-	5,643	(5,643)
Transfers out	-	90,000	57,568	32,432
Total Charges to Appropriations	-	90,000	63,211	26,789
Budgetary Fund Balance, June 30	\$ 3,874,100	\$ 3,784,100	\$ -	\$ (3,784,100)

City of Lawndale

**Schedule of the City's Proportionate Share of the Net Pension Liability and Related Ratios as of the Measurement Date
CalPERS Cost Sharing Miscellaneous Plan
Last Ten Years***

Measurement Date	Proportion of the net pension liability ¹	Proportionate share of the net pension liability	Covered payroll	Proportionate share of the net pension liability as a percentage of covered payroll	Proportionate share of the fiduciary net position as a percentage of the Plan's total pension liability
6/30/2014	0.007124%	\$ 4,213,742	\$ 3,763,636	111.96%	79.82%
6/30/2015	0.064474%	4,425,429	3,608,780	122.63%	78.40%
6/30/2016	0.069070%	5,976,726	3,502,895	170.62%	74.06%
6/30/2017	0.071076%	7,048,744	3,654,304	192.89%	73.31%
6/30/2018	0.071947%	6,933,016	3,506,568	197.72%	77.51%
6/30/2019	0.074751%	7,659,716	3,400,803	225.23%	76.68%
6/30/2020	0.077080%	8,386,672	3,590,921	233.55%	75.54%
6/30/2021	0.086230%	4,663,673	3,622,805	128.73%	87.14%

*Historical information is required only for measurement for which GASB 68 is applicable.

¹ Proportion of the net pension liability represents the plan's proportion of PERF C, which includes both the Miscellaneous and Safety Risk Pools excluding the 1959 survivors Risk Pool.

City of Lawndale

**Schedule of Plan Contributions
CalPERS Cost Sharing Miscellaneous Plan
Last Ten Years***

<u>Fiscal Year</u>	<u>Actuarially Determined Contribution</u>	<u>Contributions in Relation to the Actuarially Determined Contribution</u>	<u>Contribution Deficiency (Excess)</u>	<u>Covered payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
2014-2015	\$ 408,984	\$ (408,984)	\$ -	\$ 3,608,780	11.33%
2015-2016	492,655	(492,655)	-	3,502,895	14.06%
2016-2017	654,502	(654,502)	-	3,654,304	17.91%
2017-2018	600,369	(600,369)	-	3,506,568	17.12%
2018-2019	726,239	(726,239)	-	3,400,803	21.35%
2019-2020	782,158	(782,158)	-	3,590,921	21.78%
2020-2021	883,365	(883,365)	-	3,622,805	24.38%
2021-2022	947,169	(947,169)	-	3,379,109	28.03%

*Historical information is required only for measurement for which GASB 68 is applicable.

Notes to Schedule:

Change in Benefit Terms: There were no changes to benefit terms that applied to all members of the Public Agency Pool. Additionally, the figures above do not include any liability impact that may have resulted from Golden Handshakes that occurred after the June 30, 2020 valuation date, unless the liability impact is deemed to be material to the Public Agency Pool.

Change in Assumptions: There were no assumption changes for 2021. For 2020, the Plan adopted a new amortization policy effective with the 2019 actuarial valuation. The new amortization policy shortens the period over which actuarial gains and losses are amortized from 30 years to 20 years with the payments computed as a level dollar amount. In addition, the new policy does not utilize a five-year ramp-up and ramp-down on UAL bases attributable to assumption changes and non-investment gains/losses. The new policy also does not utilize a five-year ramp-down on investment gains/losses. These changes apply only to new UAL bases established on or after June 30, 2019. There were no changes in assumptions in 2019. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate in 2019. In 2017, the accounting discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes in the discount rate. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense). In 2014, amounts reported were based on the 7.5 percent discount rate.

City of Lawndale

**Schedule of Changes in Net Position Liability and Related Ratios as
of the Measurement Date
PARS Retirement Enhancement Plan
For the Fiscal Year Ended June 30, 2022**

Measurement Date	2022	2021	2020	2019
Total Pension Liability				
Service cost	\$ -	\$ -	\$ -	\$ 24,739
Interest on the Total Pension Liability	53,042	53,430	57,391	56,830
Effect of economic/demographic gains or losses	7,702	-	(67,384)	-
Effect of assumption changes or inputs	-	-	4,554	(42,305)
Benefit payments, including refunds of employee contributions	(62,138)	(56,764)	(54,265)	-
Net Change in Total Pension Liability	(1,394)	(3,334)	(59,704)	39,264
Total Pension Liability - Beginning	846,609	849,943	909,647	870,383
Total Pension Liability - Ending (a)	\$ 845,215	\$ 846,609	\$ 849,943	\$ 909,647
Plan Fiduciary Net Position				
Employer Contributions	\$ 48,680	\$ 54,070	\$ -	\$ 35,683
Net investment income	(108,611)	151,416	21,288	42,049
Benefit payments, including refunds of employee contributions	(62,138)	(56,764)	(54,265)	(42,305)
Administrative expenses	(4,149)	(3,956)	(3,535)	(3,447)
Net Change in Fiduciary Net Position	(126,218)	144,766	(36,512)	31,980
Plan Fiduciary Net Position - Beginning	826,149	681,383	717,895	685,915
Plan Fiduciary Net Position - Ending (b)	\$ 699,931	\$ 826,149	\$ 681,383	\$ 717,895
Plan Net Pension Liability - Ending (a) - (b)	\$ 145,284	\$ 20,460	\$ 168,560	\$ 191,752
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.8%	97.6%	80.2%	78.9%
Covered Payroll ⁽¹⁾	\$ -	\$ -	\$ -	\$ -
Plan Net Pension Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A

*Historical information is required only for measurement for which GASB 68 is applicable.

⁽¹⁾There are no active employees eligible for the plan starting for measurement date 2019.

⁽²⁾No actuarial valuation was performed for 2016.

Notes to Schedule:

Change in Benefit Terms: None.

Changes of Assumptions: Inflation decreased from 2.75% to 2.50%; salary increases are no longer applicable due to no active participants; change in mortality assumptions to be consistent with industrial rates used to value Miscellaneous Agency CalPERS Pension Plans after June 30, 2017 for both pre- and post-retirement.

<u>2018</u>	<u>2017</u>	<u>2016 ⁽²⁾</u>	<u>2015</u>
\$ 24,018	\$ 28,713	\$ -	\$ 45,100
53,115	50,372	-	42,181
11,039	-	-	-
-	41,097	-	-
<u>(21,451)</u>	<u>(14,562)</u>	<u>-</u>	<u>(8,974)</u>
66,721	105,620	-	78,307
<u>803,664</u>	<u>698,044</u>	<u>640,349</u>	<u>562,042</u>
<u>\$ 870,385</u>	<u>\$ 803,664</u>	<u>\$ 640,349</u>	<u>\$ 640,349</u>
\$ 19,890	\$ 19,889	\$ -	\$ 39,254
40,514	60,634	-	14,293
(21,451)	(14,562)	-	(8,974)
<u>(3,463)</u>	<u>(3,149)</u>	<u>-</u>	<u>(2,964)</u>
35,490	62,812	-	41,609
<u>650,425</u>	<u>587,613</u>	<u>586,056</u>	<u>544,447</u>
<u>\$ 685,915</u>	<u>\$ 650,425</u>	<u>\$ 586,056</u>	<u>\$ 586,056</u>
<u>\$ 184,470</u>	<u>\$ 153,239</u>	<u>\$ 54,293</u>	<u>\$ 54,293</u>
78.8%	80.9%	91.5%	91.5%
\$ 314,042	\$ 304,044	\$ 295,188	\$ 404,081
58.7%	50.4%	18.4%	13.4%

THIS PAGE INTENTIONALLY LEFT BLANK

City of Lawndale

**Schedule of Plan Contributions
PARS Retirement Enhancement Plan
Last Ten Years***

Fiscal Year	Actuarially Determined Contribution	Contribution in Relation to the Actuarially Determined Contribution	Contribution Deficiency (Excess)	Covered payroll ⁽¹⁾	Contributions as a Percentage of Covered Payroll
2014-2015	\$ 39,254	\$ (39,254)	\$ -	\$ 404,081	9.71%
2015-2016	26,331	(19,636)	6,695	295,188	8.92%
2016-2017	40,955	(19,889)	21,066	304,044	13.47%
2017-2018	41,069	(19,890)	21,179	314,042	13.08%
2018-2019	53,827	(35,683)	18,144	N/A	N/A
2019-2020	55,442	-	55,442	N/A	N/A
2020-2021	24,980	(54,070)	(29,090)	N/A	N/A
2021-2022	24,980	(48,680)	(23,700)	N/A	N/A

*Historical information is required only for measurement for which GASB 68 is applicable.

⁽¹⁾There are no active employees eligible for the plan starting in fiscal year 2019.

Note to Schedule:

Valuation Date June 30, 2022

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed
Remaining amortization period	8 years
Inflation	2.50%
Salary Increases	Not applicable, no active participants.
Investment rate of return	6.50%
Payroll Growth	Not applicable, no active participants.
Cost of Living Adjustments	2.00%
Mortality	Pre-retirement: Consistent with the Non-Industrial rates used to value Miscellaneous Agency CalPERS Pension Plans after June 30, 2017. Post-retirement: Consistent with the Non-Industrial rates used to value Miscellaneous Agency CalPERS Pension Plans after June 30, 2017.

City of Lawndale

**Schedule of Investment Returns
PARS Retirement Enhancement Plan
Last Ten Years***

<u>Fiscal Year</u>	<u>Annual Money-Weighted Rate of Return, Net of Investment Expense</u>
2015	2.48%
2016	-0.14%
2017	10.14%
2018	6.15%
2019	6.18%
2020	3.08%
2021	21.49%
2022	-13.05%

*Historical information is required only for measurement for which GASB 68 is applicable.

City of Lawndale

Schedule of Changes in the Total OPEB Liability and Related Ratios Last Ten Years*

Fiscal Year	2022	2021	2020	2019	2018
Total OPEB Liability					
Service cost	\$ 447,040	\$ 425,674	\$ 205,330	\$ 184,378	\$ 179,443
Interest on the total OPEB liability	166,575	155,567	159,173	143,562	146,967
Experience (gains)/losses	(581,425)	-	276,830	-	-
Changes in assumptions	(1,769,151)	46,222	1,930,822	209,309	-
Benefit payments	(230,013)	(213,405)	(104,378)	(99,021)	(95,212)
Net change in total OPEB liability	<u>(1,966,974)</u>	<u>414,058</u>	<u>2,467,777</u>	<u>438,228</u>	<u>231,198</u>
Total OPEB liability - beginning	<u>7,379,154</u>	<u>6,965,096</u>	<u>4,497,319</u>	<u>4,059,091</u>	<u>3,827,893</u>
Total OPEB liability - ending (a)	<u>\$ 5,412,180</u>	<u>\$ 7,379,154</u>	<u>\$ 6,965,096</u>	<u>\$ 4,497,319</u>	<u>\$ 4,059,091</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-employee payroll⁽¹⁾	\$ 3,174,733	\$ 2,574,004	\$ 2,535,647	\$ 2,918,274	\$ 2,935,427
Net OPEB liability as a percentage of covered-employee payroll	170.48%	286.68%	274.69%	154.11%	138.28%

* Historical information is required only for measurement for which GASB 75 is applicable.

Notes to Schedule:

⁽¹⁾Contributions to the OPEB plan are not based on a measure of pay, therefore covered employee payroll is used. No assets are accumulated in a trust that meets the criteria of GASB 75 to pay related benefits.

Changes in assumptions: The discount rate increased from 2.16% to 3.45% based on the updated municipal bond index. Payroll growth, mortality, termination and retirement rate assumptions have been updated from CalPERS Experience Study and Review of Actuarial Assumptions published in December 2017 to the most recent study published in November 2021. Healthcare trend rates have been updated from 4.00% to Getzen 2022 table that reflects actual premium increases from 2022 to 2023 followed by 6.50% in 2023 that decreases gradually to an ultimate rate of 3.94% in 2075 for non-Medicare and 4.00% for all years on/after 2023 for Medicare. Percentage of active employees assumed to elect spousal coverage at retirement has been reduced from 80% to 25%.

THIS PAGE INTENTIONALLY LEFT BLANK

SUPPLEMENTARY INFORMATION

Special Revenue Funds

The following special revenue funds have been classified as non-major funds:

Gas Tax - To account for highway users tax received under Street and Highways Code Sections 2103, 2105, 2106, and 2107 and expenditures of money apportioned for maintenance, rehabilitation, or improvement of public streets.

Air Quality - To account for quarterly allocations received from the California Air Resources Board – South Coast Air Quality Management District per Assembly Bill 2766 to be used for clean transportation programs and reduction of vehicle emissions.

Proposition A Local Transit Assistance - To account for the Los Angeles County Metropolitan Transportation Authority “per capita” allocation of twenty-five percent Proposition A half-cent sales tax effective July 1982 and designated for Local Return Programs to be used exclusively for public transit.

Narcotics Forfeiture - To account for resources used solely for investigation, detection and prosecution of criminal drug activities.

State COPS Grant - To account for money passed through the California Citizens Option for Public Safety (COPS) program to the Los Angeles County Supplemental Law Enforcement Services Account (SLESA) to local governments allocated based on population to be used exclusively to supplement existing frontline municipal police services.

CA Law Enforcement Equipment - To account for funds received from the State of California to be expended exclusively for law enforcement equipment.

Used Oil Recycling Grant - To account for money received from the California Department of Resources Recycling and Recovery (CalRecycle) based on “per capita” to administer the local used oil and used oil filter collection/recycling program as outlined in Public Resources Code Section 48691.

Lawndale Cable Usage Corporation - Accounts for Local Access and Franchise fees received by the nonprofit California Corporation and used to supplement the Lawndale CityTV (Channel 3) and Lawndale Community TV (Spectrum Channel 22 and Frontier Channel 29) costs for communication and transparency to the local community.

Department of Conservation Grant - To account for funds received and expended for park renovation projects.

Justice Assisted Grant - To account for federal funds in the City’s law enforcement program.

Park Development - To account for park development fees assessed on new construction in accordance with Government Code Section 66000 et al. to be expended on park capital improvements.

Measure M Local Return - To account for the Los Angeles County Metropolitan Transportation Authority Traffic Improvement Plan Measure M half-cent sales tax effective July 2017 and designated for local jurisdictions to augment existing revenues for improving the efficiency and operations of streets and roads and/or increasing alternative transportation choices.

LA County Parks Maintenance Grant - To account for maintenance of parks and recreational facilities.

SB1 RMRA - To account for the State of California Road Maintenance and Rehabilitation Account (RMRA) funding received from taxes on gasoline and apportioned in accordance with the Street and Highway Code Section 2032(h). The funding is designated for basic road maintenance, rehabilitation, and critical safety projects on the local streets and roads system.

Non-Major Governmental Funds (Continued)

Special Revenue Funds (Continued)

Ground Water Sustainability - To account for "AB 939" refuse fees to be expended on a groundwater sustainability program per Section 10730 of the Water Code and Lawndale Municipal Code Section 5.08.070.

Disability Access - To account for the 90% share of the \$4 State disability access and education fee collected on each business license issued in the City and restricted for certified access specialist training and certification, and/or to facilitate compliance with construction-related accessibility requirements per Government Code 4467 (b)(1).

Measure W Safe Clean Water - To account for the allocation of funds for improvements to the City's stormwater collection system.

SB1383 – To account for the proceeds and expenses related to Senate Bill 1383, which requires the implementation of solid waste and organic recycling programs beginning on January 1, 2022.

Lawndale Housing Authority Fund - Accounts for 20% of the Annual Recognized Obligation Payments received pursuant to Health and Safety Code section 34177(o)(1) from the Successor Agency of the former Lawndale Redevelopment Agency, which is set aside to provide affordable housing for persons and families of low and moderate income.

Capital Projects Funds

The following capital projects funds have been classified as non-major funds:

TDA Article 3 (Metro) - To account for funds provided by the State Transportation Development Act (TDA) through the Metro Transportation Commission designated for the design and construction of pedestrian, bicycle, and handicapped amenities.

Proposition C Local Transit Assistance - To account for the Los Angeles County Metropolitan Transportation Authority Proposition C one-half cent sales tax effective April 1991 distributed on a "per capita" basis and designated for street and road expenditures and signal synchronization on streets that carry regularly scheduled Fixed-Route Public Transit Services, most elements of Congestion Management Activities, and some elements Pavement Management Systems.

Community Development Block Grant - To account for expenditures and reimbursement of annual Federal Community Development Block Grant (CDBG) awards administered by the Los Angeles County Development Authority.

Prop C25 Grant - To account for Proposition C 25% transit-related local highway improvement funds designated for the Inglewood Avenue widening project.

Measure R - To account for the Los Angeles County Metropolitan Transportation Authority Measure R half-cent sales tax effective July 2009 and designated for transportation projects including synchronized traffic signals, pothole repairs, improved freeway traffic flow, and other community traffic relief projects.

Metro STPL Exchange 2017 - To account for \$578,416 Los Angeles County Metropolitan Transportation Authority (LACMTA) Surface Transportation Program – Local Funds (STP-L) received in a March 13, 2017 exchange for Federal STP-L Funds (\$590,220 less 2% fee of \$11,804) and designated for street, highway, bridge and tunnel project, pedestrian and bicycle infrastructure and transit capital project eligible costs expended within five years of the exchange.

City of Lawndale

Combining Balance Sheet
 Non-Major Governmental Funds
 June 30, 2022

	Special Revenue Funds				
	Gas Tax	Air Quality	Proposition A Local Transit Assistance	Narcotics Forfeiture	State COPS Grant
Assets					
Cash and investments	\$ 106,451	\$ 169,396	\$ 2,681,851	\$ 54,902	\$ 186,273
Receivables:					
Accounts	59,102	10,758	118,582	-	-
Grants	-	-	-	-	-
Accrued interest	-	146	2,331	49	180
Notes and loans	-	-	-	-	-
Land held for development	-	-	-	-	-
Total Assets	\$ 165,553	\$ 180,300	\$ 2,802,764	\$ 54,951	\$ 186,453
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ 35,747	\$ -	\$ -	\$ -	\$ 10,175
Accrued liabilities	7,276	-	3,606	-	-
Due to other funds	-	-	-	-	-
Total Liabilities	43,023	-	3,606	-	10,175
Deferred Inflows of Resources					
Unavailable revenues	-	10,758	118,582	-	-
Total Deferred Inflows of Resources	-	10,758	118,582	-	-
Fund Balances (deficit)					
Restricted for:					
Community development projects	-	-	-	-	-
Public safety	-	-	-	54,951	176,278
Recreation and community services	-	-	2,680,576	-	-
Public works	122,530	-	-	-	-
Air quality	-	169,542	-	-	-
Municipal services	-	-	-	-	-
Housing	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	122,530	169,542	2,680,576	54,951	176,278
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 165,553	\$ 180,300	\$ 2,802,764	\$ 54,951	\$ 186,453

(Continued)

Special Revenue Funds

CA Law Enforcement Equipment	Used Oil Recycling Grant	Lawndale Cable Usage Corporation	Department of Conservation Grant	Justice Assisted Grant	Park Development	Measure M Local Return
\$ 5,885	\$ 7,173	\$ 162,250	\$ 17,280	\$ -	\$ 8,478	\$ 1,862,836
-	-	9,703	-	-	-	-
-	-	141	-	-	8	1,617
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 5,885</u>	<u>\$ 7,173</u>	<u>\$ 172,094</u>	<u>\$ 17,280</u>	<u>\$ -</u>	<u>\$ 8,486</u>	<u>\$ 1,864,453</u>
\$ 417	\$ 3,880	\$ -	\$ -	\$ -	\$ -	\$ 46,346
-	-	-	-	-	-	-
-	-	-	-	10,000	-	-
<u>417</u>	<u>3,880</u>	<u>-</u>	<u>-</u>	<u>10,000</u>	<u>-</u>	<u>46,346</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
5,468	-	-	-	-	-	-
-	-	-	17,280	-	8,486	-
-	3,293	-	-	-	-	1,818,107
-	-	172,094	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	(10,000)	-	-
<u>5,468</u>	<u>3,293</u>	<u>172,094</u>	<u>17,280</u>	<u>(10,000)</u>	<u>8,486</u>	<u>1,818,107</u>
<u>\$ 5,885</u>	<u>\$ 7,173</u>	<u>\$ 172,094</u>	<u>\$ 17,280</u>	<u>\$ -</u>	<u>\$ 8,486</u>	<u>\$ 1,864,453</u>

City of Lawndale

Combining Balance Sheet
 Non-Major Governmental Funds
 June 30, 2022

	Special Revenue Funds				
	LA County Parks Maintenance Grant	SB1 RMRA	Groundwater Sustainability	Disability Access	Measure W Safe Clean Water
Assets					
Cash and investments	\$ 4,012	\$ 635,332	\$ 456,987	\$ 63,318	\$ 417,466
Receivables:					
Accounts	-	110,623	670	-	-
Grants	-	-	-	-	-
Accrued interest	4	527	440	57	-
Notes and loans	-	-	-	-	-
Land held for development	-	-	-	-	-
Total Assets	\$ 4,016	\$ 746,482	\$ 458,097	\$ 63,375	\$ 417,466
Liabilities, Deferred Inflows of Resources and Fund Balances					
Liabilities					
Accounts payable	\$ -	\$ 26,650	\$ 11,212	\$ 87	\$ 3,873
Accrued liabilities	-	1,186	3,003	-	-
Due to other funds	-	-	-	-	-
Total Liabilities	-	27,836	14,215	87	3,873
Deferred Inflows of Resources					
Unavailable revenues	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-
Fund Balances (deficit)					
Restricted for:					
Community development projects	-	-	-	-	-
Public safety	-	-	-	-	-
Recreation and community services	4,016	-	-	-	-
Public works	-	718,646	443,882	63,288	413,593
Air quality	-	-	-	-	-
Municipal services	-	-	-	-	-
Housing	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	4,016	718,646	443,882	63,288	413,593
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 4,016	\$ 746,482	\$ 458,097	\$ 63,375	\$ 417,466

(Continued)

Special Revenue Funds		Capital Projects Funds				
SB1383	Lawndale Housing Authority	TDA Article 3 (Metro)	Proposition C Local Transit Assistance	Community Development Block Grant	Prop C25 Grant	Measure R
\$ 46,987	\$ 1,491,739	\$ -	\$ 1,944,503	\$ -	\$ -	\$ 1,494,942
-	-	-	-	-	-	32,349
-	-	-	-	67,803	12,725	4,226
14	1,253	-	1,854	-	-	1,378
-	76,562	-	-	212,256	-	-
-	487,083	-	-	-	-	-
\$ 47,001	\$ 2,056,637	\$ -	\$ 1,946,357	\$ 280,059	\$ 12,725	\$ 1,532,895
\$ -	\$ 718	\$ -	\$ 628,162	\$ 70,798	\$ 39,796	\$ -
-	2,404	-	11,011	806	-	2,640
-	-	1,664	-	20,080	214,744	-
-	3,122	1,664	639,173	91,684	254,540	2,640
-	-	-	-	-	12,725	4,226
-	-	-	-	-	12,725	4,226
-	-	-	-	188,375	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
47,001	-	-	1,307,184	-	-	1,526,029
-	-	-	-	-	-	-
-	2,053,515	-	-	-	-	-
-	-	(1,664)	-	-	(254,540)	-
47,001	2,053,515	(1,664)	1,307,184	188,375	(254,540)	1,526,029
\$ 47,001	\$ 2,056,637	\$ -	\$ 1,946,357	\$ 280,059	\$ 12,725	\$ 1,532,895

City of Lawndale

Combining Balance Sheet
 Non-Major Governmental Funds
 June 30, 2022

	<u>Capital Projects Funds</u>	<u>Total Non-major Governmental Funds</u>
	<u>Metro STPL Exchange 2017</u>	
Assets		
Cash and investments	\$ 4,334	\$ 11,822,395
Receivables:		
Accounts	-	341,787
Grants	-	84,754
Accrued interest	4	10,003
Notes and loans	-	288,818
Land held for development	-	487,083
Total Assets	\$ 4,338	\$ 13,034,840
Liabilities, Deferred Inflows of Resources and Fund Balances		
Liabilities		
Accounts payable	\$ -	\$ 877,861
Accrued liabilities	-	31,932
Due to other funds	-	246,488
Total Liabilities	-	1,156,281
Deferred Inflows of Resources		
Unavailable revenues	-	146,291
Total Deferred Inflows of Resources	-	146,291
Fund Balances (deficit)		
Restricted for:		
Community development projects	-	188,375
Public safety	-	236,697
Recreation and community services	-	2,710,358
Public works	4,338	6,467,891
Air quality	-	169,542
Municipal services	-	172,094
Housing	-	2,053,515
Unassigned	-	(266,204)
Total Fund Balances	4,338	11,732,268
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 4,338	\$ 13,034,840

THIS PAGE INTENTIONALLY LEFT BLANK

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2022**

	Special Revenue Funds				
	Gas Tax	Air Quality	Proposition A Local Transit Assistance	Narcotics Forfeiture	State COPS Grant
Revenues					
Intergovernmental	\$ 770,940	\$ 31,215	\$ 828,274	\$ -	\$ 161,285
Charges for services	-	-	-	-	-
Use of money and property	-	(1,804)	(24,921)	(584)	(1,995)
Total Revenues	770,940	29,411	803,353	(584)	159,290
Expenditures					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	122,100
Code enforcement and animal control	-	-	-	-	-
Housing	-	-	-	-	-
Recreation and community services	-	-	89,276	-	-
Public works	628,167	-	-	-	-
Capital outlay	-	58,318	-	-	-
Total Expenditures	628,167	58,318	89,276	-	122,100
Excess (Deficiency) of Revenues Over (Under) Expenditures	142,773	(28,907)	714,077	(584)	37,190
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	(10,283)	-	-	-	-
Total Other Financing Sources (Uses)	(10,283)	-	-	-	-
Net Change in Fund Balances	132,490	(28,907)	714,077	(584)	37,190
Fund Balances (deficit)					
Beginning of year	(9,960)	198,449	1,966,499	55,535	139,088
End of Year	\$ 122,530	\$ 169,542	\$ 2,680,576	\$ 54,951	\$ 176,278

(Continued)

Special Revenue Funds

CA Law Enforcement Equipment	Used Oil Recycling Grant	Lawndale Cable Usage Corporation	Department of Conservation Grant	Justice Assisted Grant	Park Development	Measure M Local Return
\$ -	\$ 5,000	\$ -	\$ 8,425	\$ -	\$ -	\$ 583,001
-	-	38,529	-	-	-	-
-	-	(1,537)	-	-	(91)	(18,401)
-	5,000	36,992	8,425	-	(91)	564,600
5,000	-	-	-	-	-	-
-	-	-	-	10,000	-	-
-	-	-	-	-	-	-
-	-	-	-	-	1,146	-
-	4,859	-	-	-	-	126,067
-	-	-	-	-	-	-
5,000	4,859	-	-	10,000	1,146	126,067
(5,000)	141	36,992	8,425	(10,000)	(1,237)	438,533
-	-	-	-	-	-	-
-	-	-	(16,896)	-	-	-
-	-	-	(16,896)	-	-	-
(5,000)	141	36,992	(8,471)	(10,000)	(1,237)	438,533
10,468	3,152	135,102	25,751	-	9,723	1,379,574
\$ 5,468	\$ 3,293	\$ 172,094	\$ 17,280	\$ (10,000)	\$ 8,486	\$ 1,818,107

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2022**

	Special Revenue Funds				
	LA County Parks Maintenance Grant	SB1 RMRA	Groundwater Sustainability (AB 939)	Disability Access (AB 1379)	Measure W Safe Clean Water
Revenues					
Intergovernmental	\$ -	\$ 654,914	\$ 136,004	\$ 10,522	\$ 232,545
Charges for services	-	-	-	-	-
Use of money and property	(42)	(7,521)	(5,219)	(635)	-
Total Revenues	(42)	647,393	130,785	9,887	232,545
Expenditures					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Code enforcement and animal control	-	-	-	-	-
Housing	-	-	-	-	-
Recreation and community services	-	-	-	-	-
Public works	-	612,791	187,902	-	49,804
Capital outlay	-	-	-	-	-
Total Expenditures	-	612,791	187,902	-	49,804
Excess (Deficiency) of Revenues Over (Under) Expenditures	(42)	34,602	(57,117)	9,887	182,741
Other Financing Sources (Uses)					
Transfers in	-	-	-	-	-
Transfers out	-	-	(54,504)	-	-
Total Other Financing Sources (Uses)	-	-	(54,504)	-	-
Net Change in Fund Balances	(42)	34,602	(111,621)	9,887	182,741
Fund Balances (deficit)					
Beginning of year	4,058	684,044	555,503	53,401	230,852
End of Year	4,016	718,646	443,882	63,288	413,593

(Continued)

Special Revenue Funds		Capital Projects Funds				
SB1383 Local Assistance	Lawndale Housing Authority	TDA Article 3 (Metro)	Proposition C Local Transit Assistance	Community Development Block Grant	Prop C25 Grant	Measure R
\$ 47,128	\$ -	\$ -	\$ 687,036	\$ 370,666	\$ -	\$ 547,543
-	-	-	-	-	-	-
(127)	16,261	-	(22,082)	-	-	(15,670)
47,001	16,261	-	664,954	370,666	-	531,873
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	119,198	-	-	-	-	-
-	-	-	507,156	351,538	-	113,745
-	-	-	1,322,812	-	332,752	-
-	119,198	-	1,829,968	351,538	332,752	113,745
47,001	(102,937)	-	(1,165,014)	19,128	(332,752)	418,128
-	160,482	-	-	-	-	-
-	-	-	-	-	-	-
-	160,482	-	-	-	-	-
47,001	57,545	-	(1,165,014)	19,128	(332,752)	418,128
-	1,995,970	(1,664)	2,472,198	169,247	78,212	1,107,901
\$ 47,001	\$ 2,053,515	\$ (1,664)	\$ 1,307,184	\$ 188,375	\$ (254,540)	\$ 1,526,029

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-Major Governmental Funds
For the Fiscal Year Ended June 30, 2022**

	<u>Capital Projects Funds</u>	<u>Total Non-major Governmental Funds</u>
	<u>Metro STPL Exchange 2017</u>	
Revenues		
Intergovernmental	\$ -	\$ 5,074,498
Charges for services	-	38,529
Use of money and property	(359)	(84,727)
Total Revenues	(359)	5,028,300
Expenditures		
Current:		
General government	-	5,000
Public safety	-	132,100
Code enforcement and animal control	-	-
Housing	-	119,198
Recreation and community services	-	90,422
Public works	114	2,582,143
Capital outlay	-	1,713,882
Total Expenditures	114	4,642,745
Excess (Deficiency) of Revenues Over (Under) Expenditures	(473)	385,555
Other Financing Sources (Uses)		
Transfers in	-	160,482
Transfers out	-	(81,683)
Total Other Financing Sources (Uses)	-	78,799
Net Change in Fund Balances	(473)	464,354
Fund Balances (deficit)		
Beginning of year	4,811	11,267,914
End of Year	\$ 4,338	\$ 11,732,268

City of Lawndale

**Budgetary Comparison Schedule
Gas Tax
For the Fiscal Year Ended June 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance (deficit), July 1	\$ (9,960)	\$ (9,960)	\$ (9,960)	\$ -
Resources (Inflows):				
Intergovernmental	744,000	744,000	770,940	26,940
Use of money and property	50	50	-	(50)
Amounts Available for Appropriation	734,090	734,090	760,980	26,890
Charges to Appropriation (Outflows):				
Public works	692,920	682,637	628,167	54,470
Transfers out	-	10,283	10,283	-
Total Charges to Appropriation	692,920	692,920	638,450	54,470
Budgetary Fund Balance (Deficit), June 30	\$ 41,170	\$ 41,170	\$ 122,530	\$ 81,360

City of Lawndale

**Budgetary Comparison Schedule
Air Quality
For the Fiscal Year Ended June 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 198,449	\$ 198,449	\$ 198,449	\$ -
Resources (Inflows):				
Intergovernmental	40,000	40,000	31,215	(8,785)
Use of money and property	950	950	(1,804)	(2,754)
Amounts Available for Appropriation	239,399	239,399	227,860	(11,539)
Charges to Appropriation (Outflows):				
Capital outlay	60,000	60,000	58,318	1,682
Total Charges to Appropriation	60,000	60,000	58,318	1,682
Budgetary Fund Balance, June 30	\$ 179,399	\$ 179,399	\$ 169,542	\$ (9,857)

City of Lawndale

**Budgetary Comparison Schedule
Proposition A Local Transit Assistance
For the Fiscal Year Ended June 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,966,499	\$ 1,966,499	\$ 1,966,499	\$ -
Resources (Inflows):				
Intergovernmental	610,000	610,000	828,274	218,274
Charges for services	500	500	-	(500)
Use of money and property	10,000	10,000	(24,921)	(34,921)
Miscellaneous	34,000	34,000	-	(34,000)
Amounts Available for Appropriation	2,620,999	2,620,999	2,769,852	148,853
Charges to Appropriation (Outflows):				
Recreation and community services	494,349	494,349	89,276	405,073
Public works	195,400	195,400	-	195,400
Total Charges to Appropriation	689,749	689,749	89,276	600,473
Budgetary Fund Balance, June 30	\$ 1,931,250	\$ 1,931,250	\$ 2,680,576	\$ 749,326

City of Lawndale

**Budgetary Comparison Schedule
Narcotics Forfeiture
For the Fiscal Year Ended June 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 55,535	\$ 55,535	\$ 55,535	\$ -
Resources (Inflows):				
Use of money and property	300	300	(584)	(884)
Amounts Available for Appropriation	55,835	55,835	54,951	(884)
Budgetary Fund Balance, June 30	\$ 55,835	\$ 55,835	\$ 54,951	\$ (884)

City of Lawndale

**Budgetary Comparison Schedule
State COPS Grant
For the Fiscal Year Ended June 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 139,088	\$ 139,088	\$ 139,088	\$ -
Resources (Inflows):				
Intergovernmental	150,000	150,000	161,285	11,285
Use of money and property	800	800	(1,995)	(2,795)
Amounts Available for Appropriation	289,888	289,888	298,378	8,490
Charges to Appropriation (Outflows):				
Public safety	150,800	150,800	122,100	28,700
Total Charges to Appropriation	150,800	150,800	122,100	28,700
Budgetary Fund Balance, June 30	\$ 139,088	\$ 139,088	\$ 176,278	\$ 37,190

City of Lawndale

**Budgetary Comparison Schedule
CA Law Enforcement Equipment
For the Fiscal Year Ended June 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 10,468	\$ 10,468	\$ 10,468	\$ -
Charges to Appropriation (Outflows):				
General government	5,000	5,000	5,000	-
Total Charges to Appropriation	5,000	5,000	5,000	-
Budgetary Fund Balance, June 30	\$ 5,468	\$ 5,468	\$ 5,468	\$ -

City of Lawndale

**Budgetary Comparison Schedule
Used Oil Recycling Grant
For the Fiscal Year Ended June 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 3,152	\$ 3,152	\$ 3,152	\$ -
Resources (Inflows):				
Intergovernmental	9,000	9,000	5,000	(4,000)
Amounts Available for Appropriation	12,152	12,152	8,152	(4,000)
Charges to Appropriation (Outflows):				
Public works	5,000	5,000	4,859	141
Total Charges to Appropriation	5,000	5,000	4,859	141
Budgetary Fund Balance, June 30	\$ 7,152	\$ 7,152	\$ 3,293	\$ (3,859)

City of Lawndale

**Budgetary Comparison Schedule
Lawndale Cable Usage Corporation
For the Fiscal Year Ended June 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 135,102	\$ 135,102	\$ 135,102	\$ -
Resources (Inflows):				
Charges for services	40,000	40,000	38,529	(1,471)
Use of money and property	600	600	(1,537)	(2,137)
Amounts Available for Appropriation	175,702	175,702	172,094	(3,608)
Budgetary Fund Balance, June 30	\$ 175,702	\$ 175,702	\$ 172,094	\$ (3,608)

City of Lawndale

**Budgetary Comparison Schedule
 Department of Conservation Grant
 For the Fiscal Year Ended June 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 25,751	\$ 25,751	\$ 25,751	\$ -
Resources (Inflows):				
Intergovernmental	8,600	8,600	8,425	(175)
Amounts Available for Appropriation	34,351	34,351	34,176	(175)
Charges to Appropriation (Outflows):				
Recreation and community services	8,400	-	-	-
Transfers out	-	16,896	16,896	-
Total Charges to Appropriation	8,400	16,896	16,896	-
Budgetary Fund Balance, June 30	\$ 25,951	\$ 17,455	\$ 17,280	\$ (175)

City of Lawndale

**Budgetary Comparison Schedule
Justice Assisted Grant
For the Fiscal Year Ended June 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	10,000	10,000	-	(10,000)
Amounts Available for Appropriation	10,000	10,000	-	(10,000)
Charges to Appropriation (Outflows):				
Public safety	-	-	10,000	(10,000)
Total Charges to Appropriation	-	-	10,000	(10,000)
Budgetary Fund Balance, June 30	\$ 10,000	\$ 10,000	\$ (10,000)	\$ (20,000)

City of Lawndale

**Budgetary Comparison Schedule
Park Development
For the Fiscal Year Ended June 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance (deficit), July 1	\$ 9,723	\$ 9,723	\$ 9,723	\$ -
Resources (Inflows):				
Charges for services	1,200	1,200	-	(1,200)
Use of money and property	-	-	(91)	(91)
Amounts Available for Appropriation	10,923	10,923	9,632	(1,291)
Charges to Appropriation (Outflows):				
Recreation and community services	-	-	1,146	(1,146)
Total Charges to Appropriation	-	-	1,146	(1,146)
Budgetary Fund Balance, June 30	\$ 10,923	\$ 10,923	\$ 8,486	\$ (2,437)

City of Lawndale

**Budgetary Comparison Schedule
Measure M Local Return
For the Fiscal Year Ended June 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$1,379,574	\$1,379,574	\$1,379,574	\$ -
Resources (Inflows):				
Intergovernmental	430,000	430,000	583,001	153,001
Use of money and property	8,500	8,500	(18,401)	(26,901)
Amounts Available for Appropriation	1,818,074	1,818,074	1,944,174	126,100
Charges to Appropriation (Outflows):				
Public works	816,612	1,323,690	126,067	1,197,623
Total Charges to Appropriation	816,612	1,323,690	126,067	1,197,623
Budgetary Fund Balance, June 30	\$ 1,001,462	\$ 494,384	\$ 1,818,107	\$ 1,323,723

City of Lawndale

**Budgetary Comparison Schedule
LA County Park Maintenance Grant
For the Fiscal Year Ended June 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1, as restated	\$ 4,058	\$ 4,058	\$ 4,058	\$ -
Resources (Inflows):				
Intergovernmental	4,000	4,000	-	(4,000)
Use of money and property	-	-	(42)	(42)
Amounts Available for Appropriation	8,058	8,058	4,016	(4,042)
Charges to Appropriation (Outflows):				
Recreation and community services	4,000	4,000	-	4,000
Total Charges to Appropriation	4,000	4,000	-	4,000
Budgetary Fund Balance, June 30	\$ 4,058	\$ 4,058	\$ 4,016	\$ (42)

City of Lawndale

**Budgetary Comparison Schedule
SB1 RMRA
For the Fiscal Year Ended June 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1, as restated	\$ 684,044	\$ 684,044	\$ 684,044	\$ -
Resources (Inflows):				
Intergovernmental	609,000	609,000	654,914	45,914
Use of money and property	5,000	5,000	(7,521)	(12,521)
Amounts Available for Appropriation	1,298,044	1,298,044	1,331,437	33,393
Charges to Appropriation (Outflows):				
Public works	1,211,186	1,211,186	612,791	598,395
Total Charges to Appropriation	1,211,186	1,211,186	612,791	598,395
Budgetary Fund Balance, June 30	\$ 86,858	\$ 86,858	\$ 718,646	\$ 631,788

City of Lawndale

**Budgetary Comparison Schedule
Groundwater Sustainability (AB 939)
For the Fiscal Year Ended June 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 555,503	\$ 555,503	\$ 555,503	\$ -
Resources (Inflows):				
Intergovernmental	173,000	173,000	136,004	(36,996)
Use of money and property	3,000	3,000	(5,219)	(8,219)
Amounts Available for Appropriation	731,503	731,503	686,288	(45,215)
Charges to Appropriation (Outflows):				
Public works	235,910	235,910	187,902	48,008
Transfers out	-	54,504	54,504	-
Total Charges to Appropriation	235,910	290,414	242,406	48,008
Budgetary Fund Balance, June 30	\$ 495,593	\$ 441,089	\$ 443,882	\$ 2,793

City of Lawndale

**Budgetary Comparison Schedule
 Disability Access (AB 1379)
 For the Fiscal Year Ended June 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 53,401	\$ 53,401	\$ 53,401	\$ -
Resources (Inflows):				
Intergovernmental	10,000	10,000	10,522	522
Use of money and property	300	300	(635)	(935)
Amounts Available for Appropriation	63,701	63,701	63,288	(413)
Budgetary Fund Balance, June 30	\$ 63,701	\$ 63,701	\$ 63,288	\$ (413)

City of Lawndale

**Budgetary Comparison Schedule
Measure W Safe Clean Water
For the Fiscal Year Ended June 30, 2022**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ 230,852	\$ 230,852	\$ 230,852	\$ -
Resources (Inflows):				
Intergovernmental	70,000	70,000	232,545	162,545
Amounts Available for Appropriation	300,852	300,852	463,397	162,545
Charges to Appropriation (Outflows):				
Public works	70,000	70,000	49,804	20,196
Total Charges to Appropriation	70,000	70,000	49,804	20,196
Budgetary Fund Balance, June 30	\$ 230,852	\$ 230,852	\$ 413,593	\$ 182,741

City of Lawndale

**Budgetary Comparison Schedule
 SB1383 Local Assistance
 For the Fiscal Year Ended June 30, 2022**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	10,000	10,000	47,128	37,128
Use of money and property	300	300	(127)	(427)
Amounts Available for Appropriation	<u>10,300</u>	<u>10,300</u>	<u>47,001</u>	<u>36,701</u>
Budgetary Fund Balance, June 30	<u>\$ 10,300</u>	<u>\$ 10,300</u>	<u>\$ 47,001</u>	<u>\$ 36,701</u>

City of Lawndale

**Budgetary Comparison Schedule
Lawndale Housing Authority
For the Fiscal Year Ended June 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,995,970	\$ 1,995,970	\$ 1,995,970	\$ -
Resources (Inflows):				
Use of money and property	10,000	10,000	16,261	6,261
Transfers in	275,122	275,122	160,482	(114,640)
Amounts Available for Appropriation	2,281,092	2,281,092	2,172,713	(108,379)
Charges to Appropriation (Outflows):				
Housing	165,020	165,020	119,198	45,822
Total Charges to Appropriation	165,020	165,020	119,198	45,822
Budgetary Fund Balance, June 30	\$ 2,116,072	\$ 2,116,072	\$ 2,053,515	\$ (62,557)

City of Lawndale

**Budgetary Comparison Schedule
TDA Article 3 (Metro)
For the Fiscal Year Ended June 30, 2022**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance (deficit), July 1	\$ (1,664)	\$ (1,664)	\$ (1,664)	\$ -
Resources (Inflows):				
Intergovernmental	-	-	-	-
Amounts Available for Appropriation	<u>(1,664)</u>	<u>(1,664)</u>	<u>(1,664)</u>	<u>-</u>
Budgetary Fund Balance (deficit), June 30	<u>\$ (1,664)</u>	<u>\$ (1,664)</u>	<u>\$ (1,664)</u>	<u>\$ -</u>

City of Lawndale

**Budgetary Comparison Schedule
Proposition C Local Transit Assistance
For the Fiscal Year Ended June 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 2,472,198	\$ 2,472,198	\$ 2,472,198	\$ -
Resources (Inflows):				
Intergovernmental	500,000	500,000	687,036	187,036
Use of money and property	15,000	15,000	(22,082)	(37,082)
Amounts Available for Appropriation	2,987,198	2,987,198	3,137,152	149,954
Charges to Appropriation (Outflows):				
Public works	780,444	780,444	507,156	273,288
Capital outlay	1,890,856	1,890,856	1,322,812	568,044
Total Charges to Appropriation	2,671,300	2,671,300	1,829,968	841,332
Budgetary Fund Balance, June 30	\$ 315,898	\$ 315,898	\$ 1,307,184	\$ 991,286

City of Lawndale

**Budgetary Comparison Schedule
Community Development Block Grant
For the Fiscal Year Ended June 30, 2022**

	<u>Budget Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Budgetary Fund Balance (deficit), July 1	\$ 169,247	\$ 169,247	\$ 169,247	\$ -
Resources (Inflows):				
Intergovernmental	752,395	752,395	370,666	(381,729)
Amounts Available for Appropriation	921,642	921,642	539,913	(381,729)
Charges to Appropriation (Outflows):				
Public works	405,656	418,998	351,538	67,460
Capital outlay	346,739	346,739	-	346,739
Total Charges to Appropriation	752,395	765,737	351,538	414,199
Budgetary Fund Balance, June 30	\$ 169,247	\$ 155,905	\$ 188,375	\$ 32,470

City of Lawndale

**Budgetary Comparison Schedule
Prop C25 Grant
For the Fiscal Year Ended June 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 78,212	\$ 78,212	\$ 78,212	\$ -
Resources (Inflows):				
Intergovernmental	481,852	481,852	-	(481,852)
Amounts Available for Appropriation	560,064	560,064	78,212	(481,852)
Charges to Appropriation (Outflows):				
Capital outlay	475,852	475,852	332,752	143,100
Total Charges to Appropriation	475,852	475,852	332,752	143,100
Budgetary Fund Balance (deficit), June 30	\$ 84,212	\$ 84,212	\$ (254,540)	\$ (338,752)

City of Lawndale

**Budgetary Comparison Schedule
Measure R
For the Fiscal Year Ended June 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,107,901	\$ 1,107,901	\$ 1,107,901	\$ -
Resources (Inflows):				
Intergovernmental	380,000	380,000	547,543	167,543
Use of money and property	8,000	8,000	(15,670)	(23,670)
Amounts Available for Appropriation	1,495,901	1,495,901	1,639,774	143,873
Charges to Appropriation (Outflows):				
Public works	143,098	143,098	113,745	29,353
Capital outlay	266,000	266,000	-	266,000
Total Charges to Appropriation	409,098	409,098	113,745	295,353
Budgetary Fund Balance, June 30	\$ 1,086,803	\$ 1,086,803	\$ 1,526,029	\$ 439,226

City of Lawndale

**Budgetary Comparison Schedule
Metro STPL Exchange 2017
For the Fiscal Year Ended June 30, 2022**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 4,811	\$ 4,811	\$ 4,811	\$ -
Resources (Inflows):				
Use of money and property	-	-	(359)	(359)
Amounts Available for Appropriation	4,811	4,811	4,452	(359)
Charges to Appropriation (Outflows):				
Public works	-	-	114	(114)
Total Charges to Appropriation	-	-	114	(114)
Budgetary Fund Balance, June 30	\$ 4,811	\$ 4,811	\$ 4,338	\$ (473)

THIS PAGE INTENTIONALLY LEFT BLANK

STATISTICAL SECTION

This part of the City of Lawndale's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents	Page
Financial Trends <i>These schedules contain trend information to help the reader understand how the government's financial performance and wellbeing have changed over time.</i>	120
Revenue Capacity <i>These schedules contain trend information to help the reader assess the government's most significant revenue source, property tax.</i>	124
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	129
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	130
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	141

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

THIS PAGE INTENTIONALLY LEFT BLANK

City of Lawndale

Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Governmental Activities:										
Net investment in capital assets	\$45,193,728	\$43,925,644	\$43,387,317	\$ 42,993,707	\$44,308,151	\$45,232,399	\$45,929,475	\$41,632,026	\$41,303,660	\$39,758,551
Restricted	11,998,472	17,280,809	16,315,035	14,946,011	13,516,348	13,878,261	12,998,959	25,108,842	5,971,750	5,131,368
Unrestricted	27,761,657	18,105,367	14,361,429	14,601,717	12,280,467	14,736,240	16,089,931	(1,881,516)	23,838,865	30,431,748
Total governmental activities	\$84,953,857	\$79,311,820	\$74,063,781	\$ 72,541,435	\$70,104,966	\$73,846,900	\$75,018,365	\$64,859,352	\$71,114,275	\$75,321,667
Business-type Activities:										
Unrestricted	\$ -	\$ -	\$ 392,659	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total business-type activities	\$ -	\$ -	\$ 392,659	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Primary government:										
Net investment in capital assets	\$45,193,728	\$43,925,644	\$43,387,317	\$ 42,993,707	\$44,308,151	\$45,232,399	\$45,929,475	\$41,632,026	\$41,303,660	\$39,758,551
Restricted	11,998,472	17,280,809	16,315,035	14,946,011	13,516,348	13,878,261	12,998,959	25,108,842	5,971,750	5,131,368
Unrestricted	27,761,657	18,105,367	14,754,088	14,601,717	12,280,467	14,736,240	16,089,931	(1,881,516)	23,838,865	30,431,748
Total primary government	\$84,953,857	\$79,311,820	\$74,456,440	\$ 72,541,435	\$70,104,966	\$73,846,900	\$75,018,365	\$64,859,352	\$71,114,275	\$75,321,667

City of Lawndale

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Expenses:										
Governmental activities:										
General government	\$ 4,557,959	\$ 5,066,050	\$ 4,191,071	\$ 4,074,964	\$ 4,051,141	\$ 3,974,826	\$ 3,375,499	\$ 3,494,495	\$ 3,644,909	\$ 3,336,790
Public safety	6,304,671	6,290,957	6,202,978	5,533,190	5,637,010	5,481,018	5,166,327	4,984,084	4,767,707	4,744,660
Code enforcement and animal control	1,284,905	1,333,971	1,335,008	1,078,957	1,026,693	1,161,697	1,090,955	5,109,639	4,676,472	5,446,000
Housing	1,549,137	1,662,910	695,428	1,478,665	1,344,843	2,342,003	1,808,464	1,869,744	1,378,366	1,511,370
Recreation & community services	780,739	577,013	2,360,100	1,943,391	1,891,344	2,520,125	1,934,189	1,839,218	1,938,500	1,840,035
Public works	5,182,500	4,627,877	5,168,775	4,400,419	5,647,091	2,845,551	3,821,975	-	-	-
Interest on long-term debt	14,799	16,309	17,944	19,318	20,624	22,083	23,516	24,565	25,914	13,277
Total governmental activities expenses	\$ 19,674,710	\$ 19,575,087	\$ 19,971,304	\$ 18,528,924	\$ 19,618,746	\$ 18,347,303	\$ 17,220,925	\$ 17,321,645	\$ 16,431,868	\$ 16,892,132
Business-type activities:										
Community Development	-	-	1,030,325	-	-	-	-	-	-	-
Total business-type activities expenses	-	-	1,030,325	-	-	-	-	-	-	-
Total primary government expenses	\$ 19,674,710	\$ 19,575,087	\$ 21,001,629	\$ 18,528,924	\$ 19,618,746	\$ 18,347,303	\$ 17,220,925	\$ 17,321,645	\$ 16,431,868	\$ 16,892,132
Program revenues:										
Governmental activities:										
Charges for services:										
General government	\$ 1,842,754	\$ 1,971,238	\$ 1,529,005	\$ 1,696,097	\$ 1,555,791	\$ 1,516,849	\$ 1,446,541	\$ 1,465,754	\$ 536,706	\$ 522,334
Public safety	-	-	-	-	-	-	-	12,200	597,372	553,723
Code enforcement and animal control	-	-	-	205,715	200,452	344,716	417,392	324,518	277,134	383,194
Other activities	1,069,946	1,503,744	112,503	961,062	630,519	399,385	334,282	2,164,047	335,099	281,659
Operating contributions & grants	681,930	1,005,420	495,664	727,699	192,529	289,943	461,251	1,155,002	143,560	139,215
Capital contributions & grants	4,435,800	4,463,748	5,304,261	3,410,974	3,548,855	3,036,855	7,526,062	2,317,196	1,777,527	451,796
Total governmental activities program revenues	\$ 8,030,430	\$ 8,944,150	\$ 7,441,433	\$ 7,001,547	\$ 6,128,146	\$ 5,587,748	\$ 10,185,528	\$ 7,438,717	\$ 3,667,398	\$ 2,332,121
Business-type activities:										
Charges for services:										
Community development	-	-	742,704	-	-	-	-	-	-	-
Total business-type activities program revenues	-	-	742,704	-	-	-	-	-	-	-
Total primary government program revenues	\$ 8,030,430	\$ 8,944,150	\$ 8,184,137	\$ 7,001,547	\$ 6,128,146	\$ 5,587,748	\$ 10,185,528	\$ 7,438,717	\$ 3,667,398	\$ 2,332,121
Net revenues (expenses):										
Governmental activities	(11,644,280)	(10,630,937)	(12,529,871)	(11,527,377)	(13,490,600)	(12,759,555)	(7,035,397)	(9,882,928)	(12,764,470)	(14,560,011)
Business-type activities	-	-	(287,621)	-	-	-	-	-	-	-
Total primary government net (expenses)/revenues	\$ (11,644,280)	\$ (10,630,937)	\$ (12,817,492)	\$ (11,527,377)	\$ (13,490,600)	\$ (12,759,555)	\$ (7,035,397)	\$ (9,882,928)	\$ (12,764,470)	\$ (14,560,011)

City of Lawndale

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

(Continued)

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General revenues and other changes in net position:										
Governmental activities:										
Taxes:										
Property tax, levied for general purpose	\$ 1,729,089	\$ 1,673,195	\$ 1,526,604	\$ 1,625,047	\$ 1,415,740	\$ 1,393,299	\$ 1,264,229	\$ 1,257,326	\$ 1,207,732	\$ 2,123,855
Property tax, Redevelopment tax increment	4,123,994	3,947,793	3,787,758	3,615,968	3,425,685	3,259,248	3,124,005	2,967,075	2,853,843	2,797,818
Property taxes in lieu of vehicle license fees	601,130	712,164	567,341	704,869	692,323	661,089	634,358	580,084	507,149	490,448
Transient occupancy tax	7,216,511	6,072,989	5,588,676	3,705,062	2,836,285	3,011,518	3,043,063	2,621,117	4,837,756	4,632,826
Sales tax	885,280	856,705	801,028	762,816	746,337	719,734	760,317	600,595	577,720	494,445
Franchise tax	1,820,079	1,736,358	1,677,016	1,719,735	1,851,200	1,900,519	1,890,350	2,000,513	2,060,637	2,046,083
Utility user tax	(2,233)	337,610	587,119	-	-	-	-	110,233	99,903	116,388
Investment income	-	-	-	1,414,559	-	-	-	-	-	-
Extraordinary items	744,729	149,503	(630,280)	530,592	619,487	642,683	765,103	708,890	1,088,816	652,451
Other general revenues	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Total governmental activities	17,118,579	15,486,317	14,000,005	14,073,648	11,586,957	11,588,090	16,523,678	10,845,833	13,333,556	13,356,304
Business-type activities:										
Transfers	-	-	680,280	-	-	-	-	-	-	-
Total business-type activities program revenues	-	-	680,280	-	-	-	-	-	-	-
Total primary government	17,118,579	15,486,317	14,680,285	14,073,648	11,586,957	11,588,090	16,523,678	10,845,833	13,333,556	13,356,304
Change in Net Position:										
Governmental activities	5,474,299	4,855,380	1,470,134	2,551,271	(1,903,643)	(1,171,465)	9,488,281	962,905	569,086	(1,203,707)
Business-type activities	-	-	392,659	-	-	-	-	-	-	-
Total primary government change in net position	\$ 5,474,299	\$ 4,855,380	\$ 1,862,793	\$ 2,551,271	\$ (1,903,643)	\$ (1,171,465)	\$ 9,488,281	\$ 962,905	\$ 569,086	\$ (1,203,707)

City of Lawndale

**Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)**

	Fiscal Year									
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General fund:										
Nonspendable	\$ 4,274,138	\$ 5,344,922	\$ 6,374,027	\$ 7,702,065	\$ 8,600,651	\$ 9,452,893	\$ 9,510,896	\$ 11,504,529	\$ 927,304	\$ 3,032,263
Restricted	-	-	-	10,613	10,241	9,769	9,191	8,463	7,718	7,374
Committed	-	-	-	1,400,000	-	-	-	2,810,000	3,013,384	3,013,240
Assigned	-	-	-	-	-	-	-	245,962	153,496	222,555
Unassigned	22,283,638	16,649,998	10,911,737	7,520,502	6,143,591	5,763,383	6,929,628	2,857,327	14,214,377	15,426,052
Total general fund	\$ 26,557,776	\$ 21,994,920	\$ 17,285,764	\$ 16,633,180	\$ 14,754,483	\$ 15,226,045	\$ 16,449,715	\$ 17,426,281	\$ 18,316,279	\$ 21,701,484
All other governmental funds:										
Special revenue funds										
Nonspendable	\$ 5,177,987	\$ 7,447,169	\$ 12,332,824	\$ 11,421,078	\$ 10,366,294	\$ 9,910,179	\$ 10,006,156	\$ 4,304,127	\$ 487,083	\$ -
Restricted	8,972,546	-	-	-	-	-	-	-	5,259,292	4,912,033
Committed	-	-	-	-	-	-	-	-	7,495,609	10,624,274
Unassigned	(10,000)	(9,960)	(216,695)	-	(524,855)	(490,001)	(432,709)	(701,781)	(553,245)	(518,309)
Capital project funds										
Restricted	3,840,597	3,749,346	3,443,945	3,514,320	3,139,813	3,958,313	2,982,818	-	-	-
Unassigned	(256,204)	76,548	(426,003)	(303,819)	(565,264)	(539,765)	(1,280,168)	-	-	-
Debt service funds										
Restricted	-	4,811	538,266	-	-	-	-	-	-	-
Total all other governmental funds	\$ 17,724,926	\$ 11,267,914	\$ 15,672,337	\$ 14,631,579	\$ 12,415,988	\$ 12,838,726	\$ 11,276,097	\$ 3,602,346	\$ 12,688,739	\$ 15,017,998

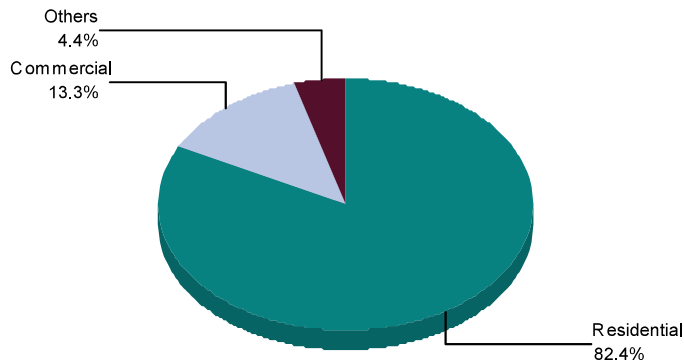
THE CITY OF LAWNSDALE

2021/22 USE CATEGORY SUMMARY

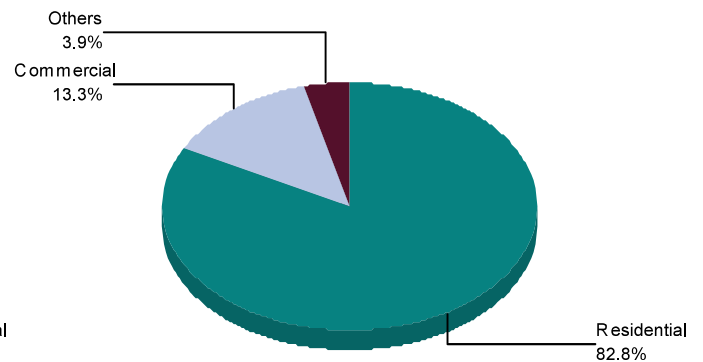
BASIC PROPERTY VALUE TABLE

Category	Parcels	Assessed Value	Net Taxable Value
Residential	5,246	\$2,244,221,478 (82.4%)	\$2,239,260,403 (82.8%)
Commercial	381	\$361,288,941 (13.3%)	\$359,762,056 (13.3%)
Industrial	69	\$39,681,680 (1.5%)	\$39,681,680 (1.5%)
Institutional	15	\$8,211,908 (0.3%)	\$3,406,869 (0.1%)
Recreational	1	\$361,097 (0.0%)	\$361,097 (0.0%)
Vacant	87	\$18,472,326 (0.7%)	\$18,472,326 (0.7%)
Exempt	59	\$8,563,484 (0.3%)	\$0 (0.0%)
Cross Reference	[4]	\$2,983,652 (0.1%)	\$2,983,652 (0.1%)
Unsecured	[457]	\$40,625,455 (1.5%)	\$40,464,716 (1.5%)
TOTALS	5,858	\$2,724,410,021	\$2,704,392,799

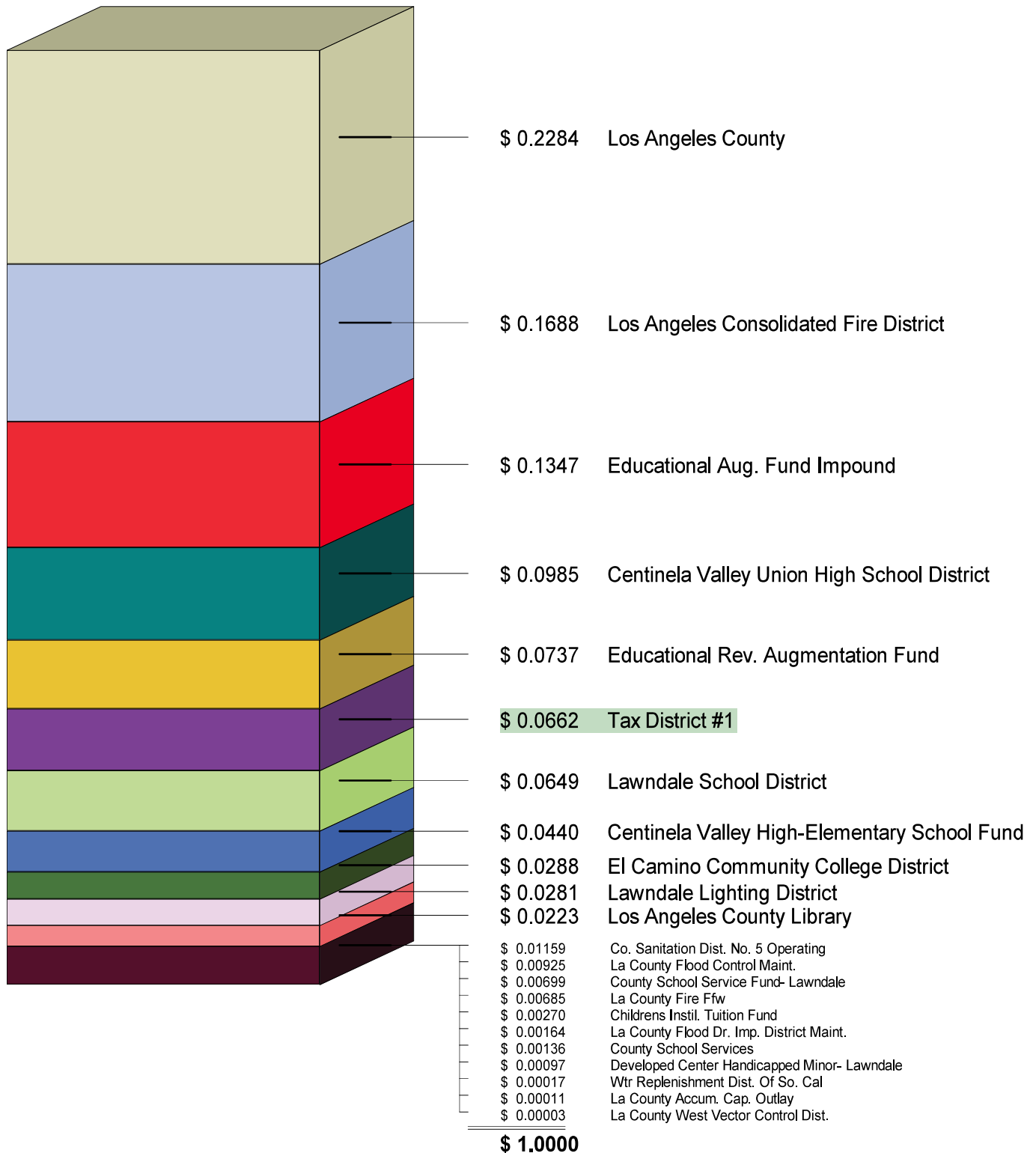
ASSESSED VALUE



NET TAXABLE VALUE



THE CITY OF LAWNSDALE PROPERTY TAX DOLLAR BREAKDOWN



ATI (Annual Tax Increment) Ratios for Tax Rate Area 05164, Excluding Redevelopment Factors & Additional Debt Service

Data Source: Los Angeles County Assessor 2021/22 Annual Tax Increment Tables

Prepared On 9/20/2022 By MV

This report is not to be used in support of debt issuance or continuing disclosure statements without the written consent of HdL, Coren & Cone

THE CITY OF LAWNDALE

2021/22 ROLL SUMMARY

Taxable Property Values

	Secured	Nonunitary Utilities	Unsecured
Parcels	5,799	0	457
TRAs	9	0	5
Values			
Land	1,598,029,249	0	0
Improvements	1,076,499,264	0	0
Personal Property	532,662	0	20,578,363
Fixtures	159,907	0	20,047,092
Aircraft	0	0	0
Total Value	\$2,675,221,082	\$0	\$40,625,455
Exemptions			
Real Estate	11,267,999	0	0
Personal Property	20,000	0	116,739
Fixtures	5,000	0	44,000
Aircraft	0	0	0
Homeowners*	13,584,682	0	0
Total Exemptions*	\$11,292,999	\$0	\$160,739
Total Net Value	\$2,663,928,083	\$0	\$40,464,716

Combined Values	Total
Total Values	\$2,715,846,537
Total Exemptions	\$11,453,738
Net Total Values	\$2,704,392,799

* Note: Homeowner Exemptions are not included in Total Exemptions

Data Source: Los Angeles County Assessor 2021/22 Combined Tax Rolls
 This report is not to be used in support of debt issuance or continuing disclosure statements without the written consent of HdL, Coren & Cone

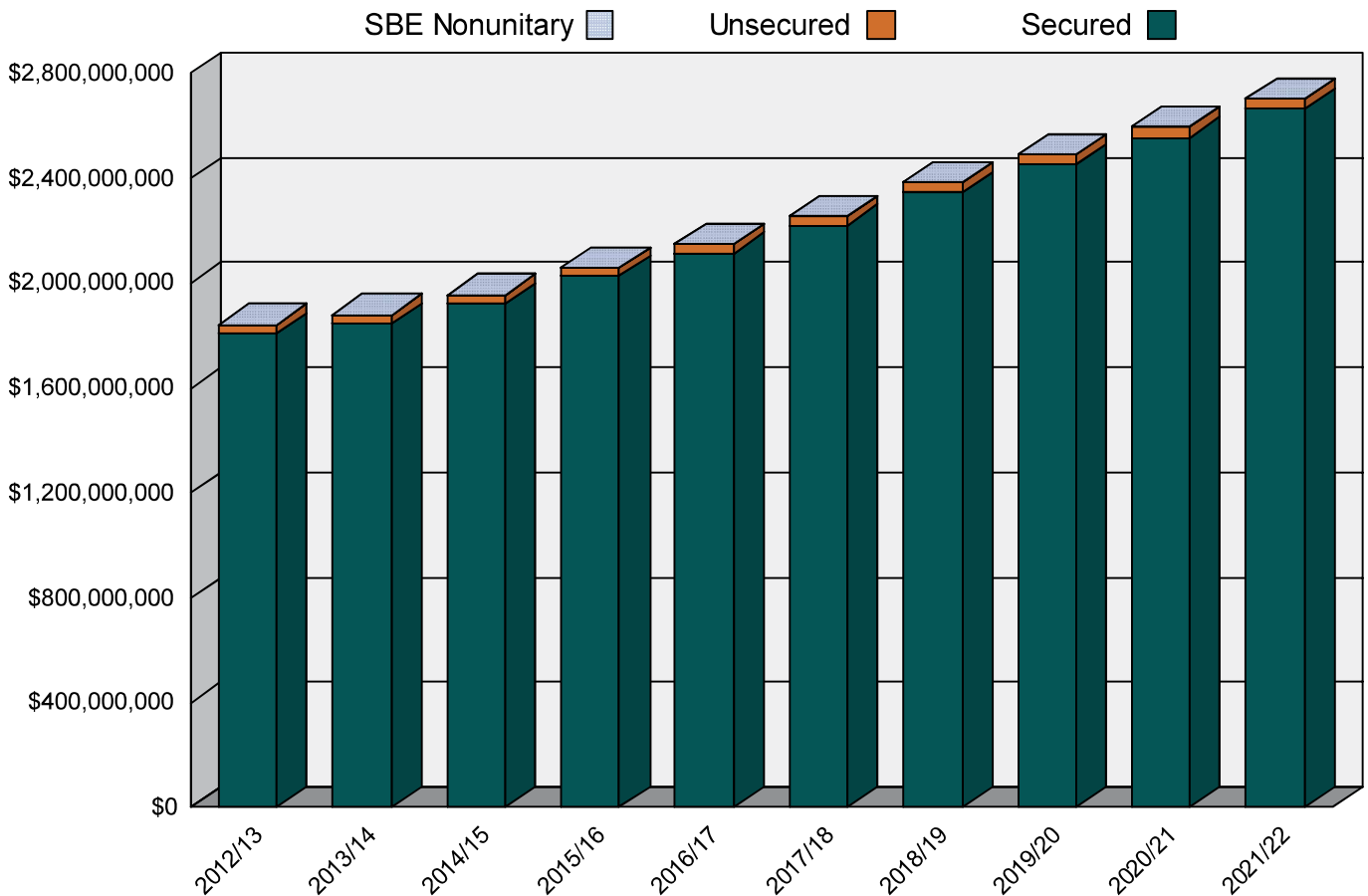
Prepared On 9/20/2022 By MV

THE CITY OF LAWNSDALE

NET TAXABLE ASSESSED VALUE HISTORY

2012/13 - 2021/22 Taxable Property Values

Lien Year	Secured	Unsecured	SBE Nonunitary	Net Total AV	% Change
2012/13	\$1,808,651,374	\$31,655,954	\$0	1,840,307,328	
2013/14	\$1,846,823,697	\$32,531,368	\$0	1,879,355,065	2.12%
2014/15	\$1,920,865,673	\$33,753,426	\$0	1,954,619,099	4.00%
2015/16	\$2,026,901,378	\$31,785,416	\$0	2,058,686,794	5.32%
2016/17	\$2,114,593,655	\$32,592,158	\$0	2,147,185,813	4.30%
2017/18	\$2,221,993,832	\$33,589,535	\$0	2,255,583,367	5.05%
2018/19	\$2,344,822,276	\$37,713,273	\$0	2,382,535,549	5.63%
2019/20	\$2,451,270,540	\$38,125,643	\$0	2,489,396,183	4.49%
2020/21	\$2,554,673,001	\$42,235,035	\$0	2,596,908,036	4.32%
2021/22	\$2,663,928,083	\$40,464,716	\$0	2,704,392,799	4.14%
Average % Change					4.83%



* Net AV changes less than two percent are in purple font. Negative Net AV percent changes are in red.

Data Source: Los Angeles County Assessor 0/- 2021/22 Combined Tax Rolls

Prepared On 9/20/2022 By MV

This report is not to be used in support of debt issuance or continuing disclosure statements without the written consent of HdL, Coren & Cone

THE CITY OF LAWNSDALE

ASSESSED VALUE OF TAXABLE PROPERTY

2012/13 - 2021/22 Taxable Property Values

Category	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Residential	1,503,565,769	1,530,140,085	1,600,481,244	1,693,948,565	1,767,690,552	1,857,261,345	1,964,008,507	2,059,491,410	2,147,587,188	2,239,260,403
Commercial	259,048,063	268,725,979	271,985,676	283,088,415	297,091,922	312,684,592	321,895,050	331,263,301	344,301,751	359,762,056
Industrial	32,451,951	33,487,063	33,168,890	33,489,492	34,333,192	35,350,627	40,150,894	42,734,618	41,500,396	39,681,680
Institutional	3,909,609	4,078,791	4,445,001	4,190,700	4,307,889	4,631,070	4,746,172	4,290,290	4,376,089	3,406,869
Recreational	351,939	358,976	360,604	367,807	373,415	581,585	343,520	350,389	357,395	361,097
Vacant	7,890,420	8,570,509	9,068,336	9,383,970	8,327,163	8,973,277	11,116,571	10,477,760	13,596,620	18,472,326
Cross Reference	1,433,623	1,462,294	1,365,922	2,432,429	2,469,522	2,511,336	2,561,562	2,662,772	2,953,562	2,983,652
Unsecured	31,655,954	32,531,368	33,753,426	31,785,416	32,592,158	33,589,535	37,713,273	38,125,643	42,235,035	40,464,716
Exempt	[11,641,044]	[11,677,961]	[11,533,961]	[11,503,609]	[9,823,786]	[9,794,868]	[9,774,004]	[9,774,004]	[8,563,484]	[8,563,484]
TOTALS	1,840,307,328	1,879,355,065	1,954,619,099	2,058,686,794	2,147,185,813	2,255,583,367	2,382,535,549	2,489,396,183	2,596,908,036	2,704,392,799
Total Direct Rate	0.30992	0.06627	0.06627	0.06627	0.06627	0.06617	0.06624	0.06624	0.06624	0.06623

Notes:
 Exempt values are not included in Total.
 In 1978 the voters of the State of California passed Proposition 13 which limited taxes to a total maximum rate of 1%, based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum of 2%). With few exceptions, property is only reassessed as a result of new construction activity or at the time it is sold to a new owner. At that point, the property is reassessed based upon the added value of the construction or at the purchase price (market value) or economic value of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

THE CITY OF LAWDALE

DIRECT & OVERLAPPING PROPERTY TAX RATES

(RATE PER \$100 OF TAXABLE VALUE)

Last 10 Fiscal Years										
Agency	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Basic Levy¹	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
El Camino Community College	0.01849	0.01750	0.01742	0.01745	0.02294	0.02120	0.02223	0.02155	0.02362	0.02264
Hawthorne School District	0.11286	0.10797	0.10620	0.10176	0.09553	0.08818	0.08395	0.11025	0.10069	0.09933
Lawndale Elementary School Dist	0.04919	0.04651	0.04334	0.04207	0.04064	0.06143	0.06385	0.06343	0.06246	0.05494
Metropolitan Water District	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350
Wiseburn-Centimela Unified	0.05906	0.04369	0.08365	0.07241	0.08296	0.06531	0.10111	0.09106	0.11696	0.10993
Total Direct & Overlapping² Tax Rates	1.24309	1.21918	1.25411	1.23719	1.24558	1.23963	1.27464	1.28980	1.30723	1.29034
City's Share of 1% Levy Per Prop 13³	0.06624	0.06624	0.06624	0.06624	0.06624	0.06624	0.06624	0.06624	0.06624	0.06624
Voter Approved City Debt Rate										
Redevelopment Rate⁴										
Total Direct Rate⁵	0.30992	0.06627	0.06627	0.06627	0.06627	0.06617	0.06624	0.06624	0.06624	0.06623

Notes:
¹In 1978, California voters passed Proposition 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.
²Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all property owners.
³City's Share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the City. The ERAF portion of the City's Levy has been subtracted where known.
⁴Redevelopment Rate is based on the largest RDA tax rate area and only includes rate(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values. The approval of ABX1 26 eliminated Redevelopment from the State of California for the fiscal year 2012/13 and years thereafter.
⁵Total Direct Rate is the weighted average of all individual direct rates applied by the City/Agency preparing the statistical section information and excludes revenues derived from aircraft. Beginning in 2013/14 the Total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13. For the purposes of this report, residual revenue is assumed to be distributed to the City/Agency in the same proportions as general fund revenue.

THE CITY OF LAWNDALE

2021/22 TOP TEN PROPERTY TAXPAYERS

Top Property Owners Based On Net Values

Owner	Secured		Unsecured		Combined		Primary Use & Primary Agency
	Parcels	Value	% of Net AV	Parcels	Value	% of Net AV	
1) LAWNDALE MARKET PLACE LLC	8	\$14,009,690	0.53%				Commercial Successor Agency
2) LLS GROUP 4 LLC	14	\$11,568,204	0.43%				Residential Successor Agency
3) 94-20 NORTHERN BLVD REALTY (Pending Appeals On 1 Parcels)	1	\$9,902,074	0.37%				Commercial Successor Agency
4) JJNC PARTNERS TIC LLC	1	\$8,850,960	0.33%				Residential Successor Agency
5) LAWNDALE LLC	4	\$8,499,677	0.32%				Commercial Successor Agency
6) BAYTOWER CORPORATE CENTER	1	\$7,983,857	0.30%	1	\$5,300	0.01%	Commercial Successor Agency
7) LAWNDALE AH LLC	3	\$7,600,000	0.29%				Vacant Successor Agency
8) RICH LAWNDALE LLC	1	\$7,571,951	0.28%				Commercial Successor Agency
9) LARCH ASSOCIATES LLC	1	\$7,474,549	0.28%				Residential TD #1
10) PATRONAS FAMILY TRUST	3	\$7,421,570	0.28%				Residential TD #1
Top Ten Total	37	\$90,882,532	3.41%	1	\$5,300	0.01%	
City Total		\$2,663,928,083			\$40,464,716		
							\$90,887,832 3.36%
							\$2,704,392,799

THE CITY OF LAWNDALE

2012/13 TOP TEN PROPERTY TAXPAYERS

Top Property Owners Based On Net Values

Owner	Secured		Unsecured		Combined		Primary Use & Primary Agency
	Parcels	Value % of Net AV	Parcels	Value % of Net AV	Value % of Net AV	% of Net AV	
1) LAWNDALE MARKET PLACE LLC	6	\$11,761,426 0.65%			\$11,761,426 0.64%		Commercial Successor Agency
2) FAINBARG IV LP (Pending Appeals On Parcels)	1	\$8,533,315 0.47%			\$8,533,315 0.46%		Commercial Successor Agency
3) LAWNDALE LLC	4	\$7,324,795 0.40%			\$7,324,795 0.40%		Commercial Successor Agency
4) BAYTOWER CORPORATE CENTER	1	\$6,880,252 0.38%	1	\$7,367 0.02%	\$6,887,619 0.37%		Commercial Successor Agency
5) LAWNDALE GROUP LLC	1	\$6,627,536 0.37%			\$6,627,536 0.36%		Residential TD #1
6) RICH LAWNDALE LLC	1	\$6,525,283 0.36%			\$6,525,283 0.35%		Commercial Successor Agency
7) TABIBI FARIBA	9	\$6,312,269 0.35%			\$6,312,269 0.34%		Residential TD #1
8) SBP ENTERPRISES LLC (Pending Appeals On Parcels)	1	\$6,057,130 0.33%			\$6,057,130 0.33%		Commercial Successor Agency
9) SATNAAM INVESTMENTS INC	1	\$5,547,366 0.31%			\$5,547,366 0.30%		Commercial Successor Agency
10) XJ GRAND HOTEL LLC	2	\$5,403,142 0.30%			\$5,403,142 0.29%		Commercial Successor Agency
Top Ten Total	27	\$70,972,514 3.92%	1	\$7,367 0.02%	\$70,979,881 3.86%		
City Total		\$1,808,651,374		\$31,655,954	\$1,840,307,328		

THE CITY OF LAWNSDALE

DIRECT & OVERLAPPING DEBT AS OF JUNE 30, 2022

	Gross Bonded Debt Balance	Percent Applicable To City	Net Bonded Debt
Direct Debt			
181.01 LAWNSDALE TAX ALLOCATION BONDS, SERIES 2009	17,376,475	100.000	17,376,475
Total Direct Debt			17,376,475
Overlapping Debt			
*001.05 METROPOLITAN WATER DISTRICT	9,835,780	0.156	15,358
501.51 HAWTHORNE SD DS 1997 SERIES B	171,329	0.517	886
501.52 HAWTHORNE SD DS 1997 SERIES C	1,907,421	0.517	9,863
501.54 HAWTHORNE SD DS 2004 2005 SERIES A	204,276	0.517	1,056
501.56 HAWTHORNE SD DS 2004 SERIES 2005B	1,727,427	0.517	8,932
501.58 HAWTHORNE SD DS 2008,2009 SERIES A	7,218,706	0.517	37,328
501.59 HAWTHORNE SD DS 2008 2012 SERIES B	9,701,770	0.517	50,167
501.60 HAWTHORNE SD DS REF BONDS 2004 2015 SERIES A	5,320,000	0.517	27,509
501.62 HAWTHORNE SD DS 2018 SERIES A	34,140,000	0.517	176,536
501.63 HAWTHORNE SD DS 2018 SERIES B	2,810,000	0.517	14,530
501.64 HAWTHORNE SD DS REF BONDS 2019	4,885,000	0.517	25,260
545.54 LAWNSDALE ELEMENTARY SD DS 2016 SERIES A 2017	8,855,000	59.411	5,260,830
545.55 LAWNSDALE ELEMENTARY SD DS 2017 REF BOND	5,020,000	59.411	2,982,424
545.56 LAWNSDALE ELEMENTARY SD DS 2016 SERIES B 2018	9,205,000	59.411	5,468,768
545.57 LAWNSDALE ELEMENTARY SD DS 2020 REF BOND	7,140,000	59.411	4,241,934
545.58 LAWNSDALE ELEMENTARY SD DS 2016 SERIES C 2020	5,870,000	59.411	3,487,416
725.54 CENTINELA-WISEBURN UNION HSD 2002 REF BOND A	8,825,000	22.518	1,987,235
725.56 CENTINELA-WISEBURN UNION HSD 2004 REF BOND A	20,700,000	22.518	4,661,277
725.57 CENTINELA-WISEBURN UNION HSD 2008 SERIES A	15,724,364	22.518	3,540,851
725.59 CENTINELA-WISEBURN UNION HSD 2010, 12 SERIES B	461,455	22.518	103,912
725.61 CENTINELA-WISEBURN UNION HSD 2008 2013 SERIES B	2,600,000	22.518	585,474
725.62 CENTINELA-WISEBURN UNION HSD DS 2008 2014 SERIES C	2,715,000	22.518	611,370
725.63 CENTINELA-WISEBURN UNION HSD 2008, 2014 SERIES D	1,500,000	22.518	337,774
725.64 CENTINELA-WISEBURN UNION HSD 2016 REF BOND	26,790,000	22.518	6,032,639
725.66 CENTINELA-WISEBURN UNION HSD 2016 REF BOND C	136,890,000	22.518	30,825,229
725.67 CENTINELA-WISEBURN SFID DS 2016 2017A	52,565,000	13.124	6,898,698
725.68 CENTINELA-WISEBURN SFID DS 2016 2018B	55,000,000	13.124	7,218,271
725.69 CENTINELA-WISEBURN SFID DS 2020A	119,840,000	13.124	15,727,956
725.70 CENTINELA-WISEBURN UNION USD 2020 REF BOND	26,845,000	22.518	6,045,024
797.53 EL CAMINO CCD DS 2002 SERIES 2012C	138,337,927	2.062	2,852,992
797.54 EL CAMINO CCD DS 2012 REF BONDS	6,480,000	2.062	133,639
797.55 EL CAMINO CCD DS 2012 SERIES 2016 A	88,395,000	2.062	1,823,002
797.56 EL CAMINO CCD DS 2016 REF BONDS	58,925,000	2.062	1,215,231
797.57 EL CAMINO CCD DS 2012 SERIES 2018B	44,410,000	2.062	915,883
797.58 EL CAMINO CCD DS 2012 SERIES 2020C	46,250,000	2.062	953,830
797.59 EL CAMINO CCD DS 2020 REF BONDS	39,755,000	2.062	819,882
797.60 EL CAMINO CCD DS 2012 SERIES 2021D	60,000,000	2.062	1,237,401

*This fund is a portion of a larger agency, and is responsible for debt in areas outside the city.

This report reflects debt which is being repaid through voter-approved property tax indebtedness. It excludes mortgage revenue, tax allocation bonds, interim financing obligations, non-bonded capital lease obligations, and certificates of participation, unless provided by the city.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. The percentage of overlapping debt applicable is estimated by using taxable assessed values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

Data Source: HdL Coren & Cone, Los Angeles County Assessor and Auditor Combined 2021/22 Lien Date Tax Rolls
This report is not to be used in support of debt issuance or continuing disclosure statements without the written consent of HdL, Coren & Cone

Prepared On 9/20/2022 By MV

THE CITY OF LAWNSDALE

DIRECT & OVERLAPPING DEBT AS OF JUNE 30, 2022

Total Overlapping Debt	116,336,372
Total Direct and Overlapping Debt	134,757,495

2021/22 Assessed Valuation: \$1,773,707,262 After Deducting \$930,685,537 Incremental Value.

Debt To Assessed Valuation Ratios:	Direct Debt	1.04%
	Overlapping Debt	6.56%
	Total Debt	7.60%

*This fund is a portion of a larger agency, and is responsible for debt in areas outside the city.

This report reflects debt which is being repaid through voter-approved property tax indebtedness. It excludes mortgage revenue, tax allocation bonds, interim financing obligations, non-bonded capital lease obligations, and certificates of participation, unless provided by the city.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. The percentage of overlapping debt applicable is estimated by using taxable assessed values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

Data Source: HdL Coren & Cone, Los Angeles County Assessor and Auditor Combined 2021/22 Lien Date Tax Rolls
This report is not to be used in support of debt issuance or continuing disclosure statements without the written consent of HdL, Coren & Cone

Prepared On 9/20/2022 By MV

THE CITY OF LAWNSDALE

DIRECT & OVERLAPPING DEBT AS OF JUNE 30, 2013

	Gross Bonded Debt Balance	Percent Applicable To City	Net Bonded Debt
Overlapping Debt			
*320.05 METROPOLITAN WATER DISTRICT	79,696,126	0.154	122,773
501.51 HAWTHORNE SD DS 1997 SERIES B	3,557,724	0.609	21,675
501.52 HAWTHORNE SD DS 1997 SER C	2,899,844	0.609	17,667
501.53 HAWTHORNE SD DS 1997 SER 2004 D	1,007,115	0.609	6,136
501.54 HAWTHORNE SD DS 2004 2005 SERIES A	6,700,061	0.609	40,820
501.55 HAWTHORNE SD DS REF BONDS 1997 2005 SERIES E	6,395,000	0.609	38,961
501.56 HAWTHORNE CSD DS 2004 SERIES 2005B	4,343,922	0.609	26,465
501.57 HAWTHORNE SD DS 2004, SERIES C 2008	8,831,599	0.609	53,806
501.58 HAWTHORNE SD DS 2008,2009 SERIES A	6,372,592	0.609	38,824
501.59 HAWTHORNE SD DS 2008 2012 SERIES B	13,331,770	0.609	81,223
545.51 LAWNSDALE ELEMENTARY SD DS 1998 SERIES B	4,895,000	59.848	2,929,550
545.52 LAWNSDALE ELEMENTARY DEBT SERVICE 98 SERIES C	3,000,000	59.848	1,795,434
545.53 LAWNSDALE ELEMENTARY 2010 REFUNDING BOND	12,315,000	59.848	7,370,257
725.54 CENTINELA VALLEY UNION HSD 2002 REF. BOND S-A	14,700,000	12.719	1,869,646
725.56 CENTINELA VALLEY UNION HSD 2004 REF. BOND S-A	31,195,000	12.719	3,967,592
725.57 CENTINELA VALLEY UNION HSD 2008 SERIES A	22,389,703	12.719	2,847,674
725.58 CENTINELA VALLEY UNION HSD 2010, 11 SERIES A	23,999,344	12.719	3,052,399
725.59 CENTINELA VALLEY UNION HSD 2010, 12 SERIES B	72,000,324	12.719	9,157,490
797.50 EL CAMINO CCS DS 2002 S-2003A	1,790,000	2.248	40,241
797.51 EL CAMINO CCD DS 2005 REF. BONDS	69,346,609	2.248	1,558,998
797.52 EL CAMINO CCD DS 2002 SERIES 2006B	88,880,000	2.248	1,998,133
797.53 EL CAMINO CCD DS 2002 SERIES 2012C	180,812,882	2.248	4,064,899
Total Overlapping Debt			41,100,662

2012/13 Assessed Valuation: \$1,360,102,524 After Deducting \$480,204,804 Incremental Value.

Debt To Assessed Valuation Ratios:	Direct Debt	0.00%
	Overlapping Debt	3.02%
	Total Debt	3.02%

*This fund is a portion of a larger agency, and is responsible for debt in areas outside the city.

This report reflects debt which is being repaid through voter-approved property tax indebtedness. It excludes mortgage revenue, tax allocation bonds, interim financing obligations, non-bonded capital lease obligations, and certificates of participation, unless provided by the city.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. The percentage of overlapping debt applicable is estimated by using taxable assessed values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

Data Source: HdL Coren & Cone, Los Angeles County Assessor and Auditor Combined 2012/13 Lien Date Tax Rolls
This report is not to be used in support of debt issuance or continuing disclosure statements without the written consent of HdL, Coren & Cone

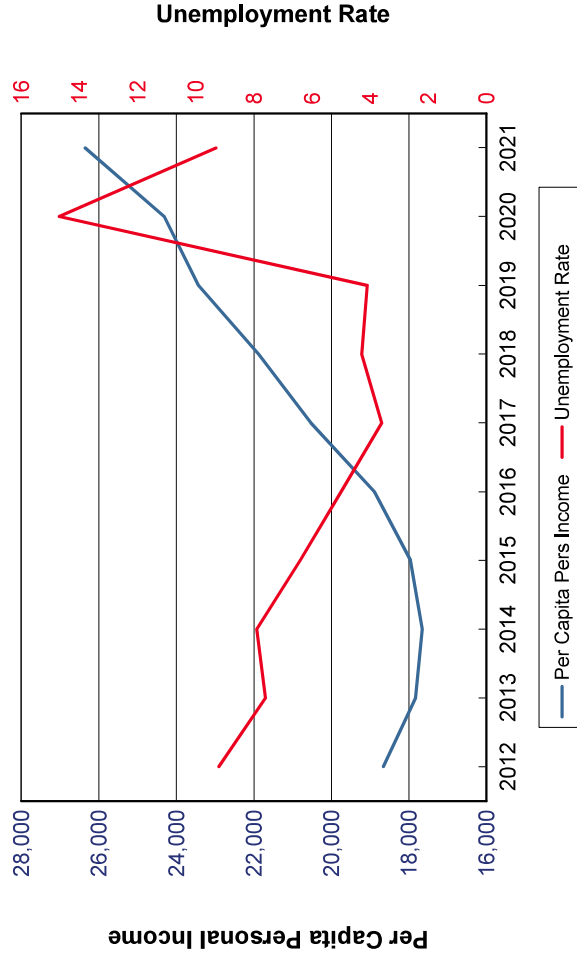
Prepared On 9/20/2012 By MV

THE CITY OF LAWNSDALE

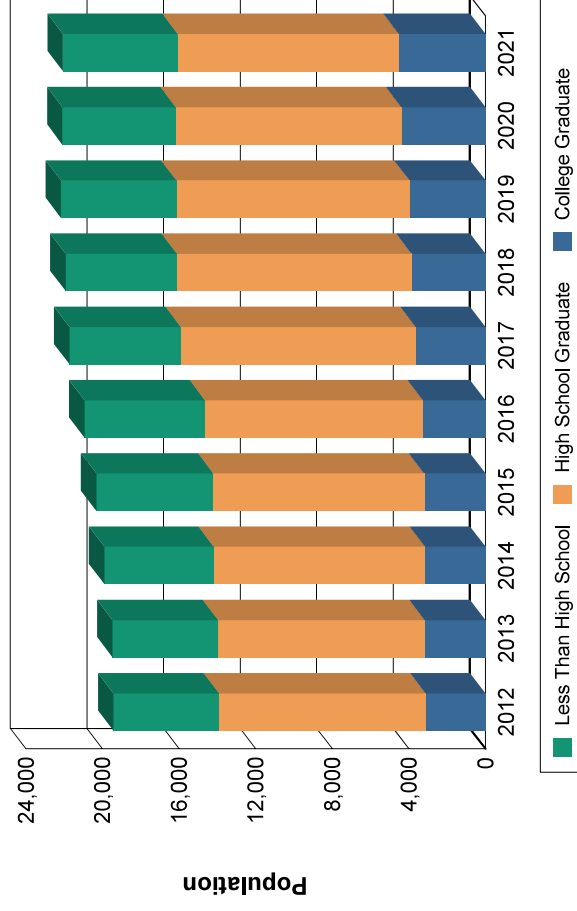
DEMOGRAPHIC AND ECONOMIC STATISTICS

Calendar Year	Population	Personal Income (In Thousands)	Per Capita Personal Income	Unemployment Rate	Median Age	% of Pop 25+ with High School Degree	% of Pop 25+ with Bachelor's Degree
2012	33,058	\$616,961	\$18,663	9.2%	31.1	71.6%	16.1%
2013	33,228	\$592,356	\$17,827	7.6%	31.6	71.7%	16.3%
2014	33,242	\$586,954	\$17,657	7.9%	31.9	71.4%	15.9%
2015	33,496	\$601,597	\$17,960	6.4%	32.5	70.0%	15.8%
2016	33,365	\$630,432	\$18,895	5.0%	32.8	70.0%	15.6%
2017	33,607	\$690,055	\$20,533	3.6%	34.9	73.3%	16.8%
2018	33,436	\$731,315	\$21,872	4.3%	35.0	73.6%	17.6%
2019	32,799	\$768,497	\$23,430	4.1%	35.7	72.9%	17.9%
2020	32,710	\$795,315	\$24,314	14.7%	35.5	73.3%	19.9%
2021	31,301	\$824,929	\$26,354	9.3%	34.8	72.9%	20.5%

Personal Income and Unemployment



Education Level Attained for Population 25 and Over



Notes and Data Sources:

Population: California State Department of Finance, Unemployment Data: California Employment Development Department

2000-2009 Income, Age, and Education Data: ESRI - Demographic Estimates are based on the last available Census. Projections are developed by incorporating all of the prior census data released to date. Demographic Data is totaled from Census Block Groups that overlap the City's boundaries

2010 and later - Income, Age and Education Data - US Census Bureau, most recent American Community Survey

This report is not to be used in support of debt issuance or continuing disclosure statements without the written consent of HdL, Coren & Cone

Prepared On 9/20/2022 By MV

City of Lawndale

Principal Employers Current Year and Ten Years Ago

Employer	2022		2013	
	Number of Employees	Percent of Total City Employment	Number of Employees	Percent of Total City Employment
Lawndale Elementary School District*	779	4.93%		
Centinela Valley Union High School District*	525	3.32%		
Target Store	78	0.49%		
VCA Advanced Veterinary Care Center**	75	0.47%	57	1.95%
El Super Grocery Store #43**	72	0.46%	70	2.39%
McDonald's**	70	0.44%	60	2.05%
City of Lawndale	65	0.41%	99	3.38%
Options for Life Inc.**	50	0.32%		
Smart & Final Extra**	42	0.27%	46	1.57%
American Drilling Co	40	0.25%	38	1.30%
Carbro Corporation			50	1.71%
Property Prep Inc.			51	1.74%
Big Saver Foods			46	1.57%
WEMS Inc.			37	1.26%

Source: City of Lawndale business license records

Source: 2013 previously published ACFR

Results based on direct correspondence with city's local businesses.

*Includes classified, certificated and admin for school's in the City of Lawndale

**Includes FTE & PTE

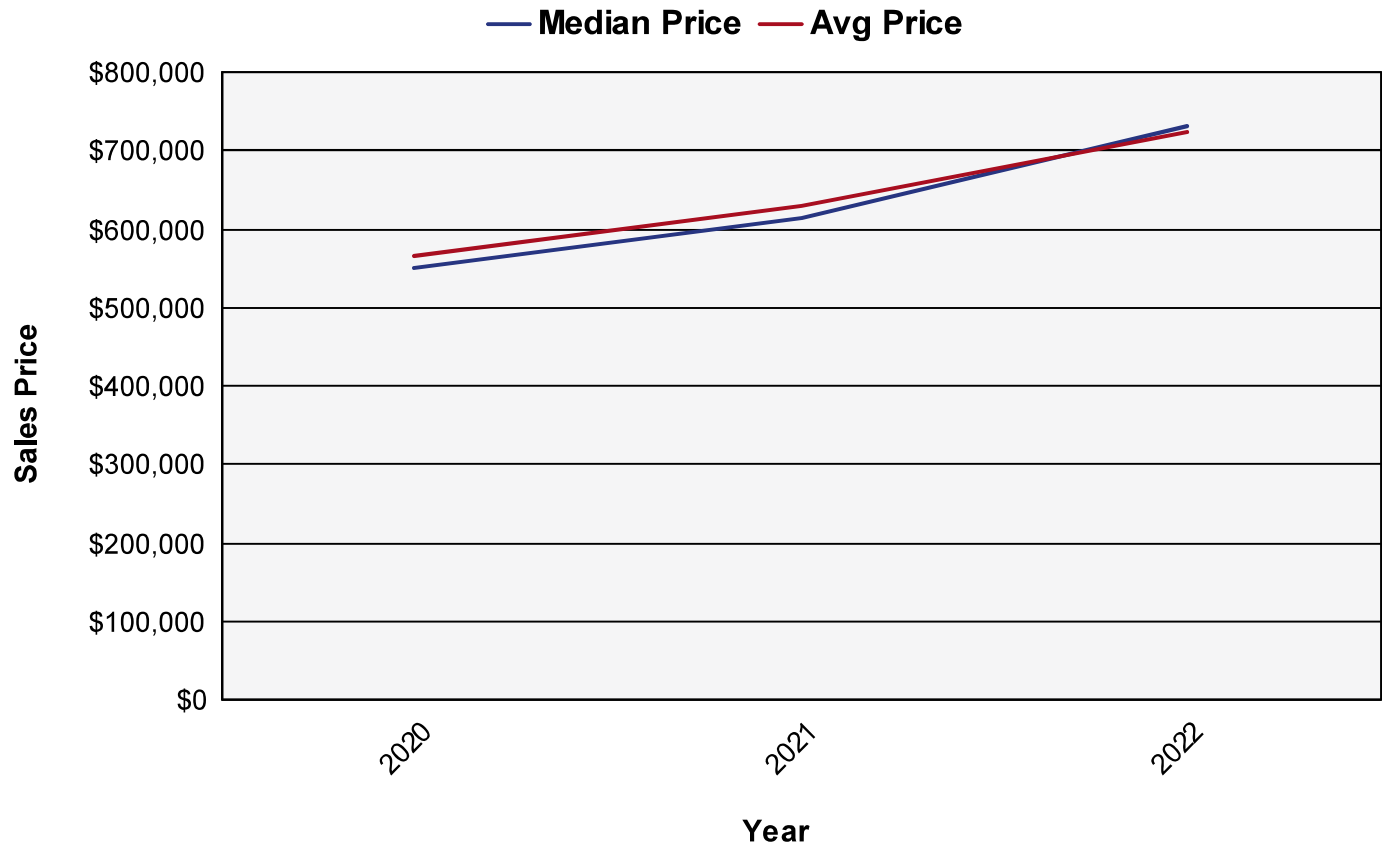
(1) Total City Labor Force provided by EDD Labor Force Data.

THE CITY OF LAWNSDALE

SALES VALUE HISTORY

Single Family Residential Full Value Sales (01/01/2020 - 8/31/2022)

Year	Full Value Sales	Average Price	Median Price	Median % Change
2020	117	\$566,103	\$550,000	
2021	145	\$628,241	\$615,000	11.82%
2022	70	\$723,179	\$732,500	19.11%



*Sales not included in the analysis are quitclaim deeds, trust transfers, timeshares, and partial sales.

Data Source: Los Angeles County Recorder

This report is not to be used in support of debt issuance or continuing disclosure statements without the written consent of HdL, Coren & Cone

CITY OF LAWDALE
TOP 25 SALES TAX PRODUCERS
FOR FISCAL YEAR 2012-13

Business Name	Business Category
Anthony's Ready Mix	Contractors
Arco	Service Stations
Arco	Service Stations
Arco AM PM	Service Stations
Arco AM PM	Service Stations
Capitol Wholesale Electric Supply	Plumbing/Electrical Supplies
Chevron	Service Stations
Cook's Lumber & Hardware	Building Materials
CVS Pharmacy	Drug Stores
Dunn Edwards Paint	Paint/Glass/Wallpaper
El Pollo Inka	Casual Dining
Guitar Center	Music Stores
Hawthorne Motors	Used Automotive Dealers
McDonald's	Quick-Service Restaurants
Pep Boys	Automotive Supply Stores
Rapid Gas	Service Stations
Repossess Auto	Used Automotive Dealers
Shell	Service Stations
Sherwin Williams	Paint/Glass/Wallpaper
Shilpark Paint	Paint/Glass/Wallpaper
Smart & Final	Grocery Stores
Tesoro Refining & Marketing	Service Stations
Video & Audio Center	Electronics/Appliance Stores
Vio's Auto Sales	Used Automotive Dealers
Westwood Building Materials	Building Materials

Percent of Fiscal Year Total Paid By Top 25 Accounts = 63.17%

* Firms Listed Alphabetically
 Period: July 2012 Thru June 2013

Printed 09/23/2022

Sources: State Board of Equalization, California Department of Taxes and Fees Administration, State Controller's Office, The HdL Companies

CITY OF LAWDALE
TOP 25 SALES TAX PRODUCERS
FOR FISCAL YEAR 2021-22

Business Name	Business Category
Arco	Service Stations
Arco AM PM	Service Stations
Arco AM PM	Service Stations
Austra Motors	Used Automotive Dealers
Bossa Nova Brazilian Cuisine	Casual Dining
Capitol Wholesale Electric Supply	Plumbing/Electrical Supplies
Chevron	Service Stations
Cooks Lumber & Hardware	Building Materials
CVS Pharmacy	Drug Stores
Dunn Edwards Paint	Paint/Glass/Wallpaper
El Pollo Inka	Casual Dining
Enterprise Rent A Car	Transportation/Rentals
Guitar Center	Music Stores
Hirsch Pipe & Supply Co	Plumbing/Electrical Supplies
McDonalds	Quick-Service Restaurants
Panda Express	Fast-Casual Restaurants
RJ's Construction & Landscaping Supplies	Contractors
Shilpark Paint	Paint/Glass/Wallpaper
Smart & Final	Grocery Stores
Target	Discount Dept Stores
United Oil	Service Stations
USA Gasoline	Service Stations
VIP Auto House	Used Automotive Dealers
Westwood Building Materials	Building Materials
WSS	Shoe Stores

Percent of Fiscal Year Total Paid By Top 25 Accounts = 60.36%

* Firms Listed Alphabetically
 Period: July 2021 Thru June 2022

Printed 09/23/2022

Sources: State Board of Equalization, California Department of Taxes and Fees Administration, State Controller's Office, The HdL Companies

City of Lawndale
 Taxable Sales by Category
 Last Ten Calendar Years
 (in thousands of dollars)
 Adjusted for Economic Data

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Apparel Stores	\$ 3,483	\$ 2,989	\$ 2,964	\$ 3,132	\$ 3,514	\$ 3,770	\$ 3,469	\$ 3,610	\$ 4,091	\$ 8,561
Food Stores	9,055	8,775	8,452	8,424	8,535	8,771	7,686	7,052	7,531	7,541
Eating and Drinking Places	32,185	31,274	35,632	39,440	42,041	44,748	46,250	51,808	45,640	57,167
Building Materials	32,585	37,516	41,597	42,282	44,893	46,855	51,035	49,312	49,305	51,457
Auto Dealers and Supplies	26,050	26,300	27,550	33,857	31,073	26,957	23,109	33,982	27,039	29,998
Service Stations	73,274	70,720	67,765	61,863	50,592	56,714	64,376	66,983	38,847	51,556
Other Retail Stores	33,688	32,783	36,025	38,313	41,804	49,927	51,541	40,674	41,550	46,339
All Other Outlets	43,795	47,174	50,291	57,023	59,349	63,530	64,267	76,255	93,215	98,071
Total	\$ 254,114	\$ 257,530	\$ 270,276	\$ 284,333	\$ 281,802	\$ 301,272	\$ 311,732	\$ 329,676	\$ 307,217	\$ 350,690

Sources: State Board of Equalization, California Department of Taxes and Fees Administration, State Controller's Office, The HdL Companies

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

City of Lawndale

**Full-Time Equivalent City Employees by Function
Last Ten Fiscal Years**

Function	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
General government	31	26	39	39	39	39	39	38	38	38
Public safety	19	16	15	16	16	16	16	15	15	15
Community development	4	4	4	4	4	5	5	6	6	6
Culture and leisure	11	13	40	40	40	40	40	40	40	40
Total	65	59	98	99	99	100	100	99	99	99

Source: City of Lawndale, Finance Department