



**CITY OF EL SEGUNDO  
CALIFORNIA**

**2019-2020**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FISCAL YEAR-ENDED SEPTEMBER 30, 2020**



**CITY OF EL SEGUNDO, CALIFORNIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FISCAL YEAR ENDED SEPTEMBER 30, 2020**

**Prepared by the City's Finance Department**

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**City of El Segundo**  
**Comprehensive Annual Financial Report**  
**For the Year Ended September 30, 2020**

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# City of El Segundo

March 29, 2021

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

State law requires that every general-purpose local government publish each fiscal year a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended September 30, 2020.

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

CliftonLarsonAllen LLP (CLA), formerly White Nelson Diehl Evans LLP (WNDE), an Independent CPA Firm, has issued an unmodified (“clean”) opinion on the City of El Segundo’s financial statements for the year ending September 30, 2020. The independent auditor’s report is located at the front of the financial section of this report.

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

## ***City of El Segundo Profile***

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

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

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

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

### ***Local economy***

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

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

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

### ***Long-term financial planning***

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

The City has traditionally implemented a strategy of adopting a Citywide Strategic Plan that is reviewed and updated each year by the City's management and the City Council. Toward the end of FY 2016-17, the City conducted a series of strategic planning sessions that resulted in the City's first multi-year Strategic Plan. The current Strategic Plan is a three-year outlook covering 2020-2022. The Strategic Plan will be used as a guideline to set priorities and in development of the budget.

The City also focuses closely on unfunded pension liabilities the City owes to the California Public Employees' Retirement System (CalPERS). The City's total unfunded pension liability at September 30, 2020 was about \$153 million. These liabilities have been increasing over the past several years due to:

- CalPERS Board lowering the CalPERS Discount Rate (Assumed Rate of Return) on Investment Pool Assets from 7.5% to 7.0%;
- Poor CalPERS investment returns;
- Increased cash outflows in the CalPERS investment portfolio (\$20.5 billion annually);
- Revising mortality tables and other actuarial assumptions that have negative impacts on member agencies' rates;
- Shrinking ratio of active vs. retired employees;
- State Legislatures actions resulting in policy mandates on CalPERS to focus on "social investment" practices that align with the Legislatures ideologies; resulting in divestment from many market sectors that have performed well; and
- CalPERS amortization methodology on losses and assumption changes that results in negative amortization

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

### ***Relevant financial policies***

The City's general fund reserve policy in FY 2019-20 was increased from a funded level of 19% (FY 2018-19 policy level) to 20% of the City's current general fund expenditures for its operating reserves, as well as funding up to \$2 million in a separate Economic Uncertainty Reserve Fund. The goal is to maintain the reserve for the General Fund at 20%, as well as maintain a reserve of \$2 million in the Economic Uncertainty Fund, per current City Council policy direction.

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

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

### ***Major initiatives***

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

- Annual Sidewalk, ADA ramp installation, Curb and Gutter Restoration Program
- Catch basin insert installations
- City Hall security improvements
- Gateway beautification project
- Local street rehabilitation and slurry seal
- Park Place gap closure project (design phase)
- Plunge replacement scope assessment
- Richmond field renovation
- Sewer main repairs
- Water infrastructure improvements
- Water meter conversion
- Various smaller projects that have provided enhanced benefits to the community

### ***Acknowledgements***

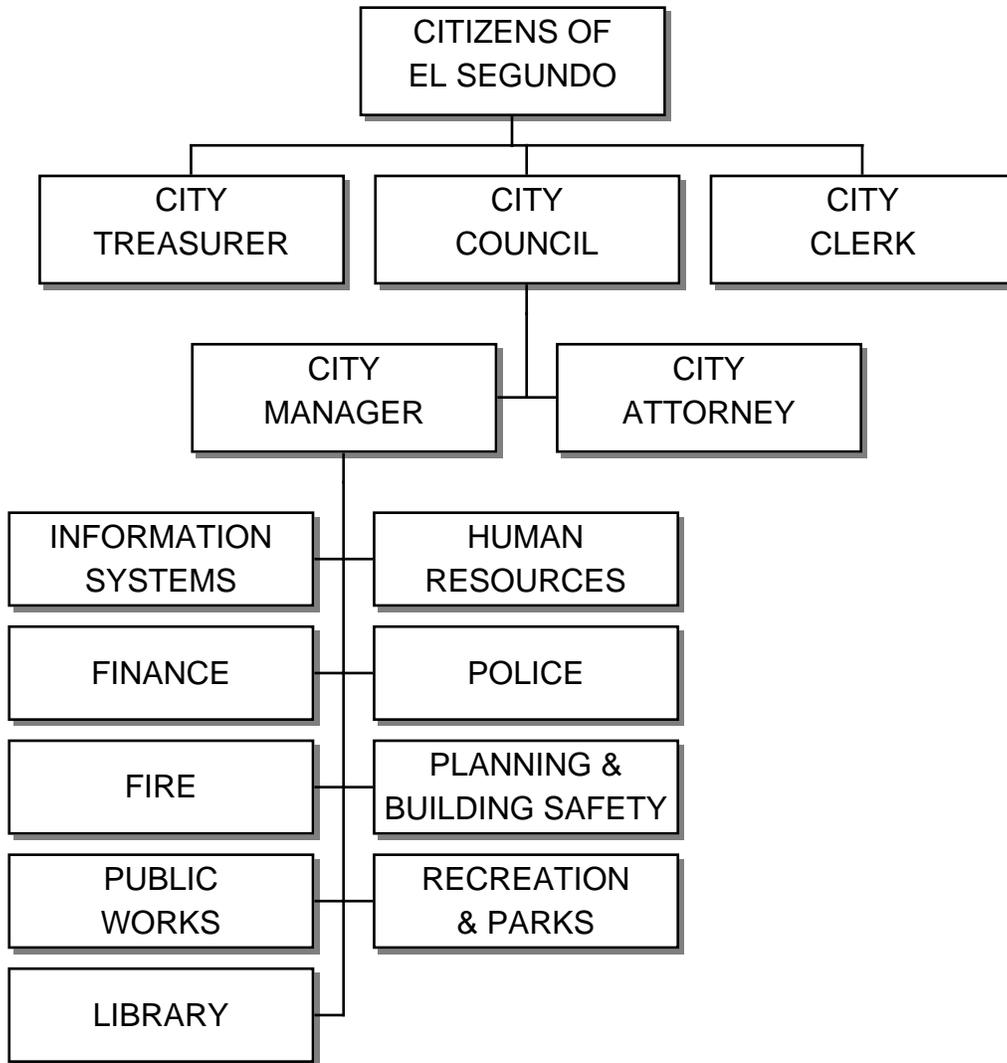
The preparation of this report would not have been possible without the efficient and dedicated service of the entire staff of the Finance Department. We wish to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must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

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Joseph Lillio". The signature is fluid and cursive, with a large initial "J" and "L".

Joseph Lillio  
Director of Finance/Chief Financial Officer

# CITY OF EL SEGUNDO



**CITY OF EL SEGUNDO**

September 30, 2020

**CITY COUNCIL MEMBERS**

<u>Name</u>		<u>Term Expires</u>
Drew Boyles	Mayor	June 2024
Chris Pimentel	Mayor Pro Tem	June 2022
Carol Pirsztuk	Council Member	June 2024
Lance Giroux	Council Member	June 2024
Scot Nicol	Council Member	June 2022

**CITY OFFICIALS**

Scott Mitnick	City Manager
Mark Hensley	City Attorney
Matthew Robinson	City Treasurer
Tracy Weaver	City Clerk

**CITY ADMINISTRATION**

Barbara Voss	Deputy City Manager
Joseph Lillio	Chief Financial Officer
Rebecca Redyk	Director of Human Resources
Bill Whalen	Chief of Police
Christopher Donovan	Fire Chief
Melissa McCollum	Director of Community Services
Sam Lee	Director of Development Services
Elias Sassoon	Director of Public Works
Charles Mallory	Director of Information Systems



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of El Segundo  
California**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

September 30, 2019

*Christopher P. Morrill*

Executive Director/CEO

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## INDEPENDENT AUDITORS' REPORT

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

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of El Segundo, California (the "City"), as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the El Segundo Senior Citizen Housing Corporation (dba Park Vista), which represents 100% of the assets, net position, and revenues of the discretely presented component unit. Those statements for the year ended December 31, 2019 were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for El Segundo Senior Citizen Housing Corporation, is based solely on the report of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

## ***Opinions***

In our opinion, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of September 30, 2020, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### *Required Supplementary Information*

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

### *Other Information*

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

The supplementary information is the responsibility of management and were 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, supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2021, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

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

**CliftonLarsonAllen LLP**

Irvine, California  
March 29, 2021

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## **Management's Discussion and Analysis**

As management of the City of El Segundo, California (City) we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of El Segundo for the fiscal year ended September 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal and the City's financial statements.

### **Financial Highlights**

The assets of the City exceeded its liabilities at the close of the most recent fiscal year by \$33,125,282 (*total net position*). The City had an unrestricted net position of (\$110,553,473). This negative unrestricted net position is the result of GASB 68 implementation in FY 2014-15 that required all government entities to place their unfunded pension liabilities onto their agencies Statement of Net Position.

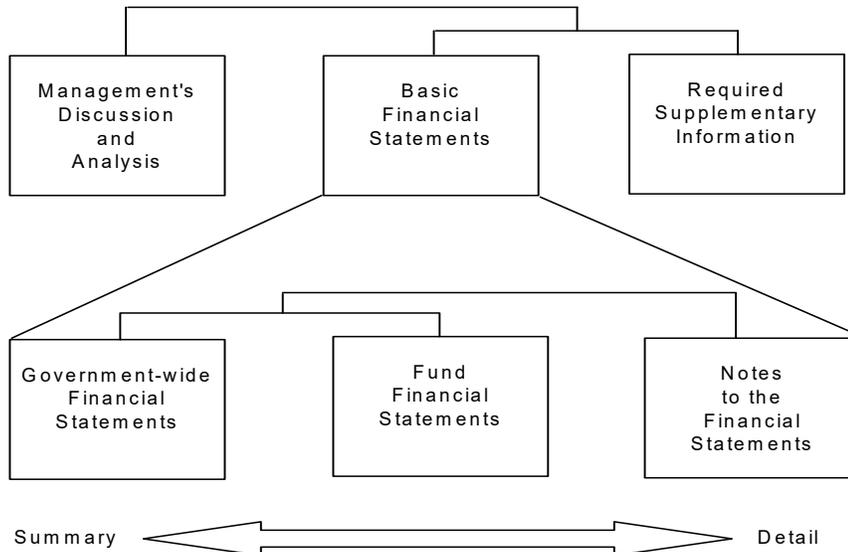
As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$55,436,637. Of this amount, \$27,457,932 (*unrestricted fund balance per GASB 54*) is available for spending at the City's discretion.

At the end of the current year, unrestricted fund balance per GASB 54 for the general fund was \$23,342,874 which represents 28% of total general fund expenditures, net of transfer out, for fiscal year 2019-20.

### **Overview of the Financial Statements**

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

## Components of the Financial Section



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

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

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

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

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

**Business-type activities:** The City charges a fee to customers to cover all or most of the costs of certain services it provides. The City’s Water and Sewer utilities and the Solid Waste and Golf Course operations are reported in this category.

The government-wide financial statements can be found beginning on page 20 of this report.

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

**Governmental funds:** Most of the City’s basic services are reported in governmental funds, which focus on how money flows in and out of those funds and the balances left at year-end that are available for spending. The City’s governmental funds in fiscal year 2020 are General Fund and Non-major Governmental Funds. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the City’s general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City’s programs. The differences between the results in the Governmental Fund financial statements to those in the Government-Wide financial statements are explained in a reconciliation following each Governmental Fund financial statement.

In addition to the major funds reported separately on the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances, the City also maintains 23 special revenue funds, one capital project fund and one debt service fund. Data from these funds are combined into a single, aggregated presentation referred to as *other governmental funds*.

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

The City adopts an annual appropriated budget for all of its governmental and proprietary funds. A budgetary comparison statement has been provided for the general fund and major special revenue funds to demonstrate compliance with this budget. This comparison can be found on pages 106 of this report.

The basic governmental fund financial statements can be found on pages 28-31 of this report.

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

Proprietary funds provide the same type of information as the government-wide financial statements except that more detail is presented. The proprietary fund financial statements provide separate information for the Water, Sewer and Golf Course operations, all of which are considered major funds of the City. The Solid Waste fund is not considered a major fund of the City. The City's internal service fund is shown separately under the heading of *governmental activities*.

The basic proprietary fund financial statements can be found on pages 34-43 of this report.

***Fiduciary Funds:*** Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of these funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City's fiduciary activities are reported in a separate Statement of Fiduciary Assets and Liabilities.

The basic fiduciary fund financial statements can be found on page 46 of this report.

**Notes to the financial statements:** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 51-102 of this report.

**Other information:** The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 124-166 of this report.

## Government-wide Financial Analysis

As was referenced earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, total assets exceeded total liabilities by \$33,125,282 at the close of 2020 fiscal year. A summary of the government-wide *statement of net position* follows:

	Governmental		Business		Total	
	Activities		Activities		Primary Government	
	2020	2019	2020	2019	2020	2019
<b>Assets:</b>						
Current and other assets	\$ 77,432,243	\$ 75,338,385	\$ 34,533,556	\$ 32,193,948	\$ 111,965,799	\$ 107,532,333
Capital assets	<u>104,449,468</u>	<u>105,157,440</u>	<u>30,667,983</u>	<u>31,326,736</u>	<u>135,117,451</u>	<u>136,484,176</u>
<b>Total assets</b>	<u>181,881,711</u>	<u>180,495,825</u>	<u>65,201,539</u>	<u>63,520,684</u>	<u>247,083,250</u>	<u>244,016,509</u>
<b>Deferred Outflows of Resources</b>	15,277,112	15,192,879	195,400	73,885	15,472,512	15,266,764
<b>Liabilities:</b>						
Current and other liabilities	12,956,675	13,946,586	5,190,603	5,168,943	18,147,278	19,115,529
Noncurrent liabilities	<u>196,357,291</u>	<u>196,131,133</u>	<u>5,524,928</u>	<u>4,595,657</u>	<u>201,882,220</u>	<u>200,726,790</u>
<b>Total liabilities</b>	<u>209,313,966</u>	<u>210,077,719</u>	<u>10,715,531</u>	<u>9,764,600</u>	<u>220,029,498</u>	<u>219,842,319</u>
<b>Deferred Inflows of Resources</b>	9,080,724	6,558,059	320,258	50,371	9,400,982	6,608,430
<b>Net assets:</b>						
Net investment in capital assets	91,747,670	93,823,843	30,667,983	31,244,813	122,415,653	125,068,656
Restricted	21,263,102	11,082,956	-	-	21,263,102	11,082,956
Unrestricted	<u>(134,246,639)</u>	<u>(125,853,873)</u>	<u>23,693,167</u>	<u>22,534,785</u>	<u>(110,553,473)</u>	<u>(103,319,088)</u>
<b>Total net position</b>	<u>\$(21,235,867)</u>	<u>\$(20,947,074)</u>	<u>\$54,361,150</u>	<u>\$ 53,779,598</u>	<u>\$ 33,125,282</u>	<u>\$ 32,832,524</u>

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

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

	Governmental Activities		Business Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
<b>Revenues</b>						
Program revenues:						
Charges for services	\$7,221,812	\$9,462,300	\$32,084,264	\$39,943,697	\$39,306,076	\$49,405,997
Operating grants and contributions	2,932,318	4,148,187	-	-	2,932,318	4,148,187
Capital grants and contributions	7,691,323	2,580,996	-	375,000	7,691,323	2,955,996
<b>General revenues:</b>						
Property taxes	11,816,366	11,138,625	-	-	11,816,366	11,138,625
Transient Occupancy taxes	8,760,763	14,598,200	-	-	8,760,763	14,598,200
Sales taxes	12,006,731	13,023,091	-	-	12,006,731	13,023,091
Utility user taxes	5,458,167	5,967,863	-	-	5,458,167	5,967,863
Franchise taxes	3,350,323	2,709,760	-	-	3,350,323	2,709,760
Business license taxes	12,313,710	12,082,451	-	-	12,313,710	12,082,451
Other taxes	6,937,601	7,631,885	-	-	6,937,601	7,631,885
Motor vehicles in lieu Use of money and property, unrestricted	3,420,790	2,440,102	291,780	1,139,315	3,712,570	3,579,417
Other	1,926,516	1,682,211	-	23,926	1,926,516	1,706,137
<b>Total revenues</b>	<b>83,836,420</b>	<b>87,465,671</b>	<b>32,376,044</b>	<b>41,481,938</b>	<b>116,212,464</b>	<b>128,947,609</b>
<b>Expenses</b>						
General government	18,698,011	17,788,600	-	-	18,698,011	17,788,600
Public safety	43,330,009	40,878,258	-	-	43,330,009	40,878,258
Public works	11,713,451	9,534,893	-	-	11,713,451	9,534,893
Community & cultural	10,058,912	11,321,339	-	-	10,058,912	11,321,339
Interest on long-term debt	324,830	337,350	-	-	324,830	337,350
Water	-	-	25,014,971	26,525,468	25,014,972	26,525,468
Sewer	-	-	4,978,350	3,336,645	4,978,350	3,336,645
Golf Course	-	-	1,553,159	1,674,851	1,553,159	1,674,851
Solid Waste	-	-	248,012	-	248,012	-
<b>Total expenses</b>	<b>84,125,213</b>	<b>79,860,440</b>	<b>31,794,492</b>	<b>31,536,964</b>	<b>115,919,706</b>	<b>111,397,404</b>
<b>Excess (deficiency) before transfers</b>	<b>(288,793)</b>	<b>7,605,231</b>	<b>581,552</b>	<b>9,944,974</b>	<b>292,758</b>	<b>17,550,205</b>
<b>Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Increase (decrease) in net position</b>	<b>(288,793)</b>	<b>7,605,231</b>	<b>581,551</b>	<b>9,944,974</b>	<b>292,758</b>	<b>17,550,205</b>
<b>Net position at beginning of year (as restated)</b>	<b>(20,947,074)</b>	<b>(28,552,305)</b>	<b>53,779,598</b>	<b>43,834,624</b>	<b>32,832,524</b>	<b>15,282,319</b>
<b>Net position at end of year</b>	<b>\$(21,235,867)</b>	<b>\$(20,947,074)</b>	<b>\$54,361,150</b>	<b>\$53,779,598</b>	<b>\$33,125,282</b>	<b>\$32,832,524</b>

## Governmental Activities

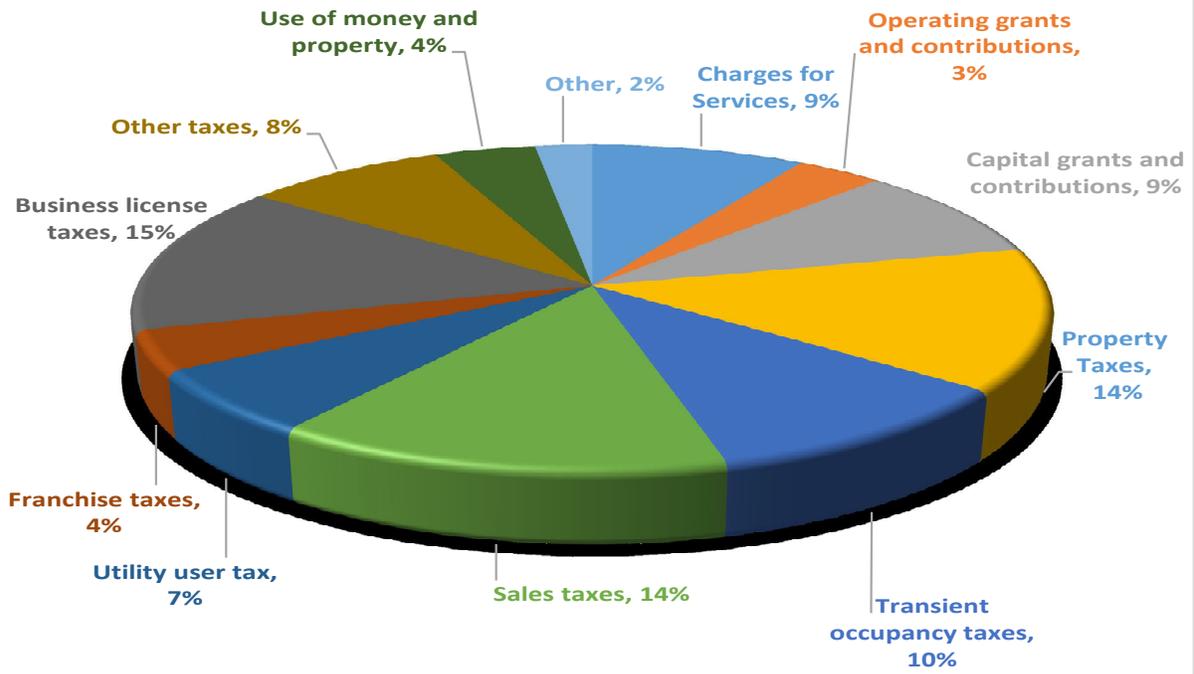
The City's net position from governmental activities decreased \$288,793. The decrease in net position is attributed to a decrease in revenues and an increase in expenses in governmental funds due to the Covid pandemic.

- In summary:
  - Grants and contributions decreased \$1.2 million;
  - Sales taxes decreased \$1.0 million due to a decrease in volume;
  - Interest and rentals increased \$981 thousand due to higher cash balances and investment returns;
  - Transient Occupancy taxes decreased \$5.8 million due to the Covid pandemic;
  - Property taxes increased \$677 thousand due to increased property values;
  - Charges for services decreased \$2.2 million due to the Covid pandemic;
  - Business license taxes increased by \$231 thousand primarily due to a CPI rate increase;
  - Franchise taxes increased \$641 thousand;
  - Public safety expenses increased by \$2.5 million primarily due to the Covid pandemic;
  - General government expenses increased by \$909 thousand due to the addition of new positions;
  - Community & cultural expenses decreased by \$1.3 million due to the Covid pandemic;
  - Public works expenses increased by \$2.2 million due to the Covid pandemic;

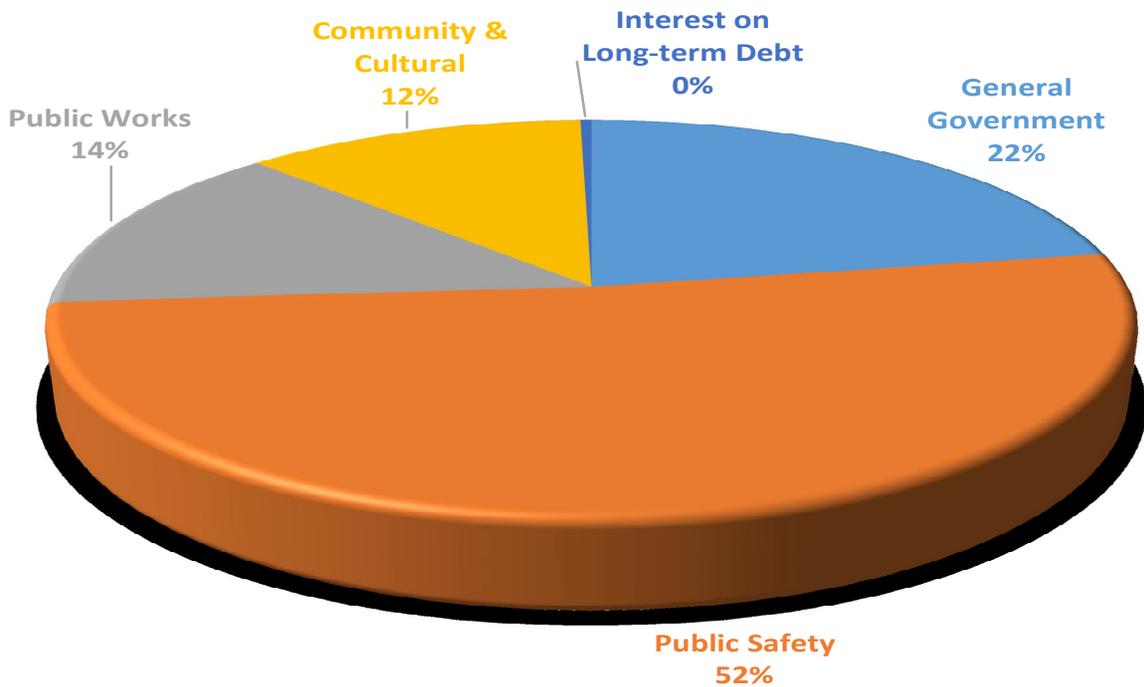
The cost of all governmental activities for the year was \$84.1 million. The taxes that ultimately financed these activities were only \$60.6 million and a portion of the costs were paid by those who directly benefited from the programs (\$7.2 million) or by other governments and organizations that subsidized certain programs with grants and contributions (\$10.6 million).

Overall, the City's governmental program revenues were \$17.8 million; of the remaining "public benefit" governmental activities, \$12.3 million were paid with business license taxes, utility user taxes of \$5.5 million, sales and use taxes of \$12.0 million, property taxes of \$11.8 million, franchise taxes of \$3.4 million, transient occupancy tax of \$8.8 million and other revenues and taxes of \$12.3 million.

**GOVERNMENT ACTIVITIES  
SOURCES OF REVENUE  
FISCAL YEAR 2019-2020**



**GOVERNMENT ACTIVITIES EXPENDITURES  
FISCAL YEAR 2019-2020**



## Business-Type Activities

The programs for the business-type activities include the water, sewer, solid waste and the golf course operations.

The City's net position from business-type activities increased by \$581,551. The cost of all Proprietary (Business Type) activities this year was \$31,794,493.

Charges for services are the major revenue source for the City's business-type activities, accounting for \$32,084,264 of total business-type activity revenue.

The Water Utility net cost of service of \$1,389,816 is attributable to a decrease in expenses due to less potable water purchased during year.

The Sewer Utility net cost of service of (\$783,720) is attributable to an increase in expenses due to an increase in personnel costs during the year.

The Solid Waste fund net cost of service of (\$248,012) is new fund and the decrease is no revenue for the current year and an increase in contractual expenses.

The Golf Course net cost of service of (\$68,313) is attributable to a decrease in revenues due to the closure of some operations due to the Covid pandemic.

## Financial Analysis of the Government's Funds

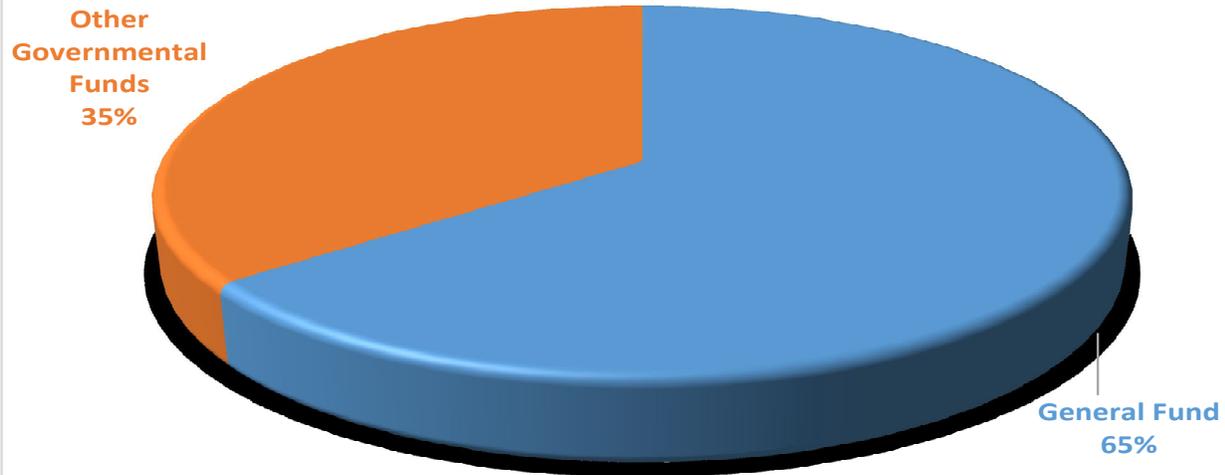
As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

As of the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$55,436,637, an increase of \$2.9 million or 5% from the previous year. The increase is primarily due to an increase in revenue from developer fees. The City's General Fund decreased \$3.2 million due to a decrease in revenues and higher expenditures due to the Covid pandemic. The remaining amount is an increase in the non-major Governmental funds of \$6.0 million which is largely due to unspent funds in the Capital Improvement fund and various grant funds. The portion of fund balance that is unreserved, undesignated for all governmental funds is \$20.8 million which represents amounts available for spending at the government's discretion.

Additionally, there are portions of the identified combined ending fund balance that are classified to indicate (1) it has been assigned to liquidate contracts and purchase orders of the prior period \$560,379 (2) it represents nonspendable amounts for inventory, receivables and prepaid costs \$8,022,692, (3) for a variety of other restricted and assigned purposes \$26,091,700. More details can be found in Note 13.

## GOVERNMENTAL FUND BALANCE FISCAL YEAR 2019-2020



**Major Funds:** There is one major fund on the balance sheet for governmental funds. This is the general fund, the chief operating fund of the City. At the end of the current fiscal year, the available fund balance (assigned and unassigned) was \$23,342,874 which represents 65% of total fund balance of \$35,762,880. As a measure of the general fund's available resources, it may be useful to compare restricted and total fund balance to total fund expenditures. The available fund balance represents 28% of total general fund expenditures, net of transfer out, while total general fund balance represents 43% of that same amount.

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

Ending unrestricted net position for the proprietary funds is \$25,469,246 for the Water Utility Fund, \$4,168,090 for the Sewer Utility Fund, a negative \$248,012 for the Solid Waste Fund and a negative \$5,696,167 for the Golf Course Fund. The total change in net position for the City's four proprietary funds is as follows:

- The Water Utility's net position increased by \$1,632,908 or an increase of 5% over net position of the prior year due to lower expenses;
- The Sewer Utility's net position decreased \$735,032 or a decrease of 5% over net position of the prior year due to a decrease in revenues and an increase in expenses;

The Solid Waste's net position decreased \$248,012 due to contractual expenses; and

- The Golf Course net position decreased \$68,313 or a net decrease of 2% over the prior year due to lower revenues.

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

### **General Fund Budgetary Highlights**

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

### ***Appropriations***

Differences between the original budget and the final amended budget of the General Fund resulted in a decrease in appropriations of \$4,130,651, or a net decrease in budgetary fund balance of \$4,130,651.

- General Government encumbrances decreased \$1,381,209.
- Public Safety encumbrances decreased \$1,652,790.
- Public Works encumbrances decreased \$219,982.
- Community & Cultural encumbrances decreased \$887,221.

Over-all, the general fund was over budget when comparing budget to actual. This was due to additional expenditures due to the Covid pandemic. The most significant savings were in General Government. The reasons for these savings are as follows:

- The General Government Departments came in \$536,119 over budget, primarily in salaries and benefits and operation and maintenance expenditures.
- The Public Safety Departments came in \$1,857,760 over budget primarily in salaries and benefits.
- The Public Works Departments came in \$653,392 under budget primarily in contractual services and operations and maintenance expenditures.
- The Community and Cultural Departments came in \$1,176,741 under budget salaries and benefits due to unfilled vacancies and lower operations and maintenance expenditures due to the Covid pandemic.

## Revenue

Differences between the final budget and the actual revenues resulted in an increase of \$5,629,882, or an 8.4% increase in budgeted revenues.

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

- Interest and Rentals increased \$2,588,000 due to an increase in portfolio returns.
- Sales and Use Taxes increased \$1,331,000 above the final budget is mainly attributable to increased online sales volumes.
- Utility Users Taxes increased \$497,000 above the final budget is mainly attributable to an increase in electric utility taxes.
- Property Taxes increased \$585,000 above the final budget is attributable to an increase in property values.
- Transient Occupancy Tax decreased \$776,000 due to lower hotel occupancy.

For the City's general fund, amounts available for appropriation of \$66,967,992 was \$5,629,882 lower than actual revenues of \$72,597,874. Actual ending expenditures not including transfers out were \$74,662,548 which was \$751,409 more than the final budget of \$73,911,139, not including transfer out. The net effect of these variances between actual and budgeted was an increase in budgetary fund balance of \$4,878,473. Therefore, there was an increase in ending fund balance.

## CAPITAL ASSET AND DEBT ADMINISTRATION

**Capital Assets:** The City's investment in capital assets for its governmental and business-type activities as of September 30, 2019 amounts to \$130,635,088 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, vehicles and equipment, park facilities, roads, highways, streets and bridges.

	Governmental		Business-Type		Total	
	Activities		Activities		Primary Government	
	2020	2019	2020	2019	2020	2019
<b>Capital assets not being depreciated</b>						
Land	\$ 29,522,040	\$29,522,040	\$ 5,999,980	\$ 5,999,980	\$ 35,522,020	\$ 35,522,020
Construction in progress	<u>163,898</u>	<u>227,326</u>	<u>296,936</u>	<u>610,038</u>	<u>460,834</u>	<u>837,364</u>
Total capital assets not being depreciated	<u>29,685,938</u>	<u>29,749,366</u>	<u>6,610,018</u>	<u>6,610,018</u>	<u>35,982,854</u>	<u>36,359,384</u>
<b>Capital assets being depreciated, net</b>						
Buildings and improvements	18,053,074	18,850,081	2,565,624	2,720,251	20,618,698	21,570,332
Vehicles and equipment	7,128,070	7,481,667	15,498	67,824	7,143,568	7,549,491
Infrastructure	<u>45,100,023</u>	<u>46,432,946</u>	<u>21,789,945</u>	<u>21,928,643</u>	<u>66,889,968</u>	<u>68,361,589</u>
Total capital assets being depreciated, net	<u>99,967,105</u>	<u>72,764,694</u>	<u>24,371,067</u>	<u>24,716,718</u>	<u>94,652,234</u>	<u>97,481,412</u>
<b>Total capital assets, net</b>	<u>\$99,967,105</u>	<u>\$102,514,060</u>	<u>\$30,667,983</u>	<u>\$31,326,736</u>	<u>\$130,635,088</u>	<u>\$133,840,796</u>

Additional information on the City’s capital assets can be found in Note 6 of the Notes to Financial Statements in this report.

**Long-term debt:** The City’s governmental activities total debt increased by \$1,578,952. The City’s business-type activities total debt increased by \$11,740, which is attributable to an increase in compensated absences in the Water and Sewer Fund. City-wide, compensated absences increased by \$344,973 and Claims and Judgments increased by \$1,626,000. Capital parking structure lease decreased by \$54,286 and facility lease decreased by \$325,996.

	Governmental		Business-Type		Total	
	Activities		Activities		Primary Government	
	2020	2019	2020	2019	2020	2019
Compensated absences	\$5,104,911	\$4,771,678	\$216,706	\$204,966	\$5,321,617	\$4,976,644
Claims and judgments	12,926,000	11,300,000	-	-	12,926,000	11,300,000
Capital lease parking structure	2,024,903	2,079,189	-	-	2,024,903	2,079,189
Facility lease	<u>6,178,064</u>	<u>6,504,059</u>	<u>-</u>	<u>-</u>	<u>6,178,064</u>	<u>6,504,059</u>
<b>Total long-term debt</b>	<b>\$ 26,233,878</b>	<b>\$ 24,654,926</b>	<b>\$ 216,706</b>	<b>\$ 204,966</b>	<b>\$ 26,450,584</b>	<b>\$ 24,859,892</b>

Additional information on the City’s long-term debt can be found in Note 7 of the Notes to Financial Statements in this report.

**ECONOMIC FACTORS AND NEXT YEAR’S BUDGETS**

In preparing the budget for 2019-2020 the following economic factors significantly impacted the budget process:

- Increase cost in CalPERS retirement benefits for employees and funding of GASB 68 liability.
- Performance of national, state and primarily local economy and its impact on El Segundo’s major revenue sources.

**CONTACTING THE CITY’S FINANCIAL MANAGEMENT**

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

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# FINANCIAL STATEMENTS

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**City of El Segundo**  
**Statement of Net Position**  
**September 30, 2020**

	Primary Government			Component Unit
	Governmental	Business-type	Total	Park Vista
	Activities	Activities		Senior Housing
ASSETS				December 31, 2019
<b>Current assets:</b>				
Cash and investments	\$ 55,207,959	\$ 36,711,853	\$ 91,919,812	\$ 427,887
Receivables:				
Taxes	4,566,739	-	4,566,739	-
Accounts	663,176	3,493,548	4,156,724	-
Interest	290,621	-	290,621	-
Notes and loans	66,905	-	66,905	-
Internal balances	5,923,302	(5,923,302)	-	-
Due from other governments	970,482	-	970,482	-
Inventories	100,264	54,225	154,489	-
Prepays and other assets	9,642,795	197,232	9,840,027	4,836
<b>Total current assets</b>	<b>77,432,243</b>	<b>34,533,556</b>	<b>111,965,799</b>	<b>432,723</b>
<b>Noncurrent assets:</b>				
Restricted cash	4,482,363	-	4,482,363	836,834
Capital assets, not being depreciated	29,685,938	6,296,916	35,982,854	-
Capital assets, net of depreciation	70,281,167	24,371,067	94,652,234	451,014
<b>Total noncurrent assets</b>	<b>104,449,468</b>	<b>30,667,983</b>	<b>135,117,451</b>	<b>1,287,848</b>
<b>Total assets</b>	<b>181,881,711</b>	<b>65,201,539</b>	<b>247,083,250</b>	<b>1,720,571</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows of resources related to pensions	13,754,837	116,615	13,871,452	-
Deferred outflows of resources related to OPEB	1,522,275	78,785	1,601,060	-
<b>Total deferred outflows of resources</b>	<b>15,277,112</b>	<b>195,400</b>	<b>15,472,512</b>	<b>-</b>

**City of El Segundo**  
**Statement of Net Position (Continued)**  
**September 30, 2020**

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Park Vista Senior Housing December 31, 2019
<b>LIABILITIES</b>				
<b>Current liabilities:</b>				
Accounts payable	1,830,343	4,749,904	6,580,247	12,441
Accrued liabilities	2,338,129	116,228	2,454,357	-
Retention payable	16,469	-	16,469	-
Accrued interest	29,391	-	29,391	-
Unearned revenue	325,086	24,908	349,994	3,317
Deposits payable	1,494,219	96,730	1,590,949	55,892
Long-term liabilities - due within one year	6,923,038	202,833	7,125,871	-
<b>Total current liabilities</b>	<b>12,956,675</b>	<b>5,190,603</b>	<b>18,147,278</b>	<b>71,650</b>
<b>Noncurrent liabilities:</b>				
Long-term liabilities - due in more than one year	19,310,840	13,873	19,324,713	-
Aggregate net pension liability	149,353,661	4,077,830	153,431,491	-
Net other postemployment benefit liability	27,692,790	1,433,225	29,126,015	-
<b>Total noncurrent liabilities</b>	<b>196,357,291</b>	<b>5,524,928</b>	<b>201,882,219</b>	<b>-</b>
<b>Total liabilities</b>	<b>209,313,966</b>	<b>10,715,531</b>	<b>220,029,497</b>	<b>71,650</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows of resources related to pensions	3,191,909	15,485	3,207,394	-
Deferred inflows of resources related to OPEB	5,888,815	304,773	6,193,588	-
<b>Total Deferred Outflows of Resources</b>	<b>9,080,724</b>	<b>320,258</b>	<b>9,400,982</b>	<b>-</b>
<b>NET POSITION</b>				
Net investment in capital assets	91,747,670	30,667,983	122,415,653	451,014
Restricted for:				
Public safety	1,627,378	-	1,627,378	-
Public works	2,493,591	-	2,493,591	-
Community and cultural	11,629,479	-	11,629,479	-
Debt services	1,030,291	-	1,030,291	-
Pension	4,482,363	-	4,482,363	-
Total restricted	21,263,102	-	21,263,102	-
Unrestricted (deficit)	(134,246,639)	23,693,167	(110,553,472)	1,197,907
<b>Total net position</b>	<b>\$ (21,235,867)</b>	<b>\$ 54,361,150</b>	<b>\$ 33,125,283</b>	<b>\$ 1,648,921</b>

**City of El Segundo**  
**Statement of Activities**  
**Year Ended September 30, 2020**

Functions/Programs	Expenses	Program Revenues			Total Program Revenues
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	
<b>Governmental activities:</b>					
General government	\$ 18,698,011	\$ 258,538	\$ -	\$ -	\$ 258,538
Public safety	43,330,009	1,545,947	114,867	413,768	2,074,582
Public works	11,713,451	26,524	1,427,854	1,314,068	2,768,446
Community and cultural	10,058,912	5,390,803	1,389,597	5,963,487	12,743,887
Interest on long-term debt	324,830	-	-	-	-
<b>Total governmental activities</b>	<b>84,125,213</b>	<b>7,221,812</b>	<b>2,932,318</b>	<b>7,691,323</b>	<b>17,845,453</b>
<b>Business-type activities:</b>					
Water	25,014,971	26,404,788	-	-	26,404,788
Sewer	4,978,350	4,194,630	-	-	4,194,630
Golf Course	1,553,159	1,484,846	-	-	1,484,846
Solid waste	248,012	-	-	-	-
<b>Total business-type activities</b>	<b>31,794,492</b>	<b>32,084,264</b>	<b>-</b>	<b>-</b>	<b>32,084,264</b>
<b>Total primary government</b>	<b>115,919,705</b>	<b>39,306,076</b>	<b>2,932,318</b>	<b>7,691,323</b>	<b>49,929,717</b>
<b>Component unit:</b>					
Park Vista Senior Housing	\$ 576,442	\$ 762,092	\$ -	\$ -	\$ 762,092

**City of El Segundo**  
**Statement of Activities (Continued)**  
**Year Ended September 30, 2020**

Functions/Programs	Net (Expense) Revenue and Changes in Net Position			
	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Park Vista Senior Housing December 31, 2019
<b>Governmental activities:</b>				
General government	\$ (18,439,473)	\$ -	\$ (18,439,473)	\$ -
Public safety	(41,255,427)	-	(41,255,427)	-
Public works	(8,945,005)	-	(8,945,005)	-
Community and cultural	2,684,975	-	2,684,975	-
Interest on long-term debt	(324,830)	-	(324,830)	-
<b>Total governmental activities</b>	<b>(66,279,760)</b>	<b>-</b>	<b>(66,279,760)</b>	<b>-</b>
<b>Business-type activities:</b>				
Water	-	1,389,817	1,389,817	-
Sewer	-	(783,720)	(783,720)	-
Golf course	-	(68,313)	(68,313)	-
Solid waste	-	(248,012)	(248,012)	-
<b>Total business-type activities</b>	<b>-</b>	<b>289,772</b>	<b>289,772</b>	<b>-</b>
<b>Total primary government</b>	<b>(66,279,760)</b>	<b>289,772</b>	<b>(65,989,988)</b>	<b>-</b>
<b>Component unit:</b>				
Park Vista Senior Housing	-	-	-	185,650
<b>General revenues:</b>				
Taxes:				
Property taxes, levied for general purpose	11,816,366	-	11,816,366	-
Transient occupancy taxes	8,760,763	-	8,760,763	-
Sales taxes	12,006,731	-	12,006,731	-
Utility user taxes	5,458,167	-	5,458,167	-
Franchise taxes	3,350,323	-	3,350,323	-
Business licenses taxes	12,313,710	-	12,313,710	-
Other taxes	6,937,601	-	6,937,601	-
<b>Total taxes</b>	<b>60,643,661</b>	<b>-</b>	<b>60,643,661</b>	<b>-</b>
Use of money and property, unrestricted	3,420,790	291,780	3,712,570	8,268
Other	1,926,516	-	1,926,516	-
<b>Total general revenues</b>	<b>65,990,967</b>	<b>291,780</b>	<b>66,282,747</b>	<b>8,268</b>
<b>Changes in net position</b>	<b>(288,793)</b>	<b>581,552</b>	<b>292,759</b>	<b>193,918</b>
<b>Net position at beginning of year</b>	<b>(20,947,074)</b>	<b>53,779,598</b>	<b>32,832,524</b>	<b>1,455,003</b>
<b>Net position at end of year</b>	<b>\$ (21,235,867)</b>	<b>\$ 54,361,150</b>	<b>\$ 33,125,283</b>	<b>\$ 1,648,921</b>

See accompanying Notes to the Financial Statements.

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**FUND FINANCIAL STATEMENTS**

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# GOVERNMENTAL FUNDS FINANCIAL STATEMENTS

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

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

**City of El Segundo**  
**Balance Sheet**  
**Governmental Funds**  
**September 30, 2020**

	General	Nonmajor Governmental Funds	Total
<b>ASSETS</b>			
Cash and investments	\$ 22,110,069	\$ 21,052,956	\$ 43,163,025
Restricted cash	4,482,363	-	4,482,363
Receivables:			
Taxes	4,566,739	-	4,566,739
Accounts	552,739	70,437	623,176
Interest	290,487	134	290,621
Notes and loans	17,500	49,405	66,905
Due from other funds	409,361	-	409,361
Due from other governments	646,269	324,213	970,482
Inventories	100,264	-	100,264
Prepays	7,819,879	85,049	7,904,928
<b>Total assets</b>	<b>\$ 40,995,670</b>	<b>\$ 21,582,194</b>	<b>\$ 62,577,864</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 1,266,119	\$ 451,366	\$ 1,717,485
Accrued liabilities	2,265,341	36,618	2,301,959
Retentions payable	2,336	14,133	16,469
Due to other funds	-	63,969	63,969
Unearned revenue	30,868	294,218	325,086
Deposits payable	648,796	845,423	1,494,219
<b>Total liabilities</b>	<b>4,213,460</b>	<b>1,705,727</b>	<b>5,919,187</b>
<b>Deferred inflows of resources</b>			
Unavailable revenues	1,019,330	202,710	1,222,040
<b>Total deferred inflows of resources</b>	<b>1,019,330</b>	<b>202,710</b>	<b>1,222,040</b>
<b>Fund balances:</b>			
Nonspendable	7,937,643	85,049	8,022,692
Restricted	4,482,363	15,473,650	19,956,013
Assigned	2,534,891	4,161,175	6,696,066
Unassigned (deficit)	20,807,983	(46,117)	20,761,866
<b>Total fund balances</b>	<b>35,762,880</b>	<b>19,673,757</b>	<b>55,436,637</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 40,995,670</b>	<b>\$ 21,582,194</b>	<b>\$ 62,577,864</b>

**City of El Segundo**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Government-Wide Statement of Net Position**  
**September 30, 2020**

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<b>Total Fund Balances -Total Governmental Funds</b>	\$	55,436,637
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Amounts reported for governmental activities in the Statement of Net Position are different because:

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

Amount reported in government-wide statement of position:

Capital assets, nondepreciable	\$ 29,685,938	
Capital assets, depreciable, net (net of \$4,476,493 reported in ISF)	65,804,674	95,490,612

Interest is recognized when due, and therefore, interest payable is not reported in the governmental funds.		(29,391)
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Long-term liabilities were not due and payable in the current period. Therefore, they were not reported in the Governmental Funds' Balance Sheet.

Capital lease and facility lease		(8,202,966)
Compensated absences		(5,104,912)

Net OPEB liability is not due and payable in the current period and therefore is not reported in the governmental funds. (net of \$135,233 reported in ISF)		(27,557,557)
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OPEB related deferred outflows of resources are not reported in the governmental funds but are reported in the government-wide financial statements. (net of \$7,434 reported in ISF)		1,514,841
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OPEB related deferred inflows of resources are not reported in the governmental funds but are reported in government- wide financial statements. (net of \$28,757 reported in ISF)		(5,860,058)
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Aggregate net pension liability is not due and payable in the current period and therefore is not reported in the governmental funds. (net of \$494,468 reported in ISF)		(148,859,193)
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Pensions related deferred outflows of resources are not reported in the governmental funds but are reported in the government-wide financial statements. (net of \$14,140 reported in ISF)		13,740,697
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Pensions related deferred inflows of resources are not reported in the governmental funds but are reported in government- wide financial statements. (net of \$1,878 reported in ISF)		(3,190,031)
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Certain revenues in the governmental funds are unavailable because they are not collected within the prescribed time period after year-end. Those revenues are recognized on the accrual basis in the government-wide statements.		1,222,040
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Internal service funds are used by management to charge the costs of general liability, workers' compensation and health benefit claims to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the Government-Wide Statement of Net Position.		10,163,414
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<b>Net position of governmental activities</b>	<b>\$</b>	<b>(21,235,867)</b>
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**City of El Segundo**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended September 30, 2020**

	General	Nonmajor Governmental Funds	Total
<b>REVENUES:</b>			
Taxes	\$ 47,730,728	\$ 37,055	\$ 47,767,783
Licenses and permits	14,234,600	3,123	14,237,723
Intergovernmental	-	2,391,795	2,391,795
Charges for services	4,307,599	509,952	4,817,551
Use of money and property	3,392,762	79,494	3,472,256
Fines and forfeitures	273,083	93,962	367,045
Developer Fees	110,876	6,183,080	6,293,956
Miscellaneous	2,548,226	811,325	3,359,551
<b>Total revenues</b>	<u>72,597,874</u>	<u>10,109,786</u>	<u>82,707,660</u>
<b>EXPENDITURES:</b>			
Current:			
General government	18,945,367	19,513	18,964,880
Public safety	39,958,597	166,081	40,124,678
Public works	7,233,202	149,289	7,382,491
Community and cultural	8,315,678	1,183,557	9,499,235
Capital outlay	15,704	3,146,559	3,162,263
Debt Service:			
Principal retirement	54,286	325,995	380,281
Interest	139,714	186,666	326,380
<b>Total expenditures</b>	<u>74,662,548</u>	<u>5,177,660</u>	<u>79,840,208</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(2,064,674)</u>	<u>4,932,126</u>	<u>2,867,452</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	140,000	1,249,000	1,389,000
Transfers out	(1,249,000)	(140,000)	(1,389,000)
<b>Total other financing sources (uses)</b>	<u>(1,109,000)</u>	<u>1,109,000</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>(3,173,674)</u>	<u>6,041,126</u>	<u>2,867,452</u>
<b>FUND BALANCES:</b>			
Beginning of year	38,936,554	13,632,631	52,569,185
End of year	<u>\$ 35,762,880</u>	<u>\$ 19,673,757</u>	<u>\$ 55,436,637</u>

**City of El Segundo**  
**Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances to the Government-Wide Statement of Activities and Changes in Net Position**  
**For the Year Ended September 30, 2020**

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**Net change in fund balances - total governmental funds** \$ 2,867,452

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

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

Capital outlay (net of \$530,736 reported in Internal Service Funds) 1,311,989

Depreciation expense on capital assets was reported in the Government-Wide Statement of Activities, but they did not require the use of current financial resources. Therefore, depreciation expense was not reported as an expenditure in the governmental funds. (net of \$873,996 reported in Internal Service Funds) (3,781,273)

Long-term compensated absences expense was reported in the Government-Wide Statement of Activities, but it did not require the use of current financial resources. Therefore, the change in long-term compensated absences was not reported in the governmental funds. (333,232)

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

OPEB credit (expense) net of reporting contribution made after measurement date reported in deferred outflows of resources in the Government-Wide Statement of Net Position but reported as OPEB expense in the governmental fund. 1,986,415

Pension credit (expense) net of reporting contribution made after measurement date reported in deferred outflows of resources in the Government-Wide Statement of Net Position but reported as pension expense in the governmental fund. (3,848,003) (1,861,588)

Proceeds from long-term debt provided current financial resources to governmental funds, but issuing debt increased long-term liabilities in the Government-Wide Statement of Net Position. Principal repayment of leases was an expenditure in the governmental funds, but the repayment reduced long-term liabilities in the Government-Wide Statement of Net Position.

Principal repayments of long-term debt 380,281  
Interest accrual on capital lease and facility lease 1,550 381,831

Certain revenues in the governmental funds are unavailable if they are not collected within the prescribed time period after year-end. Those revenues are recognized on the accrual basis in the government-wide statements. 1,128,760

Internal service funds were used by management to charge the costs of certain activities, such as insurance, to individual funds. The net revenue of the internal service funds was reported with governmental activities. (2,732)

**Change in net position of governmental activities** \$ (288,793)

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# PROPRIETARY FUNDS FINANCIAL STATEMENTS

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

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

***Golf Course Fund*** - To account for revenues from user fees and expenses incurred for the operation and maintenance of "The Lakes at El Segundo" golf facility.

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

**City of El Segundo**  
**Statement of Net Position**  
**Proprietary Funds**  
**September 30, 2020**

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Golf Course	Nonmajor Enterprise Fund Solid Waste
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and investments	\$ 30,318,947	\$ 6,384,899	\$ 8,007	\$ -
Accounts Receivable	2,994,618	447,650	51,280	-
Inventories	28,803	-	25,422	-
Prepaid items	121,897	75,335	-	-
<b>Total current assets</b>	<b>33,464,265</b>	<b>6,907,884</b>	<b>84,709</b>	<b>-</b>
<b>Noncurrent assets:</b>				
Advances to other funds	-	-	-	-
Capital assets, not being depreciated	148,468	148,468	5,999,980	-
Capital assets, being depreciated	10,000,447	10,245,113	4,125,507	-
<b>Total noncurrent assets</b>	<b>10,148,915</b>	<b>10,393,581</b>	<b>10,125,487</b>	<b>-</b>
<b>Total assets</b>	<b>43,613,180</b>	<b>17,301,465</b>	<b>10,210,196</b>	<b>-</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows of resources related to pension	79,449	37,166	-	-
Deferred outflows of resources related to OPEB	44,366	34,419	-	-
<b>Total deferred outflows of resources</b>	<b>123,815</b>	<b>71,585</b>	<b>-</b>	<b>-</b>

**City of El Segundo**  
**Statement of Net Position (Continued)**  
**Proprietary Funds**  
**September 30, 2020**

	Business-Type Activities - Enterprise Funds Total	Governmental Activities- Internal Service Funds
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and investments	\$ 36,711,853	\$ 12,044,934
Accounts Receivable	3,493,548	40,000
Inventories	54,225	-
Prepaid items	197,232	1,737,867
<b>Total current assets</b>	<b>40,456,858</b>	<b>13,822,801</b>
<b>Noncurrent assets:</b>		
Advances to other funds	-	5,577,910
Capital assets, not being depreciated	6,296,916	-
Capital assets, being depreciated	24,371,067	4,476,493
<b>Total noncurrent assets</b>	<b>30,667,983</b>	<b>10,054,403</b>
<b>Total assets</b>	<b>71,124,841</b>	<b>23,877,204</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred outflows of resources related to pension	116,615	14,140
Deferred outflows of resources related to OPEB	78,785	7,434
<b>Total deferred outflows of resources</b>	<b>195,400</b>	<b>21,574</b>

(Continued)

**City of El Segundo**  
**Statement of Net Position (Continued)**  
**Proprietary Funds**  
**September 30, 2020**

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Golf Course	Nonmajor Enterprise Fund Solid Waste
<b>LIABILITIES</b>				
<b>Current liabilities:</b>				
Accounts payable	\$ 4,077,104	\$ 609,748	\$ -	\$ 63,052
Accrued liabilities	61,443	37,159	17,626	-
Retentions payable	-	-	-	-
Unearned revenue	-	-	24,908	-
Deposits payable	96,730	-	-	-
Due to other funds	-	-	160,432	184,960
Claims and judgments, current portion	-	-	-	-
Compensated absences, current portion	102,969	99,864	-	-
<b>Total current liabilities</b>	<b>4,338,246</b>	<b>746,771</b>	<b>202,966</b>	<b>248,012</b>
<b>Noncurrent liabilities:</b>				
Advances from other funds	-	-	5,577,910	-
Claims and judgments, net of current	-	-	-	-
Compensated absences, net of current	13,127	746	-	-
Aggregate net pension liability	2,778,195	1,299,635	-	-
Total other postemployment benefit liability	807,089	626,136	-	-
<b>Total noncurrent liabilities</b>	<b>3,598,411</b>	<b>1,926,517</b>	<b>5,577,910</b>	<b>-</b>
<b>Total liabilities</b>	<b>7,936,657</b>	<b>2,673,288</b>	<b>5,780,876</b>	<b>248,012</b>
<b>DEFERRED INFLOWS OF REOSURCES</b>				
Deferred inflows of resources related to pensions	10,550	4,935	-	-
Deferred inflows of resources related to OPEB	171,626	133,147	-	-
<b>Total deferred inflows of resources</b>	<b>182,176</b>	<b>138,082</b>	<b>-</b>	<b>-</b>
<b>NET POSITION</b>				
Net investment in capital assets	10,148,915	10,393,581	10,125,487	-
Unrestricted (deficit)	25,469,247	4,168,099	(5,696,167)	(248,012)
<b>Total net position</b>	<b>\$ 35,618,162</b>	<b>\$ 14,561,680</b>	<b>\$ 4,429,320</b>	<b>\$ (248,012)</b>

**City of El Segundo**  
**Statement of Net Position (Continued)**  
**Proprietary Funds**  
**September 30, 2020**

	Business-Type Activities - Enterprise Funds Total	Governmental Activities- Internal Service Funds
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 4,749,904	\$ 112,858
Accrued liabilities	116,228	36,170
Retentions payable	-	-
Unearned revenue	24,908	-
Deposits payable	96,730	-
Due to other funds	345,392	-
Claims and judgments, current portion	-	2,502,181
Compensated absences, current portion	202,833	-
<b>Total current liabilities</b>	<b>5,535,995</b>	<b>2,651,209</b>
<b>Noncurrent liabilities:</b>		
Advances from other funds	5,577,910	-
Claims and judgments, net of current	-	10,423,819
Compensated absences, net of current	13,873	-
Aggregate net pension liability	4,077,830	494,468
Total other postemployment benefit liability	1,433,225	135,233
<b>Total noncurrent liabilities</b>	<b>11,102,838</b>	<b>11,053,520</b>
<b>Total liabilities</b>	<b>16,638,833</b>	<b>13,704,729</b>
<b>DEFERRED INFLOWS OF REOSURCES</b>		
Deferred inflows of resources related to pensions	15,485	1,878
Deferred inflows of resources related to OPEB	304,773	28,757
<b>Total deferred inflows of resources</b>	<b>320,258</b>	<b>30,635</b>
<b>NET POSITION</b>		
Net investment in capital assets	30,667,983	4,476,493
Unrestricted (deficit)	23,693,167	5,686,921
<b>Total net position</b>	<b>\$ 54,361,150</b>	<b>\$ 10,163,414</b>

(Concluded)

**City of El Segundo**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended September 30, 2020**

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Golf Course	Nonmajor Enterprise Fund Solid Waste
<b>OPERATING REVENUES:</b>				
Sales and service charges	\$ 26,308,717	\$ 4,194,630	\$ 1,479,846	\$ -
Interdepartmental charges	-	-	-	-
Miscellaneous	96,071	-	5,000	-
<b>Total operating revenues</b>	<b>26,404,788</b>	<b>4,194,630</b>	<b>1,484,846</b>	<b>-</b>
<b>OPERATING EXPENSES:</b>				
Personnel services	2,298,047	1,425,382	624,198	-
Materials and supplies	128,834	98,888	111,694	-
Purchased water/utilities	20,326,510	-	156,949	-
Insurance and claims	996,300	308,100	53,220	-
Contractual services	113,560	1,884,461	9,700	248,012
Repairs and maintenance	249,658	219,001	160,210	-
Administrative cost	714,085	397,875	232,296	-
Depreciation	187,977	644,643	204,892	-
<b>Total operating expenses</b>	<b>25,014,971</b>	<b>4,978,350</b>	<b>1,553,159</b>	<b>248,012</b>
<b>OPERATING INCOME (LOSS)</b>	<b>1,389,817</b>	<b>(783,720)</b>	<b>(68,313)</b>	<b>(248,012)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest revenue	243,092	48,688	-	-
Loss on disposal of capital assets	-	-	-	-
<b>Total nonoperating revenues (expenses)</b>	<b>243,092</b>	<b>48,688</b>	<b>-</b>	<b>-</b>
<b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS</b>	<b>1,632,909</b>	<b>(735,032)</b>	<b>(68,313)</b>	<b>(248,012)</b>
<b>CAPITAL CONTRIBUTIONS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CHANGES IN NET POSITION</b>	<b>1,632,909</b>	<b>(735,032)</b>	<b>(68,313)</b>	<b>(248,012)</b>
<b>NET POSITION:</b>				
Beginning of the year	33,985,253	15,296,712	4,497,633	-
End of year	<b>\$ 35,618,162</b>	<b>\$ 14,561,680</b>	<b>\$ 4,429,320</b>	<b>\$ (248,012)</b>

See accompanying Notes to the Financial Statements.

**City of El Segundo**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**For the Year Ended September 30, 2020**

	Business-Type Activities Enterprise Funds Total	Governmental Activities - Internal Service Funds
<b>OPERATING REVENUES:</b>		
Sales and service charges	\$ 31,983,193	\$ -
Interdepartmental charges	-	7,417,158
Miscellaneous	101,071	642,539
<b>Total operating revenues</b>	<b>32,084,264</b>	<b>8,059,697</b>
<b>OPERATING EXPENSES:</b>		
Personnel services	4,347,627	517,101
Materials and supplies	339,416	132,101
Purchased water/utilities	20,483,459	-
Insurance and claims	1,357,620	6,804,820
Contractual services	2,255,733	-
Repairs and maintenance	628,869	-
Administrative cost	1,344,256	-
Depreciation	1,037,512	873,996
<b>Total operating expenses</b>	<b>31,794,492</b>	<b>8,328,018</b>
<b>OPERATING INCOME (LOSS)</b>	<b>289,772</b>	<b>(268,321)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Interest revenue	291,780	-
Loss on disposal of capital assets	-	-
<b>Total nonoperating revenues (expenses)</b>	<b>291,780</b>	<b>-</b>
<b>INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS</b>	<b>581,552</b>	<b>(268,321)</b>
<b>CAPITAL CONTRIBUTIONS</b>	<b>-</b>	<b>265,589</b>
<b>CHANGES IN NET POSITION</b>	<b>581,552</b>	<b>(2,732)</b>
<b>NET POSITION:</b>		
Beginning of the year	53,779,598	10,166,146
End of year	<b>\$ 54,361,150</b>	<b>\$ 10,163,414</b>

**City of El Segundo**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended September 30, 2020**

Business-Type Activities - Enterprise Funds

	Water	Sewer	Golf Course	Nonmajor Enterprise Fund Solid Waste
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers and users	\$ 26,664,925	\$ 4,149,436	\$ 1,428,165	\$ -
Payments for insurance claims	-	-	-	-
Payments to suppliers	(22,854,350)	(2,589,769)	(753,986)	(248,012)
Payments to employees	(1,585,877)	(1,026,279)	(624,198)	-
<b>Net cash provided by operating activities</b>	<u>2,224,698</u>	<u>533,388</u>	<u>49,981</u>	<u>(248,012)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Cash receipts (payments) from (to) other funds	-	-	-	248,012
Advance from other funds	-	-	43,568	-
Due to other funds	-	-	(99,913)	-
<b>Net cash provided (used) by noncapital financing activities</b>	<u>-</u>	<u>-</u>	<u>(56,345)</u>	<u>248,012</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Acquisition and construction of capital assets	(230,291)	(148,468)	-	-
Proceeds from sale of assets	-	-	-	-
<b>Net cash used by capital and related financing activities</b>	<u>(230,291)</u>	<u>(148,468)</u>	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest received	243,092	48,688	-	-
<b>Net cash provided by investing activities</b>	<u>243,092</u>	<u>48,688</u>	<u>-</u>	<u>-</u>
<b>Net change in cash and cash equivalents</b>	2,237,499	433,608	(6,364)	-
<b>CASH AND CASH EQUIVALENTS</b>				
Beginning of year	28,081,448	5,951,291	14,371	-
End of year	<u>\$ 30,318,947</u>	<u>\$ 6,384,899</u>	<u>\$ 8,007</u>	<u>\$ -</u>

**City of El Segundo**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**For the Year Ended September 30, 2020**

	Business-Type Activities - Enterprise Funds Total	Governmental Activities Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers and users	\$ 32,242,526	\$ 8,020,266
Payments for insurance claims	-	(5,117,591)
Payments to suppliers	(26,446,117)	(1,427,132)
Payments to employees	(3,236,354)	(260,249)
<b>Net cash provided by operating activities</b>	<b>2,560,055</b>	<b>1,215,294</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Cash receipts (payments) from (to) other funds	248,012	(43,568)
Advance from other funds	43,568	-
Due to other funds	(99,913)	-
<b>Net cash provided (used) by noncapital financing activities</b>	<b>191,667</b>	<b>(43,568)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Acquisition and construction of capital assets	(378,759)	(530,736)
Proceeds from sale of assets	-	-
<b>Net cash used by capital and related financing activities</b>	<b>(378,759)</b>	<b>(530,736)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest received	291,780	-
<b>Net cash provided by investing activities</b>	<b>291,780</b>	<b>-</b>
<b>Net change in cash and cash equivalents</b>	<b>2,664,743</b>	<b>640,990</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Beginning of year	34,047,110	11,403,944
End of year	<b>\$ 36,711,853</b>	<b>\$ 12,044,934</b>

(Continued)

**City of El Segundo**  
**Statement of Cash Flows (Continued)**  
**Proprietary Funds**  
**For the Year Ended September 30, 2020**

	Business-Type Activities - Enterprise Funds			
	Water	Sewer	Golf Course	Nonmajor Enterprise Fund Solid Waste
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>				
Operating income (loss)	\$ 1,389,817	\$ (783,720)	\$ (68,313)	\$ (248,012)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	187,977	644,643	204,892	-
(Increase) decrease in:				
Accounts receivable	260,137	(45,194)	(50,741)	-
Inventory	(646)	-	20,388	-
Prepaid items	22,453	(9,876)		-
Deferred outflows of resources - pension	(60,464)	(27,838)		-
Deferred outflows of resources - OPEB	(16,636)	(16,577)		-
Increase (decrease) in:				
Accounts payable	(258,613)	324,113	(26,338)	-
Accrued liabilities	17,908	4,319	(7,846)	-
Retentions payable	(81,923)	-		-
Unearned revenue	-	-	(5,940)	-
Deposits payable	(24,581)	-	(16,121)	-
Claims and judgements	-	-		-
Compensated absences payable	4,659	7,081		-
Net pension liability	891,759	372,792		-
Net other postemployment liability	(255,714)	(57,677)		-
Deferred inflows of resources - pension	(21,440)	(10,782)		-
Deferred inflows of resources - OPEB	170,005	132,104		-
Total adjustments	<u>834,881</u>	<u>1,317,108</u>	<u>118,294</u>	<u>-</u>
<b>Net cash provided by operating activities</b>	<u><u>\$ 2,224,698</u></u>	<u><u>\$ 533,388</u></u>	<u><u>\$ 49,981</u></u>	<u><u>\$ (248,012)</u></u>
<b>Non-Cash Investing, Capital, and Financing Activities</b>				
Capital assets contributed by other funds	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**City of El Segundo**  
**Statement of Cash Flows (Continued)**  
**Proprietary Funds**  
**For the Year Ended September 30, 2020**

	Business-Type Activities - Enterprise Funds Total	Governmental Activities Internal Service Funds
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>		
Operating income (loss)	\$ 289,772	\$ (268,321)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:		
Depreciation	1,037,512	873,996
(Increase) decrease in:		
Accounts receivable	164,202	(39,431)
Inventory	19,742	-
Prepaid items	12,577	(42,617)
Deferred outflows of resources - pension	(88,302)	(11,998)
Deferred outflows of resources - OPEB	(33,213)	(2,952)
Increase (decrease) in:		
Accounts payable	39,162	(1,057,673)
Accrued liabilities	14,381	(133,512)
Retentions payable	(81,923)	-
Unearned revenue	(5,940)	-
Deposits payable	(40,702)	-
Claims and judgements	-	1,626,000
Compensated absences payable	11,740	-
Net pension liability	1,264,551	281,589
Net other postemployment liability	(313,391)	(36,550)
Deferred inflows of resources - pension	(32,222)	(1,732)
Deferred inflows of resources - OPEB	302,109	28,495
Total adjustments	2,270,283	1,483,615
<b>Net cash provided by operating activities</b>	<b>\$ 2,560,055</b>	<b>\$ 1,215,294</b>
<b>Non-Cash Investing, Capital, and Financing Activities</b>		
Capital assets contributed by other funds	\$ -	\$ 265,589

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# FIDUCIARY FUND FINANCIAL STATEMENTS

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## **Agency Fund**

*Project Deposits Fund (Refundable)* - Accounts for project deposits from developers which will be refundable after the projects are done.

**City of El Segundo**  
**Statement of Fiduciary Net Position**  
**Agency Fund**  
**September 30, 2020**

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	Agency Funds
<b>ASSETS:</b>	
Cash and investments	\$ 426,363
Accounts receivable	617.00
<b>Total assets</b>	<u>\$ 426,980</u>
<b>LIABILITIES:</b>	
Accounts payable	\$ 34,131
Deposits payable	392,849
<b>Total liabilities</b>	<u>\$ 426,980</u>

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# **NOTES TO THE FINANCIAL STATEMENTS**

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**City of El Segundo**  
**Index to the Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**City of El Segundo**  
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**For the Year Ended September 30, 2020**

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**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 1 – Organization and Summary of Significant Accounting Policies**

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

***A. Financial Reporting Entity***

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

In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The primary criteria for including a potential component unit within the reporting entity are the governing body’s financial accountability and a financial benefit or burden relationship and whether it is misleading to exclude. A primary government is financially accountable and shares a financial benefit or burden relationship, if it appoints a voting majority of an organization’s governing body and it is able to impose its will on the organization, or if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government. A primary government may also be financially accountable if an organization is fiscally dependent on the primary government regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board, and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government. The City has no blended component units.

***Discretely Presented Component Unit***

Discretely presented component units are entities that are legally separate from the primary government but for which omission would cause the primary government’s financial statements to be misleading or incomplete. The component units below do not meet the criteria for blended presentation and therefore, they are reported separately from the primary government.

The El Segundo Senior Citizen Housing Corporation, dba Park Vista (“the Corporation”), is a California nonprofit public benefit corporation created by the City of El Segundo in 1984 to operate a low income senior apartment complex. The apartment complex was built and funded by the City. In 1987, the complex was ready for occupancy. Rather than operate the complex as a fund of the City, the City elected to form the Corporation to facilitate better communication with the residents who live there. The Corporation is managed by a seven-member Board of Directors, which is appointed by the City Council. The City is financially accountable and has the ability to impose its will on the Corporation which has the potential to provide specific financial benefits to, or impose specific financial burdens on, the City. As a result, the activities of the Corporation have been discretely presented. All members of the Board of Directors are unpaid volunteers.

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 1 – Organization and Summary of Significant Accounting Policies (Continued)**

**A. Financial Reporting Entity (Continued)**

Discretely Presented Component Unit (Continued)

The Corporation’s fiscal year end is December 31, which is different than the City’s fiscal year end. Additionally, the financial statements are audited by other independent auditors. Separate financial statements may be obtained at City Hall, City of El Segundo, 350 Main Street, El Segundo, CA 90245.

**B. Basis of Accounting and Measurement Focus**

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

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

Deferred Outflows of Resources represent outflows of resources (consumption of net position) that apply to future periods and that, therefore, will not be recognized as an expense until that time. The City has items related to pensions and OPEB that qualify for reporting in this category. See Notes 1K, 1L, 8, and 9 for details on these balances.

Deferred Inflows of Resources represent inflows of resources (acquisition of net position) that apply to future periods and that, therefore, are not recognized as revenue until that time. The City has items related to pensions and OPEB that qualify for reporting in this category. See Notes 1K, 1L, 8, and 9 for details on these balances.

Government – Wide Financial Statements

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

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 1 – Organization and Summary of Significant Accounting Policies (Continued)**

***B. Basis of Accounting and Measurement Focus (Continued)***

*Government – Wide Financial Statements (Continued)*

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

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

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

- Due from and to other funds
- Transfers in and out

*Governmental Fund Financial Statements*

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

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

Reconciliations of the fund financial statements to the Government-Wide Financial Statements are provided to explain the differences.

Certain indirect costs are included as part of the program expenses reported for individual functions and activities.

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 1 – Organization and Summary of Significant Accounting Policies (Continued)**

***B. Basis of Accounting and Measurement Focus (Continued)***

*Governmental Fund Financial Statements (Continued)*

The City reports the following major governmental fund:

- General Fund - The General Fund is used to account for and report all financial resources not accounted for and reported in another fund.

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

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

Capital Projects Funds are used to account for resources restricted or assigned for capital improvements.

Debt Service Funds are used to account for resources restricted or assigned for expenditure of principal and interest.

*Proprietary Fund Financial Statements*

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

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

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

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

---

**Note 1 – Organization and Summary of Significant Accounting Policies (Continued)**

***B. Basis of Accounting and Measurement Focus (Continued)***

*Proprietary Fund Financial Statements (Continued)*

The City reports the following proprietary funds:

*Enterprise Funds*

- Water Fund - The Water Fund, which is reported as a major fund, accounts for water utility revenues, including service fees and installation charges, and all expenses related to the construction and maintenance of the City’s water distribution system.
- Sewer Fund - The Sewer Fund, which is reported as a major fund, accounts for user charges, fees and all operating costs associated with the operation, maintenance, upgrade and periodic reconstructions of the City’s wastewater collection system.
- Golf Course Fund – The Golf Course Fund, which is reported as a major fund, accounts for revenues from user fees and expenses incurred for the operation and maintenance of “The Lakes at El Segundo” golf facility.
- Solid Waste Fund – The Solid Waste Fund, which is reported as a nonmajor fund, accounts for revenues and expenses related to solid waste.

*Internal Service Funds*

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

*Fiduciary Fund Financial Statements*

Fiduciary fund financial statements include a Statement of Fiduciary Net Position. The City’s fiduciary fund is an agency fund, which is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations. The agency fund is accounted for using the accrual basis of accounting.

***C. Cash and Investments***

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

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

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 1 – Organization and Summary of Significant Accounting Policies (Continued)**

***D. Fair Value Measurement***

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

- Level 1 – Inputs are unadjusted, quoted prices for identical assets or liabilities in active markets at the measurement date.
- Level 2 – Inputs, other than quoted prices included in Level 1, that are observable for the assets or liabilities through corroboration with market data at the measurement date.
- Level 3 – Unobservable inputs that reflect management’s best estimate of what market participants would use in pricing the assets or liabilities at the measurement date.

***E. Interfund Transactions***

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

***F. Inventories and Prepaid Items***

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

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

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

***G. Capital Assets***

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

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 1 – Organization and Summary of Significant Accounting Policies (Continued)**

**G. Capital Assets (Continued)**

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

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

For all infrastructure systems, the City elected to use the “Basic Approach”.

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

Buildings/structures and improvements	50 years
Vehicles and equipment	5-50 years
Infrastructure	25-100 years

**H. Interest Payable**

In the Government-Wide Financial Statements, interest payable on long-term debt is recognized as the liability is incurred for governmental activities and business-type activities.

In the Fund Financial Statements, only proprietary fund types recognize the interest payable when the liability is incurred.

**I. Unearned Revenue**

Unearned revenue is recognized for transactions for which revenue has not yet been earned. Typical transactions recorded as unearned revenues are prepaid charges for services and grants received but not yet earned.

**J. Compensated Absences**

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

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

---

**Note 1 – Organization and Summary of Significant Accounting Policies (Continued)**

**J. *Compensated Absences (Continued)***

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

**K. *Pensions***

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plans and additions to/deductions from the plans' fiduciary net position have been determined on the same basis as they are reported by the plans (Note 8). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

The following timeframes are used for pension reporting:

CalPERS

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Measurement Period	July 1, 2019 to June 30, 2020

PARS

Valuation Date	June 30, 2018
Measurement Date	September 30, 2019
Measurement Period	October 1, 2018 to September 30, 2019

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized straight-line over 5 years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 1 – Organization and Summary of Significant Accounting Policies (Continued)**

***L. Other Postemployment Benefits (“OPEB”) Plan***

For the purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City’s OPEB Plan and additions to/deductions from the OPEB Plan’s fiduciary net position have been determined on the same basis as they are reported by the Plan (Note 9). For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments, which are reported at amortized cost.

The following timeframes are reported OPEB reporting:

<u>OPEB</u>	
Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Measurement Period	July 1, 2019 to June 30, 2020

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. The first amortized amounts are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The amortization period differs depending on the sources of gain or loss. The difference between projected and actual earnings is amortized on a straight-line basis over 5 years. All other amounts are amortized on a straight-line basis over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) at the beginning of the measurement period.

***M. Claims Payable***

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

***N. Long-Term Debt***

In the Government-Wide Financial Statements and Proprietary Fund Financial Statements, long-term debt and other long-term obligations are reported as liabilities in the appropriate activities. Bond premium and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred.

The governmental fund financial statements do not present long-term liabilities. Consequently, long-term debt is shown as a reconciling item in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 1 – Organization and Summary of Significant Accounting Policies (Continued)**

***O. Property Taxes***

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

***P. Net Position and Fund Balances***

In the Government-Wide Financial Statements and proprietary fund financial statements, net position is classified as follows:

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

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

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

In the Governmental Fund Financial Statements, fund balances are classified as follows:

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

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

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

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 1 – Organization and Summary of Significant Accounting Policies (Continued)**

***P. Net Position and Fund Balances (Continued)***

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

*Unassigned* – This amount is for any portion of the fund balances that do not fall into one of the above categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

**Spending Policy**

*Government-Wide Financial Statements and the Proprietary Fund Financial Statements*

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

*Governmental Fund Financial Statements*

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

- Restricted
- Committed
- Assigned
- Unassigned

***Q. Use of Estimates***

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

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 1 – Organization and Summary of Significant Accounting Policies (Continued)**

**R. New Accounting Pronouncements**

Current Year Standards

In May 2020, GASB issued Statement No. 95, *Postponement of the Effective Dates of Certain Authority Guidance*, which was effective immediately. This statement provided temporary relief to governments and other stakeholders in light of the COVID-19 pandemic and postponed the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84*, and a supersession of GASB Statement No. 32. Paragraph 4 of this statement requires that for purposes of determining whether a primary government is financially accountable for a potential component unit, except for a potential component unit that is a defined contribution pension plan, a defined contribution OPEB plan, or an other employee benefit plan (for example, certain Section 457 plans), the absence of a governing board should be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform.

Paragraph 5 of this statement also requires that the financial burden criterion in paragraph 7 of Statement No. 84, *Fiduciary Activities*, be applicable to only defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement No. 67, *Financial Reporting for Pension Plans*, or paragraph 3 of Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, respectively.

The requirements of these paragraphs did not impact the City.

Pending Accounting Standards

GASB has issued the following statements, which may impact the City’s financial reporting requirements in the future:

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

This statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Events that compel a government to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval, or condition is required to be taken or met by the beneficiary to release the assets. The requirements of this statement are effective for reporting periods beginning after December 15, 2019, and early application is encouraged.

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 1 – Organization and Summary of Significant Accounting Policies (Continued)**

**R. New Accounting Pronouncements (Continued)**

Pending Accounting Standards (Continued)

In June 2017, GASB issued Statement No. 87, *Leases*. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset for leases with a term of more than 12 months. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. For leases with a term of 12 months or less, lessees and lessors should recognize short-term lease payments as outflows of resources or inflows of resources, respectively, based on the payment provisions of the lease contract. The requirements of this statement are effective for reporting periods beginning after June 15, 2021, and early application is encouraged.

In August 2018, GASB issued Statement No. 90, *Majority Equity Interests – an amendment of GASB Statements No. 14 and No. 61*. This statement defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value. For all other holdings of a majority equity interest in a legally separate organization, a government should report the legally separate organization as a component unit, and the government or fund that holds the equity interest should report an asset related to the majority equity interest using the equity method. This statement also requires that a component unit in which a government has a 100% equity interest account for its assets, deferred outflows of resources, liabilities, and deferred inflows of resources at acquisition value at the date the government acquired a 100% equity interest in the component unit.

The requirements of this statement are effective for reporting periods beginning after December 15, 2019, and early application is encouraged. The requirements should be applied retroactively, except for the provisions related to (1) reporting a majority equity interest in a component unit and (2) reporting a component unit if the government acquires a 100% equity interest. Those provisions should be applied on a prospective basis.

In May 2020, GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA.

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 1 – Organization and Summary of Significant Accounting Policies (Continued)**

***R. New Accounting Pronouncements (Continued)***

Pending Accounting Standards (Continued)

The requirements of this statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Early application is encouraged. Assets and liabilities resulting from SBITAs should be recognized and measured using the facts and circumstances that existed at the beginning of the fiscal year in which this statement is implemented.

In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. Paragraph 6 through 9 of this statement requires that a Section 457 plan be classified as either a pension plan or an other employee benefit plan depending on whether the plan meets the definition of a pension plan and clarifies that Statement 84, as amended, should be applied to all arrangements organized under IRC Section 457 to determine whether those arrangements should be reported as fiduciary activities. The requirements of paragraph 6 through 9 of this statement are effective for fiscal years beginning after June 15, 2021. Earlier application of these requirements is encouraged and permitted.

This statement supersedes the remaining provisions of Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, as amended, regarding investment valuation requirements for Section 457 plans. As a result, investments of all Section 457 plans should be measured as of the end of the plan’s reporting period in all circumstances. The requirements of paragraph 3 of this statement are effective for reporting periods beginning after June 15, 2021. Earlier application of those requirements is encouraged and permitted.

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 2 – Budgetary Compliance and Deficit Fund Balances**

**A. Excess of Expenditures Over Appropriations**

The following funds had expenditures in excess of appropriations:

Fund	Appropriations	Expenditures	Excess of Expenditures over Appropriations
<b>Major Governmental Funds:</b>			
General Fund			
General government:			
City council	\$ 308,432	\$ 308,625	\$ (193)
City attorney	585,450	753,433	(167,983)
Planning	1,076,748	1,119,803	(43,055)
Non-departmental	6,352,948	7,213,349	(860,401)
Public Safety:			
Police	20,490,344	21,275,768	(785,424)
Fire	15,848,044	17,085,210	(1,237,166)
Public works:			
Solid waste	378,937	465,356	(86,419)
Debt service:			
Principal retirement	-	54,286	(54,286)
Interest	-	139,714	(139,714)
<b>Nonmajor Governmental Funds:</b>			
Residential Sound Insulation Special Revenue Fund			
Community and cultural	-	465	(465)
State Grants Special Revenue Fund			
Community and cultural	40,000	53,734	(13,734)
Senior Housing			
Community and culture	14,113	78,444	(64,331)
Facility Lease Debt Service Fund			
Debt service:			
Principal retirement	320,000	325,995	(5,995)

The excess expenditures were covered by carryover funds from the prior year, sufficient revenues, and/or transfers from other available funds.

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 2 – Budgetary Compliance and Deficit Fund Balances (Continued)**

**B. Deficit Net Positions and Fund Balance**

Funds with deficit fund balances and net position at September 30, 2020 are as follows:

	<b>Deficit</b>
Federal Grants Special Revenue Fund	\$ (46,117)
Solid Waste Enterprise Fund (nonmajor fund)	(248,012)
Liability Insurance Internal Service Fund	(425,063)
Workers' Compensation Internal Service Fund	(4,490,440)

The City expects to eliminate the Special Revenue Fund deficits when future reimbursements are received from granting agencies. The Solid Waste Enterprise Fund expects to eliminate the deficit from future user charges. The Workers' Compensation Internal Service Fund deficit is expected to be eliminated through future interdepartmental charges.

For the fiscal year ended September 30, 2020, the Governmental Activities of the City reported a deficit unrestricted net position of \$(134,246,639). This deficit is largely a result of the implementation of GASB Statement No. 68 in 2015 and GASB Statement No. 75 in 2018 that required the City to report aggregate net pension liabilities and net OPEB liability on the financial statements. The City's aggregate net pension liability at September 30, 2020 is \$153,431,492, of which \$149,353,661 is payable from Governmental Activities. The City's net OPEB liability at September 30, 2020 is \$29,126,015, of which \$27,692,790 is payable from Governmental Activities.

**Note 3 – Cash and Investments**

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

Primary Government

The City had the following cash and investments at September 30, 2020:

	Government-Wide Statement of Net Position		Fiduciary Fund Statement of Net Position	Total
	Governmental Activities	Business-Type Activities		
Cash and investments	\$ 55,207,959	\$ 36,711,853	\$ 426,363	\$ 92,346,175
Restricted cash	4,482,363	-	-	4,482,363
<b>Total cash and investments</b>	<b>\$ 59,690,322</b>	<b>\$ 36,711,853</b>	<b>\$ 426,363</b>	<b>\$ 96,828,538</b>

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 3 – Cash and Investments (Continued)**

Primary Government (Continued)

The City’s cash and investments at September 30, 2020, in more detail:

Cash and cash equivalents:	
Petty cash	\$ 13,810
Demand deposits	5,104,845
Cash with custodial agent	249,177
Restricted cash in PARS 115 Trust	4,482,363
Total cash and cash equivalents	9,850,195
Investments:	
CAMP	84,351
Corporate notes	8,450,847
Negotiable certificates of deposit	23,139,906
Local Agency Investment Fund	35,893,104
State obligations	6,674,397
Supranational obligations	1,276,653
U.S. Government sponsored enterprise securities	11,459,085
Total investments	86,978,343
<b>Total cash and investments</b>	<b>\$ 96,828,538</b>

Discretely Presented Component Unit

Cash and investments of the discretely presented component unit as of December 31, 2019 consist of the following:

Deposits with financial institutions	\$1,264,721
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**A. Deposits**

The carrying amounts of the City’s demand deposits were \$5,104,845 at September 30, 2020. Bank balances at that date were \$6,201,967, the total amount of which was collateralized or insured with accounts held by the pledging financial institutions in the City’s name as discussed below.

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

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

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

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 3 – Cash and Investments (Continued)**

**B. Investments**

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio *	Maximum Investment in One Issuer
United States Treasury Obligations	5 years	No Limit	No Limit
U.S. Government Sponsored Enterprise Securities	5 years	No Limit	No Limit
State and Local Agency Bonds	5 years	10%	No Limit
Bankers' Acceptances	180 days	40%	No Limit
Commercial paper	270 days	10%	3%
Negotiable certificates of deposit	5 years	30%	No Limit
Local Agency Investment Fund ("LAIF")	N/A	No Limit	\$65M
Non-negotiable certificates of deposits	5 years	No Limit	No Limit
Medium-term notes	5 years	15%	3%
Mutual funds	N/A	5%	10%
Money market mutual funds	N/A	5%	10%
Supranational obligations	5 years	10%	No Limit
Joint Powers Authority Pool	N/A	30%	No Limit

N/A - Not Applicable

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

The City is a participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City’s investments with LAIF at September 30, 2020, included a portion of the pool funds invested in Structured Notes and Asset-Backed Securities:

*Structured Notes:* debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

*Asset-Backed Securities:* generally mortgage-backed securities that entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (for example, Collateralized Mortgage Obligations) or credit card receivables.

As of September 30, 2020, the City had \$35,893,104 invested in LAIF, which had invested 1.58% of the pool investment funds in Structured Notes and Asset-Backed Securities. The fair value of the City’s portion in the pool is the same as the value of the pool shares.

*Investment in Section 115 Pension Trust* - The City established a trust account with Public Agency Retirement Services (PARS) to hold assets that are legally restricted for use in administering the City’s CalPERS pension plans. The Section 115 Pension Trust’s specific cash and investments are managed by a third-party portfolio manager under guidelines approved by the City.

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

**Note 3 – Cash and Investments (Continued)**

**B. Investments (Continued)**

Investment in California Asset Management Program (CAMP)

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

**C. Fair Value Measurement**

As of September 30, 2020, investments are reported at fair value. The following table presents the fair value measurements of investments on a recurring basis and the levels with GASB 72 fair value hierarchy in which the fair value measurements fall at September 30, 2020:

Investment Type	Measurement Input		
	Significant Other Observable Inputs (Level 2)	Uncategorized	Total
CAMP	\$ -	\$ 84,351	\$ 84,351
Corporate notes <sup>(1)</sup>	8,450,847	-	8,450,847
Negotiable certificates of deposit <sup>(1)</sup>	23,139,906	-	23,139,906
Local Agency Investment Fund	-	35,893,104	35,893,104
State obligations <sup>(1)</sup>	6,674,397	-	6,674,397
Supranational obligations <sup>(1)</sup>	1,276,653	-	1,276,653
U.S. Government sponsored enterprise securities <sup>(1)</sup>	11,459,085	-	11,459,085
<b>Total</b>	<b>\$ 51,000,888</b>	<b>\$ 35,977,455</b>	<b>\$ 86,978,343</b>

<sup>(1)</sup> Pricing based on Interactive Data Corporation

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

**D. Risk Disclosures**

Interest Rate Risk - As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits investments to a maximum maturity of five years. At September 30, 2020, the City had the following investment maturities:

Investment Type	Fair Value	Investment Maturities (in Years)				
		Less Than 1 Year	1 to 2 Years	2 to 3 Years	3 to 4 Years	4 to 5 Years
CAMP	\$ 84,351	\$ 84,351	\$ -	\$ -	\$ -	\$ -
Corporate notes	8,450,847	2,027,925	1,555,060	3,288,512	1,057,570	521,780
Negotiable certificates of deposit	23,139,906	5,957,804	5,769,026	4,616,409	5,241,423	1,555,244
Local Agency Investment Fund	35,893,104	35,893,104	-	-	-	-
State obligations	6,674,397	-	2,132,492	317,895	4,224,010	-
Supranational obligations	1,276,653	504,880	771,773	-	-	-
U.S. Government sponsored enterprise securities	11,459,085	2,015,915	2,042,640	2,109,860	5,290,670	-
<b>Total</b>	<b>\$ 86,978,343</b>	<b>\$ 46,483,979</b>	<b>\$ 12,270,991</b>	<b>\$ 10,332,676</b>	<b>\$ 15,813,673</b>	<b>\$ 2,077,024</b>

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

**Note 3 – Cash and Investments (Continued)**

**D. Risk Disclosures (Continued)**

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

Concentration of Credit Risk - The City did not have any investments in any one issuer that represent 5% or more of the City's total investments as of September 30, 2020.

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

Investment Type	Minimum Legal Rating	Total	AAA	AA- to AA+	BBB+ to A+	Unrated
CAMP	N/A	\$ 84,351	\$ 84,351	\$ -	\$ -	\$ -
Corporate notes	A	8,450,847	-	2,763,127	5,687,720	-
Negotiable certificates of deposit	A	23,139,906	-	-	-	23,139,906
Local Agency Investment Fund	N/A	35,893,104	-	-	-	35,893,104
State obligations	N/A	6,674,397	536,265	4,003,607	1,602,240	532,285
Supranational obligations	AA	1,276,653	1,276,653	-	-	-
U.S. Government sponsored enterprise securities	N/A	11,459,085	-	10,938,430	-	520,655
<b>Total</b>		<b>\$ 86,978,343</b>	<b>\$ 1,897,269</b>	<b>\$ 17,705,164</b>	<b>\$ 7,289,960</b>	<b>\$ 60,085,950</b>

Investment Type	AA+	AA	AA-	Total
Corporate notes	\$ 1,042,650	\$ 1,048,290	\$ 672,187	\$ 2,763,127
State obligations	-	2,960,247	1,043,360	4,003,607
U.S. Government sponsored enterprise securities	10,938,430	-	-	10,938,430
<b>Total</b>	<b>\$ 11,981,080</b>	<b>\$ 4,008,537</b>	<b>\$ 1,715,547</b>	<b>\$ 17,705,164</b>

Investment Type	A+	A	A-	BBB+	Total
Money market mutual fund					
Corporate notes	\$ 2,079,975	\$ 2,055,000	\$ 530,025	\$ 1,022,720	\$ 5,687,720
State obligations	-	1,602,240	-	-	1,602,240
<b>Total</b>	<b>\$ 2,079,975</b>	<b>\$ 3,657,240</b>	<b>\$ 530,025</b>	<b>\$ 1,022,720</b>	<b>\$ 7,289,960</b>

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 4 – Notes and Loans Receivables**

**A. Loans to Employees**

The balance of notes receivable in the General Fund consists of loans made to employees for computer purchases. Participants in the computer loan program is eligible for an initial, interest free loan in the amount of \$4,000. Subsequent loans or amount in excess of the above maximum interest free loan, would be at the currently interest rate of 3%. All loans would include a 36-month repayment term. The balance at September 30, 2020 was \$17,500.

**B. Residential Rehabilitation Program**

The balance of notes receivable in the other governmental funds consists of minor home repair loans made to qualifying homeowners residing within the City. The balance at September 30, 2020 was \$49,405.

	Balance October 1, 2019	Additions	Deletions	Balance September 30, 2020
Residential Rehabilitation Program				
CDBG Loans	\$ 54,405	\$ -	\$ (5,000)	\$ 49,405
<b>Total</b>	\$ 54,405	\$ -	\$ (5,000)	\$ 49,405

**Note 5 – Interfund Activities**

**A. Fund Financial Statements**

**Due From/To Other Funds** - At September 30, 2020, the City had the following due from/to other funds:

	<b>Due From Other Funds</b>
<b>Due To Other Funds</b>	General Fund
Nonmajor Governmental Funds	\$ 63,969
Golf Course Enterprise Fund	160,432
Nonmajor Enterprise Fund	184,960
<b>Total</b>	<b>\$ 409,361</b>

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

**Advance From/To Other Funds** - At September 30, 2020, the City has the following advance from/advance to other funds, which represents the advance to the Golf Course Enterprise Fund to address negative cash:

	<b>Advance From Other Funds</b>
<b>Advance To Other Funds</b>	Golf Course Enterprise Fund
Equipment Replacement	
Internal Service Fund	\$ 5,577,910
	<b>\$ 5,577,910</b>

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 5 – Interfund Activities (Continued)**

**A. Fund Financial Statements (Continued)**

**Transfers In/Out** - At September 30, 2020, the City had the following transfers in/out, which arise in the normal course of operations:

<b>Transfers Out</b>	<b>Transfers In</b>		
	<b>Governmental Funds</b>		
	General Fund	Nonmajor Governmental Funds	Total
<b>Governmental Funds:</b>			
Major Funds:			
General Fund	\$ -	\$ 1,249,000	\$ 1,249,000
Nonmajor Governmental Funds	140,000		140,000
<b>Total</b>	<b>\$ 140,000</b>	<b>\$ 1,249,000</b>	<b>\$ 1,389,000</b>

Administratively, resources may be transferred from one City fund to another. The purpose of the \$1,249,000 of transfers was for subsidizing other funds with the City Council’s approvals, such as capital projects. The \$140,000 transfer from the Traffic Safety Nonmajor Special Revenue Fund to the General Fund provides reimbursement for eligible expenditures.

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

**Note 6 – Capital Assets**

**A. Governmental Activities**

A summary of changes in capital assets for the governmental activities for the year ended September 30, 2020 was as follows:

	Governmental Activities			Balance September 30, 2020
	Balance September 30, 2019	Additions	Deletions	
<b>Capital assets, not being depreciated:</b>				
Land and rights of way	\$ 29,522,040	\$ -	\$ -	\$ 29,522,040
Construction in progress	227,326	1,214,123	(1,277,551)	163,898
<b>Total capital assets, not being depreciated</b>	<b>29,749,366</b>	<b>1,214,123</b>	<b>(1,277,551)</b>	<b>29,685,938</b>
<b>Capital assets, being depreciated:</b>				
Buildings and improvements	38,548,209		-	38,548,209
Vehicles and equipment	23,088,565	1,018,782	-	24,107,347
Infrastructure	92,740,737	1,152,960	-	93,893,697
<b>Total capital assets, being depreciated</b>	<b>154,377,511</b>	<b>2,171,742</b>	<b>-</b>	<b>156,549,253</b>
<b>Less accumulated depreciation:</b>				
Buildings and improvements	(19,698,128)	(797,007)	-	(20,495,135)
Vehicles and equipment	(15,606,898)	(1,372,379)	-	(16,979,277)
Infrastructure	(46,307,791)	(2,485,883)	-	(48,793,674)
<b>Total accumulated depreciation</b>	<b>(81,612,817)</b>	<b>(4,655,269)</b>	<b>-</b>	<b>(86,268,086)</b>
<b>Total capital assets, being depreciated, net</b>	<b>72,764,694</b>	<b>(2,483,527)</b>	<b>-</b>	<b>70,281,167</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 102,514,060</b>	<b>\$ (1,269,404)</b>	<b>\$ (1,277,551)</b>	<b>\$ 99,967,105</b>

Depreciation expenses were charged to functions/programs of the governmental activities for the fiscal year ended September 30, 2020 as follows:

General government	\$ 63,378
Public safety	224,765
Public works	2,670,362
Community and cultural	822,768
Internal service funds	873,996
<b>Total depreciation expense</b>	<b>\$ 4,655,269</b>

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

**Note 6 – Capital Assets (Continued)**

**B. Business-Type Activities**

A summary of changes in capital assets for the business-type activities for the year ended September 30, 2020 was as follows:

	Business-Type Activities			Balance September 30, 2020
	Balance September 30, 2019	Additions	Deletions	
<b>Capital assets, not being depreciated:</b>				
Land	\$ 5,999,980	\$ -	\$ -	\$ 5,999,980
Construction in progress	610,038	394,331	(707,433)	296,936
Total capital assets, not being depreciated	<u>6,610,018</u>	<u>394,331</u>	<u>(707,433)</u>	<u>6,296,916</u>
<b>Capital assets, being depreciated:</b>				
Buildings and improvements	8,755,787	-	-	8,755,787
Improvements other than buildings	418,161	-	-	418,161
Vehicles and equipment	1,095,337	-	-	1,095,337
Infrastructure	63,494,190	691,861	(13,221)	64,172,830
Total capital assets, being depreciated	<u>73,763,475</u>	<u>691,861</u>	<u>(13,221)</u>	<u>74,442,115</u>
<b>Less accumulated depreciation:</b>				
Buildings and improvements	(6,300,725)	(133,719)	-	(6,434,444)
Improvements other than buildings	(152,972)	(20,908)	-	(173,880)
Vehicles and equipment	(1,027,513)	(52,326)	-	(1,079,839)
Infrastructure	(41,565,547)	(830,559)	13,221	(42,382,885)
Total accumulated depreciation	<u>(49,046,757)</u>	<u>(1,037,512)</u>	<u>13,221</u>	<u>(50,071,048)</u>
Total capital assets, being depreciated, net	<u>24,716,718</u>	<u>(345,651)</u>	<u>-</u>	<u>24,371,067</u>
<b>Business-type activities capital assets, net</b>	<u>\$ 31,326,736</u>	<u>\$ 48,680</u>	<u>\$ (707,433)</u>	<u>\$ 30,667,983</u>

Construction in progress deletions exceed additions to total capital assets, being depreciated, by \$15,572 due to a project that was capitalized in the prior year but was determined to not be capitalizable in the current year.

Depreciation expenses for business-type activities for the fiscal year ended September 30, 2020 was charged as follows:

Water	\$ 187,977
Sewer	644,643
Golf course	<u>204,892</u>
<b>Total depreciation expense</b>	<u>\$ 1,037,512</u>

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

**Note 6 – Capital Assets (Continued)**

**C. Discretely Presented Component Unit**

A summary of changes in capital assets for the discretely presented component unit for the year ended December 31, 2019 was as follows:

	Discretely Presented Component Unit			
	Balance January 1, 2019	Additions	Deletions	Balance December 31, 2019
<b>Capital assets, being depreciated:</b>				
Buildings and improvements	\$ 1,046,041	\$ -	\$ -	\$ 1,046,041
Furniture and equipment	298,542	-	-	298,542
<b>Total capital assets, being depreciated</b>	<b>1,344,583</b>	<b>-</b>	<b>-</b>	<b>1,344,583</b>
<b>Less accumulated depreciation:</b>				
Buildings and improvements	(576,069)	(35,124)	-	(611,193)
Furniture and equipment	(276,491)	(5,885)	-	(282,376)
<b>Total accumulated depreciation</b>	<b>(852,560)</b>	<b>(41,009)</b>	<b>-</b>	<b>(893,569)</b>
<b>Total capital assets, being depreciated, net</b>	<b>492,023</b>	<b>(41,009)</b>	<b>-</b>	<b>451,014</b>
<b>Total capital assets, net</b>	<b>\$ 492,023</b>	<b>\$ (41,009)</b>	<b>\$ -</b>	<b>\$ 451,014</b>

Depreciation expenses for the discretely presented component unit for the fiscal year ended December 31, 2019 was \$ 41,009.

**Note 7 – Long-Term Liabilities**

**A. Governmental Activities**

A summary of changes in long-term liabilities for governmental activities for the year ended September 30, 2020 was as follows:

	Balance			Balance		
	October 1, 2019	Additions	Deletions	September 30, 2020	Due within One Year	Due in more than One Year
<i>Direct borrowings:</i>						
Capital Lease Obligation:						
2003 Parking Structure Lease	\$ 2,079,189	\$ -	\$ (54,286)	\$ 2,024,903	\$ 58,095	\$ 1,966,808
Facility Lease Obligation:						
2005 Douglas Street Gap Closure Project	6,504,059	-	(325,995)	6,178,064	335,351	5,842,713
<i>Other long-term debt:</i>						
Claims payable	11,300,000	4,437,986	(2,811,986)	12,926,000	2,502,181	10,423,819
Compensated absences	4,771,678	364,889	(31,656)	5,104,911	4,027,411	1,077,500
<b>Total</b>	<b>\$ 24,654,926</b>	<b>\$ 4,802,875</b>	<b>\$ (3,223,923)</b>	<b>\$ 26,233,878</b>	<b>\$ 6,923,038</b>	<b>\$ 19,310,840</b>

Typically, the General Fund has been used to liquidate the liability for compensated absences, claims payable, and the capital lease obligation. The Nonmajor Facility Lease Debt Service Fund has been used to liquidate the facility lease obligation.

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 7 – Long-Term Liabilities (Continued)**

**A. Governmental Activities (Continued)**

**Capital Lease Obligation**

2003 Parking Structure Lease

On June 18, 2002, the City entered into a capital lease agreement with 612 Twin Holdings, LLC to acquire a two story, three level parking structure and certain retail space. The terms of the lease include an initial payment of \$1,100,000, monthly lease payments of \$16,167 with an imputed interest rate of 6.80% for 408 months, and a purchase option for \$200,000 due on January 1, 2039. The capital asset acquired had a present value of \$3,688,222 (\$1,659,700 and \$2,028,522 for the building structure and the land, respectively) with an annual depreciation of \$33,194 and accumulated depreciation totaling \$555,907 as of September 30, 2020.

The amount outstanding at September 30, 2020 totaled \$2,024,903. The annual debt service requirements on the capital lease is as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 58,095	\$ 135,905	\$ 194,000
2022	62,171	131,829	194,000
2023	66,533	127,467	194,000
2024	71,201	122,799	194,000
2025	76,196	117,804	194,000
2026-2030	469,078	500,922	970,000
2031-2035	544,864	279,636	824,500
2036-2039	676,765	91,071	767,836
	<u>\$ 2,024,903</u>	<u>\$ 1,507,433</u>	<u>\$ 3,532,336</u>

**Facility Lease Obligation**

2005 Douglas Street Gap Closure Project

On September 1, 2005, the City entered into a facility lease agreement with the California Infrastructure and Economic Development Bank (“CIEDB”) whereby CIEDB issued bonds in the amount of \$10,000,000 to finance the Douglas Street Gap Closure Project. The City will make rental lease payments over a 30-year period starting on February 1, 2006, at an interest rate of 2.87% per annum, for annual amounts ranging from \$514,156 to \$533,124. Interest payments on the lease obligation are due on February 1 and August 1 of each year. Base rental payment billing statements will be mailed to the City reflecting the actual amount owed prior to each base rental payment due date.

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 7 – Long-Term Liabilities (Continued)**

**A. Governmental Activities (Continued)**

The amount outstanding at September 30, 2020 totaled \$6,178,064. The annual debt service requirements on the capital lease is as follows:

Fiscal Year	Principal	Interest	Total
2021	\$ 335,351	\$ 177,310	\$ 512,661
2022	344,975	167,686	512,661
2023	354,876	157,785	512,661
2024	365,061	147,600	512,661
2025	375,538	137,123	512,661
2026-2030	2,045,683	517,624	2,563,307
2031-2035	2,356,580	206,728	2,563,308
	<u>\$ 6,178,064</u>	<u>\$ 1,511,856</u>	<u>\$ 7,689,920</u>

**B. Business-Type Activities**

The following is a summary of changes in long-term liabilities for business-type activities for the year ended September 30, 2020:

	Balance October 1, 2019	Additions	Deletions	Balance September 30, 2020	Due within One Year	Due in more than One Year
Compensated absences	<u>\$ 204,966</u>	<u>\$ 33,629</u>	<u>\$ (21,889)</u>	<u>\$ 216,706</u>	<u>\$ 202,833</u>	<u>\$ 13,873</u>

Compensated absences are typically liquidated by the Water and Sewer Enterprise Funds.

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 8 – Retirement Plans**

**A. Summary**

The following is the summary of net pension liability and related deferred outflows of resources and deferred inflows of resources at September 30, 2020 and pension expense for the year then ended.

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Deferred outflows of resources:</b>			
Miscellaneous	\$ 862,975	\$ 116,615	\$ 979,590
Safety	12,685,161	-	12,685,161
PARS	206,701	-	206,701
<b>Total deferred outflows of resources</b>	<b>\$ 13,754,837</b>	<b>\$ 116,615</b>	<b>\$ 13,871,452</b>
<b>Aggregate net pension liabilities:</b>			
Miscellaneous	\$ 30,176,801	\$ 4,077,830	\$ 34,254,631
Safety	118,102,353	-	118,102,353
PARS	1,074,507	-	1,074,507
<b>Total aggregate net pension liabilities</b>	<b>\$ 149,353,661</b>	<b>\$ 4,077,830</b>	<b>\$ 153,431,491</b>
<b>Deferred inflows of resources:</b>			
Miscellaneous	\$ 114,595	\$ 15,485	\$ 130,080
Safety	3,046,383	-	3,046,383
PARS	30,931	-	30,931
<b>Total deferred inflows of resources</b>	<b>\$ 3,191,909</b>	<b>\$ 15,485</b>	<b>\$ 3,207,394</b>
<b>Pension Expense:</b>			
Miscellaneous	\$ 2,904,057	\$ 1,144,028	\$ 4,048,085
Safety	22,464,644	-	22,464,644
PARS	154,404	-	154,404
<b>Total pension expense</b>	<b>\$ 25,523,105</b>	<b>\$ 1,144,028</b>	<b>\$ 26,667,133</b>

The City elected to join PARS as a means to provide additional funding for the CalPERS Miscellaneous and Safety defined benefit pension plans. The General Fund contains the Section 115 Trust balance restricted cash balance of \$4,482,363 as of September 30, 2020.

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 8 – Retirement Plans (Continued)**

***B. California Public Employees’ Retirement System (“CalPERS”)***

**General Information about the Pension Plan**

*Plan Descriptions*

The City contribution to the California Public Employees Retirement System (“CalPERS”), an agent multiple-employer defined benefit pension plan for miscellaneous employees and a cost-sharing multiple-employer defined benefit plan for safety employees. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and City ordinance. A full description of the pension plan regarding number of employees covered, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information are listed in the June 30, 2019 Annual Actuarial Valuation Report. This report and CalPERS’ audited financial statements are publicly available reports that can be obtained at CalPERS’ website under Forms and Publications.

*Benefits Provided*

CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. A classic CalPERS member or PEPRSA Safety member becomes eligible for service retirement upon attainment of age 50 with at least 5 years of credited service. During the year ended June 30, 2013, the California’s Public Employees’ Pension Reform Act (“PEPRA”) went into effect. Employees hired after January 1, 2013 who are new to the CalPERS system are part of the PEPRA plan. PEPRA miscellaneous members become eligible for service retirement upon attainment of age 52 with at least 5 years of service. The service retirement benefit is a monthly allowance equal to the product of the benefit factor, years of service, and final compensation. The final compensation is the monthly average of the member’s highest 36 or 12 consecutive months’ full-time equivalent monthly pay. Retirement benefits for classic miscellaneous employees are calculated as 2% of average final 12 months compensation. Retirement benefit for PEPRA miscellaneous employees are calculated as 2% of the average final 36 months compensation. Retirement benefits for classic safety employees are calculated as 3% of the average final 12 months compensation. Retirement benefits for PEPRA safety employees are calculated as 2.7% of average final 36 months.

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 8 – Retirement Plans (Continued)**

**B. California Public Employees’ Retirement System (“CalPERS”) (Continued)**

**General Information about the Pension Plan**

*Benefits Provided*

Following are the benefit provision for each plan:

	Miscellaneous		
	Miscellaneous Rate Plan	Miscellaneous Second Tier Rate Plan	PEPRA Miscellaneous Rate Plan
Hire date	Prior to January 1, 2013	Prior to January 1, 2013 Classic Member	On or after January 1, 2013 New Member
Benefit formula	2% @ 55	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	minimum 50 yrs	minimum 50 yrs	minimum 52 yrs
	Safety - Police/Fire		
	Safety Rate Plan	Safety Second Tier Rate Plan	PEPRA Safety Rate Plan
Hire date	Prior to October 6, 2012	Between October 6, 2012 to December 31, 2012 Classic Member	On or after January 1, 2013 New Member
Benefit formula	Police - 3% @ 50 Fire - 3% @ 55	Police - 3% @ 55	2.7% @ 57
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	minimum 50 yrs	minimum 50 yrs	minimum 50 yrs

Participants are eligible for non-industrial disability retirement if the participant becomes disabled and has at least 5 years of credited service. There is no special age requirement. The standard non-industrial disability retirement benefit is a monthly allowance equal to 1.8% of final compensation, multiplied by service.

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

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 8 – Retirement Plans (Continued)**

**B. California Public Employees’ Retirement System (“CalPERS”) (Continued)**

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

*Benefits Provided (Continued)*

An employee’s beneficiary may receive the basic death benefit if the employee becomes deceased while actively employed. The employee must be actively employed with the City to be eligible for this benefit. An employee’s survivor who is eligible for any other pre-retirement death benefit may choose to receive that death benefit instead of this basic death benefit. The basic death benefit is a lump sum in the amount of the employee’s accumulated contributions, where interest is currently credited at 7.5% per year, plus a lump sum in the amount of one month’s salary for each completed year of current service, up to a maximum of six months’ salary. For purposes of this benefit, one month’s salary is defined as the member’s average monthly full-time rate of compensation during the 12 months preceding death. Upon the death of a retiree, a one-time lump sum payment of \$500 will be made to the retiree’s designated survivor(s), or to the retiree’s estate.

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

*Employee Covered by Benefit Terms*

At June 30, 2020, the measurement date, the following employees were covered by the benefit terms under the miscellaneous plans:

	<b>Miscellaneous Plans</b>
Active employees	176
Transferred and terminated employees	312
Retired Employees and Beneficiaries	359
Total	847

*Contributions*

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

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

**Note 8 – Retirement Plans (Continued)**

**B. California Public Employees’ Retirement System (“CalPERS”) (Continued)**

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

Contributions (Continued)

The required contribution rates are as follows:

Measurement Period Ended June 30, 2019				
	Miscellaneous Plans			
	Classic	PEPRA		
Employer Contribution Rate	9.395%	9.395%		
Employer Payment of Unfunded Liability	2,418,040	-		
Employee Contribution Rate	7.000%	6.250%		

Measurement Period Ended June 30, 2019				
	Safety Plans			
	Police - Tier 1	Police - Tier 2	Police PEPRA	Fire - Tier 1
Employer Contribution Rate	25.829%	23.558%	13.884%	21.757%
Employer Payment of Unfunded Liability	3,862,287	5,366	2,482	3,491,080
Employee Contribution Rate	9.000%	9.000%	13.75%	9.000%

**Net Pension Liability**

The City’s net pension liability for each Plan is measured as the total pension liability, less the pension plans’ fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2020, using an annual actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures.

Actuarial Methods and Assumption Used to Determine Total Pension Liability

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

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Investment Rate of Return	7.25% includes inflation
Mortality Rate Table	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 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries.
Retirement Age	The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Post Retirement Benefit Increase	Contract COLA up to 2.0% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter.

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 8 – Retirement Plans (Continued)**

**B. California Public Employees’ Retirement System (“CalPERS”) (Continued)**

**Net Pension Liability (Continued)**

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all of the funds’ asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as followed:

Asset Class <sup>1</sup>	New Strategic Allocation	Real Return Years 1 -10 <sup>2</sup>	Real Return Years 11+ <sup>2</sup>
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.92%
Liquidity	1.00%	0.00%	-0.92%
	<u>100.00%</u>		

<sup>1</sup> In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

<sup>2</sup> An expected inflation of 2.0% and 2.92% used for years 1-10 and years 11+, respectively.

Discount Rate

The discount rate used to measure the total pension liability 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.

Subsequent Events

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

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

**Note 8 – Retirement Plans (Continued)**

**B. California Public Employees’ Retirement System (“CalPERS”) (Continued)**

**Changes in the Net Pension Liability**

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

	<b>Miscellaneous Plan</b>		
	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability</b>	<b>Plan Fiduciary Net Position</b>	<b>Net Pension Liability/(Asset)</b>
	<b>(a)</b>	<b>(b)</b>	<b>(c) = (a) - (b)</b>
Balance at June 30, 2019 (Valuation Date)	\$ 120,807,009	\$ 88,056,385	\$ 32,750,624
Changes recognized for the measurement period:			
Service Cost	2,088,245	-	2,088,245
Interest on the total pension liability	8,447,044	-	8,447,044
Differences between expected and actual experience	(221,184)	-	(221,184)
Plan to plan resource movement	-	3,966	(3,966)
Contributions from the employer	-	3,584,857	(3,584,857)
Contributions from employee	-	946,546	(946,546)
Net investment income	-	4,398,867	(4,398,867)
Benefit payments, including refunds of employee contributions	(6,978,924)	(6,978,924)	-
Administrative expense	-	(124,138)	124,138
Other miscellaneous (income)/expense	-	-	-
Net changes during July 1, 2019 to June 30, 2020	<u>3,335,181</u>	<u>1,831,174</u>	<u>1,504,007</u>
Balance at June 30, 2020 (Measurement Date)	<u>\$ 124,142,190</u>	<u>\$ 89,887,559</u>	<u>\$ 34,254,631</u>

**Proportionate Share of Net Pension Liability**

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

	<b>Safety Plan</b>
	<b>Proportionate Share of Net Pension Liability</b>
Balance at June 30, 2020 (Measurement Date)	<u>118,102,353</u>

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 8 – Retirement Plans (Continued)**

***B. California Public Employees’ Retirement System (“CalPERS”) (Continued)***

**Changes in the Net Pension Liability (Continued)**

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

The following is the approach established by the plan actuary to allocate the net pension liability and pension expense to the individual employers within the risk pool.

- (1) In determining a cost-sharing plan’s proportionate share, total amounts of liabilities and assets are first calculated for the risk pool as a whole on the valuation date (June 30, 2019). The risk pool’s fiduciary net position (“FNP”) subtracted from its total pension liability (“TPL”) determines the net pension liability (“NPL”) at the valuation date.
- (2) Using standard actuarial roll forward methods, the risk pool TPL is then computed at the measurement date (June 30, 2020). Risk pool FNP at the measurement date is then subtracted from this number to compute the NPL for the risk pool at the measurement date. For purposes of FNP in this step and any later reference thereto, the risk pool’s FNP at the measurement date denotes the aggregate risk pool’s FNP at June 30, 2020 less the sum of all additional side fund (or unfunded liability) contributions made by all employers during the measurement period (2019-2020).
- (3) The individual plan’s TPL, FNP and NPL are also calculated at the valuation date. TPL is allocated based on the rate plan’s share of the actuarial accrued liability. FNP is allocated based on the rate plan’s share of market value assets.
- (4) Two ratios are created by dividing the plan’s individual TPL and FNP as of the valuation date from (3) by the amounts in step (1), the risk pool’s total TPL and FNP, respectively.
- (5) The plan’s TPL as of the Measurement Date is equal to the risk pool TPL generated in (2) multiplied by the TPL ratio generated in (4). The plan’s FNP as of the Measurement Date is equal to the FNP generated in (2) multiplied by the FNP ratio generated in (4) plus any additional side fund (or unfunded liability) contributions made by the employer on behalf of the plan during the measurement period.
- (6) The plan’s NPL at the Measurement Date is the difference between the TPL and FNP calculated in (5).

Deferred outflows of resources, deferred inflows of resources, and pension expense are allocated based on the City’s NPL as a percentage of the total plan’s NPL.

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

	<u>Safety Plan</u>
June 30, 2019	1.7839%
June 30, 2020	1.7727%
Change - Increase (Decrease)	0.0112%

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 8 – Retirement Plans (Continued)**

**B. California Public Employees’ Retirement System (“CalPERS”) (Continued)**

**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 plans as of the measurement date, calculated using the discount rate of 7.15%, 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%) or 1 percentage-point higher (8.15%) than the current rate:

	<b>Plan's Net Pension Liability/(Asset)</b>		
	<b>Discount Rate - 1% (6.15%)</b>	<b>Current Discount Rate (7.15%)</b>	<b>Discount Rate + 1% (8.15%)</b>
Miscellaneous Plan	\$ 49,708,803	\$ 34,254,631	\$ 21,450,265
Safety Plan	\$ 159,830,180	\$ 118,102,353	\$ 83,860,722

*Pension Plan Fiduciary Net Position*

Detailed information about the plan’s fiduciary net position is available in the separately issued CalPERS financial report.

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

For the year ended September 30, 2020, the City recognized pension expense in the amounts of \$4,048,085 and \$22,464,644 for the miscellaneous plans and safety plans, respectively.

As of measurement date of June 30, 2020, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

	<b>Miscellaneous Plan</b>	
	<b>Deferred outflows of Resources</b>	<b>Deferred inflows of Resources</b>
Pension contribution made after measurement date	\$ 363,370	\$ -
Difference between expected and actual experience	-	(130,080)
Changes of assumptions	-	-
Net difference between projected and actual earning on pension plan investments	616,220	-
Total	<u>\$ 979,590</u>	<u>\$ (130,080)</u>

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

**Note 8 – Retirement Plans (Continued)**

**B. California Public Employees’ Retirement System (“CalPERS”) (Continued)**

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

	<b>Safety Plan</b>	
	<b>Deferred outflows of Resources</b>	<b>Deferred inflows of Resources</b>
Pension contribution made after measurement date	\$ 714,613	\$ -
Difference between expected and actual experience	9,158,238	-
Changes of assumptions	-	(393,401)
Difference between projected and actual earnings on pension plan investments	2,566,861	-
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	245,449	(2,652,982)
Total	\$ 12,685,161	\$ (3,046,383)

The amounts above are net of outflows and inflows recognized in the 2019-2020 measurement period expense.

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). The EARSL for the miscellaneous plan and the safety risk pool for the 2019-2020 measurement period is 2.3 and 3.8 years, respectively, which was obtained by dividing the total service years of 1,920 and 548,581 (the sum of remaining service lifetimes of the active employees) by 847 and 145,663 (the total number of participants: active, inactive, and retired), respectively.

\$363,370 and \$714,613 reported as deferred outflows of resources related to pensions for miscellaneous plan and safety plan, respectively, resulting from the City’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending September 30, 2021. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in the future pension expense as follows:

Measurement Period Ended June 30	<b>Deferred Outflows/ (Inflows) of Resources Miscellaneous Plan</b>	<b>Deferred Outflows/ (Inflows) of Resources Safety Plan</b>
2021	\$ (499,109)	\$ 1,028,864
2022	181,017	3,783,776
2023	445,771	2,825,384
2024	358,461	1,286,141
2025	-	-
Thereafter	-	-
	\$ 486,140	\$ 8,924,165

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 8 – Retirement Plans (Continued)**

***B. California Public Employees’ Retirement System (“CalPERS”) (Continued)***

**Payable to the Pension Plan**

At September 30, 2020, the City had no outstanding amount of contributions to the pension plan required for the year ended September 30, 2020.

***C. Public Agency Retirement System (“PARS”)***

**General Information about the Pension Plan**

**Plan Description**

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

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

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

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

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

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 8 – Retirement Plans (Continued)**

**C. Public Agency Retirement System (“PARS”) (Continued)**

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

*Benefits Provided*

Below is the benefits summary provided by the Plan.

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

*Employees Covered by Benefit Terms*

At September 30, 2019, the measurement date, the following employees were covered by the benefit terms:

Active employees	9
Terminated employees	7
Retired Employees and Beneficiaries	11
Total	27

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 8 – Retirement Plans (Continued)**

**C. Public Agency Retirement System (“PARS”) (Continued)**

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

*Contributions and Funding Policy*

The City’s funding policy is to make the contribution as determined by the Plan’s actuary. There was no employee contribution after Freeze Date. Members may elect to receive lump sum refund of employee contributions with 4.25% interest in lieu of annuity upon termination / retirement / disability / death. Employer contributions are determined by actuarial study performed at least every two years. The Plan’s annual pension contribution for the measurement date ended September 30, 2019, was based on an actuarial valuation as of June 30, 2016. For the measurement date ended September 30, 2019, the City made contributions of \$158,000 to the Plan, which was a contribution to the PARS trust.

**Net Pension Liability**

*Actuarial Methods and Assumptions Used to Determine Total Pension Liability*

The City’s net pension liability for the Plan is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of the Plan is measured as of September 30, 2019, using an actuarial valuation as of June 30, 2018, rolled forward to September 30, 2019 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is as follows:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	5.75%
Investment Return	5.75%
Inflation	2.75%
Mortality, Disability, and Termination	CalPERS 1997-2015 experience study Projected fully generational with Scale MP-2018
Service Retirement	CalPERS 1997-2015 Experience Study. Benefit: Modified 2.5% @ 55 Adding 1/3 of sum of the rates for ages 50-54 to the rate for age 55
Post Retirement Cost of Living Adjustment	2.00%

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 8 – Retirement Plans (Continued)**

**C. Public Agency Retirement System (“PARS”) (Continued)**

**Net Pension Liability (Continued)**

Discount Rate

The discount rate used to measure the total pension liability was 5.75%. The projection of cash flows utilized to determine the discount rate assumed that contributions from the City would be made at the actuarially determined contribution amount. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 5.75% investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 50 basis points. An investment return excluding administrative expenses would have been 6.25%. Using this lower discount rate has resulted in a slightly higher total pension liability and net pension liability.

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

Asset Class	Target Allocation	Expected Real Rate of Return
Global Equity	58.00%	4.82%
Fixed Income	35.00%	1.47%
REITs	2.00%	3.76%
Cash	5.00%	0.06%
	100.00%	
Assumed Long-Term Rate of Inflation		2.75%
Expected Long-Term Net Rate of Return, Rounded		5.75%

The City elected to use 5.75% investment return assumption.

Confidence Level	50%	55%
Net Return after Expenses	6.25%	6.00%
Plan Non-Investment Expense <sup>1</sup>	-0.50%	-0.50%
Net Return	5.75%	5.50%

<sup>1</sup> Based on expected long term non-investment expenses

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 8 – Retirement Plans (Continued)**

**C. Public Agency Retirement System (“PARS”) (Continued)**

**Net Pension Liability (Continued)**

*Changes in Assumptions*

The discount rate and long-term expected rate of return on assets utilized in the actuarial valuation as of June 30, 2016 and 2018 was 5.50% and 5.75%, respectively, which was updated based on the asset allocation change. The actuarial valuation inflation rate as of June 30, 2016 and 2018 was 3.00% and 2.75%, respectively. Also, the mortality, retirement, disability, and termination assumptions in the June 30, 2018 actuarial valuation were updated from the CalPERS 1997-2011 Experience Study used in the June 30, 2016 actuarial valuation to the CalPERS 1997-2015 Experience Study. In addition, the mortality improvement scale utilized in the June 30, 2018 actuarial valuation was updated from the Scale MP-2014 used in the June 30, 2016 actuarial valuation to the Scale MP-2018.

*Subsequent Events*

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

**Changes in Net Pension Liability**

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

	<b>Increase (Decrease)</b>		
	<b>Total Pension Liability (a)</b>	<b>Plan Fiduciary Net Position (b)</b>	<b>Net Pension Liability/(Asset) (c) = (a) - (b)</b>
Balance at September 30, 2018	\$ 2,241,998	\$ 1,087,687	\$ 1,154,311
Changes recognized for the measurement period:			
Interest on the total pension liability	126,122	-	126,122
Differences between expected and actual experience	-	-	-
Changes of assumptions	-	-	-
Contributions from the employer	-	158,000	(158,000)
Net investment income	-	53,443	(53,443)
Benefit payments, including refunds of employee contributions	(97,156)	(97,156)	-
Administrative expense	-	(5,517)	5,517
Net changes during October 1, 2018 to September 30, 2019	<u>28,966</u>	<u>108,770</u>	<u>(79,804)</u>
Balance at September 30, 2019 (Measurement Date)	<u>\$ 2,270,964</u>	<u>\$ 1,196,457</u>	<u>\$ 1,074,507</u>

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 8 – Retirement Plans (Continued)**

**C. Public Agency Retirement System (“PARS”) (Continued)**

**Changes in Net Pension Liability (Continued)**

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

The following presents the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 5.75%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (4.75%) or 1 percentage- point higher (6.75%) than the current rate:

	<b>Discount Rate - 1%</b> <b>(4.75%)</b>	<b>Current Discount</b> <b>Rate (5.75%)</b>	<b>Discount Rate + 1%</b> <b>(6.75%)</b>
Plan's Net Pension Liability	\$ 1,364,158	\$ 1,074,507	\$ 835,725

*Pension Plan Fiduciary Net Position*

Detailed information about the plan’s fiduciary net position is available upon request.

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

For the measurement period ended September 30, 2019, the City incurred a pension expense of \$154,404 and reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<b>Deferred Outflows</b> <b>of Resources</b>	<b>Deferred Inflows</b> <b>of Resources</b>
Pension contribution made after measurement date	\$ 158,000	\$ -
Difference between expected and actual experience	48,701	-
Changes of assumptions	-	(16,114)
Net difference between projected and actual earning on pension plan investments	-	(14,817)
Total	\$ 206,701	\$ (30,931)

The \$158,000 reported as deferred outflows of resources related to pension resulting from the City’s contribution subsequent to the measurement date during the year ended September 30, 2020 will be recognized as a reduction of the net pension liability in the year ending September 30, 2021.

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 8 – Retirement Plans (Continued)**

**C. Public Agency Retirement System (“PARS”) (Continued)**

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

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

Measurement Period Ended September 30	Deferred Outflows/ (Inflows) of Resources
2020	\$ 19,997
2021	(6,590)
2022	1,410
2023	2,953
2024	-
Thereafter	-
	\$ 17,770

**Payable to the Pension Plan**

At September 30, 2020, the City had no outstanding amount of contributions to the pension plan required for the year ended September 30, 2020.

**Note 9 – Other Post-Employment Health Benefits**

At September 30, 2020, net OPEB liability and related deferred outflows of resources and deferred inflows of resources are as follows:

	Governmental Activities	Business-Type Activities	Total
<b>Deferred outflows of resources</b>	\$ 1,522,275	\$ 78,785	\$ 1,601,060
<b>Net other postemployment benefit liability</b>	\$ 27,692,790	\$ 1,433,225	\$ 29,126,015
<b>Deferred inflows of Resources</b>	\$ 5,888,815	\$ 304,773	\$ 6,193,588
<b>OPEB expense</b>	\$ 2,458,080	\$ (44,495)	\$ 2,413,585

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 9 – Other Post-Employment Health Benefits (Continued)**

**General Information About the OPEB Plan**

*Plan Description*

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

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

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

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

*Funding Policy and Contributions*

The contribution requirements of plan members and the City are established and may be amended by City Council. The annual contribution is based on the actuarially determined contribution. For the measurement period ended June 30, 2020, the City's contributions were \$548,000 to the CalPERS CERBT Trust, \$3,374,34 in premium payments, administrative expense of \$9,028 and the estimated implicit subsidy was \$494,250, resulting in total payments of \$4,425,712

*Employees Covered*

At June 30, 2020, the measurement date, membership in the Plan consisted of the following:

Inactive plan member currently receiving benefits	336
Inactive plan members entitled to but not yet receiving benefits	24
Active plan members	252
Total	612

**Net OPEB Liability**

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

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 9 – Other Post-Employment Health Benefits (Continued)**

**General Information About the OPEB Plan (Continued)**

**Net OPEB Liability (Continued)**

*Actuarial Methods and Assumptions*

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

Actuarial Cost method	Entry Age Method
Actuarial Assumption:	
Discount Rate	6.75% - Pre-funded through CalPERS CERBT Asset Strategy #1
Inflation	2.75%
Salary Increases	3.00% per year
Mortality Improvement	Post-retirement mortality projected fully generational with Scale MP-2019
Medical Trend	Non-Medicare: 7.25% for 2021, decreasing to an ultimate rate of 4.0% in 2076. Medicare: 6.3% for 2021, decreasing to an ultimate rate of 4.0% to 2076.

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

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

<u>Asset Class</u>	<u>Allocation</u>	<u>Long-Term Compound Return</u>
CERBT:		
Global Equity	59.00%	4.82%
Fixed Income	25.00%	1.47%
TIPS	5.00%	1.29%
REITs	8.00%	3.76%
Commodities	<u>3.00%</u>	84.00%
Total	<u>100.00%</u>	
Assumed Long-Term Rate of Inflation		2.75%
Expected Long-Term Net Rate of Return, Rounded		6.75%

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

**Note 9 – Other Post-Employment Health Benefits (Continued)**

**Net OPEB Liability (Continued)**

*Discount Rate*

The discount rate used to measure the total OPEB liability is 6.75%. This is the expected long-term rate of return on City assets using investment strategy 1 within the California Employers’ Retiree Benefit Trust (CERBT). The projection of cash flows used to determine the discount rate assumed that the City contribution will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan’s fiduciary net position is projected to cover all future OPEB payments. Therefore, the discount rate was set equal to the long-term expected rate of return.

**Changes in Net OPEB Liability**

	<u>Increase (Decrease)</u>		
	<u>Total Pension</u>	<u>Plan Fiduciary Net</u>	<u>Net OPEB</u>
	<u>Liability</u>	<u>Position</u>	<u>Liability/(Asset)</u>
	<u>(a)</u>	<u>(b)</u>	<u>(c) = (a) - (b)</u>
Balance at September 30, 2019 (Valuation Date June 30, 2019)	\$ 61,302,549	\$ 24,641,464	\$ 36,661,085
Changes recognized for the measurement period:			
Service Cost	1,325,398	-	1,325,398
Interest on the net OPEB liability	4,096,818	-	4,096,818
Differences between expected and actual experience	(6,345,201)	-	(6,345,201)
Changes of assumptions	(1,323,051)	-	(1,323,051)
Contributions from the employer	-	4,425,712	(4,425,712)
Net investment income	-	884,584	(884,584)
Benefit payments, including refunds of employee contributions	(3,868,684)	(3,868,684)	-
Administrative expense	-	(21,262)	21,262
Net changes during October 1, 2019 to September 30, 2020	<u>(6,114,720)</u>	<u>1,420,350</u>	<u>(7,535,070)</u>
Balance at September 30, 2020 (Measurement Date June 30, 2020)	<u>\$ 55,187,829</u>	<u>\$ 26,061,814</u>	<u>\$ 29,126,015</u>

*Change in Assumptions*

For measurement date June 30, 2019, to June 30, 2020, the mortality scale was updated to Scale MP-2019 from MP-2017 and the healthcare trend changed from 7.50% non-medicare and 6.50% medicare to 7.25% non-medicare and 6.30% medicare.

*Change of Benefit Terms*

There were no changes of benefit terms.

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 9 – Other Post-Employment Health Benefits (Continued)**

**Changes in Net OPEB Liability (Continued)**

*Subsequent Events*

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

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

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.75 percent) or 1-percentage-point higher (7.75 percent) than the current discount rate:

<b>Plan's Net OPEB Liability (Assets)</b>		
<b>Discount Rate -1%</b>	<b>Current Discount</b>	<b>Discount Rate +1%</b>
<b>(5.75%)</b>	<b>Rate (6.75%)</b>	<b>(7.75%)</b>
\$ 35,694,473	\$ 29,126,015	\$ 23,671,045

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

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower (6.25% and 5.30% for 2021 for Non-Medicare and Medicare, respectively, decreasing to an ultimate rate of 4.0% in 2076) or 1-percentage-point higher (8.25% and 7.3% for 2021 for Non-Medicare and Medicare, respectively, decreasing to an ultimate rate of 4.0% in 2076) than the current healthcare cost trend rates:

<b>Plan's Net OPEB Liability (Assets)</b>		
<b>Healthcare Cost</b>	<b>Current Rate</b>	<b>Healthcare Cost</b>
<b>Trend Rate -1%</b>	<b>Current Rate</b>	<b>Trend Rate +1%</b>
\$ 26,184,542	\$ 29,126,015	\$ 31,990,395

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 9 – Other Post-Employment Health Benefits (Continued)**

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

For the year ended September 30, 2020, the City’ recognized OPEB expense of \$2,413,585. At September 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred outflows of Resources</b>	<b>Deferred inflows of Resources</b>
Contribution made after measurement date	\$ 986,340	\$ -
Difference between expected and actual experience	-	(5,124,970)
Change of assumptions	-	(1,068,618)
Net difference between projected and actual earning on pension plan investments	614,720	-
Total	<u>\$ 1,601,060</u>	<u>\$ (6,193,588)</u>

An amount of \$986,340, which is reported as deferred outflows of resources related to contributions subsequent to the measurement date, will be recognized as reduction of the net OPEB liability in the year ended September 30, 2021. The amounts reported as deferred inflows of resources related to OPEB will be recognized as future OPEB expense as follows:

Measurement Period Ended June 30	<b>Deferred Outflows/ (Inflows) of Resources OPEB Plan</b>
2021	\$ (1,339,634)
2022	(1,339,633)
2023	(1,291,140)
2024	(1,313,529)
2025	(294,932)
	<u>\$ (5,578,868)</u>

**Payable to the OPEB Plan**

At September 30, 2020, the City had no outstanding amount of contributions to the OPEB plan required.

**Note 10 – Risk Management**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City maintains self-insurance programs for workers’ compensation and general liability up to a maximum of \$500,000 and \$750,000 per occurrence, respectively. General liability claims, which exceed the limit, are insured through Independent Cities Risk Management Authority (“ICRMA”) up to \$30,000,000 with a maximum per incident of \$3,000,000. Workers compensation claims that exceed the limit are insured by ICRMA up to the California statutory limits for workers’ compensation.

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 10 – Risk Management (Continued)**

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

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

The ICRMA has published its own financial report for the year ended June 30, 2020, which can be obtained from Independent Cities Risk Management Authority, 14156 Magnolia Park, Sherman Oaks, California.

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

Fiscal Year Ended	Claims Payable				
	Annual	Current Year	Current Year	Balance	Due within
	Claims Payable October 1	Claims and Changes in Estimates	Claims Payments	September 30	One Year
September 30, 2018	\$ 11,398,232	\$ 1,801,303	\$ (922,529)	\$ 12,277,006	\$ 2,069,000
September 30, 2019	12,277,006	1,693,379	(2,670,385)	11,300,000	1,887,705
September 30, 2020	11,300,000	4,437,986	(2,811,986)	12,926,000	2,502,181

**Note 11 – Joint Venture**

*Los Angeles Interagency Metropolitan Police Apprehension Crime Task Force*

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

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 11 – Joint Venture (Continued)**

*Los Angeles Interagency Metropolitan Police Apprehension Crime Task Force (Continued)*

L.A. IMPACT’s latest summary financial information as of June 30, 2020 is as follows:

Total assets	<b>\$</b>	<u>12,217,792</u>
Total liabilities	\$	5,083,504
L.A. IMPACT net position		<u>7,134,288</u>
<b>Total liabilities and L.A. IMPACT net position</b>	<b>\$</b>	<b><u>12,217,792</u></b>
Total revenues	\$	3,077,333
Total expenses		<u>(5,340,102)</u>
<b>Change in net position</b>	<b>\$</b>	<b><u>(2,262,769)</u></b>

Complete financial statements for L.A. IMPACT may be obtained at its administrative office:

L.A. IMPACT  
5700 South Eastern Avenue  
Commerce, CA  
90040-2924

**Note 12 – Commitments and Contingencies**

*Litigation*

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

*Federal and State Grants*

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

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 12 – Commitments and Contingencies**

Uncertainties

On January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of a new strain of coronavirus (the “COVID-19 outbreak”) and the risks to the international community as the virus spreads globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic, based on the rapid increase in exposure globally. The full impact of the COVID-19 outbreak continues to evolve as of the date of this report. As such, it is uncertain as to the full magnitude that the pandemic will have on the City’s financial condition. Management is actively monitoring the impact of the global situation on its financial condition.

**City of El Segundo**  
**Notes to the Basic Financial Statements**  
**For the Year Ended September 30, 2020**

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**Note 13 – Classification of Fund Balances**

At September 30, 2020, fund balances are classified in the governmental funds as follows:

	General Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>Nonspendable:</b>			
Notes and loans receivable	\$ 17,500	\$ -	\$ 17,500
Inventories	100,264	-	100,264
Prepays	7,819,879	85,049	7,904,928
<b>Total nonspendable</b>	<b>7,937,643</b>	<b>85,049</b>	<b>8,022,692</b>
<b>Restricted:</b>			
Police	-	1,153,341	1,153,341
Fire	-	400,040	400,040
Public works	-	2,482,539	2,482,539
Economic development	-	242,267	242,267
Community and cultural	-	10,165,172	10,165,172
Debt service	-	1,030,291	1,030,291
Pension	4,482,363	-	4,482,363
<b>Total restricted</b>	<b>4,482,363</b>	<b>15,473,650</b>	<b>19,956,013</b>
<b>Assigned:</b>			
Police	265,093	-	265,093
Fire	276,394	-	276,394
Public works	56,926	-	56,926
Tobacco License	33,573	-	33,573
Economic development	1,315,897	-	1,315,897
Parks and recreation	169,548	-	169,548
Library	60,166	-	60,166
Computer refresh	357,294	-	357,294
Encumbrances	-	560,379	560,379
Capital outlay	-	3,600,796	3,600,796
<b>Total assigned</b>	<b>2,534,891</b>	<b>4,161,175</b>	<b>6,696,066</b>
<b>Unassigned:</b>	<b>20,807,983</b>	<b>(46,117)</b>	<b>20,761,866</b>
<b>Total fund balance</b>	<b>\$ 35,762,880</b>	<b>\$ 19,673,757</b>	<b>\$ 55,436,637</b>

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**REQUIRED SUPPLEMENTARY  
INFORMATION (UNAUDITED)**

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**City of El Segundo**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule - General Fund**  
**For the Year Ended September 30, 2020**

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
<b>REVENUES:</b>				
Taxes	\$ 53,327,867	\$ 46,065,652	\$ 47,730,728	\$ 1,665,076
Licenses and permits	14,198,358	13,798,358	14,234,600	436,242
Charges for services	5,307,168	3,807,167	4,307,599	500,432
Use of money and property	824,000	804,000	3,392,762	2,588,762
Fines and forfeitures	412,020	192,020	273,083	81,063
Developer fees	-	-	110,876	110,876
Miscellaneous	2,500,795	2,300,795	2,548,226	247,431
<b>Total revenues</b>	<b>76,570,208</b>	<b>66,967,992</b>	<b>72,597,874</b>	<b>5,629,882</b>
<b>EXPENDITURES:</b>				
Current:				
General government:				
City Council	319,432	308,432	308,625	(193)
City Treasurer	345,375	341,375	325,153	16,222
City Clerk	722,838	634,238	534,170	100,068
City Manager	2,264,431	1,973,726	1,777,642	196,084
City Attorney	585,450	585,450	753,433	(167,983)
Planning	1,170,039	1,076,748	1,119,803	(43,055)
Building and Safety	1,635,631	1,586,086	1,453,529	132,557
Administrative Services	6,113,978	5,550,245	5,459,663	90,582
Non-departmental	6,633,283	6,352,948	7,213,349	(860,401)
Public safety:				
Police	21,357,303	20,490,344	21,275,768	(785,424)
Fire	16,577,834	15,848,044	17,085,210	(1,237,166)
Animal Control	253,420	171,579	48,253	123,326
Communications Center	1,565,070	1,590,870	1,549,366	41,504
Public Works:				
Administration	390,299	266,299	138,858	127,441
Government Buildings	2,213,572	2,045,802	2,023,035	22,767
Engineering	756,477	1,026,351	926,624	99,727
Streets	2,276,687	2,102,066	2,079,720	22,346
Solid Waste	363,937	378,937	465,356	(86,419)
Storm drain	522,105	610,479	398,547	211,932
Equipment Maintenance	1,583,499	1,456,660	1,201,062	255,598
Community and cultural:				
Recreation and Parks	7,890,395	7,098,278	6,023,865	1,074,413
Library	2,489,245	2,394,141	2,291,813	102,328
Capital outlay	11,490	22,041	15,704	6,337
Debt service:				
Principal retirement	-	-	54,286	(54,286)
Interest	-	-	139,714	(139,714)
<b>Total expenditures</b>	<b>78,041,790</b>	<b>73,911,139</b>	<b>74,662,548</b>	<b>(751,409)</b>
<b>Excess (deficiency) of revenues over expenditures</b>	<b>(1,471,582)</b>	<b>(6,943,147)</b>	<b>(2,064,674)</b>	<b>4,878,473</b>
<b>OTHER FINANCING USES:</b>				
Transfers in	140,000	140,000	140,000	-
Transfers out	(2,749,000)	(1,249,000)	(1,249,000)	-
<b>Total other financing uses</b>	<b>(2,609,000)</b>	<b>(1,109,000)</b>	<b>(1,109,000)</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ (4,080,582)</b>	<b>\$ (8,052,147)</b>	<b>(3,173,674)</b>	<b>\$ 4,878,473</b>
<b>FUND BALANCE:</b>				
Beginning of Year			38,936,554	
End of Year			<u>\$ 35,762,880</u>	

**City of El Segundo**  
**Required Supplementary Information (Unaudited)**  
**Note to the Budgetary Comparison Schedule**  
**For the Year Ended September 30, 2020**

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**Note 1 – Budgetary Control and Accounting Policy**

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America and are used as a management control device. Annual budgets are adopted for the General Fund, Special Revenue Funds, Debt Service Funds and the Capital Projects Funds except for the following Special Revenue Funds: MTA Grant, Certified Access Specialist Program, Affordable Housing, Cultural and Development, and Special Revenues/Donations.

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

**City of El Segundo**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Changes in Net Pension Liability and Related Ratios**  
**September 30, 2020**

Last Ten Fiscal Years<sup>1</sup>

**California Public Employees' Retirement System ("CalPERS") - Miscellaneous Rate Plan**

Measurement period and fiscal year	2019-20	2018-19
<b>Total pension liability</b>		
Service cost	\$ 2,088,245	\$ 2,026,099
Interest on total pension liability	8,447,044	8,219,352
Changes of benefit terms	-	-
Changes of assumptions	-	-
Differences between expected and actual experience	(221,184)	(38,811)
Benefit payments, including refunds of employee contributions	(6,978,924)	(6,762,739)
<b>Net change in total pension liability</b>	<b>3,335,181</b>	<b>3,443,901</b>
<b>Total pension liability - beginning</b>	<b>120,807,009</b>	<b>117,363,108</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 124,142,190</b>	<b>\$ 120,807,009</b>
<b>Pension fiduciary net position</b>		
Contributions - employer	\$ 3,584,857	\$ 3,597,197
Contributions - employee	946,546	878,016
Net investment income	4,398,867	5,537,029
Benefit payments, including refunds of employee contributions	(6,978,924)	(6,762,739)
Net plan to plan resource movement	3,966	(127,504)
Administrative expense	(124,138)	(60,654)
Other miscellaneous expense	-	198
<b>Net change in plan fiduciary net position</b>	<b>1,831,174</b>	<b>3,061,543</b>
<b>Plan fiduciary net position - beginning</b>	<b>88,056,385</b>	<b>84,994,842</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 89,887,559</b>	<b>\$ 88,056,385</b>
<b>Plan net pension liability - ending (a) - (b)</b>	<b>\$ 34,254,631</b>	<b>\$ 32,750,624</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>72.41%</b>	<b>72.89%</b>
<b>Covered payroll</b>	<b>\$ 14,212,445</b>	<b>\$ 12,851,508</b>
<b>Plan net pension liability as a percentage of covered payroll</b>	<b>241.02%</b>	<b>254.84%</b>

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

**Notes to Schedule:**

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

**Changes of Assumptions:** There were no significant changes in assumptions in 2019. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amounts reported were based on the 7.5 percent discount rate.

**City of El Segundo**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Changes in Net Pension Liability and Related Ratios (Continued)**  
**September 30, 2020**

Last Ten Fiscal Years<sup>1</sup>

**California Public Employees' Retirement System ("CalPERS") - Miscellaneous Rate Plan**

Measurement period and fiscal year	2017-18	2016-17	2015-16	2014-15	2013-14
<b>Total pension liability</b>					
Service cost	\$ 2,002,276	\$ 2,022,687	\$ 1,836,590	\$ 1,892,820	\$ 1,992,358
Interest on total pension liability	7,976,930	7,747,566	7,584,214	7,355,288	7,137,756
Changes of benefit terms	-	-	-	-	-
Changes of assumptions	(464,769)	6,199,889	-	(1,728,307)	-
Differences between expected and actual experience	8,203	(813,832)	(899,552)	(1,400,892)	-
Benefit payments, including refunds of employee contributions	(6,360,824)	(5,830,361)	(5,534,415)	(5,121,477)	(4,825,880)
<b>Net change in total pension liability</b>	<b>3,161,816</b>	<b>9,325,949</b>	<b>2,986,837</b>	<b>997,432</b>	<b>4,304,234</b>
<b>Total pension liability - beginning</b>	<b>114,201,292</b>	<b>104,875,343</b>	<b>101,888,506</b>	<b>100,891,074</b>	<b>96,586,840</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 117,363,108</b>	<b>\$ 114,201,292</b>	<b>\$ 104,875,343</b>	<b>\$ 101,888,506</b>	<b>\$ 100,891,074</b>
<b>Pension fiduciary net position</b>					
Contributions - employer	\$ 3,291,215	\$ 2,381,409	\$ 2,189,606	\$ 1,990,762	\$ 2,229,759
Contributions - employee	905,313	975,818	850,845	883,340	1,271,008
Net investment income	6,839,662	8,294,674	375,088	1,743,059	11,605,717
Benefit payments, including refunds of employee contributions	(6,360,824)	(5,830,361)	(5,534,415)	(5,121,477)	(4,825,880)
Net plan to plan resource movement	(198)	(31,271)	(256)	161,952	-
Administrative expense	(125,728)	(110,739)	(47,032)	(86,704)	-
Other miscellaneous expense	(238,760)	-	-	-	-
<b>Net change in plan fiduciary net position</b>	<b>4,310,680</b>	<b>5,679,530</b>	<b>(2,166,164)</b>	<b>(429,068)</b>	<b>10,280,604</b>
<b>Plan fiduciary net position - beginning</b>	<b>80,684,162</b>	<b>75,004,632</b>	<b>77,170,796</b>	<b>77,599,864</b>	<b>67,319,260</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 84,994,842</b>	<b>\$ 80,684,162</b>	<b>\$ 75,004,632</b>	<b>\$ 77,170,796</b>	<b>\$ 77,599,864</b>
<b>Plan net pension liability - ending (a) - (b)</b>	<b>\$ 32,368,266</b>	<b>\$ 33,517,130</b>	<b>\$ 29,870,711</b>	<b>\$ 24,717,710</b>	<b>\$ 23,291,210</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>72.42%</b>	<b>70.65%</b>	<b>71.52%</b>	<b>75.74%</b>	<b>76.91%</b>
<b>Covered payroll</b>	<b>\$ 12,875,891</b>	<b>\$ 13,007,635</b>	<b>\$ 12,983,105</b>	<b>\$ 13,129,083</b>	<b>\$ 13,163,041</b>
<b>Plan net pension liability as a percentage of covered payroll</b>	<b>251.39%</b>	<b>257.67%</b>	<b>230.07%</b>	<b>188.27%</b>	<b>176.94%</b>

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

**Notes to Schedule:**

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

**Changes of Assumptions:** There were no significant changes in assumptions in 2019. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amounts reported were based on the 7.5 percent discount rate.

**City of El Segundo**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Changes in Net Pension Liability and Related Ratios**  
**September 30, 2020**

Last Ten Fiscal Years<sup>1</sup>

**California Public Employees' Retirement System ("CalPERS") - Safety Rate Plan**

Measurement period and fiscal year	2015-16	2014-15	2013-14
<b>Total pension liability</b>			
Service cost	\$ 3,906,152	\$ 4,017,009	\$ 4,084,900
Interest	18,561,546	18,050,364	17,643,395
Changes of benefit terms	-	-	-
Changes of assumptions	-	(4,336,187)	-
Differences between expected and actual experience	(2,593,008)	(4,610,542)	-
Benefit payments, including refunds of employee contributions	(13,146,807)	(12,326,846)	(11,753,968)
<b>Net change in total pension liability</b>	<b>6,727,883</b>	<b>793,798</b>	<b>9,974,327</b>
<b>Total pension liability - beginning</b>	<b>249,847,921</b>	<b>249,054,123</b>	<b>239,079,796</b>
<b>Total pension liability - ending (a)</b>	<b>\$ 256,575,804</b>	<b>\$ 249,847,921</b>	<b>\$ 249,054,123</b>
<b>Pension fiduciary net position</b>			
Contributions - employer	\$ 6,497,421	\$ 6,155,214	\$ 5,466,181
Contributions - employee	1,288,776	1,697,612	1,556,189
Net investment income	792,070	3,716,152	25,110,451
Benefit payments, including refunds of employee contributions	(13,146,807)	(12,326,846)	(11,753,968)
Net plan to plan resource movement	256	568	-
Administrative expense	(101,008)	(186,524)	-
<b>Net change in plan fiduciary net position</b>	<b>(4,669,292)</b>	<b>(943,824)</b>	<b>20,378,853</b>
<b>Plan fiduciary net position - beginning</b>	<b>165,737,083</b>	<b>166,680,907</b>	<b>146,302,054</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 161,067,791</b>	<b>\$ 165,737,083</b>	<b>\$ 166,680,907</b>
<b>Plan net pension liability - ending (a) - (b)</b>	<b>\$ 95,508,013</b>	<b>\$ 84,110,838</b>	<b>\$ 82,373,216</b>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	<b>62.78%</b>	<b>66.34%</b>	<b>66.93%</b>
<b>Covered payroll</b>	<b>\$ 14,438,355</b>	<b>\$ 14,977,101</b>	<b>\$ 14,757,054</b>
<b>Plan net pension liability as a percentage of covered payroll</b>	<b>661.49%</b>	<b>561.60%</b>	<b>558.20%</b>

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

**Notes to Schedule:**

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

**Changes of Assumptions:** In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 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 El Segundo**  
**Required Supplementary Information (Unaudited)**  
**Schedule of the City's Proportionate Share of the Net Pension Liability and Related Ratios**  
**September 30, 2020**

Last Ten Fiscal Years<sup>1</sup>

**California Public Employees' Retirement System ("CalPERS") - Safety Rate Plan**

Measurement period and fiscal year	2019-20	2018-19	2017-18	2016-17
City Proportion of the Net Pension Liability	1.7727%	1.7839%	1.1081%	1.0764%
City's Proportionate Share of the net Pension Liability	\$ 118,102,353	\$ 111,360,318	\$ 106,775,573	\$ 106,751,685
City's Covered Payroll	\$ 13,583,547	\$ 12,490,385	\$ 12,742,792	\$ 12,697,818
City's Proportionate Share of the Net Pension Liability as a Percentage of Its Covered Payroll	869.45%	891.57%	837.93%	840.71%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Total Pension Liability	75.10%	75.26%	75.26%	73.31%

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

**Changes in Assumptions:**

From measurement period and fiscal year 2016-17 to 2017-18:

The discount rate was reduced from 7.65% to 7.15%.

From measurement period and fiscal year 2017-18 to 2018-19:

There were no significant changes in assumptions.

**City of El Segundo**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Changes in Net Pension Liability and Related Ratios**  
**September 30, 2020**

Last Ten Fiscal Years<sup>1</sup>

**Public Agency Retirement System Defined Benefit Plan**

Fiscal year	2019-20	2018-19
Measurement period	2018-19	2017-18
<b>Total pension liability</b>		
Service cost	\$ -	\$ -
Interest	126,122	115,441
Changes of assumptions	-	(62,152)
Differences between expected and actual experience	-	187,849
Benefit payments, including refunds of employee contributions	(97,156)	(196,140)
<b>Net change in total pension liability</b>	28,966	44,998
<b>Total pension liability - beginning</b>	2,241,998	2,197,000
<b>Total pension liability - ending (a)</b>	\$ 2,270,964	\$ 2,241,998
<b>Pension fiduciary net position</b>		
Contributions - employer	\$ 158,000	\$ 158,000
Contributions - employee	-	-
Net investment income	53,443	69,282
Benefit payments, including refunds of employee contributions	(97,156)	(196,140)
Administrative expense	(5,517)	(5,455)
<b>Net change in plan fiduciary net position</b>	108,770	25,687
<b>Plan fiduciary net position - beginning<sup>2</sup></b>	1,087,687	1,062,000
<b>Plan fiduciary net position - ending (b)</b>	\$ 1,196,457	\$ 1,087,687
<b>Plan net pension liability - ending (a) - (b)</b>	\$ 1,074,507	\$ 1,154,311
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	52.68%	48.51%
<b>Covered payroll</b>	N/A	N/A
<b>Plan net pension liability as a percentage of covered payroll</b>	N/A	N/A

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

**Changes in Assumptions:**

Actuarial valuation date	June 30, 2016
Fiscal year	2017-18 and 2016-17
Measurement period	2016-17 and 2015-16
Discount rate	5.50%
Rate of return on assets	5.50%
Inflation rate	5.50%
Mortality, retirement, disability, and termination	CalPERS 1997-2011
	Experience Study
Mortality improvement scale	Scale MP-2014

**City of El Segundo**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Changes in Net Pension Liability and Related Ratios**  
**September 30, 2020**

Last Ten Fiscal Years<sup>1</sup>

**Public Agency Retirement System Defined Benefit Plan**

Fiscal year	2017-18	2016-17	2015-16	2014-15
Measurement period	2016-17	2015-16	2014-15	2013-14
<b>Total pension liability</b>				
Service cost	\$ -	\$ -	\$ -	\$ 54,000
Interest	119,000	121,000	113,000	110,000
Changes of assumptions	-	-	140,000	-
Differences between expected and actual experience	-	-	93,000	-
Benefit payments, including refunds of employee contributions	(174,000)	(141,000)	(81,000)	(37,000)
<b>Net change in total pension liability</b>	(55,000)	(20,000)	265,000	127,000
<b>Total pension liability - beginning</b>	2,252,000	2,272,000	2,007,000	1,880,000
<b>Total pension liability - ending (a)</b>	<u>\$ 2,197,000</u>	<u>\$ 2,252,000</u>	<u>\$ 2,272,000</u>	<u>\$ 2,007,000</u>
<b>Pension fiduciary net position</b>				
Contributions - employer	\$ 236,000	\$ -	\$ -	\$ -
Contributions - employee	-	16,000	167,000	193,000
Net investment income	91,000	72,000	(11,000)	52,000
Benefit payments, including refunds of employee contributions	(174,000)	(141,000)	(81,000)	(37,000)
Administrative expense	(5,000)	(5,000)	(5,000)	(5,000)
<b>Net change in plan fiduciary net position</b>	148,000	(58,000)	70,000	203,000
<b>Plan fiduciary net position - beginning<sup>2</sup></b>	914,000	972,000	902,000	699,000
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ 1,062,000</u>	<u>\$ 914,000</u>	<u>\$ 972,000</u>	<u>\$ 902,000</u>
<b>Plan net pension liability - ending (a) - (b)</b>	<u>\$ 1,135,000</u>	<u>\$ 1,338,000</u>	<u>\$ 1,300,000</u>	<u>\$ 1,105,000</u>
<b>Plan fiduciary net position as a percentage of the total pension liability</b>	48.34%	40.59%	42.78%	44.94%
<b>Covered payroll</b>	N/A	N/A	N/A	N/A
<b>Plan net pension liability as a percentage of covered payroll</b>	N/A	N/A	N/A	N/A

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

**City of El Segundo**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions**  
**For the Year Ended September 30, 2020**

Last Ten Fiscal Years<sup>1</sup>

**California Public Employees' Retirement System ("CalPERS") - Miscellaneous Rate Plan**

Fiscal year	2019-20	2018-19
Actuarially determined contribution <sup>2</sup>	\$ 3,695,146	\$ 3,421,223
Contributions in relation to the actuarially determined contribution <sup>2</sup>	(3,695,146)	(3,728,014)
Contribution deficiency (excess)	\$ -	\$ (306,791)
Covered payroll	\$ 14,446,483	\$ 13,136,731
Contributions as a percentage of covered payroll	25.58%	28.38%

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

<sup>2</sup> Employers are assumed to make contributions equal to the actuarially determined contributions. However, some employers may choose to make additional contributions towards their unfunded liability. Employer contributions for such plans exceed the actuarially determined contributions.

**Notes to Schedule:**

Valuation date	6/30/2018	6/30/2017
<b>Methods and Assumptions Used to Determine Contribution Rates:</b>		
Actuarial cost method	Entry age	Entry age
Amortization method	(1)	(1)
Asset valuation method	Fair value	Fair value
Inflation		
Salary increases	(2)	(2)
Investment rate of return	7.25% (3)	7.25% (3)
Retirement age	(4)	(4)
Mortality	(5)	(5)

- (1) Level percentage of payroll, closed
- (2) Depending on age, service, and type of employment
- (3) Net of pension plan investment expense, including inflation
- (4) The probabilities of Retirement are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011.
- (5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

**City of El Segundo**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions (Continued)**  
**For the Year Ended September 30, 2020**

Last Ten Fiscal Years<sup>1</sup>

**California Public Employees' Retirement System ("CalPERS") - Miscellaneous Rate Plan**

Fiscal year	2017-18	2016-17	2015-16	2014-15	2013-14
Actuarially determined contribution <sup>2</sup>	\$ 2,712,223	\$ 2,360,497	\$ 2,267,956	\$ 2,047,988	\$ 2,631,370
Contributions in relation to the actuarially determined contribution <sup>2</sup>	(3,291,215)	(2,360,497)	(2,267,956)	(2,047,988)	(2,631,370)
Contribution deficiency (excess)	\$ (578,992)	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 12,842,526	\$ 11,980,872	\$ 12,484,558	\$ 12,279,995	\$ 12,782,090
Contributions as a percentage of covered payroll	25.63%	19.70%	18.17%	16.68%	20.59%

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

<sup>2</sup> Employers are assumed to make contributions equal to the actuarially determined contributions. However, some employers may choose to make additional contributions towards their unfunded liability. Employer contributions for such plans exceed the actuarially determined contributions.

**Notes to Schedule:**

Valuation date	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
<b>Methods and Assumptions Used to Determine Contribution Rates:</b>					
Actuarial cost method	Entry age				
Amortization method	(1)	(1)	(1)	(1)	(1)
Asset valuation method	Fair value	Fair value	Fair value	Fair value	Market value
Inflation		2.75%	2.75%	2.75%	2.75%
Salary increases	(2)	(2)	(2)	(2)	(2)
Investment rate of return	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

- (1) Level percentage of payroll, closed
- (2) Depending on age, service, and type of employment
- (3) Net of pension plan investment expense, including inflation
- (4) The probabilities of Retirement are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011.
- (5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

**City of El Segundo**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions**  
**For the Year Ended September 30, 2020**

Last Ten Fiscal Years<sup>1</sup>

**California Public Employees' Retirement System ("CalPERS") - Safety Rate Plan**

Fiscal year	2019-20	2018-19
Actuarially determined contribution	\$ 10,830,665	\$ 9,186,753
Contributions in relation to the actuarially determined contribution	(10,830,665)	(10,424,853)
Contribution deficiency (excess)	\$ -	\$ (1,238,100)
Covered payroll	\$ 13,606,528	\$ 12,668,674
Contributions as a percentage of covered payroll	79.60%	82.29%

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

**Notes to Schedule:**

Valuation date	6/30/2018	6/30/2017
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**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial cost method	Entry age	Entry age
Amortization method	(1)	(1)
Asset valuation method	Fair value	Fair value
Inflation		
Salary increases	(2)	(2)
Investment rate of return	7.25% (3)	7.25% (3)
Retirement age	(4)	(4)
Mortality	(5)	(5)

- (1) Level percentage of payroll, closed
- (2) Depending on age, service, and type of employment
- (3) Net of pension plan investment expense, including inflation
- (4) The probabilities of Retirement are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011.
- (5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

**City of El Segundo**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions (Continued)**  
**For the Year Ended September 30, 2020**

Last Ten Fiscal Years<sup>1</sup>

**California Public Employees' Retirement System ("CalPERS") - Safety Rate Plan**

Fiscal year	2017-18	2016-17	2015-16	2014-15	2013-14
Actuarially determined contribution	\$ 8,480,050	\$ 5,282,029	\$ 6,581,713	\$ 6,355,099	\$ 6,316,752
Contributions in relation to the actuarially determined contribution	<u>(8,500,586)</u>	<u>(5,282,029)</u>	<u>(6,581,713)</u>	<u>(6,355,099)</u>	<u>(6,316,752)</u>
Contribution deficiency (excess)	<u>\$ (20,536)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	<u>\$ 12,614,944</u>	<u>\$ 12,410,252</u>	<u>\$ 13,711,733</u>	<u>\$ 13,863,160</u>	<u>\$ 14,420,062</u>
Contributions as a percentage of covered payroll	67.39%	42.56%	48.00%	45.84%	43.81%

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

**Notes to Schedule:**

Valuation date	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
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**Methods and Assumptions Used to Determine Contribution Rates:**

	Entry age				
Actuarial cost method	(1)	(1)	(1)	(1)	(1)
Amortization method	(1)	(1)	(1)	(1)	(1)
Asset valuation method	Fair value	Fair value	Fair value	Fair value	Market value
Inflation		2.75%	2.75%	2.75%	2.75%
Salary increases	(2)	(2)	(2)	(2)	(2)
Investment rate of return	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

- (1) Level percentage of payroll, closed
- (2) Depending on age, service, and type of employment
- (3) Net of pension plan investment expense, including inflation
- (4) The probabilities of Retirement are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011.
- (5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

**City of El Segundo**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions**  
**For the Year Ended September 30, 2020**

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Last Ten Fiscal Years<sup>1</sup>

**Public Agency Retirement System Defined Benefit Plan**

Fiscal year	2019-20	2018-19	2017-18
Actuarially determined contribution	\$ 158,000	\$ 158,000	\$ 158,000
Contributions in relation to the actuarially determined contribution	(158,000)	(158,000)	(158,000)
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Covered payroll	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A

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

**Notes to Schedule:**

Methods and assumptions used to determine contribution rates:

Fiscal year	2019-20	2018-19	2017-18
Actuarial valuation date	6/30/16	6/30/16	6/30/16
Actuarial cost method		Entry Age Normal	
Amortization method		Level Dollar, Closed	
Asset valuation method		Market value	
Inflation	3.00%	3.00%	3.00%
Cost of Living Adjustment	2.00%	2.00%	2.00%
Investment rate of return	5.50%	5.50%	5.50%
Mortality, retirement, disability, and termination		CalPERS 1997-2011 Experience Study	
Mortality improvement scale		Scale MP-2014	

**City of El Segundo**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions**  
**For the Year Ended September 30, 2020**

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Last Ten Fiscal Years<sup>1</sup>

**Public Agency Retirement System Defined Benefit Plan**

Fiscal year	2016-17	2015-16	2014-15
Actuarially determined contribution	\$ 118,000	\$ 118,000	\$ -
Contributions in relation to the actuarially determined contribution	(236,000)	-	-
Contribution deficiency (excess)	\$ (118,000)	\$ 118,000	\$ -
Covered payroll	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A

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

**City of El Segundo**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Changes in Total OPEB Liability and Related Ratios**  
**September 30, 2020**

Last Ten Fiscal Years

**Other Postemployment Benefits ("OPEB") Plan**

Measurement period and fiscal year	2019-20	2018-19	2017-18
<b>Total OPEB liability</b>			
Service cost	\$ 1,325,398	\$ 1,428,884	\$ 1,387,266
Interest	4,096,818	4,265,776	4,137,853
Changes of benefit terms	-	(4,289,232)	-
Changes of assumptions	(1,323,051)	-	-
Differences between expected and actual experience	(6,345,201)	-	-
Benefit payments, including refunds	(3,868,684)	(3,741,351)	(3,601,811)
<b>Net change in total OPEB liability</b>	<b>(6,114,720)</b>	<b>(2,335,923)</b>	<b>1,923,308</b>
<b>Total OPEB liability - beginning</b>	<b>61,302,549</b>	<b>63,638,472</b>	<b>61,715,164</b>
<b>Total OPEB liability - ending (a)</b>	<b>\$ 55,187,829</b>	<b>\$ 61,302,549</b>	<b>\$ 63,638,472</b>
<b>OPEB fiduciary net position</b>			
Contributions - employer	\$ 4,425,712	\$ 4,399,351	\$ 4,026,811
Contributions - employee	-	-	-
Net investment income	884,584	1,431,779	1,634,752
Benefit payments, including refunds of employee contributions	(3,868,684)	(3,741,351)	(3,601,811)
Administrative expense	(21,262)	(4,901)	(38,164)
<b>Net change in plan fiduciary net position</b>	<b>1,420,350</b>	<b>2,084,878</b>	<b>2,021,588</b>
<b>Plan fiduciary net position - beginning</b>	<b>24,641,464</b>	<b>22,556,586</b>	<b>20,534,998</b>
<b>Plan fiduciary net position - ending (b)</b>	<b>\$ 26,061,814</b>	<b>\$ 24,641,464</b>	<b>\$ 22,556,586</b>
<b>Plan net OPEB liability - ending (a) - (b)</b>	<b>\$ 29,126,015</b>	<b>\$ 36,661,085</b>	<b>\$ 41,081,886</b>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	<b>47.22%</b>	<b>40.20%</b>	<b>35.44%</b>
<b>Covered payroll<sup>1</sup></b>	<b>\$ 32,938,247</b>	<b>\$ 25,506,339</b>	<b>\$ 25,512,342</b>
<b>Plan net OPEB liability as a percentage of covered payroll</b>	<b>88.43%</b>	<b>143.73%</b>	<b>161.03%</b>

<sup>1</sup> For the 12-month period ended on June 30, 2018 (Measurement Date).

**Changes in Benefit Terms:**

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

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

**Changes in Assumptions**

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

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

**City of El Segundo**  
**Required Supplementary Information (Unaudited)**  
**Schedule of Contributions**  
**For the Year Ended September 30, 2020**

Last Ten Fiscal Years

**Other Postemployment Benefits ("OPEB") Plan**

Fiscal years	2019-20	2018-19	2017-18
Actuarially determined contribution	\$ 4,436,000	\$ 4,306,000	\$ 3,876,000
Contributions in relation to the actuarially determined contribution	(4,455,502)	(4,435,351)	(4,044,912)
Contribution deficiency (excess)	\$ (19,502)	\$ (129,351)	\$ (168,912)
Covered payroll <sup>2</sup>	\$ 34,151,544	\$ 26,049,352	\$ 25,382,610
Contributions as a percentage of covered payroll <sup>2</sup>	13.05%	17.03%	15.94%

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

<sup>2</sup> Determined for the 12 month period ending on September 30, 2018 (fiscal year end).

**Notes to Schedule:**

The actuarial methods and assumptions used to set the actuarially determined contributions are as follows:

Methods and assumptions used to determine contribution rates:

Date of actuarial valuation report	6/30/2017	6/30/2017	6/30/2015
Actuarial cost method	Entry Age Normal		
Amortization method	Level percentage of payroll		
Amortization period	22 years	23 years	25 years
Asset valuation method	Investment gains and losses spread over 5-year rolling period		
Discount rate	6.75%	6.75%	7.50%
General inflation	2.75%	2.75%	3.00%
Medical trend	(2)	(2)	(1)
Mortality, withdrawal, disability	(4)	(4)	(3)

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

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

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

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

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## **SUPPLEMENTARY INFORMATION**

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**City of El Segundo**  
**Combining Schedule - Balance Sheet**  
**General Funds**  
**September 30, 2020**

	General	Economic Uncertainty Fund	Hyperion Mitigation Fund
<b>ASSETS</b>			
Cash and investments	\$ 18,047,477	\$ 2,000,004	\$ 106,444
Restricted cash	4,482,363	-	-
Receivables:			
Taxes	4,566,739	-	-
Accounts	552,739	-	-
Interest	290,487	-	-
Notes and loans	17,500	-	-
Due from other funds	409,361	-	-
Due from other governments	646,269	-	-
Inventories	100,264	-	-
Prepays	7,819,879	-	-
<b>Total assets</b>	<b>\$ 36,933,078</b>	<b>\$ 2,000,004</b>	<b>\$ 106,444</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 1,163,214	\$ -	\$ -
Accrued liabilities	2,265,341	-	-
Retentions payable	2,336	-	-
Unearned revenue	30,868	-	-
Deposits payable	583,426	-	-
<b>Total liabilities</b>	<b>4,045,185</b>	<b>-</b>	<b>-</b>
<b>Deferred inflows of resources</b>			
Unavailable revenues	1,019,330	-	-
<b>Total deferred inflows of resources</b>	<b>1,019,330</b>	<b>-</b>	<b>-</b>
<b>Fund balances:</b>			
Nonspendable	7,937,643	-	-
Restricted	4,482,363	-	-
Assigned	1,218,994	-	-
Unassigned	18,229,563	2,000,004	106,444
<b>Total fund balances</b>	<b>31,868,563</b>	<b>2,000,004</b>	<b>106,444</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 36,933,078</b>	<b>\$ 2,000,004</b>	<b>\$ 106,444</b>

**City of El Segundo**  
**Combining Schedule - Balance Sheet (Continued)**  
**General Funds**  
**September 30, 2020**

	Facilities Maintenance Fund	Project Deposits Fund	Total
<b>ASSETS</b>			
Cash and investments	\$ -	\$ 1,956,144	\$ 22,110,069
Restricted cash	-	-	4,482,363
Receivables:			
Taxes	-	-	4,566,739
Accounts	-	-	552,739
Interest	-	-	290,487
Notes and loans	-	-	17,500
Due from other funds	-	-	409,361
Due from other governments	-	-	646,269
Inventories	-	-	100,264
Prepays	-	-	7,819,879
<b>Total assets</b>	<b>\$ -</b>	<b>\$ 1,956,144</b>	<b>\$ 40,995,670</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ -	\$ 102,905	\$ 1,266,119
Accrued liabilities	-	-	2,265,341
Retentions payable	-	-	2,336
Unearned revenue	-	-	30,868
Deposits payable	-	65,370	648,796
<b>Total liabilities</b>	<b>-</b>	<b>168,275</b>	<b>4,213,460</b>
<b>Deferred inflows of resources</b>			
Unavailable revenues	-	-	1,019,330
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>1,019,330</b>
<b>Fund balances:</b>			
Nonspendable	-	-	7,937,643
Restricted	-	-	4,482,363
Assigned	-	1,315,897	2,534,891
Unassigned	-	471,972	20,807,983
<b>Total fund balances</b>	<b>-</b>	<b>1,787,869</b>	<b>35,762,880</b>
<b>Total liabilities and fund balances</b>	<b>\$ -</b>	<b>\$ 1,956,144</b>	<b>\$ 40,995,670</b>

**City of El Segundo**  
**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**General Funds**  
**For the Year Ended September 30, 2020**

	General	Economic Uncertainty Fund	Hyperion Mitigation Fund
<b>REVENUES:</b>			
Taxes	\$ 47,730,728	\$ -	\$ -
Licenses and permits	14,234,600	-	-
Intergovernmental	-	-	-
Charges for services	4,073,968	-	-
Use of money and property	3,391,924	-	838
Fines and forfeitures	273,083	-	-
Developer Fees	110,876	-	-
Miscellaneous	2,548,226	-	-
<b>Total revenues</b>	<b>72,363,405</b>	<b>-</b>	<b>838</b>
<b>EXPENDITURES:</b>			
Current:			
General government	18,915,481	-	-
Public safety	39,958,597	-	-
Public works	7,226,521	-	6,681
Community and cultural	8,315,678	-	-
Capital outlay	15,704	-	-
Debt service:			
Principal retirement	54,286	-	-
Interest and fiscal charges	139,714	-	-
<b>Total expenditures</b>	<b>74,625,981</b>	<b>-</b>	<b>6,681</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(2,262,576)</b>	<b>-</b>	<b>(5,843)</b>
<b>OTHER FINANCING USES:</b>			
Transfers in	140,000	-	-
Transfers out	(1,249,000)	-	-
<b>Total other financing uses</b>	<b>(1,109,000)</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(3,371,576)</b>	<b>-</b>	<b>(5,843)</b>
<b>FUND BALANCES:</b>			
Beginning of year	35,240,139	2,000,004	112,287
End of year	\$ 31,868,563	\$ 2,000,004	\$ 106,444

**City of El Segundo**  
**Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances (Continued)**  
**General Funds**  
**For the Year Ended September 30, 2020**

	Facilities Maintenance Fund	Project Deposits Fund	Total
<b>REVENUES:</b>			
Taxes	\$ -	\$ -	\$ 47,730,728
Licenses and permits	-	-	14,234,600
Intergovernmental	-	-	-
Charges for services	-	233,631	4,307,599
Use of money and property	-	-	3,392,762
Fines and forfeitures	-	-	273,083
Developer Fees	-	-	110,876
Miscellaneous	-	-	2,548,226
<b>Total revenues</b>	<b>-</b>	<b>233,631</b>	<b>72,597,874</b>
<b>EXPENDITURES:</b>			
Current:			
General government	-	29,886	18,945,367
Public safety	-	-	39,958,597
Public works	-	-	7,233,202
Community and cultural	-	-	8,315,678
Capital outlay	-	-	15,704
Debt service:			
Principal retirement	-	-	54,286
Interest and fiscal charges	-	-	139,714
<b>Total expenditures</b>	<b>-</b>	<b>29,886</b>	<b>74,662,548</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>-</b>	<b>203,745</b>	<b>(2,064,674)</b>
<b>OTHER FINANCING USES:</b>			
Transfers in	-	-	140,000
Transfers out	-	-	(1,249,000)
<b>Total other financing uses</b>	<b>-</b>	<b>-</b>	<b>(1,109,000)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>-</b>	<b>203,745</b>	<b>(3,173,674)</b>
<b>FUND BALANCES:</b>			
Beginning of year	-	1,584,124	38,936,554
End of year	\$ -	\$ 1,787,869	\$ 35,762,880

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# NON-MAJOR GOVERNMENTAL FUNDS

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## Special Revenue Funds:

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

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

***Certified Union Program Agencies*** - Accounts for revenues and expenditures for the Endorsement and Emergency Response Program (EERP), a consolidation of six environmental programs at the local level.

***Community Development Block Grant (CDBG)*** - Accounts for revenues received from the Department of Housing & Urban Development (HUD). These revenues must be expended to accomplish one of the following objectives: elimination of slum or blight to low and moderate income persons; or, to meet certain urgent community development needs. The City of El Segundo uses this revenue to fund eligible senior activities such as in-home care; art classes; counseling; and home delivered meals, administered by the Planning & Building Safety Department. (Note: Beginning in fiscal year 2015-2016, the City decided to fund urgent community development needs such as senior in-home care, delivered meals, etc. from the General Fund at to solely use CDBG funds to build access ramps to comply with the Americans with Disabilities Act (ADA).

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

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

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

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

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# NON-MAJOR GOVERNMENTAL FUNDS

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## Special Revenue Funds (Continued):

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

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

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

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

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

***Federal Grants Fund*** - Accounts for revenues and expenditures for each Federal grant awarded to the City.

***State & County Grants Fund*** - Accounts for revenues and expenditures for each State or County grant awarded to the City.

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

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

***Measure M Fund*** - Accounts for the one-half (1/2) cent Sales Tax approved by the voters in November 2016. These revenues must be spent to ease traffic congestion.

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# NON-MAJOR GOVERNMENTAL FUNDS

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## Special Revenue Funds (Continued):

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

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

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

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

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

## Debt Service Fund:

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

## Capital Projects Fund:

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

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**City of El Segundo  
Combining Balance Sheet  
Nonmajor Governmental Funds  
September 30, 2020**

	Special Revenue Funds				
	State Gas Tax	Residential Sound Insulation	Certified Union Program Agencies	Community Development Block Grant	Asset Forfeiture
<b>ASSETS</b>					
Cash and investments	\$ 128,634	\$ 453,493	\$ 278,994	\$ -	\$ 742,104
Receivables:					
Accounts	-	-	41,852	-	-
Interest	-	134	-	-	-
Notes and loans	-	-	-	49,405	-
Due from other governments	-	-	-	-	-
Prepays	11,052	-	73,997	-	-
<b>Total assets</b>	<u>\$ 139,686</u>	<u>\$ 453,627</u>	<u>\$ 394,843</u>	<u>\$ 49,405</u>	<u>\$ 742,104</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 80	\$ -	\$ 53,971	\$ -	\$ 16,856
Accrued liabilities	6,892	-	21,788	-	21
Retentions payable	-	-	-	-	-
Due to other funds	-	-	-	10,664	-
Unearned revenue	-	-	-	-	-
Deposits payable	-	-	-	-	-
<b>Total liabilities</b>	<u>6,972</u>	<u>-</u>	<u>75,759</u>	<u>10,664</u>	<u>16,877</u>
<b>Deferred inflows of resources:</b>					
Unavailable revenue	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances:</b>					
Nonspendable	11,052	-	73,997	-	-
Restricted	121,662	453,627	245,087	38,741	725,227
Assigned	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-
<b>Total fund balances</b>	<u>132,714</u>	<u>453,627</u>	<u>319,084</u>	<u>38,741</u>	<u>725,227</u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<u>\$ 139,686</u>	<u>\$ 453,627</u>	<u>\$ 394,843</u>	<u>\$ 49,405</u>	<u>\$ 742,104</u>

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

	Special Revenue Funds				
	Prop A	Prop C	Traffic Safety	Air Pollution Reduction	SB 821 Bikeway
<b>ASSETS</b>					
Cash and investments	\$ 902,124	\$ 865,992	\$ 44,518	\$ 96,906	\$ 58,697
Receivables:					
Accounts	-	-	-	-	-
Interest	-	-	-	-	-
Notes and loans	-	-	-	-	-
Due from other governments	-	24,815	1,770	-	-
Prepays	-	-	-	-	-
<b>Total assets</b>	<b>\$ 902,124</b>	<b>\$ 890,807</b>	<b>\$ 46,288</b>	<b>\$ 96,906</b>	<b>\$ 58,697</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 863	\$ 8,446	\$ -	\$ -	\$ -
Accrued liabilities	324	-	-	-	-
Retentions payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Deposits payable	-	-	-	-	-
<b>Total liabilities</b>	<b>1,187</b>	<b>8,446</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Deferred inflows of resources:</b>					
Unavailable revenue	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund balances:</b>					
Nonspendable	-	-	-	-	-
Restricted	900,937	882,361	46,288	96,906	58,697
Assigned	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-
<b>Total fund balances</b>	<b>900,937</b>	<b>882,361</b>	<b>46,288</b>	<b>96,906</b>	<b>58,697</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 902,124</b>	<b>\$ 890,807</b>	<b>\$ 46,288</b>	<b>\$ 96,906</b>	<b>\$ 58,697</b>

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

	Special Revenue Funds				
	C.O.P.S.	MTA Grant	Measure R	Federal Grants	State Grants
<b>ASSETS</b>					
Cash and investments	\$ 275,747	\$ 308,314	\$ 879,942	\$ -	\$ 101,244
Receivables:					
Accounts	-	-	-	-	-
Interest	-	-	-	-	-
Notes and loans	-	-	-	-	-
Due from other governments	56,727	-	-	209,898	-
Prepays	-	-	-	-	-
<b>Total assets</b>	<u>\$ 332,474</u>	<u>\$ 308,314</u>	<u>\$ 879,942</u>	<u>\$ 209,898</u>	<u>\$ 101,244</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-	-
Retentions payable	-	-	-	-	-
Due to other funds	-	-	-	53,305	-
Unearned revenue	-	294,218	-	-	-
Deposits payable	-	-	-	-	-
<b>Total liabilities</b>	<u>-</u>	<u>294,218</u>	<u>-</u>	<u>53,305</u>	<u>-</u>
<b>Deferred inflows of resources:</b>					
Unavailable revenue	-	-	-	202,710	-
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>202,710</u>	<u>-</u>
<b>Fund balances:</b>					
Nonspendable	-	-	-	-	-
Restricted	332,474	14,096	879,942	-	101,244
Assigned	-	-	-	-	-
Unassigned (deficit)	-	-	-	(46,117)	-
<b>Total fund balances</b>	<u>332,474</u>	<u>14,096</u>	<u>879,942</u>	<u>(46,117)</u>	<u>101,244</u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<u>\$ 332,474</u>	<u>\$ 308,314</u>	<u>\$ 879,942</u>	<u>\$ 209,898</u>	<u>\$ 101,244</u>

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

	Special Revenue Funds				
	PSAF Property Tax Public Safety	Senior Housing	Measure M	SB 1	Certified Access Specialist Program
<b>ASSETS</b>					
Cash and investments	\$ 134,092	\$ 1,831,242	\$ 740,529	\$ 625,813	\$ 72,190
Receivables:					
Accounts	-	3,585	-	-	-
Interest	-	-	-	-	-
Notes and loans	-	-	-	-	-
Due from other governments	2,591	-	-	28,412	-
Prepays	-	-	-	-	-
<b>Total assets</b>	<u>\$ 136,683</u>	<u>\$ 1,834,827</u>	<u>\$ 740,529</u>	<u>\$ 654,225</u>	<u>\$ 72,190</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ 1,694	\$ -	\$ -	\$ -
Accrued liabilities	-	7,488	-	-	105
Retentions payable	-	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Deposits payable	-	845,423	-	-	-
<b>Total liabilities</b>	<u>-</u>	<u>854,605</u>	<u>-</u>	<u>-</u>	<u>105</u>
<b>Deferred inflows of resources:</b>					
Unavailable revenue	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balances:</b>					
Nonspendable	-	-	-	-	-
Restricted	136,683	980,222	740,529	654,225	72,085
Assigned	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-
<b>Total fund balances</b>	<u>136,683</u>	<u>980,222</u>	<u>740,529</u>	<u>654,225</u>	<u>72,085</u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<u>\$ 136,683</u>	<u>\$ 1,834,827</u>	<u>\$ 740,529</u>	<u>\$ 654,225</u>	<u>\$ 72,190</u>

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

	Special Revenue Funds			Debt Service Fund	Capital Projects Fund	Total
	Affordable Housing	Cultural Development	Special Revenues / Donations	Facility Lease	Capital Improvement	
<b>ASSETS</b>						
Cash and investments	\$ 5,300,000	\$ 529,056	\$ 1,119,915	\$ 1,030,291	\$ 4,533,119	\$ 21,052,956
Receivables:						
Accounts	-	-	25,000	-	-	70,437
Interest	-	-	-	-	-	134
Notes and loans	-	-	-	-	-	49,405
Due from other governments	-	-	-	-	-	324,213
Prepays	-	-	-	-	-	85,049
<b>Total assets</b>	<u>\$ 5,300,000</u>	<u>\$ 529,056</u>	<u>\$ 1,144,915</u>	<u>\$ 1,030,291</u>	<u>\$ 4,533,119</u>	<u>\$ 21,582,194</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>						
<b>Liabilities:</b>						
Accounts payable	\$ 2,250	\$ -	\$ 9,395	\$ -	\$ 357,811	\$ 451,366
Accrued liabilities	-	-	-	-	-	36,618
Retentions payable	-	-	-	-	14,133	14,133
Due to other funds	-	-	-	-	-	63,969
Unearned revenue	-	-	-	-	-	294,218
Deposits payable	-	-	-	-	-	845,423
<b>Total liabilities</b>	<u>2,250</u>	<u>-</u>	<u>9,395</u>	<u>-</u>	<u>371,944</u>	<u>1,705,727</u>
<b>Deferred inflows of resources:</b>						
Unavailable revenue	-	-	-	-	-	202,710
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>202,710</u>
<b>Fund balances:</b>						
Nonspendable	-	-	-	-	-	85,049
Restricted	5,297,750	529,056	1,135,520	1,030,291	-	15,473,650
Assigned	-	-	-	-	4,161,175	4,161,175
Unassigned (deficit)	-	-	-	-	-	(46,117)
<b>Total fund balances</b>	<u>5,297,750</u>	<u>529,056</u>	<u>1,135,520</u>	<u>1,030,291</u>	<u>4,161,175</u>	<u>19,673,757</u>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<u>\$ 5,300,000</u>	<u>\$ 529,056</u>	<u>\$ 1,144,915</u>	<u>\$ 1,030,291</u>	<u>\$ 4,533,119</u>	<u>\$ 21,582,194</u>

**City of El Segundo**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended September 30, 2020**

	Special Revenue Funds				
	State Gas Tax	Residential Sound Insulation	Certified Union Program Agencies Fund	Community Development Block Grant	Asset Forfeiture
<b>REVENUES:</b>					
Taxes	\$ -	\$ -	\$ 5,140	\$ -	\$ -
Licenses and permits	-	-	3,123	-	-
Intergovernmental	393,523	-	-	99,808	64,248
Charges for services	-	-	487,882	-	-
Use of money and property	607	5,137	1,393	-	4,931
Fines and forfeitures	-	-	61,650	-	-
Developer fees	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<b>Total revenues</b>	<b>394,130</b>	<b>5,137</b>	<b>559,188</b>	<b>99,808</b>	<b>69,179</b>
<b>EXPENDITURES:</b>					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	166,081
Public works	149,289	-	-	-	-
Community and cultural	-	465	608,659	-	-
Capital outlay	-	-	-	104,808	343,172
Debt Service:					
Principal retirement	-	-	-	-	-
Interest	-	-	-	-	-
<b>Total expenditures</b>	<b>149,289</b>	<b>465</b>	<b>608,659</b>	<b>104,808</b>	<b>509,253</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>244,841</b>	<b>4,672</b>	<b>(49,471)</b>	<b>(5,000)</b>	<b>(440,074)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>244,841</b>	<b>4,672</b>	<b>(49,471)</b>	<b>(5,000)</b>	<b>(440,074)</b>
<b>FUND BALANCES:</b>					
Beginning of year	(112,127)	448,955	368,555	43,741	1,165,301
End of year	<u>\$ 132,714</u>	<u>\$ 453,627</u>	<u>\$ 319,084</u>	<u>\$ 38,741</u>	<u>\$ 725,227</u>

**City of El Segundo**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For the Year Ended September 30, 2020**

	Special Revenue Funds				
	Prop A	Prop C	Traffic Safety	Air Pollution Reduction	SB 821 Bikeway
<b>REVENUES:</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	324,653	268,797	-	21,492	12,137
Charges for services	-	-	-	-	-
Use of money and property	7,033	8,020	-	555	405
Fines and forfeitures	-	-	32,312	-	-
Developer fees	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<b>Total revenues</b>	<b>331,686</b>	<b>276,817</b>	<b>32,312</b>	<b>22,047</b>	<b>12,542</b>
<b>EXPENDITURES:</b>					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Community and cultural	231,839	22,634	-	-	-
Capital outlay	-	159,052	-	28,798	-
Debt Service:					
Principal retirement	-	-	-	-	-
Interest	-	-	-	-	-
<b>Total expenditures</b>	<b>231,839</b>	<b>181,686</b>	<b>-</b>	<b>28,798</b>	<b>-</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>99,847</b>	<b>95,131</b>	<b>32,312</b>	<b>(6,751)</b>	<b>12,542</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	(140,000)	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(140,000)</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>99,847</b>	<b>95,131</b>	<b>(107,688)</b>	<b>(6,751)</b>	<b>12,542</b>
<b>FUND BALANCES:</b>					
Beginning of year	801,090	787,230	153,976	103,657	46,155
End of year	<u>\$ 900,937</u>	<u>\$ 882,361</u>	<u>\$ 46,288</u>	<u>\$ 96,906</u>	<u>\$ 58,697</u>

**City of El Segundo**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For the Year Ended September 30, 2020**

	Special Revenue Funds				
	C.O.P.S.	MTA Grant	Measure R	Federal Grants	State Grants
<b>REVENUES:</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	156,727	-	382,738	12,305	135,467
Charges for services	-	-	-	-	-
Use of money and property	2,582	2,429	8,065	-	-
Fines and forfeitures	-	-	-	-	-
Developer fees	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<b>Total revenues</b>	<b>159,309</b>	<b>2,429</b>	<b>390,803</b>	<b>12,305</b>	<b>135,467</b>
<b>EXPENDITURES:</b>					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Community and cultural	-	-	-	-	53,734
Capital outlay	43,471	-	1,525	-	-
Debt Service:					
Principal retirement	-	-	-	-	-
Interest	-	-	-	-	-
<b>Total expenditures</b>	<b>43,471</b>	<b>-</b>	<b>1,525</b>	<b>-</b>	<b>53,734</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>115,838</b>	<b>2,429</b>	<b>389,278</b>	<b>12,305</b>	<b>81,733</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>115,838</b>	<b>2,429</b>	<b>389,278</b>	<b>12,305</b>	<b>81,733</b>
<b>FUND BALANCES:</b>					
Beginning of year	216,636	11,667	490,664	(58,422)	19,511
End of year	<b>\$ 332,474</b>	<b>\$ 14,096</b>	<b>\$ 879,942</b>	<b>\$ (46,117)</b>	<b>\$ 101,244</b>

**City of El Segundo**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For the Year Ended September 30, 2020**

	Special Revenue Funds				
	PSAF Property Tax Public Safety	Senior Housing	Measure M	SB 1	Certified Access Specialist Program
<b>REVENUES:</b>					
Taxes	\$ 31,915	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	227,495	292,405	-
Charges for services	-	-	-	-	22,070
Use of money and property	1,104	24,852	6,356	5,330	695
Fines and forfeitures	-	-	-	-	-
Developer fees	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<b>Total revenues</b>	<b>33,019</b>	<b>24,852</b>	<b>233,851</b>	<b>297,735</b>	<b>22,765</b>
<b>EXPENDITURES:</b>					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Community and cultural	-	78,444	-	-	-
Capital outlay	-	-	-	1,007	-
Debt Service:					
Principal retirement	-	-	-	-	-
Interest	-	-	-	-	-
<b>Total expenditures</b>	<b>-</b>	<b>78,444</b>	<b>-</b>	<b>1,007</b>	<b>-</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>33,019</b>	<b>(53,592)</b>	<b>233,851</b>	<b>296,728</b>	<b>22,765</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>33,019</b>	<b>(53,592)</b>	<b>233,851</b>	<b>296,728</b>	<b>22,765</b>
<b>FUND BALANCES:</b>					
Beginning of year	103,664	1,033,814	506,678	357,497	49,320
End of year	<u>\$ 136,683</u>	<u>\$ 980,222</u>	<u>\$ 740,529</u>	<u>\$ 654,225</u>	<u>\$ 72,085</u>

**City of El Segundo**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For the Year Ended September 30, 2020**

	Special Revenue Funds			Debt Service Fund	Capital Projects Fund	Total
	Affordable Housing	Cultural Development	Special Revenues / Donations	Facility Lease	Capital Improvement	
<b>REVENUES:</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,055
Licenses and permits	-	-	-	-	-	3,123
Intergovernmental	-	-	-	-	-	2,391,795
Charges for services	-	-	-	-	-	509,952
Use of money and property	-	-	-	-	-	79,494
Fines and forfeitures	-	-	-	-	-	93,962
Developer fees	5,300,000	529,056	-	354,024	-	6,183,080
Miscellaneous	-	-	723,722	-	87,603	811,325
<b>Total revenues</b>	<b>5,300,000</b>	<b>529,056</b>	<b>723,722</b>	<b>354,024</b>	<b>87,603</b>	<b>10,109,786</b>
<b>EXPENDITURES:</b>						
Current:						
General government	-	-	-	19,513	-	19,513
Public safety	-	-	-	-	-	166,081
Public works	-	-	-	-	-	149,289
Community and cultural	2,250	-	185,532	-	-	1,183,557
Capital outlay	-	-	-	-	2,464,726	3,146,559
Debt Service:						
Principal retirement	-	-	-	325,995	-	325,995
Interest	-	-	-	186,666	-	186,666
<b>Total expenditures</b>	<b>2,250</b>	<b>-</b>	<b>185,532</b>	<b>532,174</b>	<b>2,464,726</b>	<b>5,177,660</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>5,297,750</b>	<b>529,056</b>	<b>538,190</b>	<b>(178,150)</b>	<b>(2,377,123)</b>	<b>4,932,126</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	-	-	-	1,249,000	1,249,000
Transfers out	-	-	-	-	-	(140,000)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,249,000</b>	<b>1,109,000</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>5,297,750</b>	<b>529,056</b>	<b>538,190</b>	<b>(178,150)</b>	<b>(1,128,123)</b>	<b>6,041,126</b>
<b>FUND BALANCES:</b>						
Beginning of year	-	-	597,330	1,208,441	5,289,298	13,632,631
End of year	\$ 5,297,750	\$ 529,056	\$ 1,135,520	\$ 1,030,291	\$ 4,161,175	\$ 19,673,757

**City of El Segundo**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - State Gas Tax Special Revenue Fund**  
**For the Year Ended September 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 378,684	\$ 378,684	\$ 393,523	\$ 14,839
Use of money and property	6,120	6,120	607	(5,513)
<b>Total revenues</b>	<u>384,804</u>	<u>384,804</u>	<u>394,130</u>	<u>9,326</u>
<b>EXPENDITURES:</b>				
Current:				
Public Works	406,681	406,681	149,289	257,392
Capital outlay	-	10,470	-	10,470
<b>Total expenditures</b>	<u>406,681</u>	<u>417,151</u>	<u>149,289</u>	<u>267,862</u>
<b>Net change in fund balances</b>	<u>\$ (21,877)</u>	<u>\$ (32,347)</u>	244,841	<u>\$ 277,188</u>
<b>FUND BALANCE (DEFICIT):</b>				
Beginning of year			<u>(112,127)</u>	
End of year			<u>\$ 132,714</u>	

**City of El Segundo**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - Residential Sound Insulation Special Revenue Fund**  
**For the Year Ended September 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 510	\$ 510	\$ 5,137	\$ 4,627
Miscellaneous	-	-	-	-
<b>Total revenues</b>	<u>510</u>	<u>510</u>	<u>5,137</u>	<u>4,627</u>
<b>EXPENDITURES:</b>				
Current:				
Community and cultural	-	-	465	(465)
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>465</u>	<u>(465)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>510</u>	<u>510</u>	<u>4,672</u>	<u>4,162</u>
<b>OTHER FINANCING SOURCES:</b>				
Transfers in	-	-	-	-
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net change in fund balances</b>	<u>\$ 510</u>	<u>\$ 510</u>	4,672	<u>\$ 4,162</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>448,955</u>	
End of year			<u>\$ 453,627</u>	

**City of El Segundo**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - Certified Union Program Agencies Special Revenue Fund**  
**For the Year Ended September 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 9,105	\$ 9,105	\$ 5,140	\$ (3,965)
Licesnes and permits	-	-	3,123	3,123
Charges for services	425,765	425,765	487,882	62,117
Use of money and property	-	-	1,393	1,393
Fines and forfeitures	-	-	61,650	61,650
<b>Total revenues</b>	<b>434,870</b>	<b>434,870</b>	<b>559,188</b>	<b>124,318</b>
<b>EXPENDITURES:</b>				
Current:				
Community and cultural	641,065	641,065	608,659	32,406
<b>Total expenditures</b>	<b>641,065</b>	<b>641,065</b>	<b>608,659</b>	<b>32,406</b>
<b>Net change in fund balances</b>	<b>\$ (206,195)</b>	<b>\$ (206,195)</b>	<b>(49,471)</b>	<b>\$ 156,724</b>
<b>FUND BALANCE:</b>				
Beginning of year			368,555	
End of year			<b>\$ 319,084</b>	

**City of El Segundo**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - Community Development Block Grant Special Revenue Fund**  
**For the Year Ended September 30, 2020**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 51,000	\$ 51,000	\$ 99,808	\$ 48,808
<b>Total revenues</b>	<u>51,000</u>	<u>51,000</u>	<u>99,808</u>	<u>48,808</u>
<b>EXPENDITURES:</b>				
Capital outlay	152,556	152,556	104,808	47,748
<b>Total expenditures</b>	<u>152,556</u>	<u>152,556</u>	<u>104,808</u>	<u>47,748</u>
<b>Net change in fund balances</b>	<u>\$ (101,556)</u>	<u>\$ (101,556)</u>	\$ (5,000)	<u>\$ 96,556</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>43,741</u>	
End of year			<u>\$ 38,741</u>	

**City of El Segundo**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - Asset Forfeiture Special Revenue Fund**  
**For the Year Ended September 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ -	\$ -	\$ 64,248	\$ 64,248
Use of money and property	-	-	4,931	4,931
<b>Total revenues</b>	<b>-</b>	<b>-</b>	<b>69,179</b>	<b>69,179</b>
<b>EXPENDITURES:</b>				
Current:				
Public safety	375,500	375,500	166,081	209,419
Capital outlay	370,000	621,977	343,172	278,805
<b>Total expenditures</b>	<b>745,500</b>	<b>997,477</b>	<b>509,253</b>	<b>488,224</b>
<b>Net change in fund balances</b>	<b>\$ (745,500)</b>	<b>\$ (997,477)</b>	<b>\$ (440,074)</b>	<b>\$ 557,403</b>
<b>FUND BALANCE:</b>				
Beginning of year			1,165,301	
End of year			<b>\$ 725,227</b>	

**City of El Segundo**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - Prop A Special Revenue Fund**  
**For the Year Ended September 30, 2020**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 325,008	\$ 325,008	\$ 324,653	\$ (355)
Use of money and property	5,100	5,100	7,033	1,933
<b>Total revenues</b>	<u>330,108</u>	<u>330,108</u>	<u>331,686</u>	<u>1,578</u>
<b>EXPENDITURES:</b>				
Current:				
Community and cultural	390,356	390,356	231,839	158,517
<b>Total expenditures</b>	<u>390,356</u>	<u>390,356</u>	<u>231,839</u>	<u>158,517</u>
<b>Net change in fund balances</b>	<u>\$ (60,248)</u>	<u>\$ (60,248)</u>	\$ 99,847	<u>\$ 160,095</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>801,090</u>	
End of year			<u>\$ 900,937</u>	

**City of El Segundo**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - Prop C Special Revenue Fund**  
**For the Year Ended September 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 267,174	\$ 267,174	\$ 268,797	\$ 1,623
Use of money and property	6,120	6,120	8,020	1,900
<b>Total revenues</b>	<u>273,294</u>	<u>273,294</u>	<u>276,817</u>	<u>3,523</u>
<b>EXPENDITURES:</b>				
Current:				
Community and cultural	107,053	107,053	22,634	84,419
Capital outlay	240,000	463,500	159,052	304,448
<b>Total expenditures</b>	<u>347,053</u>	<u>570,553</u>	<u>181,686</u>	<u>388,867</u>
<b>Net change in fund balances</b>	<u>\$ (73,759)</u>	<u>\$ (297,259)</u>	\$ 95,131	<u>\$ 392,390</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>787,230</u>	
End of year			<u>\$ 882,361</u>	

**City of El Segundo**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - Traffic Safety Special Revenue Fund**  
**For the Year Ended September 30, 2020**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 82	\$ 82	\$ -	\$ (82)
Fines and forfeitures	30,600	30,600	32,312	1,712
<b>Total revenues</b>	<u>30,682</u>	<u>30,682</u>	<u>32,312</u>	<u>1,630</u>
<b>OTHER FINANCING SOURCES:</b>				
Transfer out	(140,000)	(140,000)	(140,000)	-
<b>Net change in fund balances</b>	<u>\$ (109,318)</u>	<u>\$ (109,318)</u>	(107,688)	<u>\$ 1,630</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>153,976</u>	
End of year			<u>\$ 46,288</u>	

**City of El Segundo**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - Air Pollution Reduction Special Revenue Fund**  
**For the Year Ended September 30, 2020**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 15,300	\$ 15,300	\$ 21,492	\$ 6,192
Use of money and property	510	510	555	45
<b>Total revenues</b>	<u>15,810</u>	<u>15,810</u>	<u>22,047</u>	<u>6,237</u>
<b>EXPENDITURES:</b>				
Capital outlay	63,000	91,666	28,798	62,868
<b>Total expenditures</b>	<u>63,000</u>	<u>91,666</u>	<u>28,798</u>	<u>62,868</u>
<b>Net change in fund balances</b>	<u>\$ (47,190)</u>	<u>\$ (75,856)</u>	<u>\$ (6,751)</u>	<u>\$ 69,105</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>103,657</u>	
End of year			<u>\$ 96,906</u>	

**City of El Segundo**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - SB 821 Special Revenue Fund**  
**For the Year Ended September 30, 2020**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 11,071	\$ 11,071	\$ 12,137	\$ 1,066
Use of money and property	459	459	405	(54)
<b>Total revenues</b>	<u>11,530</u>	<u>11,530</u>	<u>12,542</u>	<u>1,012</u>
<b>EXPENDITURES:</b>				
Capital outlay	50,000	58,137	-	58,137
<b>Total expenditures</b>	<u>50,000</u>	<u>58,137</u>	<u>-</u>	<u>58,137</u>
<b>Net change in fund balances</b>	<u>\$ (38,470)</u>	<u>\$ (46,607)</u>	\$ 12,542	<u>\$ 59,149</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>46,155</u>	
End of year			<u>\$ 58,697</u>	

**City of El Segundo**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - C.O.P.S. Special Revenue Fund**  
**For the Year Ended September 30, 2020**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 102,000	\$ 102,000	\$ 156,727	\$ 54,727
Use of money and property	1,530	1,530	2,582	1,052
<b>Total revenues</b>	<u>103,530</u>	<u>103,530</u>	<u>159,309</u>	<u>55,779</u>
<b>EXPENDITURES:</b>				
Capital outlay	175,000	175,000	43,471	131,529
<b>Total expenditures</b>	<u>175,000</u>	<u>175,000</u>	<u>43,471</u>	<u>131,529</u>
<b>Net change in fund balances</b>	<u>\$ (71,470)</u>	<u>\$ (71,470)</u>	\$ 115,838	<u>\$ 187,308</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>216,636</u>	
End of year			<u>\$ 332,474</u>	

**City of El Segundo**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - Measure R Special Revenue Fund**  
**For the Year Ended September 30, 2020**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 200,384	\$ 200,384	\$ 382,738	\$ 182,354
Use of money and property	5,100	5,100	8,065	2,965
<b>Total revenues</b>	<u>205,484</u>	<u>205,484</u>	<u>390,803</u>	<u>185,319</u>
<b>EXPENDITURES:</b>				
Capital outlay	563,866	597,218	1,525	595,693
<b>Total expenditures</b>	<u>563,866</u>	<u>597,218</u>	<u>1,525</u>	<u>595,693</u>
<b>Net change in fund balances</b>	<u>\$ (358,382)</u>	<u>\$ (391,734)</u>	\$ 389,278	<u>\$ 781,012</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>490,664</u>	
End of year			<u>\$ 879,942</u>	

**City of El Segundo**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - Federal Grants Special Revenue Fund**  
**For the Year Ended September 30, 2020**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 233,748	\$ 233,748	\$ 12,305	\$ (221,443)
<b>Total revenues</b>	<u>233,748</u>	<u>233,748</u>	<u>12,305</u>	<u>(221,443)</u>
<b>EXPENDITURES:</b>				
Current:				
Community and cultural	150,000	373,845	-	373,845
<b>Total expenditures</b>	<u>150,000</u>	<u>373,845</u>	<u>-</u>	<u>373,845</u>
<b>Net change in fund balances</b>	<u>\$ 83,748</u>	<u>\$ (140,097)</u>	<u>\$ 12,305</u>	<u>\$ 152,402</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>(58,422)</u>	
End of year			<u>\$ (46,117)</u>	

**City of El Segundo**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - State Grants Special Revenue Fund**  
**For the Year Ended September 30, 2020**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 240,000	\$ 230,000	\$ 135,467	\$ (94,533)
<b>Total revenues</b>	240,000	230,000	135,467	(94,533)
<b>EXPENDITURES:</b>				
Current:				
Community and cultural	40,000	40,000	53,734	(13,734)
<b>Total expenditures</b>	40,000	40,000	53,734	(13,734)
<b>Net change in fund balances</b>	\$ 200,000	\$ 190,000	\$ 81,733	\$ (108,267)
<b>FUND BALANCE:</b>				
Beginning of year			19,511	
End of year			\$ 101,244	

**City of El Segundo**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - PSAF Property Tax Public Safety Special Revenue Fund**  
**For the Year Ended September 30, 2020**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Taxes	\$ 25,500	\$ 25,500	\$ 31,915	\$ 6,415
Use of money and property	-	-	1,104	1,104
<b>Total revenues</b>	<u>25,500</u>	<u>25,500</u>	<u>33,019</u>	<u>7,519</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	<u>100,000</u>	<u>100,000</u>	-	<u>100,000</u>
<b>Total expenditures</b>	<u>100,000</u>	<u>100,000</u>	-	<u>100,000</u>
<b>Net change in fund balances</b>	<u>\$ (74,500)</u>	<u>\$ (74,500)</u>	\$ 33,019	<u>\$ 107,519</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>103,664</u>	
End of year			<u>\$ 136,683</u>	

**City of El Segundo**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - Senior Housing Special Revenue Fund**  
**For the Year Ended September 30, 2020**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Use of money and property	\$ 2,714	\$ 2,714	\$ 24,852	\$ 22,138
<b>Total revenues</b>	<u>2,714</u>	<u>2,714</u>	<u>24,852</u>	<u>22,138</u>
<b>EXPENDITURES:</b>				
Current:				
Community and cultural	14,113	14,113	78,444	(64,331)
<b>Total expenditures</b>	<u>14,113</u>	<u>14,113</u>	<u>78,444</u>	<u>(64,331)</u>
<b>Net change in fund balances</b>	<u>\$ (11,399)</u>	<u>\$ (11,399)</u>	<u>\$ (53,592)</u>	<u>\$ (42,193)</u>
<b>FUND BALANCE:</b>				
Beginning of year			1,033,814	
End of year			<u>\$ 980,222</u>	

**City of El Segundo**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - Measure M Special Revenue Fund**  
**For the Year Ended September 30, 2020**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 246,330	\$ 246,330	\$ 227,495	\$ (18,835)
Use of money and property	-	-	6,356	6,356
<b>Total revenues</b>	<u>246,330</u>	<u>246,330</u>	<u>233,851</u>	<u>(12,479)</u>
<b>EXPENDITURES:</b>				
Capital outlay	241,500	241,500	-	241,500
<b>Total expenditures</b>	<u>241,500</u>	<u>241,500</u>	<u>-</u>	<u>241,500</u>
<b>Net change in fund balances</b>	<u>\$ 4,830</u>	<u>\$ 4,830</u>	\$ 233,851	<u>\$ 229,021</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>506,678</u>	
End of year			<u>\$ 740,529</u>	

**City of El Segundo**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - SB 1 Special Revenue Fund**  
**For the Year Ended September 30, 2020**

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	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Intergovernmental	\$ 127,704	\$ 127,704	\$ 292,405	\$ 164,701
Use of money and property	-	-	5,330	5,330
<b>Total revenues</b>	<u>127,704</u>	<u>127,704</u>	<u>297,735</u>	<u>170,031</u>
<b>EXPENDITURES:</b>				
Capital outlay	285,071	285,071	1,007	284,064
<b>Total expenditures</b>	<u>285,071</u>	<u>285,071</u>	<u>1,007</u>	<u>284,064</u>
<b>Net change in fund balances</b>	<u>\$ (157,367)</u>	<u>\$ (157,367)</u>	\$ 296,728	<u>\$ 454,095</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>357,497</u>	
End of year			<u>\$ 654,225</u>	

**City of El Segundo**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - Facility Lease Debt Service Fund**  
**For the Year Ended September 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Developer fees	\$ 183,600	\$ 183,600	\$ 354,024	\$ 170,424
<b>Total revenues</b>	<u>183,600</u>	<u>183,600</u>	<u>354,024</u>	<u>170,424</u>
<b>EXPENDITURES:</b>				
Current:				
General government	30,000	30,000	19,513	10,487
Debt Service:				
Principal retirement	320,000	320,000	325,995	(5,995)
Interest	195,000	195,000	186,666	8,334
<b>Total expenditures</b>	<u>545,000</u>	<u>545,000</u>	<u>532,174</u>	<u>12,826</u>
<b>Net change in fund balances</b>	<u>\$ (361,400)</u>	<u>\$ (361,400)</u>	\$ (178,150)	<u>\$ 183,250</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>1,208,441</u>	
End of year			<u>\$ 1,030,291</u>	

**City of El Segundo**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balances**  
**Budget and Actual - Capital Improvemets Capital Projects Fund**  
**For the Year Ended September 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Miscellaneous	-	-	\$ 87,603	\$ 87,603
<b>Total revenues</b>	-	-	87,603	87,603
<b>EXPENDITURES:</b>				
Capital outlay	2,749,000	7,086,282	2,464,726	4,621,556
<b>Total expenditures</b>	2,749,000	7,086,282	2,464,726	4,621,556
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	(2,749,000)	(7,086,282)	(2,377,123)	(4,533,953)
<b>OTHER FINANCING SOURCES:</b>				
Transfers in	2,749,000	2,749,000	1,249,000	1,500,000
<b>Total other financing sources</b>	2,749,000	2,749,000	1,249,000	1,500,000
<b>Net change in fund balances</b>	\$ -	\$ (4,337,282)	\$ (1,128,123)	\$ (3,033,953)
<b>FUND BALANCE:</b>				
Beginning of year			5,289,298	
End of year			\$ 4,161,175	

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# INTERNAL SERVICE FUNDS

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## **Internal Service Funds:**

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

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

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

**City of El Segundo**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
**September 30, 2020**

	Equipment Replacement Fund	Liability Insurance Fund	Workers' Compensation Fund	Total
<b>ASSETS</b>				
<b>Current Assets:</b>				
Cash and investments	\$ 5,085,284	\$ 349,408	\$ 6,610,242	\$ 12,044,934
Accounts receivable	40,000	-	-	40,000
Prepaid items	-	882,106	855,761	1,737,867
<b>Total current assets</b>	<b>5,125,284</b>	<b>1,231,514</b>	<b>7,466,003</b>	<b>13,822,801</b>
<b>Noncurrent assets:</b>				
Advance to other funds	5,577,910	-	-	5,577,910
Capital assets, being depreciated	4,476,493	-	-	4,476,493
<b>Total noncurrent assets</b>	<b>10,054,403</b>	<b>-</b>	<b>-</b>	<b>10,054,403</b>
<b>Total assets</b>	<b>15,179,687</b>	<b>1,231,514</b>	<b>7,466,003</b>	<b>23,877,204</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Deferred outflows of resources related to pension	-	6,715	7,425	14,140
Deferred outflows of resources related to OPEB	-	3,871	3,563	7,434
<b>Total deferred outflows of resources</b>	<b>-</b>	<b>10,586</b>	<b>10,988</b>	<b>21,574</b>
<b>LIABILITIES</b>				
<b>Current liabilities:</b>				
Accounts payable	100,770	12,043	45	112,858
Accrued liabilities	-	-	36,170	36,170
Claims and judgments, current portion	-	484,157	2,018,024	2,502,181
<b>Total current liabilities</b>	<b>100,770</b>	<b>496,200</b>	<b>2,054,239</b>	<b>2,651,209</b>
<b>Noncurrent liabilities:</b>				
Claims and judgments, net of current	-	849,843	9,573,976	10,423,819
Aggregate net pension liability	-	234,830	259,638	494,468
Total other postemployment benefit liability	-	70,423	64,810	135,233
<b>Total noncurrent liabilities</b>	<b>-</b>	<b>1,155,096</b>	<b>9,898,424</b>	<b>11,053,520</b>
<b>Total liabilities</b>	<b>100,770</b>	<b>1,651,296</b>	<b>11,952,663</b>	<b>13,704,729</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred inflows of resources related to pensions	-	892	986	1,878
Deferred inflows of resources related to OPEB	-	14,975	13,782	28,757
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>15,867</b>	<b>14,768</b>	<b>30,635</b>
<b>NET POSITION (DEFICIT)</b>				
Investment in capital assets	4,476,493	-	-	4,476,493
Unrestricted (deficit)	10,602,424	(425,063)	(4,490,440)	5,686,921
<b>Total net position (deficit)</b>	<b>\$ 15,078,917</b>	<b>\$ (425,063)</b>	<b>\$ (4,490,440)</b>	<b>\$ 10,163,414</b>

**City of El Segundo**  
**Combining Statement of Revenues, Expenses and Changes in Fund Net Position**  
**Internal Service Funds**  
**For the Year Ended September 30, 2020**

	Equipment Replacement Fund	Liability Insurance Fund	Workers' Compensation Fund	Total
<b>OPERATING REVENUES:</b>				
Interdepartmental charges	\$ 2,129,441	\$ 1,893,779	\$ 3,393,938	\$ 7,417,158
Miscellaneous	161,833	-	480,706	642,539
<b>Total operating revenues</b>	<b>2,291,274</b>	<b>1,893,779</b>	<b>3,874,644</b>	<b>8,059,697</b>
<b>OPERATING EXPENSES:</b>				
Personnel services	-	254,345	262,756	517,101
Materials and supplies	131,785	-	316	132,101
Insurance and claims	-	2,488,549	4,316,271	6,804,820
Depreciation	873,996	-	-	873,996
<b>Total operating expenses</b>	<b>1,005,781</b>	<b>2,742,894</b>	<b>4,579,343</b>	<b>8,328,018</b>
<b>OPERATING INCOME</b>	<b>1,285,493</b>	<b>(849,115)</b>	<b>(704,699)</b>	<b>(268,321)</b>
<b>NONOPERATING EXPENSES:</b>				
Loss on disposal of capital assets	-	-	-	-
<b>Total nonoperating expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INCOME BEFORE CAPITAL CONTRIBUTIONS</b>	<b>1,285,493</b>	<b>(849,115)</b>	<b>(704,699)</b>	<b>(268,321)</b>
<b>CAPITAL CONTRIBUTIONS</b>	<b>265,589</b>	<b>-</b>	<b>-</b>	<b>265,589</b>
<b>CHANGES IN NET POSITION</b>	<b>1,551,082</b>	<b>(849,115)</b>	<b>(704,699)</b>	<b>(2,732)</b>
<b>NET POSITION:</b>				
Beginning of the year	13,527,835	424,052	(3,785,741)	10,166,146
End of the year	<u>\$ 15,078,917</u>	<u>\$ (425,063)</u>	<u>\$ (4,490,440)</u>	<u>\$ 10,163,414</u>

**City of El Segundo**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
**For the Year Ended September 30, 2020**

	Equipment Replacement Fund	Liability Insurance Fund	Workers' Compensation Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from users	\$ 2,251,274	\$ 1,893,779	\$ 3,875,213	\$ 8,020,266
Payments for insurance claims	-	(1,736,320)	(3,381,271)	(5,117,591)
Payments to suppliers	(1,251,740)	-	(175,392)	(1,427,132)
Payments to employees		(159,139)	(101,110)	(260,249)
<b>Net cash provided (used) by operating activities</b>	<u>999,534</u>	<u>(1,680)</u>	<u>217,440</u>	<u>1,215,294</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Cash paid to other funds	(43,568)	-	-	(43,568)
<b>Net cash provided by noncapital financing activities</b>	<u>(43,568)</u>	<u>-</u>	<u>-</u>	<u>(43,568)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Acquisition and construction of capital assets	(530,736)	-	-	(530,736)
<b>Net cash used by capital and related financing activities</b>	<u>(530,736)</u>	<u>-</u>	<u>-</u>	<u>(530,736)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	425,230	(1,680)	217,440	640,990
<b>CASH AND CASH EQUIVALENTS:</b>				
Beginning of year	4,660,054	351,088	6,392,802	11,403,944
End of year	<u>\$ 5,085,284</u>	<u>\$ 349,408</u>	<u>\$ 6,610,242</u>	<u>\$ 12,044,934</u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED) BY OPERATING ACTIVITIES:</b>				
Operating income	\$ 1,285,493	\$ (849,115)	\$ (704,699)	\$ (268,321)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:				
Depreciation	873,996	-	-	873,996
(Increase) decrease in:				
Accounts receivable	(40,000)	-	569	(39,431)
Prepaid items	-	57,946	(100,563)	(42,617)
Deferred outflows of resources - pension	-	(5,463)	(6,535)	(11,998)
Deferred outflows of resources - OPEB	-	(1,463)	(1,489)	(2,952)
Increase (decrease) in:				
Accounts payable	(1,119,955)	62,544	(262)	(1,057,673)
Accrued liabilities	-	(59,261)	(74,251)	(133,512)
Claims and judgments	-	691,000	935,000	1,626,000
Net pension liability	-	110,378	171,211	281,589
Net other postemployment liability	-	(21,862)	(14,688)	(36,550)
Deferred inflows of resources - pension	-	(1,218)	(514)	(1,732)
Deferred inflows of resources - OPEB	-	14,834	13,661	28,495
Total adjustments	<u>(285,959)</u>	<u>847,435</u>	<u>922,139</u>	<u>1,483,615</u>
<b>Net cash provided (used) by operating activities</b>	<u>\$ 999,534</u>	<u>\$ (1,680)</u>	<u>\$ 217,440</u>	<u>\$ 1,215,294</u>
<b>Non-Cash Investing, Capital, and Financing Activities</b>				
Capital assets contributed by other funds	<u>\$ 265,589</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 265,589</u>

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# FIDUCIARY FUNDS

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**Agency Fund:**

*Project Deposits Fund* (Refundable) - Accounts for project deposits from developers which will be refundable after the projects are done.

**City of El Segundo**  
**Statement of Changes in Fiduciary Assets and Liabilities**  
**Agency Funds**  
**For the Year Ended September 30, 2020**

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	Balance October 1, 2019	Additions	Deductions	Balance September 30, 2020
<b>ASSETS</b>				
Cash and investments	\$ 409,727	\$ 338,532	\$ (321,896)	\$ 426,363
Accounts receivable	-	617	-	617
<b>Total assets</b>	<b>\$ 409,727</b>	<b>\$ 339,149</b>	<b>\$ (321,896)</b>	<b>\$ 426,980</b>
<b>LIABILITIES</b>				
Accounts payable	\$ 42,599	\$ 252,735	\$ (261,203)	\$ 34,131
Deposits payable	367,128	342,738	(317,017)	392,849
<b>Total liabilities</b>	<b>\$ 409,727</b>	<b>\$ 595,473</b>	<b>\$ (578,220)</b>	<b>\$ 426,980</b>

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## STATISTICAL SECTION

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## City of El Segundo Statistical Section

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This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<b>Contents</b>	<b><u>Page</u></b>
<b>Financial Trends</b> <i>These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.</i>	<b>172</b>
<b>Revenue Capacity</b> <i>These schedules contain information to help the reader assess the city's most significant local revenue source, the property tax.</i>	<b>180</b>
<b>Debt Capacity</b> <i>These schedules present information to help the reader assess the affordability of the city's current levels of outstanding debt and the city's ability to issue additional debt in the future.</i>	<b>185</b>
<b>Demographic and Economic Information</b> <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the city's financial activities take place.</i>	<b>192</b>
<b>Operating Information</b> <i>These schedules contain service and infrastructure data to help the reader understand how the information in the city's financial report relates to the services the city provides and the activities it performs.</i>	<b>194</b>

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The city implemented GASB Statement 34 in 2003; schedules presenting government-wide information include information beginning in that year.

**CITY OF EL SEGUNDO**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year				
	2011	2012	2013	2014	2015
Governmental activities:					
Invested in capital assets, net of related debt	94,655,626	92,822,442	94,098,755	93,534,776	90,783,595
Restricted	8,055,325	10,941,373	6,276,645	8,054,083	8,922,448
Unrestricted	<u>22,462,477</u>	<u>14,728,936</u>	<u>15,050,409</u>	<u>22,170,866</u>	<u>(89,732,982)</u>
Total governmental activities net position	<u>125,173,428</u>	<u>118,492,751</u>	<u>115,425,809</u>	<u>123,759,725</u>	<u>9,973,061</u>
Business-type activities:					
Invested in capital assets, net of related debt	21,360,061	21,009,889	20,675,297	21,771,266	22,657,797
Restricted	-	-	-	-	-
Unrestricted	<u>1,113,161</u>	<u>3,362,263</u>	<u>7,484,917</u>	<u>11,652,989</u>	<u>12,247,482</u>
Total business-type activities net position	<u>22,473,222</u>	<u>24,372,152</u>	<u>28,160,214</u>	<u>33,424,255</u>	<u>34,905,279</u>
Primary government:					
Invested in capital assets, net of related debt	116,015,687	113,832,331	114,774,052	115,306,042	113,441,392
Restricted	8,055,325	10,941,373	6,276,645	8,054,083	8,922,448
Unrestricted	<u>23,575,638</u>	<u>18,091,199</u>	<u>22,535,326</u>	<u>33,823,855</u>	<u>(77,485,500)</u>
Total primary government net position	<u>147,646,650</u>	<u>142,864,903</u>	<u>143,586,023</u>	<u>157,183,980</u>	<u>44,878,340</u>

**CITY OF EL SEGUNDO**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year				
	2016	2017	2018	2019	2020
Governmental activities:					
Invested in capital assets, net of related debt	90,014,262	92,615,618	93,775,527	93,823,843	91,747,670
Restricted	8,562,915	7,372,369	7,882,394	11,082,956	21,263,102
Unrestricted	<u>(86,756,004)</u>	<u>(91,119,511)</u>	<u>(129,410,242)</u>	<u>(125,853,873)</u>	<u>(134,246,639)</u>
Total governmental activities net position	<u>11,821,173</u>	<u>8,868,476</u>	<u>(27,752,321)</u>	<u>(20,947,074)</u>	<u>(21,235,867)</u>
Business-type activities:					
Invested in capital assets, net of related debt	25,387,562	27,679,609	30,800,645	31,244,813	30,667,983
Restricted	-	-	-	-	-
Unrestricted	<u>12,855,184</u>	<u>15,808,634</u>	<u>10,485,483</u>	<u>22,534,785</u>	<u>23,693,166</u>
Total business-type activities net position	<u>38,242,746</u>	<u>43,488,243</u>	<u>41,286,128</u>	<u>53,779,598</u>	<u>54,361,149</u>
Primary government:					
Invested in capital assets, net of related debt	115,401,824	120,295,227	124,576,172	125,068,656	122,415,653
Restricted	8,562,915	7,372,369	7,882,394	11,082,956	21,263,102
Unrestricted	<u>(73,900,820)</u>	<u>(75,310,877)</u>	<u>(118,924,759)</u>	<u>(103,319,088)</u>	<u>(110,553,473)</u>
Total primary government net position	<u>50,063,919</u>	<u>52,356,719</u>	<u>13,533,807</u>	<u>32,832,524</u>	<u>33,125,282</u>

**CITY OF EL SEGUNDO**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year				
	2011	2012	2013	2014	2015
<b>Expenses:</b>					
Governmental activities:					
General government	11,882,856	12,537,230	12,048,465	11,813,797	14,984,299
Public safety	31,638,027	32,238,620	32,790,373	31,891,478	41,422,188
Public works	7,903,942	7,988,435	9,123,850	8,459,550	9,150,452
Community development	9,115,175	13,877,815	15,681,868	12,065,582	21,038,253
Interest on long-term debt	258,581	16,182	(15,914)	457,655	457,994
Total governmental activities expenses	60,798,581	66,658,282	69,628,642	64,688,062	87,053,186
Business-type activities:					
Water	19,811,233	22,452,371	21,988,089	23,946,676	25,035,801
Wastewater	2,847,527	2,528,839	2,908,241	2,980,026	3,484,104
Solid Waste	-	-	-	-	-
Golf Course	2,043,141	1,973,712	2,017,716	2,091,413	2,190,195
Total business-type activities expenses	24,701,901	26,954,922	26,914,046	29,018,115	30,710,100
Total primary government expenses	85,500,482	93,613,204	96,542,688	93,706,177	117,763,286
<b>Program revenues:</b>					
Governmental activities:					
Charges for services:					
General government	457,671	581,718	419,008	421,649	635,350
Public safety	1,743,941	1,568,107	1,663,384	1,522,081	1,948,464
Public works	32,102	15,190	14,262	50,489	267,748
Community development	3,941,316	5,081,885	5,030,006	5,796,983	6,733,395
Operating grants and contributions	2,101,494	1,508,499	2,699,324	2,629,490	2,052,527
Capital grants and contributions	595,807	7,815,458	7,646,118	7,469,236	14,487,783
Total governmental activities program revenues	8,872,331	16,570,857	17,472,102	17,889,928	26,125,267
Business-type activities:					
Charges for services:					
Water	22,800,787	23,344,919	25,048,713	28,032,902	29,304,012
Wastewater	4,274,392	3,236,359	3,574,272	3,389,450	3,568,042
Solid Waste	-	-	-	-	-
Golf Course	1,945,415	1,919,435	2,111,937	2,045,652	1,939,165
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	-	-	-	-	-
Total business-type activities program revenues	29,020,594	28,500,713	30,734,922	33,468,004	34,811,219
Total primary government program revenues	37,892,925	45,071,570	48,207,024	51,357,932	60,936,486
<b>Net revenues (expenses):</b>					
Governmental activities	(51,926,250)	(50,087,425)	(52,156,540)	(46,798,134)	(60,927,919)
Business-type activities	4,318,693	1,545,791	3,820,876	4,449,889	4,101,119
Total net revenues (expenses)	(47,607,557)	(48,541,634)	(48,335,664)	(42,348,245)	(56,826,800)
<b>General revenues and other changes in net assets:</b>					
Governmental activities:					
Taxes:					
Property taxes	7,549,483	7,365,363	7,910,980	8,452,120	8,380,084
Sales tax	11,383,167	10,623,237	9,099,745	10,297,709	11,442,632
Transient occupancy taxes	4,301,696	4,735,585	5,156,080	5,964,403	5,423,972
Other taxes	18,559,063	18,587,882	25,314,387	28,809,018	27,765,133
Motor vehicle in lieu, unrestricted	73,736	8,754	7,245	6,998	-
Investment income	925,388	393,719	113,173	324,825	331,238
Other general revenues	2,532,872	1,692,208	1,487,988	1,277,597	813,211
Transfers	-	-	-	-	-
Total governmental activities	45,325,405	43,406,748	49,089,598	55,132,670	54,156,270
Business-type activities:					
Investment income	-	99,690	21,378	152,874	254,662
Other	33,136	63,795	35,600	42,379	19,730
Transfers	-	-	-	-	-
Total business-type activities	33,136	163,485	56,978	195,253	274,392
Total primary government	45,358,541	43,570,233	49,146,576	55,327,923	54,430,662
<b>Changes in net position:</b>					
Governmental activities	(6,600,845)	(6,680,677)	(3,066,942)	8,334,536	(6,771,649)
Business-type activities	4,351,829	1,709,276	3,877,854	4,645,142	4,375,511
Total primary government	(2,249,016)	(4,971,401)	810,912	12,979,678	(2,396,138)

**CITY OF EL SEGUNDO**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year				
	2016	2017	2018	2019	2020
<b>Expenses:</b>					
Governmental activities:					
General government	14,165,449	14,869,930	16,215,039	17,788,600	18,698,011
Public safety	35,612,565	42,891,455	44,847,122	40,878,258	43,330,009
Public works	7,440,438	7,474,391	9,413,340	9,534,893	11,713,451
Community development	9,298,275	11,407,811	10,442,877	11,321,339	10,058,912
Interest on long-term debt	441,712	361,470	242,750	337,350	324,830
Total governmental activities expenses	66,958,439	77,005,057	81,161,128	79,860,440	84,125,213
Business-type activities:					
Water	25,454,732	26,508,256	27,907,911	26,525,468	25,014,972
Wastewater	3,517,640	4,048,104	4,164,437	3,336,645	4,978,350
Solid Waste	-	-	-	-	248,012
Golf Course	2,136,456	2,017,104	1,990,092	1,674,851	1,553,159
Total business-type activities expenses	31,108,828	32,573,464	34,062,440	31,536,964	31,794,493
Total primary government expenses	98,067,267	109,578,521	115,223,568	111,397,404	115,919,706
<b>Program revenues:</b>					
Governmental activities:					
Charges for services:					
General government	631,274	445,394	371,345	364,486	258,538
Public safety	1,637,884	1,523,519	2,058,888	1,624,718	1,545,947
Public works	11,199	16,643	1,201	-	26,524
Community development	5,708,772	6,516,792	6,477,503	7,473,096	5,390,803
Operating grants and contributions	1,808,463	1,189,900	1,858,256	4,148,187	2,932,318
Capital grants and contributions	2,174,898	1,737,376	1,197,981	2,580,996	7,691,323
Total governmental activities program revenues	11,972,490	11,429,624	11,965,174	16,191,483	17,845,453
Business-type activities:					
Charges for services:					
Water	28,281,456	31,626,637	27,779,828	33,824,119	26,404,788
Wastewater	4,090,187	4,275,264	4,348,849	4,475,896	4,194,630
Solid Waste	-	-	-	-	-
Golf Course	1,828,549	1,604,258	1,650,376	1,643,682	1,484,846
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	-	-	-	375,000	-
Total business-type activities program revenues	34,200,192	37,506,159	33,779,053	40,318,697	32,084,264
Total primary government program revenues	46,172,682	48,935,783	45,744,227	56,510,180	49,929,717
<b>Net revenues (expenses):</b>					
Governmental activities	(54,985,949)	(65,575,433)	(69,195,954)	(63,668,957)	(66,279,760)
Business-type activities	3,091,364	4,932,695	(283,387)	8,781,733	289,771
Total net revenues (expenses)	(51,894,585)	(60,642,738)	(69,479,341)	(54,887,224)	(65,989,989)
<b>General revenues and other changes in net assets:</b>					
Governmental activities:					
Taxes:					
Property taxes	8,884,423	9,093,795	10,444,931	11,138,625	11,816,366
Sales tax	12,089,552	12,201,208	10,636,769	13,023,091	12,006,731
Transient occupancy taxes	7,597,007	12,876,631	13,885,312	14,598,200	8,760,763
Other taxes	26,730,933	27,021,575	29,498,067	28,391,959	28,059,801
Motor vehicle in lieu, unrestricted	6,859	7,461	-	-	-
Investment income	646,338	532,728	760,598	2,440,102	3,420,790
Other general revenues	1,396,608	889,337	1,954,399	1,682,211	1,926,516
Transfers	-	-	-	-	-
Total governmental activities	57,351,720	62,622,735	67,180,076	71,274,188	65,990,967
Business-type activities:					
Investment income	222,348	170,178	176,212	1,139,315	291,780
Other	23,755	142,624	16,929	23,926	-
Transfers	-	-	-	-	-
Total business-type activities	246,103	312,802	193,141	1,163,241	291,780
Total primary government	57,597,823	62,935,537	67,373,217	72,437,429	66,282,747
<b>Changes in net position:</b>					
Governmental activities	2,365,771	(2,952,698)	(2,015,878)	7,605,231	(288,793)
Business-type activities	3,337,467	5,245,497	(90,246)	9,944,974	581,551
Total primary government	5,703,238	2,292,799	(2,106,124)	17,550,205	292,758

**CITY OF EL SEGUNDO**

**Fund Balances of Governmental Funds**

**Last Ten Fiscal Years**

**(modified accrual basis of accounting)**

	Fiscal Year				
	2011 <sup>1</sup>	2012	2013	2014	2015
General fund:					
Reserved	-	-	-	-	-
Unreserved	-	-	-	-	-
Nonspendable	6,421,009	1,884,602	1,873,812	3,380,264	2,575,497
Restricted	-	-	-	-	-
Assigned	892,810	445,114	2,049,483	2,876,450	3,129,606
Unassigned	<u>5,315,133</u>	<u>7,839,124</u>	<u>12,664,755</u>	<u>14,075,307</u>	<u>14,587,023</u>
Total general fund	<u>12,628,952</u>	<u>10,168,840</u>	<u>16,588,050</u>	<u>20,332,021</u>	<u>20,292,126</u>
All other governmental funds:					
Reserved	-	-	-	-	-
Unreserved, reported in:					
Special revenue funds	-	-	-	-	-
Debt Service funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Nonspendable	-	-	80	5,772	-
Restricted	6,091,731	5,798,068	4,196,184	7,373,435	5,005,452
Assigned	4,858,234	3,690,657	1,548,572	1,416,473	5,031,396
Unassigned	<u>(2,091)</u>	<u>(2,752,409)</u>	<u>(3,779,255)</u>	<u>(1,577,594)</u>	<u>(78,071)</u>
Total all other governmental funds	<u>10,947,874</u>	<u>6,736,316</u>	<u>1,965,581</u>	<u>7,218,086</u>	<u>9,958,777</u>

Notes: <sup>1</sup> The City of El Segundo implemented GASB Statement No. 54 during the fiscal year ended September 30, 2011. This statement eliminated the previous fund balance categories (reserved and unreserved) and replaced them with for new categories (nonspendable, restricted, assigned, unassigned). Fund balance amounts as of September 30, 2011 are stated to present the new categories; however, all previous fiscal years are presented using the old categories.

**CITY OF EL SEGUNDO**

**Fund Balances of Governmental Funds**

**Last Ten Fiscal Years**

**(modified accrual basis of accounting)**

	Fiscal Year				
	2016	2017	2018	2019	2020
General fund:					
Reserved	-	-	-	-	-
Unreserved	-	-	-	-	-
Nonspendable	2,017,346	7,373,109	6,256,640	7,004,769	7,937,643
Restricted	-	-	1,000,000	2,643,380	4,482,363
Assigned	2,939,325	3,608,509	2,210,602	2,663,037	2,534,891
Unassigned	<u>17,987,731</u>	<u>17,660,917</u>	<u>24,432,049</u>	<u>26,625,368</u>	<u>20,807,983</u>
Total general fund	<u>22,944,402</u>	<u>28,642,535</u>	<u>33,899,291</u>	<u>38,936,554</u>	<u>35,762,880</u>
All other governmental funds:					
Reserved	-	-	-	-	-
Unreserved, reported in:					
Special revenue funds	-	-	-	-	-
Debt Service funds	-	-	-	-	-
Capital projects funds	-	-	-	-	-
Nonspendable	-	-	-	115,844	85,049
Restricted	6,963,441	6,312,687	6,882,394	8,404,718	15,473,650
Assigned	3,301,813	3,159,860	3,231,083	5,289,298	4,161,175
Unassigned	<u>(1,326,041)</u>	<u>(971,152)</u>	<u>(333,731)</u>	<u>(177,229)</u>	<u>(46,117)</u>
Total all other governmental funds	<u>8,939,213</u>	<u>8,501,395</u>	<u>9,779,746</u>	<u>13,632,631</u>	<u>19,673,757</u>

**CITY OF EL SEGUNDO**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year				
	2011	2012	2013	2014	2015
<b>Revenues:</b>					
Taxes	32,094,475	31,218,273	37,452,888	42,638,899	42,132,274
Licenses and permits	10,936,873	11,855,052	11,624,026	12,725,503	12,973,204
Intergovernmental	4,048,295	4,596,724	9,811,864	11,931,067	8,919,841
Charges for services	4,320,364	5,220,234	4,958,310	5,172,579	6,197,552
Use of money and property	898,711	452,022	133,291	590,605	615,862
Fines and forfeitures	1,201,110	1,050,832	791,650	914,036	903,172
Developers Fees	-	-	-	-	432,810
Other	3,349,096	1,826,973	2,074,386	1,877,562	2,960,332
<b>Total revenues</b>	<b>56,848,924</b>	<b>56,220,110</b>	<b>66,846,415</b>	<b>75,850,251</b>	<b>75,135,047</b>
<b>Expenditures</b>					
<b>Current:</b>					
General government	12,456,304	12,575,953	11,724,215	12,677,731	14,523,141
Public safety	31,359,158	31,291,236	31,145,703	33,576,082	33,694,064
Public works	4,991,382	5,126,634	6,300,670	5,676,244	5,574,118
Community and cultural	7,748,804	13,190,255	14,451,893	12,277,418	19,523,563
Capital outlay	2,040,497	1,607,702	2,015,459	2,133,639	1,021,033
<b>Debt service:</b>					
Principal retirement	-	-	-	275,092,000	282,987
Interest and fiscal charges	-	-	-	237,569,000	229,674
<b>Total expenditures</b>	<b>58,596,145</b>	<b>63,791,780</b>	<b>65,637,940</b>	<b>66,853,775</b>	<b>74,848,580</b>
Excess (deficiency) of revenues over (under) expenditures	(1,747,221)	(7,571,670)	1,208,475	8,996,476	286,467
<b>Other financing sources (uses):</b>					
Transfers in	3,167,231	3,163,394	8,455,512	3,048,087	10,138,836
Transfers out	(1,767,231)	(2,263,394)	(8,015,512)	(3,048,087)	(10,338,840)
Proceeds from loans	-	-	-	-	-
Capital leases issued	-	-	-	-	-
Long-term debt issued	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>1,400,000</b>	<b>900,000</b>	<b>440,000</b>	<b>-</b>	<b>(200,004)</b>
<b>Net change in fund balances</b>	<b>(347,221)</b>	<b>(6,671,670)</b>	<b>1,648,475</b>	<b>8,996,476</b>	<b>86,463</b>
<b>Debt service as a percentage of noncapital expenditures</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.79%</b>	<b>0.69%</b>

**CITY OF EL SEGUNDO**

**Changes in Fund Balances of Governmental Funds**

**Last Ten Fiscal Years**

**(modified accrual basis of accounting)**

	Fiscal Year				
	2016	2017	2018	2019	2020
<b>Revenues:</b>					
Taxes	43,410,318	49,986,183	53,125,853	55,018,471	47,767,783
Licenses and permits	13,989,221	13,131,485	13,695,476	14,559,036	14,237,723
Intergovernmental	7,751,363	2,805,424	2,400,010	3,635,668	2,391,795
Charges for services	5,214,048	5,811,835	6,053,614	6,179,231	4,817,551
Use of money and property	682,140	552,662	781,402	2,465,235	3,472,256
Fines and forfeitures	1,249,820	444,188	831,067	659,653	367,045
Developers Fees	296,427	329,474	262,346	824,075	6,293,956
Other	1,729,917	2,785,946	2,541,114	4,031,022	3,359,551
Total revenues	<u>74,323,254</u>	<u>75,847,197</u>	<u>79,690,882</u>	<u>87,372,391</u>	<u>82,707,660</u>
<b>Expenditures</b>					
<b>Current:</b>					
General government	14,200,855	14,905,246	15,738,556	18,177,843	18,964,880
Public safety	33,166,579	34,682,695	37,595,758	38,014,581	40,124,678
Public works	6,325,541	6,296,743	6,533,963	7,331,278	7,382,491
Community and cultural	8,951,898	10,259,037	9,274,383	10,923,487	9,499,235
Capital outlay	3,389,585	3,930,500	3,426,202	3,328,392	3,162,263
<b>Debt service:</b>					
Principal retirement	291,109	299,464	355,461	367,627	380,281
Interest and fiscal charges	221,552	213,197	244,223	339,035	326,380
Total expenditures	<u>66,547,119</u>	<u>70,586,882</u>	<u>73,168,546</u>	<u>78,482,243</u>	<u>79,840,208</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,776,135</u>	<u>5,260,315</u>	<u>6,522,336</u>	<u>8,890,148</u>	<u>2,867,452</u>
<b>Other financing sources (uses):</b>					
Transfers in	2,687,843	2,668,046	3,556,821	4,490,751	1,389,000
Transfers out	(2,887,847)	(2,668,046)	(3,556,821)	(4,490,751)	(1,389,000)
Proceeds from loans	-	-	-	-	-
Capital leases issued	-	-	-	-	-
Long-term debt issued	-	-	-	-	-
Total other financing sources (uses)	<u>(200,004)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>7,576,131</u>	<u>5,260,315</u>	<u>6,522,336</u>	<u>8,890,148</u>	<u>2,867,452</u>
<b>Debt service as a percentage of noncapital expenditures</b>	0.81%	0.77%	0.86%	0.94%	0.92%

**CITY OF EL SEGUNDO**  
**Principal Sales Tax Producers**  
**Current Fiscal Year and Nine Years Ago**

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2019-20		2010-11	
Taxpayer	Business Type	Taxpayer	Business Type
Aerospace Corporation	Misc. Vehicle Sales	Accuvant	Office Equipment
Best Buy Stores	Furniture/Appliance	Aerospace Corporation	Misc. Vehicle Sales
Calportland Company	Bldg.Matls-Whsle	Best Buy Stores	Furniture/Appliance
Chevron Service Stations	Service Stations	Chevron Service Stations	Service Stations
Circle K Food Stores	Food Markets	Chevron USA Refinery	Energy Sales
Dick's Sporting Goods	Recreation Products	Computer Sciences Corporation	Office Equipment
En Pointe Technologies Sales	Miscellaneous Other	Dick's Sporting Goods	Apparel Stores
Fleming's Prime Steakhouse	Restaurants	Directv	Leasing
Homegoods	Furniture/Appliance	Karl Storz Endoscopy	Office Equipment
Impex Technologies	Office Equipment	Learned Lumber Supply	Bldg.Matls-Whsle
In-N-Out Burgers	Restaurants	Mobil Service Stations	Service Stations
Insight Direct USA	I.T. Infrastructure	Network Appliance Corporation	Office Equipment
Jim and Jacks	Auto Parts/Repair	Northrop Grumman Systems	Auto Parts/Repair
Karl Storz Endoscopy	Office Equipment	P.F.Changs's China Bistro	Restaurants
Los Angeles Times Communications	Light Industry	Patterson Dental Supply	Light Industry
Meaningful Beauty	Miscellaneous Retail	Primary Color Systems	Light Industry
North	Restaurants	Ralph's Grocery Company	Food Markets
Patterson Dental Supply	Light Industry	Raytheon Company	Electronic Equipment
PCM Gov	Office Equipment	Sensa Products	Miscellaneous Retail
Ralph's Grocery Company	Food Markets	Sun Microsystems	Electronic Equipment
Raytheon Company	Electronic Equipment	The Boeing Company	Misc. Vehicle Sales
The Boeing Company	Misc. Vehicle Sales	Trace 3	Light Industry
The Container Store	Furniture/Appliance	Union 76 Service Stations	Service Stations
Trace 3	Light Industry	Whole Foods Market	Food Markets
Whole Foods Market	Food Markets	World Wide Technology	Office Equipment

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Source: Avenu Insights & Analytics

**CITY OF EL SEGUNDO**  
**Principal Property Tax Payers**  
**Current Year and Nine Years Ago**

Taxpayer	2019-20		2010-11	
	Taxable Value (\$)	Percent of Total City Taxable Value (%)	Taxable Value (\$)	Percent of Total City Taxable Value (%)
Chevron Usa Inc	2,438,217,568	17.19%	2,222,629,945	23.16%
Sof Xi Pct Two Tower Owner Llc	617,569,200	4.35%		
Raytheon Company	503,574,153	3.55%	307,600,150	3.21%
Aerospace Corporation	312,004,836	2.20%	283,451,637	2.95%
The Boeing Company	205,896,680	1.45%		
Northrop Grumman Systems Corp	198,158,017	1.40%	255,818,371	2.67%
Boeing Co	180,369,627	1.27%	345,116,660	3.60%
Pes Partners Llc	170,610,488	1.20%	147,763,178	1.54%
2121 Park Place Fee Owner Ca Llc	152,973,133	1.08%		
Gateway El Segundo Fee Owner Llc	124,848,000	0.88%		
Sfii Flyte Llc	123,628,231	0.87%		
Kilroy Realty Finance Ptshp	122,644,584	0.86%		
Rar2 Campus 2100 Llc	119,442,000	0.84%		
800 Apollo Fee Owner Ca Llc	119,322,227	0.84%		
Street Retail Inc	112,725,742	0.79%		
Arcp Ofc El Segundo Ca Lp	105,584,358	0.74%		
La4 Llc	91,731,592	0.65%	118,980,071	1.24%
400 Cg Owner Llc	89,043,400	0.63%		
Bsrep Ii Grand Avenue Llc	88,843,244	0.63%		
Hughes Aircraft Co	87,440,721	0.62%	303,089,368	3.16%
Hc Hornet Way Llc	84,792,600	0.60%		
300 Cg Owner Llc	84,516,220	0.60%		
Plaza Cp Llc	80,672,332	0.57%	69,716,235	0.73%
Bre El Segundo Property Owner B	77,254,902	0.54%		
Continental Atrium Corporation	75,972,393	0.54%	282,797,671	2.95%
Kilroy Realty Corporation			167,140,410	1.74%
Pacific Corp Towers Llc			160,608,395	1.67%
Hines Reit El Segundo Lp			122,109,910	1.27%
Continental Grand Lp			108,500,000	1.13%
Mattel Inc.			107,855,276	1.12%
Air Liquidelarge Industries U			79,508,519	0.83%
300 N Sepulveda Assoc Llc			65,078,473	0.68%
101 Continental Partners Llc			52,515,547	0.55%
Grand Avenue Parking L P			49,750,000	0.52%
Brcp 2160 Grand Avenue Llc			48,170,528	0.50%
Lax Granada Assoc			41,482,132	0.43%
Intl Rectifier Corp			41,337,074	0.43%
Time Warner Ny Cable Llc Time			36,503,185	0.38%
Douglas Property Holdings Co L			35,949,775	0.37%
W2007 Equity Inns Realty Llc			35,308,720	0.37%
<b>Total Top 25 Taxpayers</b>	<b>6,367,836,248</b>	<b>44.89%</b>	<b>5,488,781,230</b>	<b>57.20%</b>
<b>Total Taxable Value</b>	<b>14,185,553,887</b>	<b>100.00%</b>	<b>9,595,689,307</b>	<b>100.00%</b>

Source: County Assessor data, Avanu Insights & Analytics  
Unitary value is included in the total taxable value.

CITY OF EL SEGUNDO

Assessed Value and Estimated Actual Value of Taxable Property<sup>1</sup>

Last Ten Fiscal Years

Fiscal Year End	Residential Property	Commercial Property	Industrial Property	Other Property (1)	Unsecured Property	Less Tax-Exempt Property	Taxable Assessed Value	Total Direct Tax Rate (2)	Estimated Actual Taxable Value (3)	Factor of Taxable Assessed Value (3)	Assessed Value as a Percentage of Actual Value
2010-11	-	-	-	8,187,752	1,423,531	-	9,611,283	1.115400	-	-	-
2011-12	-	-	-	8,082,672	1,241,746	-	9,324,418	1.115400	-	-	-
2012-13	-	-	-	8,278,135	1,423,110	-	9,701,245	1.115200	-	-	-
2013-14	-	-	-	8,446,568	1,862,068	-	10,308,636	1.115200	-	-	-
2014-15	-	-	-	8,433,859	1,604,574	-	10,038,433	1.115200	-	-	-
2015-16	-	-	-	8,919,245	1,736,530	-	10,655,775	1.115200	-	-	-
2016-17	-	-	-	9,408,029	1,565,767	-	10,973,796	1.115200	-	-	-
2017-18	2,695,443,946	4,056,923,408	1,526,293,700	2,501,109,520	1,480,982,133	34,490,981	12,226,261,726	1.202225	17,863,020,753	1.461037	68.44%
2018-19	2,901,889,931	4,452,614,029	1,785,769,246	2,418,895,212	1,556,962,904	48,412,749	13,067,718,573	1.205652	22,816,281,059	1.746003	57.27%
2019-20	3,059,827,370	5,145,402,602	2,011,925,385	2,466,641,048	1,552,123,561	50,366,079	14,185,553,887	1.202446	22,800,483,319	1.607303	62.22%

Source: County Assessor data, Avenu Insights & Analytics

Source: 2017 and Prior Published CAFR Reports.

State unitary property of \$8,424,647 is included in other property.

1.) Other property for 2016-17 and prior represent the Secured Values.

2.) Total direct tax rate is represented by TRA 09-849.

3.) Estimated Actual Value is derived from a series of calculations comparing median assessed values from 1940 to current median sale prices. Based on these calculations a multiplier value was extrapolated and applied to current assessed values.

(-) No data available.

**CITY OF EL SEGUNDO**  
**Direct and Overlapping Property Tax Rates**  
**(Rate per \$100 of taxable value)**  
**Last Ten Fiscal Years**

	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>
General										
COUNTY OF LOS ANGELES	0.936812	0.936812	0.936812	0.936812	0.936812	0.936812	0.936812	0.936812	0.936812	0.936812
CITY OF EL SEGUNDO	0.063188	0.063188	0.063188	0.063188	0.063188	0.063188	0.063188	0.063188	0.063188	0.063188
TOTAL	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000	1.000000
Override Assessments										
Metropolitan Water District	0.003700	0.003700	0.003500	0.003500	0.003500	0.003500	0.003500	0.003500	0.003500	0.003500
County Flood Control	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
El Segundo Unified School District	0.111700	0.111700	0.111700	0.111700	0.111700	0.111700	0.111700	0.177526	0.179923	0.177391
Community College	-	-	-	-	-	-	-	0.021199	0.022229	0.021555
TOTAL	0.115400	0.115400	0.115200	0.115200	0.115200	0.115200	0.115200	0.202225	0.205652	0.202446
TOTAL TAX RATE	1.115400	1.115400	1.115200	1.115200	1.115200	1.115200	1.115200	1.202225	1.205652	1.202446

Source: County Auditor/Controller data, Avenu Insights & Analytics

Source: 2017 and prior, previous published CAFR

Tax Rate as represented by TRA 09-849

**CITY OF EL SEGUNDO**  
**Property Tax Levies and Collections**  
**Last Ten Fiscal Years**

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Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Amount	Percent of Levy	Collections in Subsequent Years	Amount	Percent of Levy
2010	6,345,073	6,117,416	96.41%	-	6,117,416	96.41%
2011	6,172,420	6,005,643	97.30%	-	6,005,643	97.30%
2012	6,006,864	5,990,455	99.73%	-	5,990,455	99.73%
2013	6,277,523	6,144,309	97.88%	-	6,144,309	97.88%
2014	6,680,795	6,558,427	98.17%	-	6,558,427	98.17%
2015	6,538,375	6,438,118	98.47%	55,500	6,493,618	99.32%
2016	6,728,811	6,637,510	98.64%	59,028	6,696,538	99.52%
2017	6,853,422	6,773,927	98.84%	39,950	6,813,877	99.42%
2018	7,672,612	7,659,388	99.83%	(4,958)	7,654,430	99.76%
2019	8,185,486	8,169,815	99.81%	610,801	8,780,616	107.27%
2020	8,929,004	8,183,987	91.66%	-	8,183,987	91.66%

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Source: Los Angeles County Auditor Controller's Office

**CITY OF EL SEGUNDO**  
**Ratio of General Bonded Debt Outstanding**  
**Last Ten Fiscal Years**  
**(In Thousands, except Per Capita)**

Fiscal Year Ended <sup>1</sup> September 30	Outstanding General Bonded Debt				Percent of Assessed Value <sup>2</sup>	Per Capita
	General Obligation Bonds	Tax Allocation Bonds	Certificates of Participation	Total		
2011	-	-	-	-	0.000%	-
2012	-	-	-	-	0.000%	-
2013	-	-	-	-	0.000%	-
2014	-	-	-	-	0.000%	-
2015	-	-	-	-	0.000%	-
2016	-	-	-	-	0.000%	-
2017	-	-	-	-	0.000%	-
2018	-	-	-	-	0.000%	-
2019	-	-	-	-	0.000%	-
2020	-	-	-	-	0.000%	-

General bonded debt is debt payable with governmental fund resources and general obligation bonds recorded in enterprise funds (of which, the City has none).

<sup>1</sup> Fiscal Years 2000 - current are 12 month reporting periods ending on September 30.

<sup>2</sup> Assessed value has been used because the actual value of taxable property is not readily available in the State of California.

**CITY OF EL SEGUNDO**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Fiscal Year Ended September 30	Governmental Activities				Total Governmental Activities
	General Obligation Bonds	Tax Allocation Bonds	Certificates of Participation	Leases/ Loans	
2011	-	-	-	11,208,191	11,208,191
2012	-	-	-	10,916,677	10,916,677
2013	-	-	-	10,615,488	10,615,488
2014	-	-	-	10,303,635	10,303,635
2015	-	-	-	9,982,592	9,982,592
2016	-	-	-	9,650,093	9,650,093
2017	-	-	-	9,306,335	9,306,335
2018	-	-	-	8,950,875	8,950,875
2019	-	-	-	8,583,247	8,583,247
2020	-	-	-	8,202,967	8,202,967

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

<sup>1</sup> Office of Economic Development (data shown is for Los Angeles County)

**CITY OF EL SEGUNDO**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

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Fiscal Year Ended September 30	Business-type Activities			Total Primary Government	Percentage of Personal Income <sup>1</sup>	Debt Per Capita <sup>1</sup>
	Leases/ Loans	Certificates of Participation	Total Business-type Activities			
2011	285,586	-	285,586	11,493,777	1.6%	280
2012	-	-	-	10,916,677	1.5%	254
2013	-	-	-	10,615,488	1.4%	239
2014	-	-	-	10,303,635	1.4%	227
2015	-	-	-	9,982,592	1.3%	214
2016	-	-	-	9,650,093	1.2%	203
2017	-	-	-	9,306,335	1.1%	187
2018	-	-	-	8,950,875	1.0%	169
2019	-	-	-	8,583,247	0.9%	154
2020	-	-	-	8,202,967	0.8%	141

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

<sup>1</sup> Office of Economic Development (data shown is for Los Angeles County)

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**CITY OF EL SEGUNDO**  
**Direct and Overlapping Debt**  
**September 30, 2020**

2019-20 City Assessed Valuation:

\$14,200,895,087

	Percentage Applicable <sup>1</sup>	Total Debt 9/30/20	Exclusions	Estimated Share of Direct and Overlapping Debt
<b>DIRECT DEBT:</b>				
City of El Segundo: Capital Lease - 2003 Parking Structure Lease	100.000%	\$ 2,024,903	\$ -	\$ 2,024,903
City of El Segundo: Facility Lease Obligation - 2005 Douglas Street Gap Closure	100.000%	6,178,064	-	6,178,064
<b>TOTAL DIRECT DEBT</b>		<b>\$ 8,202,967</b>	<b>\$ -</b>	<b>\$ 8,202,967</b>
<b>OVERLAPPING DEBT:</b>				
Metropolitan Water District	0.459%	\$ 32,230,000	\$ 32,082,064	\$ 147,936
El Camino Community College District	11.896%	388,425,306	342,218,232	46,207,074
El Segundo Unified School District	100.000%	84,955,859	-	84,955,859
Manhattan Beach Unified School District	0.002%	193,766,414	193,762,539	3,875
Wiseburn School District	72.528%	115,767,787	31,803,726	83,964,061
Centinela Valley Union High School District	34.656%	229,200,955	149,769,072	79,431,883
Centinela Valley Union High School District School Facilities Improvement District No. 2011	38.999%	182,565,000	111,366,476	71,198,524
<b>TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT</b>		<b>\$ 1,226,911,321</b>	<b>\$ 861,002,109</b>	<b>\$ 365,909,212</b>
<b>DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT:</b>				
Los Angeles County General Fund Obligations	0.880%	\$ 2,303,502,723	\$ 2,283,231,899	\$ 20,270,824
Los Angeles County Superintendent of Schools COP'S	0.880%	4,565,373	4,525,198	40,175
L.A.County Sanitation District No. 5 Authority	6.349%	9,233,499	8,647,264	586,235
L.A.County Sanitation District South Bay Cities Authority	0.042%	1,573,880	1,573,219	661
<b>TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT</b>		<b>\$ 2,318,875,475</b>	<b>\$ 2,297,977,580</b>	<b>\$ 20,897,895</b>
<b>Net Combined Total Debt</b>		<b>\$ 3,553,989,763</b>	<b>\$ 3,158,979,689</b>	<b>\$ 395,010,074 (2)</b>

<sup>1</sup> The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

<sup>2</sup> Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations. Also excludes accreted value of capital appreciation bonds.

Ratios to Assessed Valuation:

Total Overlapping Tax and Assessment Debt.....2.58%  
**Total Direct Debt.....0.00%**  
Net Combined Total Debt.....2.72%

Source: Avenu Insights & Analytics

**CITY OF EL SEGUNDO**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**

	Fiscal Year				
	2010-11	2011-12	2012-13	2013-14	2014-15
Assessed valuation	\$ 9,611,283,541	\$ 9,324,417,663	\$ 9,701,244,855	\$ 10,308,636,196	\$ 10,038,433,763
Conversion percentage	25%	25%	25%	25%	25%
Assessed valuation	2,402,820,885	2,331,104,416	2,425,311,214	2,577,159,049	2,509,608,441
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit	360,423,133	349,665,662.36	363,796,682	386,573,857	376,441,266.11
Total net debt applicable to limit:					
General obligation bonds	-	-	-	-	-
Legal debt margin	\$ 360,423,133	\$ 349,665,662	\$ 363,796,682	\$ 386,573,857	\$ 376,441,266
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). Although the statutory debt limit has not been amended by the State since this change, the percentages presented in the above computations have been proportionately modified to 3.75% (25% of 15%) for the purpose of this calculation in order to be consistent with the computational effect of the debt limit at the time of the state's establishment of the limit.

Source: California Municipal Statistics, Inc.  
Los Angeles County Tax Assessor's Office

**CITY OF EL SEGUNDO**  
**Legal Debt Margin Information**  
**Last Ten Fiscal Years**

	Fiscal Year				
	2015-16	2016-17	2017-18	2018-19	2019-20
Assessed valuation	\$ 10,655,775,000	\$ 10,973,796,359	\$ 12,226,261,726	\$ 13,067,718,573	\$ 14,185,553,887
Conversion percentage	25%	25%	25%	25%	25%
Assessed valuation	2,663,943,750	2,743,449,090	3,056,565,432	3,266,929,643	3,546,388,472
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit	399,591,563	411,517,363	458,484,815	490,039,446	531,958,270.76
Total net debt applicable to limit: General obligation bonds	-	-	-	-	-
Legal debt margin	\$ 399,591,563	\$ 411,517,363	\$ 458,484,815	\$ 490,039,446	\$ 531,958,271
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%

**CITY OF EL SEGUNDO**  
**Demographic and Economic Statistics**  
**Last Ten Calendar Years**

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<b>Fiscal Year</b>	<b>City Population (1)</b>	<b>Personal Income (in thousands) (2)</b>	<b>Per Capita Personal Income (2)</b>	<b>Median Age (3)</b>	<b>Unemployment Rate (%) (4)</b>
2010-11	17,049	700,936	41,113	-	12.6%
2011-12	16,708	717,659	42,953	-	12.3%
2012-13	16,720	743,605	44,474	-	11.0%
2013-14	16,815	761,888	45,310	-	9.9%
2014-15	16,897	787,958	46,633	-	8.2%
2015-16	16,646	790,452	47,486	38.9	3.7%
2016-17	16,717	832,029	49,771	38.9	2.9%
2017-18	16,784	888,503	52,938	39.0	3.3%
2018-19	17,066	952,927	55,838	38.7	3.2%
2019-20	16,777	974,307	58,074	38.7	23.5%

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Source: Avenu Insights & Analytics

Source: 2014 and prior, previously published CAFR Report

The California Department of Finance demographics estimates now incorporate 2010 Census counts as the benchmark.

- 1.) Population Projections are provided by the California Department of Finance Projections.
- 2.) Income Data is provided by the U.S. Census Bureau, 2010 American Community Survey.
- 3.) Median Age is provided by US Census data.
- 4.) Unemployment Data is provided by the EDD's Bureau of Labor Statistics Department.

**CITY OF EL SEGUNDO**  
**Principal Employers**  
**Current Year and Nine Years Ago**

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<b>Business Name</b>	<b>2019-20</b>		<b>2009-10</b>
	<b>Number of Employees</b>	<b>Percent of Total Employment (%)</b>	<b>Number of Employees</b>
Boeing Satellite Systems*	13,441	149.34%	5,167
Raytheon Space & Airborne Syst	6,000	66.67%	7,268
Aerospace Corporation	3,400	37.78%	3,002
Northrop Grumman Corporation (1)	2,539	28.21%	5,219
Mattel Inc	1,545	17.17%	1,635
Chevron Products Company/USA inc	1,252	13.91%	1,179
Internet Brands Inc	582	6.47%	-
Karl Storz Endoscopy America Inc	447	4.97%	-
Infineon Technologies Americas Corp (formerly International Rectifier)	423	4.70%	-
Big 5 Sporting Goods**	289	3.21%	-
DirecTV Operations Inc	-	0.00%	1,866
Accenture (2)	-	0.00%	713
Rhythm & Hues	-	0.00%	703
International Rectifier Corporation	-	0.00%	537
<b>Total Top 10 Employers</b>	<b>29,918</b>	<b>332.43%</b>	<b>27,289</b>
<b>Total City Labor Force (3)</b>	<b>9,000</b>		

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Source: Avenu Insights & Analytics

2010-11 based on previously published CAFR

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

\*Employee Count is statewide, employment levels are not available by site.

\*\* Includes Corporate office and retail store.

(1) Accenture no longer has office space in El Segundo.

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

**CITY OF EL SEGUNDO**  
**Full-time and Part-time City Employees By Function**  
**Last Ten' Fiscal Years**

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Function	Full-time and Part-time Employees as of September 30				
	Fiscal Year				
	2011	2012	2013	2014	2015
General Government	51	51	52	60	69
Public Safety	157	150	153	138	137
Public Works	18	17	18	27	30
Community & Cultural	81	83	77	81	80
Water	11	9	9	11	11
Sewer	5	6	5	6	6
<b>Total</b>	<b>323</b>	<b>316</b>	<b>314</b>	<b>323</b>	<b>333</b>

Source: City of El Segundo Payroll Division

**CITY OF EL SEGUNDO**  
**Full-time and Part-time City Employees By Function**  
**Last Ten' Fiscal Years**

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Function	Full-time and Part-time Employees as of September 30				
	Fiscal Year				
	2016	2017	2018	2019	2020
General Government	51	57	53	71	73
Public Safety	123	126	130	143	144
Public Works	31	30	29	26	40
Community & Cultural	76	74	115	106	93
Water	10	10	9	18	15
Sewer	6	10	6	6	7
<b>Total</b>	<b>297</b>	<b>307</b>	<b>342</b>	<b>370</b>	<b>372</b>

**CITY OF CITY OF EL SEGUNDO**  
**Operating Indicators by Function**  
**Last Ten Fiscal Years**

	Fiscal Year				
	2011	2012	2013	2014	2015
<b>Police:</b>					
Arrests	810	826	795	1,468	1,057
Parking citations issued	7,792	8,698	10,900	11,764	9,404
<b>Fire:</b>					
Number of emergency calls	2,314	2,403	2,208	2,485	2,568
Inspections	1,985	2,445	2,411	2,326	2,203
Medical Responses	1,533	1,547	1,441	1,564	1,644
<b>Public Works:</b>					
Street resurfacing (miles)	0.83	-	1.87	-	-
Reconstruction (miles)	-	-	-	-	-
New Street (miles)	-	-	-	-	-
Electronic Recycling (pounds)	N/A	N/A	N/A	N/A	N/A
Paper Shred Recycling (pounds)	N/A	N/A	17,950	9,220	10,080
<b>Parks and recreation:</b>					
Number of recreation classes	1,362	1,228	1,191	1,365	1,389
Class registrations	8,809	8,026	7,950	7,905	8,021
Recreation Trips participants	840	1,185	1,480	1,560	1,535
Number of facility rentals	262	365	411	496	-
Number of Reservations	9,969	9,971	9,041	9,238	9,342
Shuttles transported (riders)	33,990	30,976	27,472	29,789	30,052
Dial-A-Ride residents	7,693	9,085	11,258	11,090	11,206
Homebound Meals	5,935	5,794	5,007	4,957	4,926
<b>Finance:</b>					
Business Licenses processed:	6,917	7,024	6,686	6,758	5,812
Purchase Orders processed	159	341	428	447	427
Purchase Change Orders processed	21	74	139	129	118
Invoices processed	10,772	9,855	10,008	10,367	10,189
Checks processed	5,068	5,010	5,262	5,529	5,326
Cash Receipts processed (excluding Water)	36,665	36,432	34,120	35,461	35,143

Source: City of El Segundo

**CITY OF CITY OF EL SEGUNDO**  
**Operating Indicators by Function**  
**Last Ten Fiscal Years**

	Fiscal Year				
	2016	2017	2018	2019	2020
<b>Police:</b>					
Arrests	721	592	568	953	1,009
Parking citations issued	7,200	8,955	10,227	12,247	9,537
<b>Fire:</b>					
Number of emergency calls	2,632	2,807	2,895	893	2,558
Inspections	1,531	1,209	1,919	905	512
Medical Responses	1,661	1,847	1,930	502	1,621
<b>Public Works:</b>					
Street resurfacing (miles)	0.3	1	2	5.5	0.5
Reconstruction (miles)	-	-	-	-	-
New Street (miles)	-	-	-	-	-
Electronic Recycling (pounds)	N/A	N/A	-	1,480	1,480
Paper Shred Recycling (pounds)	23,000	23,000	20,000	15,400	17,340
<b>Parks and recreation:</b>					
Number of recreation classes	1,056	833	997	1,019	980
Class registrations	6,657	6,615	7,574	4,098	5,387
Recreation Trips participants	89	20	926	1,784	762
Number of facility rentals	-	-	-	-	-
Number of Reservations	4,779	5,624	5,397	5,563	23,841
Shuttles transported (riders)	7,320	4,781	6,252	5,532	1,968
Dial-A-Ride residents	6,841	5,108	5,189	4,474	2,194
Homebound Meals	5,061	5,497	6,080	6,840	7,285
<b>Finance:</b>					
Business Licenses processed:	7,172	7,236	6,610	6,992	6,391
Purchase Orders processed	476	547	464	416	411
Purchase Change Orders processed	103	136	174	141	167
Invoices processed	10,230	9,566	9,762	6,805	10,501
Checks processed	5,849	5,248	5,258	3,790	5,611
Cash Receipts processed (excluding Water)	33,075	31,559	27,722	54,264	37,273

Source: City of El Segundo

**CITY OF EL SEGUNDO**  
**Capital Asset Statistics**  
**by Function**  
**Last Ten Fiscal Years**

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	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Police:					
Stations	1	1	1	1	1
Fire:					
Fire stations	2	2	2	2	2
Public works:					
Streets (miles)	55	55	55	55	55
Streetlights	1,718	1,718	1,718	1,718	1,718
Traffic signals	55	55	55	55	55
Parks and recreation:					
Parks	22	22	22	22	22
Recreation Facilities	13	13	13	13	13
Number of Acres	91	91	91	91	91

Source: City of El Segundo

**CITY OF EL SEGUNDO**  
**Capital Asset Statistics**  
**by Function**  
**Last Ten Fiscal Years**

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	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Police:					
Stations	1	1	1	1	1
Fire:					
Fire stations	2	2	2	2	2
Public works:					
Streets (miles)	55	55	55	55	55
Streetlights	1,718	1,718	1,718	1,718	1,718
Traffic signals	55	55	55	55	55
Parks and recreation:					
Parks	22	22	22	22	22
Recreation Facilities	13	13	14	14	14
Number of Acres	91	91	91	91	91

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