



ANNUAL COMPREHENSIVE

FINANCIAL REPORT



CITY OF SANTA FE SPRINGS
JULY 1, 2023 TO JUNE 30, 2024





Annual Comprehensive Financial Report

City of Santa Fe Springs, CA
Year Ended June 30, 2024



City Council

William K. Rounds, Mayor
Joe Angel Zamora, Mayor Pro-Tem
Annette Rodriguez, Councilmember
Juanita Martin, Councilmember
John M. Mora, Councilmember

Planning Commission

Isabel Cervantes
David Ayala
Joseph Flores
Gabriel Jimenez
Jay Sarno

Traffic Commission

Blake Carter
Felix Miranda
Johana Coca
Sally Gaitan

Executive Management Team

René Bobadilla, City Manager
Nicholas Razo, Assistant City Manager
Rick Olivarez, City Attorney
Lana Dich, Director of Finance
Maricela Balderas, Dir. of Com. Services
Chad A. Van Meeteren, Fire Chief
Cuong H. Nguyen, Dir. of Comm. Dev.
James Enriquez, Director of Public Works
Arlene Salazar, Director of Police Services

Prepared by:

Lana Dich, Director of Finance
Rachel Gutierrez, Assist. Dir. of Fin.
Rachelle Daaca, Senior Accountant
Jaime de Guzman, Principal Accountant
Erlinda Gutierrez, Accountant



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"A great place to live, work, and play"

March 10, 2025

Honorable Mayor & City Council and
Residents of the City of Santa Fe Springs:

Introduction

It is our pleasure to submit for your information and consideration the Annual Comprehensive Financial Report of the City of Santa Fe Springs (City). The responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City's Department of Finance and Administrative Services. It is our opinion that the data as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the City as measured by the financial activity of the various funds; and that all disclosures necessary to enable the reader to gain a full understanding of the financial activities have been included.

The enclosed financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) as recommended by the Governmental Accounting Standards Board (GASB) and include the report of the independent certified public accountants, CliftonLarsonAllen LLP. The complete report is divided into distinct sections:

Introduction-	Letter of transmittal, an organizational chart, and prior year award for financial reporting.
Financial -	Independent auditor's report, Management's Discussion and Analysis (MD&A), basic financial statements, accompanying notes to the financial statements, required supplementary information, and supplementary information.
	MD&A complements this letter of transmittal and should be read in conjunction with it.
Statistical -	Pertinent financial and non-financial data that present historical trends and other information about the City.

William K. Rounds, Mayor • Joe Angel Zamora, Mayor Pro Tem
City Council
Annette Rodriguez • Juanita Martin • John Mora
City Manager
René Bobadilla, PE, City Manager

**Introduction
(cont.)**

This report presents the financial status of the City and its component units, the Successor Agency to the Community Development Commission, Housing Successor Agency, the Public Financing Authority, and Water Utility Authority as a single reporting entity. Although these component units are legally separate from the City, the City maintains significant financial accountability. Financial accountability is defined as appointment of a voting majority of the component unit's board and either (A) the ability of the primary government to impose its will on the component unit, or (B) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government. For detailed information regarding the City and its component units, please refer to Notes to the Financial Statements section in this report.

**Accounting
System and
Budgetary
Control**

In developing and modifying the City's accounting system, consideration is given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute assurance regarding:

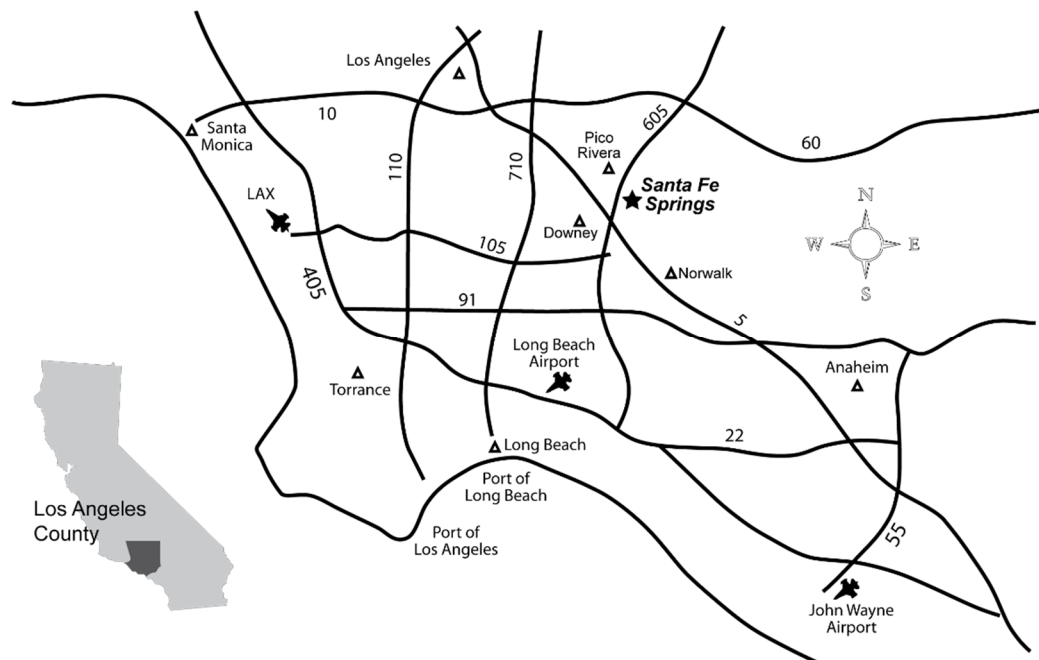
- The safeguarding of assets against loss from unauthorized use or disposition; and
- The reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived from it and that the evaluation of costs and benefits requires estimates and judgments by management. All internal control evaluations occur within the above framework. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. The accounting system is maintained on a functional basis (activity/sub-activity) in order to reflect the services provided by the City.

The City maintains budgetary controls at the individual fund level to ensure compliance with the budget approved by the City Council. The budget includes estimated revenues and appropriations for the City's General Fund and certain Special Revenue Funds. Operating plans for the City's Water Utility Fund are also prepared as part of the budget.

Profile and Government Structure

The urban development of Santa Fe Springs began in the early 1950's as the result of a planned effort by a coalition of business community members and local residents. During the ensuing years, community pressures resulted in the incorporation of the City on May 15, 1957. The new City covered 4.9 square miles with a population of 11,787. The City of Santa Fe Springs now encompasses 9 square miles, with about 84% of the land zoned for commercial and industrial use. The City's population is approximately 18,200; however, the daytime population is estimated at 100,000.



The City of Santa Fe Springs operates as a general law city under the council-manager form of government. Five City Council members are elected at-large for alternating four-year terms. The Mayor is selected annually from among the five members of the City Council. The City Council is responsible for the City's ordinances, operating resolutions, budget adoption and appointment of committee members. Overall, there are 11 standing committees, boards and commissions that provide input to the City Council. Among these are the Planning Commission and the Traffic Commission. The City Manager is responsible for administering the policies and directives approved by the City Council. The City Manager appoints the Executive Management Team, which is comprised of the Director of Finance & Administrative Services, Fire Chief, Director of Community Services, Director of Planning, Director of Police Services, and Director of Public Works.

Local Economic Outlook

The City of Santa Fe Springs is strategically located in southeast Los Angeles County with access to major seaports, airports and transportation corridors. With the vast majority of the City zoned for commercial and industrial use, Santa Fe Springs has historically experienced strong development and redevelopment activity in the community. Sales taxes, transaction and use taxes, and utility user's taxes (UUT) revenues are the largest sources in the General Fund.

The City's sales tax base is comprised of businesses within the following categories: Business and Industry (Manufacturing and business-to-business sells), Building and Construction, Autos and Transportation, General Consumer Goods, Fuel and Service Stations, Restaurants and Hotels and Food and Drugs. Close to two-thirds of the total sales tax revenue is generated by manufacturing and construction businesses. In the past couple of years, the City's businesses have seen a growth in sales and has translated into increases in the City's sales tax.

The City's voters approved the additional 1% transactions and use tax (Measure Y) on November 2018, which became effective April 1, 2019. The additional tax has broadened the City's revenue base and added over \$10 million in General Fund revenue.

Although the COVID-19 pandemic and its economic impact were felt throughout our nation, the City was fortunate that our sales tax base was relatively unaffected by the pandemic as it had little to no effect on the City's revenue stream. In fact, the Stay-at-Home orders generated greater than anticipated online sales which played a pivotal role in the City's increased sales tax revenue. While the sales tax generated in FY 2021-22 was the highest the City had ever generated, the sales tax generated in FY 2022-23 surpassed last year's amount. The Sales Tax revenue and its growth are critical to the City's financial position as it represents nearly half of all of the City's General Fund revenues.

Additionally, this is the fourth full year of collecting the voter-approved Transaction & Use Tax (Measure Y) and its trend is favorable for the City. Measure Y has lessened some of the financial burdens that have threatened the City's strong financial position. Even during a global pandemic, Measure Y continues to be a consistent and reliable stream of revenue for our City. The Sales Tax and Measure Y combined represent 60% of the City's General Fund revenues.

At the end of 2024, the City voters approved Parcel Tax (Measure SFS). This is a dedicated source to provide funding for roads/streets. The Measure SFS is expected to generate \$6 million per year, for 25 years, beginning in FY 2025-26. This amount generated will increase by 2% per year thereafter.

**Vision, Mission,
and Guiding
Values**

The City is now in a position to accomplish its long-term goals given the City's financial resiliency during the pandemic. This improved financial position has allowed the City to fund several operational needs and will allow the City's financial position to remain stable barring any unforeseen economic downturns that are out of the City's control.

The City has a vision statement that affirms: "The City of Santa Fe Springs is a great place to live, work and play," with the following mission statement: "The City of Santa Fe Springs is committed to enhancing the quality of life of its residents and businesses by providing: a safe environment, a thriving business community, quality family, youth, and senior services, and sound financial management of the community's resources." The guiding values are as follows:

- Personal integrity, honesty, and ethics
- Public service
- Compassion
- Responsibility, accessibility, and accountability
- Dedication

**Accomplishments
& Outlook**

Historically, the City has utilized a two-year operating budget during stable financial times and a six-year Capital Improvement Program (CIP) as some of the most significant planning tools to achieve the City's vision and identified missions. The unprecedented events of recent years necessitated more swift and short-term actions. In moving past the "Great Recession" and the elimination of redevelopment, the City has begun to re-establish some of the above long-range planning tools along with strategic goals that will better guide the City into the future. This includes, as approved by the State, the ability to spend capital funding from previously-issued tax allocation bonds.

Public safety is the highest priority in the community. This is evidenced by the continued financial commitment provided to both Fire and Police Services. The Fire-Rescue and Police Services Departments continue to combine their manpower to provide the resources and tools to manage emergency and security issues that may arise in the community and region. The City continues to purchase specialized equipment with the use of grant funding. The following are some of the highlights by department:

Department of Fire- Rescue

The Department of Fire-Rescue comprises 57 members working from four fire stations providing traditional fire suppression services, hazardous materials response, fire prevention, and emergency medical services, and a full-service Environmental Protection Division. The environmental protection and response components are considered model systems in the State of California. The City's status as a Certified Unified Program Agency (CUPA) makes Santa Fe Springs a

**Accomplishments
& Outlook (cont.)**

“one-stop-shop” for administering all the City’s hazardous materials, hazardous waste, and tank programs. The State has long held the City’s CUPA as one of the most regarded programs in the State. The CUPA Division utilizes the California Environmental Reporting System (CERS), allowing business residents to file their annual hazardous materials disclosures electronically. The Fire Prevention Division also provides many services, including code enforcement, plan checks, issuing permits, fire investigations, and public education events. In FY 2023-2024, the Environmental and Prevention Divisions performed over 2500 permit inspections of new and existing facilities. Fire Suppression personnel have a business-friendly fire inspection program to annually inspect each business in the City to identify possible fire and life safety issues and update emergency contact information in the department’s database. The Department of Fire Rescue conducted over 3200 business and residential inspections and responded to over 4,000 emergency calls in FY 2023-24.

The Department of Fire Rescue currently staffs a State certified Regional Urban Search and Rescue Team (US&R) designated at the highest level as a “Heavy” rescue team by the Office of Emergency Services (OES). Fire-Rescue also staffs a State certified Type I Hazardous Materials Response Team with all staff trained to the Haz-Mat “Specialist” level. The City is currently one of only thirty Hazardous Material Teams in the State certified as a Type I Response Team and qualified to mitigate emergencies involving acts of terrorism and weapons of mass destruction. The Department houses and maintains an OES Fire Engine for local and statewide disaster response. The Department continues to support neighboring communities through the California Master Mutual Aid Agreement in response to major disasters and emergencies, including brush fires, landslides, earthquakes, acts of terrorism, major disasters, etc. In FY 2023-2024, the Department of Fire-Rescue assisted outside their jurisdiction six times to significant fire incidents. The City was reimbursed over \$182,000 in backfill expenses for labor and equipment to respond to these incidents.

In partnership with Rio Hondo College, the department continues to manage the Regional Homeland Security Training Center located directly adjacent to the Headquarters Fire Station. This state-of-the-art facility was built with grant funding to assist local fire and police agencies in increasing awareness and training regarding terrorist activity, including building collapse, hazardous materials, rail car incidents, confined space, trench rescue, etc. The center has been recognized by the California State Training Institute (CSTI) as the primary training center for Hazardous Material Specialists Training in Southern California.

In FY 2023-2024, the Fire-Rescue Department secured \$1,055,480 through the 2022 State of Homeland Security Grant Program (SHSGP) and the Assistance to Firefighters Grant Program (AFGP). This funding supports the purchase of equipment and training for the Homeland Regional Training Center, the City’s

**Accomplishments
& Outlook (cont.)**

Type I Hazardous Materials Response Team, and the City's Urban Search and Rescue (USAR) Response Team. As in the past years, the use of grant funds has provided relief to the City budget as these vehicles, equipment, and training would typically have been funded through the City's General Fund.

Department of Police Services

The Department of Police Services is responsible for the management of all law enforcement services in the city. The Santa Fe Springs Policing Team is comprised of City administrative personnel, Public Safety Officers, Code Enforcement Inspectors, and Whittier Police Department (WPD) sworn personnel committed to community safety by developing effective strategies and maintaining collaborative partnerships to address quality of life issues. Additionally, Police Services oversees animal licensing services and process regulatory permits such as catering food truck, soliciting, sidewalk vending, alcohol sales conditional use, and entertainment conditional use permits.

During FY 2023-2024, the department continued to strive toward keeping crime and property loss rates at the lowest possible levels, maintain acceptable response times for emergency service calls, promote the use of technology, and enhance coordination between schools and the City. The policing team focused on enhancing community partnerships by providing a variety of programs, services and tools designed to reduce crime and maintain the safety and well-being of all citizens within the community. Some of the Department efforts and accomplishments included:

- Whittier Police Department Officers responded to 17,777 calls for service throughout the city. Additionally, Police officers also responded to several incidents involving Driving Under the Influence (DUI) offenses resulting in arrests and 34 citations were processed for cost recovery.
- WPD partnered with LA County District Attorney Investigators Community Violence Reduction Team (CVRT) to conduct sweeps, targeting violent suspects and gang enforcement operations to address violators who jeopardize the safety of the community. This team allows WPD to be a force multiplier in addressing several locations throughout the city. 30 parole/probation compliance searches were conducted in Santa Fe Springs and surrounding communities affecting public safety and quality of life issues.
- Officers conducted 9 large homeless encampment cleanups at various locations throughout the city including Coyote Creek, Santa Fe Springs Road, and various rail lines that run through the City of Santa Fe Springs. Cleanups required partnering with the Los Angeles County Department's HOST Team, LA County Department of Public Works, Union Pacific Railroad and Burlington Northern Santa Fe Railroad.

Accomplishments & Outlook (cont.)

- In January 2024, Officers received comprehensive refresher training in Rapid Response protocols to active shooter situations such as school and workplace violence scenarios. Officers were given a scenario and responded as a team to mitigate the problem. In addition, Officers received less lethal and de-escalation training in April 2024. This included the acquisition of new less lethal equipment for officers to utilize in field operations.
- In July 2023, Body Worn Cameras were deployed and issued to all officers in Santa Fe Springs.
- WPD Special Enforcement Team (SET) conducted several narcotics investigations. These efforts have resulted in the seizure of 2 pounds of methamphetamine, over 1,000 fentanyl pills and 5 pounds of cocaine.
- SET investigated a commercial business operating an illegal marijuana grow which resulted in the destruction of over 800 marijuana plants
- In effort to increase traffic safety, the department focused on traffic enforcement operations and proactive traffic overtime enforcement. Approximately, 989 citations were issued at citywide problematic locations for hazardous violations such as distracted driving, unsafe speed, disobeying signage, red light violations and unsafe movements.
- The department entered into an agreement with the California Highway Patrol Santa Fe Springs station to provide supplemental traffic enforcement.
- New solar-powered surveillance cameras were installed in select residential locations to help deter criminal activity and enhance neighborhood safety and security.
- Approximately, 23 homeowners have taken advantage of the opportunity to enhance security at their homes through the Home Security Camera Rebate Program. The program offers residents a rebate for the purchase and installation of a security camera device at their residence.
- The department continued to subscribe to Crimereports.com, providing citizens with access to up-to date city crime statistics.

Public Safety Program:

Public Safety Officers (PSO's) provide citywide support and perform a variety of public safety and law enforcement functions and serve as a liaison between law enforcement and the community. PSO's work seven days a week to enhance the quality of life and increase the safety and well-being of citizens who live, work and visit Santa Fe Springs. Their duties include but are not limited to responding to non-emergent/non-hazardous calls for service, preparing criminal/non-criminal police reports, documenting traffic collisions, and enforcing parking violations. PSO's provide vital support to police officers by responding to non-emergent calls for services and addressing quality of life concerns, which allow

**Accomplishments
& Outlook (cont.)**

sworn police officers to remain free to respond to emergent/priority calls for service.

- Public Safety Officers (PSO's) played a critical role in the department's field operations. PSO's responded to approximately 3,258 calls for service and provided 4,572 pro-active patrols throughout the city. Calls for service included, but were not limited to parking violations, graffiti vandalism, safety hazards, non-criminal and criminal reports and other quality of life issue concerns. A total of 5,261 parking citations were issued.
- PSO's responded to 697 traffic collision related incidents, allowing sworn personnel to remain available to respond to emergent calls for service and reducing overall response times for priority calls.
- PSO's prepared 1,268 criminal/non-criminal and traffic collision reports.
- PSO's issued 285 parking warnings to vehicles in violation of 72-hour parking.
- PSO's issued 156 Notice of Violations for illegal street vending activity.
- PSO's completed over 488 hours of officer safety training which included Officer Safety, Bike Patrol, PC832 Laws of Arrest, Supervisory Skills, Assertive Supervision, Maximizing Performance through documentation and Harassment Training.
- Enhancing community partnerships by improving community relations was also a key area of focus. The department held events such as Coffee with a Cop, Sweets & treats with Santa, Trick-or-Treat at the Police Services Center, and hosted information booths at community and City special events. Additionally, PSO's and WPD personnel visited elementary schools and participated in Read Across America, which aims to celebrate reading across the county.
- The department partnered with numerous law enforcement agencies, non-profit organizations and City departments to host National Night Out (NNO). The event aims to strengthen community-police partnerships and build neighborhood camaraderie, essential in keeping our community safe. NNO included police and fire vehicle displays and community information booths.
- The Bike Patrol Program continued throughout the city. Public Safety Officers provided pro-active patrol on bicycles in residential neighborhoods, City facilities, and parks to improve citizen engagement and ensure a safe community.
- Three Community Block Parties were also held to bring community members together to get to know their neighbors and policing team in a relaxed environment.

**Accomplishments
& Outlook (cont.)**

Animal Licensing Program & Regulatory Permits:

- During FY 2023-2024, 1,326 dog licenses were processed.
- The Department partnered with the Southeast Area Animal Control Authority (SEAACA) to host the annual Low-Cost Pet Vaccination Clinic. 86 animals were licensed, 209 received vaccinations and 19 pets were microchipped.
- Administrative staff issued 14 regulatory permits for catering food truck operations and two special events permits.
- A total of 193 yard sale permits were issued during FY 2023-2024.

Code Enforcement Program:

Code Enforcement is another significant component of the Department of Police Services that is responsible for enforcing Santa Fe Springs Municipal codes related to residential and business property maintenance standards, illegal business operations, land use and unpermitted construction. Code Enforcement Inspectors also enforce building code violations, zoning violations, health and safety standards related to environmental protection and neighborhood preservation. The division works closely with all City departments to ensure community needs are met.

Code Enforcement activity for FY 2023-2024 included, but was not limited to:

- 281 new code enforcement cases initiated to address numerous violations related to property maintenance concerns, illegal garage conversions, illegal structures, hazardous property conditions, illegal business operations, inoperable and abandoned vehicles, and illegal land use activity.
- Coordinated outreach and partnered with outside agencies to remove homeless encampments located on City property, Burlington Northern Santa Fe Railroad, Union Pacific Railroad, LA County Public Works, Caltrans and private properties. The team coordinated with these agencies and business owners to assist with several homeless encampment cleanups. Although some of these homeless encampments were located on outside agency property, they ran through the Santa Fe Springs jurisdiction and negatively impacted the residential and business community.
- Over 181 contacts were made with individuals experiencing homelessness.
- Code Enforcement Inspectors conducted 1,168 residential and commercial inspections and 671 follow-ups in an effort to get properties into compliance.
- Inspectors also issued 296 Notice of Violations, and 207 Administrative Citations were issued by Code Enforcement and Public Safety Officers for various code violations.

**Accomplishments
& Outlook (cont.)**

- Code Enforcement staff also remained dedicated to participating in ongoing training. Inspectors participated in over 39 hours of code enforcement continued education and officer safety trainings.
- Code Enforcement staff processed 6 Alcohol Sales Conditional Use Permits (ASCUP) and 8 ASCUP Compliance Reviews.
- Staff also continued to work closely with the Community Development Department to identify potential impacts and mitigate hazards of new and existing developments by developing conditions of approval to ensure safety and minimize negative impacts to the community.
- In February 2024, a Senior Code Enforcement Inspector position was added to the team. This position provides direct supervision to Code Enforcement Inspectors and performs technical office and field work.
- In June 2024, Thomson Reuters CLEAR investigative software was added to assist Code Enforcement staff identify responsible parties. CLEAR software is a valuable resource which makes Code Enforcement more effective and efficient by providing the most accurate information.

Department of Public Works

The City's Department of Public Works is responsible for efficiently developing, constructing, and maintaining the City's infrastructure. The infrastructure consists of streets, facilities, parks, fleet, traffic signals, street lighting, and water distribution system. This encompasses routine and preventive maintenance items as well as responding to numerous citizen requests for service. The City prides itself in having a functional and well-maintained infrastructure that the community can enjoy.

The Engineering Division is responsible for the administration of the Capital Improvement Program (CIP); working closely with the Council CIP Subcommittee. In addition, traffic engineering and development review services are provided within the Engineering Division. In FY 2023-2024, the Engineering Division issued approximately 300 total excavation and construction permits.

During FY 2023-2024, the Department of Public Works coordinated a multitude of capital improvement projects including:

Facility Improvements

- Town Center Hall Storage Cabinets at the Social Hall
- Police Service Center Main Entrance Improvements (Sky-Light)
- City Hall Roof Replacement
- Police Services Staging Roof Replacement
- Clarke Estate Parking Lot Improvements
- Traffic Signal Administration Roof Replacement

Accomplishments & Outlook (cont.)

- City Clerk's Office Improvements
- EV Charge Stations North City Hall Parking Lot

Park Improvements

- Los Nietos Park North Baseball Field Fencing Improvements
- Heritage Park Trellis/Pergola Rehabilitation
- Los Nietos Park North Baseball Field Fencing Improvements Phase II - Hood Netting
- Install WIFI at City Hall

Street Improvements

- Stop Sign Installations at Orr and Day Road at Whiteland Street
- Street Rehabilitation on Residential Streets South of Florence Ave
- Street Rehabilitation on Longworth Avenue (Orr & Day Road to Harvest Avenue)
- Street Rehabilitation on Pioneer Frontage Road (Clarkman Street to south end)
- Telegraph Rd at Carmenita Rd Intersection Improvements
- Pioneer Bl at Houghton Stop Sign Study
- Median Entry Monument on Pioneer Rehabilitation

Building & Safety

Responsible for ensuring that construction and occupancy of buildings meet safety standards by managing the plan check process, issuing permits, and conducting inspections.

Building Activities during FY 2023-2024

- Total permits issued:
 - 1,358 total
 - 665 Building Permits
 - 312 Electrical Permits
 - 149 Mechanical Permits
 - 157 Plumbing Permits
 - 66 Sewer Permits
 - 9 Grading Permits
- Overall project valuation of permits issued:
 - \$132,712,093 total
 - It should be noted that the Electrical, Mechanical, Plumbing and Grading permits do not have a valuation.
- Total number of individuals assisted at the counter:
 - 751 total.

Accomplishments & Outlook (cont.)

Department of Community Development

The Community Development Department provides staff support to the City Council, Planning Commission, Housing Successor, Successor Agency, and other development-related activities. The Community Development Department is responsible for the following divisions:

- Planning
 - Current and Advanced (long-range) planning;
- Economic Development
 - Creating, retaining, attracting, and expanding the business community; and
- Housing
 - Improving the quality of our neighborhoods, providing affordable housing options, and managing and disposing of the assets of the former redevelopment agency.

The role of the department is to foster public involvement and creativity and assist decision makers and the public in formulating and implementing policies, which balance environmental, economic and social needs for the present, and future. The department is committed to playing a prominent role in shaping the community through high-quality standards citywide to preserve and cultivate smart and sustainable growth of the City's residential, commercial, and industrial areas. Through the regulation of land use and development, the Community Development Department continually strives to protect and enhance the City's environment and quality of life, resulting in a diverse and livable community where residents, businesses, and visitors can thrive.

Planning Division Activities during FY 2023-2024

- Total number of entitlements processed:
 - Discretionary entitlements: 46 total.
 - Administrative entitlements: 14 total (*wireless projects*)
- Advanced Planning projects completed:
 - Established an on-call environmental services list.
 - Initiated the Surplus Land Act process for several city-owned properties.
 - Adopted local CEQA Guidelines.
 - Adopted an Ordinance to allow Temporary Truck, Trailer, and Container storage on selective properties.
 - Total number of plan checks completed: 500 total.
- Total number of Zone Certification Letters prepared:
 - 18 total.
- Various miscellaneous permits processed:
 - 3 Office Trailer Permits.
 - 3 Home Occupation Permits.
 - 7 Preliminary Application Reviews.

**Accomplishments
& Outlook (cont.)**

- Total number of individuals assisted at the counter:
 - 699 total.

Economic Development Division Activities during FY 2023-2024

- Opening of a new Chick-Fil-A drive-through restaurant at 13225 Telegraph Road.
- Entitled the development of a new Raising Cane's drive-through restaurant at 12623 Imperial Highway.
- Construction began for the Sonic's Drive In and Dave's Hot Chicken at the northeast corner of Laurel Avenue and Florence Avenue.
- Zoning Code revision to simplify and streamline the Alcohol Sales Conditional Use Permits process.

Housing Division Activities during FY 2023-2024

- Submitted the 5th draft of the 2021-2029 Housing Element to the California Department of Housing and Community Development (HCD) for approval.
- Updated City's ADU ordinance to comply with State's updated ADU laws
- Updated the City's Municipal Code to include provisions for SB 9 two-unit developments and urban lot splits.
- Accessory Dwelling Units (ADUs) reviewed and approved: 20 total.
- SB 9 (Two-unit Development) reviewed and approved: 2 total.

Upcoming Activities

In addition to the items listed above, staff is in the beginning and intermediate stages of completing the following projects:

- Select a consultant and begin the Comprehensive Zoning Code Update.
- Select a consultant and begin the Town Center Telegraph Corridor Specific Plan as part of the Caltrans Sustainable Transportation Planning Grant.
- Complete the Surplus Land Act process to construct new housing and commercial opportunities with several city-owned properties.
- Completion of The Whole Child interim housing and community wellness support center.
- Completion of the Richman Group housing project.
- Begin construction of the Habitat for Humanity housing project.
- Select a consultant and process entitlements for three (3) new billboards on the I-605 freeway.
- Complete the design and build for five (5) new single-family homes on existing city parcels.
- Complete the environmental assessment of four (4) city-owned properties as part of the Equitable Community Revitalization Grant (ECRG).
- Adopt new regulations and procedures related to firework booth sales.
- Implement a new Zoning Compliance Form into the business license review process to streamline the understanding of new and existing business operations.

**Accomplishments
& Outlook (cont.)**

Department of Community Services

The Department of Community Services includes the following Divisions: 1) Administration; 2) Library and Cultural Services (LCS); and 3) Family and Human Services (FHS). It is one of the City departments that has the most direct impact on the residents of Santa Fe Springs. Programs and services are available to City residents, visitors, and business residents. These programs and services range from social, recreational, and cultural services. During Fiscal Year 2023-2024, the Department of Community Services achieved several significant accomplishments.

The following includes a variety of program, event, and department accomplishments:

- The Community Services Department implemented several internal operational changes, including:
 - Separation of Parks and Recreation (parks, sports, some special events, aquatics, teens, contract classes) operations from the Community Services Department.
 - Creation of a Creative Media & Communications team under the Administration Division.
 - Transfer of Transit Services from the Public Works Department to the Community Services Department.
- The Creative Media & Communications (CMC) Team formed in December 2023. The CMC Team is essential for creating a positive image, fostering community engagement, and ensuring effective communication in a way that benefits both the municipality and the community it serves. The CMC Team will help to serve the City of Santa Fe Springs in a variety of roles including, but not limited to, community engagement, public awareness, brand building, communication, crisis management, data collection, policy advocacy, enhancing public legitimacy and trust, and promotion of city services, programs, and events.
 - Since its inception, the team has worked to:
 - Complete a media audit to identify how to better engage the community, including Issuing a public survey that resulted in 715 responses and a better understanding of community needs.
 - Produced a new monthly E-Newsletter “Be in the know of the 90670!”
 - Increased Social Media Followers by 19%, from 14,752 to 17,561 in just 6 months
 - Obtained permission from the Federal Government to use the www.santafesprings.gov domain (transition to .gov will happen in FY24.25).

**Accomplishments
& Outlook (cont.)**

- Initiated better internal communications with a monthly Department Liaisons meeting and routine Public Safety meetings, including SFS Fire, Creative Media & Communications, Police Services, and Whittier P.D.
- Assisted with SFS Art Fest promotional efforts resulting in almost doubled attendance from the previous year's event.
- Utilized digital platforms such as Hootsuite and Placer AI to increase efficient operations and better analyze marketing efforts.
-
- The Community Services Department Administration Division hosted the annual Walk to School Day on Wednesday, October 4, 2023, and included participation from the Police Services Department and City of Norwalk Public Safety. Six elementary schools participated – Rancho Santa Gertrudes, Jersey Avenue, Cresson, Lakeview, Lakeland, and Santa Fe Springs Christian. About 500 4th and 5th-grade students, teachers, parent volunteers, and staff participated.
-
- The Library continued to increase its attendance numbers, services offered, and special programs in Fiscal Year 2023-24 some noteworthy accomplishments include:
-
- Grant Funded Programming - In FTY2023/2024, the Library received over \$85,000 in funds and \$11,000 in materials for programs and services to the community, including:
- Literacy Services to Adults – The Library rebuilt and updated its Literacy Services and added English As A Second Language (ESL) to its program.
- Programming for Developmentally Adults – The Library received funds to present programming on sustainability. The programs included topics such as native plants, the benefits of insects and trees, low waste living and energy and water efficiency.
- Stay and Play, a program that provides a dedicated space for children and their caregivers to promote socializing, learning, and literacy
- Participation in E-books For All, a statewide collection of e-books and e-audiobooks. The Library received funds to select titles that interest our community.
- Materials to distribute or offer for checkout, such as eclipse viewing glasses, backpacks with hiking supplies, including solar panels, and fix-it kits filled with tools to help people fix their broken items.
- Passport Services - In August 2023 the Library began to offer passport acceptance services. During this period the Library generated almost \$13,000 in fees related to services and passport photos.

Accomplishments & Outlook (cont.)

- Library Programs - The Library's innovative programming was very popular with the public. We hosted Pub Trivia, a Mystery Dinner Night, Lantern Tours and 5 book groups. We also expanded our First Fridays and added teen programming. Our Children's programming grew considerably. Over 500 guests attended our Summer Reading Program kickoff party, where we presented a live dance band, face painting, a caricature artist, a mocktail bar and a live animal show complete with a kangaroo. We also revised our children's literacy program and replaced the old Reading Club with a new Reading Lab that is open to all children regardless of reading level and promotes reading with fun activities.
- The Family and Human Services Division continued to increased offerings for social services, community events, and programs for seniors, this includes:
 - \$83,918.59 in utility assistance grants, and 453 applications were processed. The Family & Human Services Division continues to partner with United Way and Southern California Edison and SoCal Gas, to provide utility assistance to low-income families and seniors at risk of having their utilities disconnected.
 - 210 Emergency food/clothing packages were distributed. Gus' Kitchen Food Pantry and Community Closet located at the Gus Velasco Neighborhood Center, provides food, hygiene products, and clothing to low-income residents and our unhoused neighbors.
 - 144 inquiries for affordable housing, were responded to by case managers. Affordable housing is increasingly in demand. Most of those in need are either at risk of homelessness or homeless and are often older adults or families.
 - 125 participants attended our Family Health and Wellness classes. These events are chosen to promote protective factors within families and build overall health in our community. Evidence-based data shows that regular family engagement, communication, acceptance, and time spent together after school supports strong families, mental health, and resilience. They also reduce the risk of child abuse and substance use. The classes this year were:
 - Cellphone Savvy Family Photo Class- 15 Participants
 - Family Rock Painting Night- 29 Participants
 - Family Yoga Night, (in partnership with SPIRITT Family Services)- 16 Participants
 - Family Wood Block Craft- 32 Participants
 - Pride Family Paint Night- 33 Participants
 - 168 Backpacks filled with school supplies were distributed to Santa Fe Springs resident children for our Back-to-School Backpack Program. Backpacks were donated by the Rotary Club of Santa Fe Springs, and other monetary donations as well as school supplies were donated by the community.

**Accomplishments
& Outlook (cont.)**

- 153 bags of clothing were provided to community children at the Children's Spring Boutique. A boutique-style outdoor marketplace provides our families with a fun and festive shopping experience. Gently used clothing from our Community Closet was displayed for families to shop for free!
- 324-holiday food baskets were distributed to older adults and families in the community through the Neighborly Elf and Thankful Neighbor Basket programs.
- 3,645 Social Service inquiries were responded to, by Case Managers.
- 98 Families and individuals received assistance in accessing or maintaining affordable health care through Covered California.
- 292 Clients received assistance in form completion. Most are to assist with maintaining or accessing vital services to improve or maintain their quality of life.
- Two emergency meetings were coordinated to offer support and resources to the residents living without gas because of a gas leak and shut off natural gas to the Placita Park Apartment complex. Resources included gift cards, information and referrals, and electric space heaters. An additional meeting with a speaker from the Housing Rights Center was held to inform residents of their rights as tenants. 124 residents of the apartments attended the meetings.
- 15 Older adults attended a workshop on How to Protect your Home Equity, to prevent being a victim of fraud or scams.
- 10 Children participated in a sleep-away camp through Woodcraft Rangers and sponsored by Family and Human Services.
- 4 children were sponsored by Family and Human Services funds for sports and day camp activities.

Department of Parks and Recreation

The Department of Parks & Recreation is dedicated to enriching the lives of our residents by providing quality and caring programs, events, and services that foster community engagement, personal growth, and well-being. We strive to create inclusive recreational opportunities that promote both physical and emotional development for individuals of all ages.

Our wide array of offerings includes year-round programs such as youth and adult sports leagues, recreational classes, day camps, aquatic programs, and youth-focused initiatives at our Activity Center. These activities are thoughtfully designed to encourage cultural enrichment, social connection, and lifelong learning, ensuring that every resident can find opportunities to explore their interests and achieve personal growth.

Accomplishments & Outlook (cont.)

- Restructured Operations and Established the Department of Parks and Recreation
 - In February 2024, the City established the Department of Parks and Recreation, leading to a comprehensive restructuring of program areas and operations. Key improvements that directly impacted residents and key stakeholders by providing higher-quality programming, fostering opportunities for new collaborations, and improving the overall management of community resources, included:
 - The creation of a dedicated maintenance crew for sports fields.
 - The addition of Summer Movie Nights (formerly housed in Community Services).
 - The integration of the Family and Youth Intervention Program into recreation programming, enhancing service delivery and operational efficiency.
- Expanded and Enhanced Community Events
 - The Department significantly increased and enhanced community events, resulting in higher participation and community pride. Key highlights included:
 - Overall, the department hosted 12 community special events with an estimated attendance of approximately 36,600 people.
 - The Independence Day celebration attracted 3,000 more attendees than the previous year—a 25% increase—largely due to improved entertainment, the addition of a second stage, and a spectacularly produced fireworks show.
 - New Memorial Day and Veterans Day Ceremonies were introduced to honor military personnel and their families, receiving widespread acclaim from the community for their heartfelt tributes.
 - The annual 5K event saw a 50% increase in participation, with 700 additional participants joining the run.
 - The Tree Lighting Ceremony also experienced a significant boost in attendance, with an estimated 4,200 attendees enjoying the festive celebration.
- Expanded Collaborative Partnership with the American Cancer Society
 - The Department forged new partnerships, including securing various donations and services for Relay for Life, which featured enhanced entertainment and new activities. Despite a location change that was initially received by stakeholders with skepticism, the event attracted more volunteers, raised over \$100,000 toward cancer research, and saw a 37% increase in participation, with over 3,700 attendees, the most this event has seen. These efforts strengthened community engagement and elevated the overall event experience. Additionally, the Relay for Life event was nominated for Event of the Year on the west coast by the American Cancer Society, highlighting its significant impact and success.

Accomplishments & Outlook (cont.)

- Reintroduced Swim Program at the Aquatic Center
 - The Department successfully reintroduced the swim program at the Aquatic Center following a complete refurbishment of the pools, after a three-year closure due to safety concerns. The upgrades included new concrete decking, advanced pool features, modern equipment, and infrastructure leak repairs, revitalizing the facility. Swim lessons were reinstated mid-summer, serving 80% residents, with a daily average participation of 514 across various aquatic programs, including swim lessons, water aerobics, lap swim, and recreational swim, significantly enhancing community engagement and wellness.
- Enhanced Community Access Through Online Transactions The Department strengthened its role as a community hub by increasing online transactions by 31% in the past fiscal year, with online registrations accounting for 22% of all transactions processed for recreation programs. In total, the department processed 5,569 transactions, showcasing its commitment to accessibility and convenience for residents. These efforts reflect the department's dedication to modernizing services and enhancing community engagement.

City Manager

The City Manager is responsible for carrying out the policies and directives of the Council, for overseeing the City's daily operations, maintain the city budget and represent the municipality in a variety of settings, and supervise City departments. Additionally, the City Manager's Office also researches issues important to the city and advises the mayor and council on the best course of action.

City Manager's Office Accomplishments

In the past year, the City Manager's Office has made significant strides in improving internal operations, enhancing efficiency, and addressing the evolving needs of both city departments and the community. Key accomplishments include:

- **Organizational Enhancements & Efficiency Improvements**
 - Assessed internal city expectations and community needs to better align operations with resident and staff priorities.
 - Strengthened the City Manager's Office by integrating Human Resources and IT functions under its umbrella, fostering greater collaboration, efficiency, and productivity.

**Accomplishments
& Outlook (cont.)**

- **Human Resources & Policy Updates**
 - Launched a streamlined performance evaluation system, making it more efficient for supervisors to complete assessments.
 - Conducted and implemented a comprehensive classification and compensation study to ensure equitable and competitive pay structures.
 - Implemented a revised Vehicle Use Policy to enhance operational consistency and accountability.
 - Continued to provide guidance to Department Directors on personnel matters, ensuring effective leadership and decision-making.
- **Technology & Communication Advancements**
 - Conducted an IT assessment to identify and address infrastructure needs.
 - Successfully launched the City's first YouTube-streamed Council meeting, increasing public access to government proceedings. Meetings are now available on the City's website for on-demand viewing.
 - Upgraded all city users to Microsoft 365, improving communication and productivity across departments.
 - Updated the City's online domain from **.org** to **.gov** to comply with state requirements, reinforcing the City's official government status and enhancing cybersecurity.
- **Financial & Operational Improvements**
 - Collaborated with the Finance Department to implement a new banking process, ensuring high-quality service and a cost-effective fee structure.
 - Evaluated City facility audiovisual needs, paving the way for AV system enhancements.

Through these initiatives, the City Manager's Office remains committed to fostering an efficient, transparent, and responsive government that effectively serves both city employees and the community.

Department of Finance and Administrative Services

The Department of Finance and Administrative Services is responsible for various different areas, including managing and safeguarding financial resources in accordance with specific principles and practices, administering information technology and risk management functions, as well as the City's Human Resources function. In addition to receiving the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting again this year and over the last several decades, the department embarked on several initiatives this fiscal year.

**Accomplishments
& Outlook (cont.)**

During Fiscal Year 2022 through 2023, the City's operations were in part impacted by the pandemic. However, the City experienced little to no effect on revenue stream, and in fact, experienced greater than anticipated Sales Tax and Transaction Tax revenues.

The department is in the process of implementing the following:

- Transitioning to a new bank
- New Trustee for Pension and OPEB
- New Investment Portfolio Manager
- Lock Box system to ensure quick turnaround for payment processing
- New Water utility billing software
- Budget software
- Assisting Human Resources and Payroll software

**Long-Term
Financial Planning**

The City continued taking a number of steps to better position its long-term financial standing. City employees are paying their full share of City pension costs. This, coupled with "tiered" benefits providing future City employees with a reduced set of benefits and a greater share of the costs, will substantially help the City's future fiscal standing. In conjunction with subsequent pension reform earmarked changes adopted by the State, the effect should be the stabilization of employee costs.

**Debt
Administration**

The City continues to prefund Other Postemployment Benefits (OPEBs) through CalPERS' California Employers' Retiree Benefit Trust Fund (CERBT). It recognizes the benefit of "prefunding" through a trust rather than using the "pay as you go" method.

The City established California Employers Pension Prefunding Trust (CEPPT) on June 2021. This is a special trust fund for the purpose of allowing City to prefund the required pension contributions to a defined benefit pension plan by receiving and holding in the CEPPT amounts that are intended to be contributed to the Pension Plan at a later date.

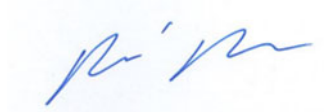
Over the course of the next year, staff will be looking to further develop and formalize more long-term financial planning models. They should help provide a framework that helps identify future trends.

At June 30, 2023, the City of Santa Fe Springs oversaw five outstanding bond issues comprised of: three Consolidated Redevelopment Project tax allocation bond issues, and two City water revenue bond issues.

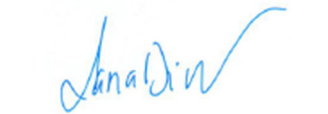
The City works closely with public financial professionals to monitor opportunities to effectively administer the outstanding debt in a fluid public finance market. More detailed information about the debt is contained in the Management's Discussion and Analysis and in the Notes to Financial Statements.

Acknowledgements

We would like to extend our appreciation to the City Council, the City Council Audit/Finance Subcommittee, and City departments for their cooperation and support in planning and conducting the financial operations of the City during the past fiscal year. Specifically, we would like to thank the Department of Finance & Administrative Services for their consistent dedication and hard work.

A handwritten signature in blue ink, appearing to read 'René Bobadilla', with a stylized, flowing script.

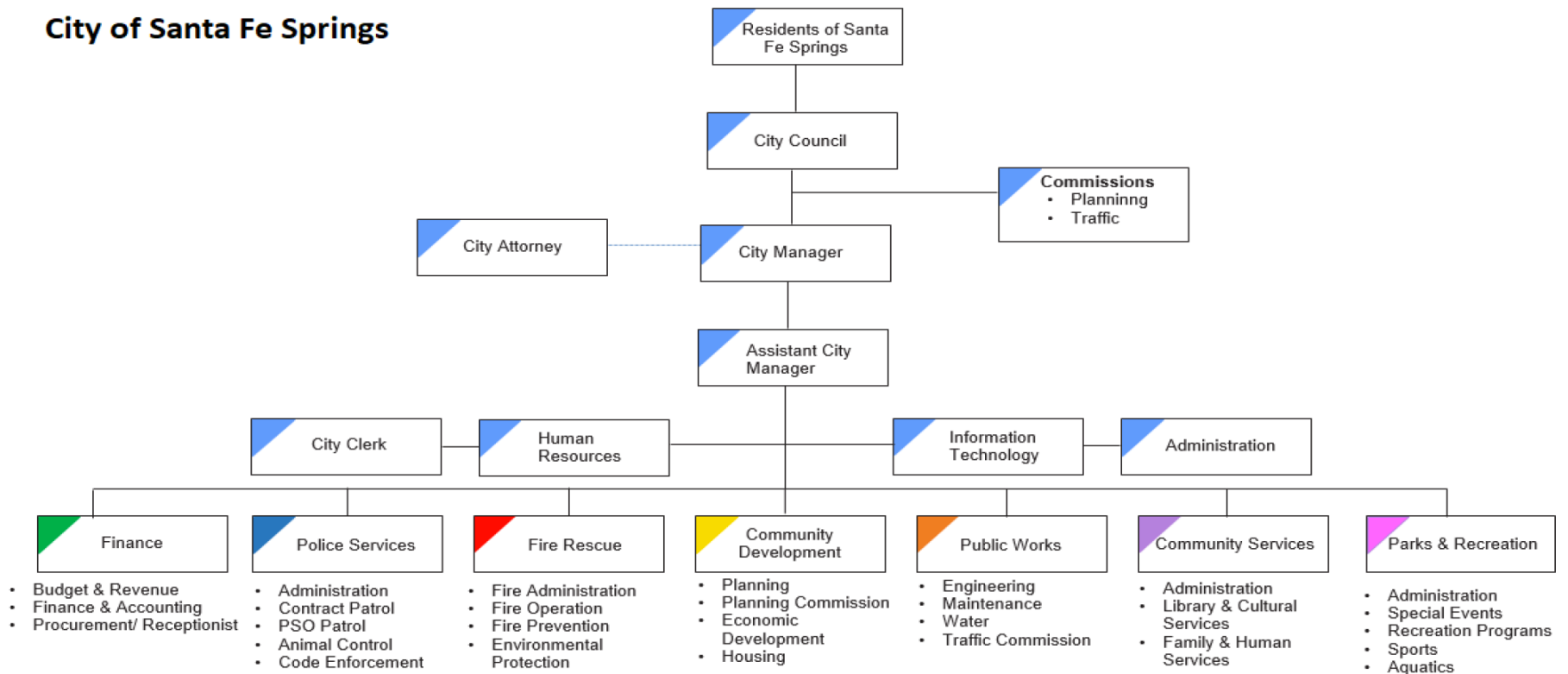
René Bobadilla
City Manager

A handwritten signature in blue ink, appearing to read 'Lana Dich', with a stylized, flowing script.

Lana Dich
Director of Finance

Organizational Chart

City of Santa Fe Springs





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Santa Fe Springs
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

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INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members of the City Council
City of Santa Fe Springs
Santa Fe Springs, California

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

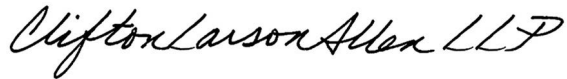
Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover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

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

Honorable Mayor and Members of the City Council
City of Santa Fe Springs

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

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

CliftonLarsonAllen LLP

Irvine, California
March 10, 2025

**CITY OF SANTA FE SPRINGS
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

This is management's discussion and analysis (MD&A) of the financial performance of the City of Santa Fe Springs (City) for the fiscal year ended June 30, 2024. This should be read in conjunction with the transmittal letter that can be found in the introductory section of this report and with the City's financial statements, which follow this discussion

Financial Highlights

- The City's total net position increased over the course of the fiscal year by \$32.1 million to \$249.0 million. The governmental net position increased by \$30.4 million or 15.8%, while the business-type net position increased by \$1.7 million or 7.1%.
- The General Fund, on the current financial resources basis, reported an increase in fund balance of \$20.8 million to \$121.2 million. Excluding transfers and other financing sources/uses, the General Fund reported \$24.3 million excess of revenues over expenditures. Revenues increased by \$5.4 million or 5.4% and expenditures increased by \$5.9 million or 7.8% when compared to prior year. Increase in revenues was primarily due to increase in revenues provided by sales, use, and transaction taxes, use of money & property and charges for services. Increases in expenditures were mainly due to supply chain pressure, causing inflation to rise sharply.
- At the close of the fiscal year, unassigned fund balance for the General Fund was \$50.1 million or approximately 56.4% of total General Fund expenditures and transfers.

Overview of the Financial Statements

This annual report consists of several parts: an introductory section, management's discussion and analysis, the basic financial statements, required supplementary information, supplementary information and a statistical section. The basic financial statements include two kinds of statements that present different views of the City: government-wide financial statements and fund financial statements.

Government-wide Financial Statements

The government-wide financial statements provide both short and long-term information about the City's overall financial status in a manner similar to a private sector business.

- The statement of net position presents information on all of the City's assets and deferred outflows, and liabilities and deferred inflows, with the difference between the two reported as net position. In time, increases or decreases in net position may serve as a useful indicator of whether the financial condition of the City is improving or deteriorating.
- The statement of activities presents information on how the City's net position changed during the 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. Revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The governmental activities of the City include general government, public safety, community development, public works, culture and leisure, human services and Interest on Long-Term debt. The City's Water Utility operates as a proprietary fund and is reported as the City's only business-type activity in the government-wide statements.

**CITY OF SANTA FE SPRINGS
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

Fund Financial Statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund financial statements focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.

- Governmental funds statements tell how general government services such as public works, community services, police and fire were financed in the short term, as well as what remains for future spending. Because this information does not encompass the additional long-term focus of the government-wide statements, reconciliations that explain the relationship (or differences) between governmental funds and governmental activities follow each of the governmental funds statements.
- Proprietary fund statements offer short and long-term financial information about the City's Water Utility Enterprise fund and internal service funds.
- Fiduciary funds statements provide information about the financial relationships in which the City acts solely in a trustee or custodial capacity for the benefit of others, to whom the resources belong. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by certain required supplementary information concerning the City's budgetary comparison schedules for its general fund and the City's pension and other post-employment benefits obligation to its employees. In addition to these required elements, we have included supplementary statements and schedules that provide details about the City's non-major governmental funds.

Financial Analysis of the Government-wide Statements

The government-wide financial statements provide short and long-term information about the City's overall financial condition. This analysis addresses the financial statements of the City as a whole. The statement of net position includes all of the City's assets and deferred outflows, and liabilities and deferred inflows. All current year revenues and expenses are reported in the statement of activities, regardless of when cash is received or paid.

The two government-wide financial statements report the City's net position and how it has changed during the fiscal year. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial health of the City is improving or deteriorating.

**CITY OF SANTA FE SPRINGS
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

City of Santa Fe Springs
Summary of Net Position
June 30, 2023 and 2024
(in millions)

	Governmental Activities		Business- type Activities		Total		Total Percent Change
	2023	2024	2023	2024	2023	2024	
Current and other assets	\$ 200.7	\$ 220.0	\$ 20.4	\$ 22.3	\$ 221.1	\$ 242.3	9.6%
Capital assets, net	<u>163.1</u>	<u>171.3</u>	<u>25.0</u>	<u>24.4</u>	<u>188.1</u>	<u>195.7</u>	<u>4.0%</u>
Total assets	<u>363.8</u>	<u>391.3</u>	<u>45.4</u>	<u>46.7</u>	<u>409.2</u>	<u>438.0</u>	<u>7.0%</u>
Deferred outflows	47.2	46.3	2.7	2.6	49.9	48.9	-2.0%
Long-term liabilities	176.0	168.8	20.7	19.6	196.7	188.4	-4.2%
Other liabilities	<u>13.1</u>	<u>11.5</u>	<u>2.9</u>	<u>2.8</u>	<u>16.0</u>	<u>14.3</u>	<u>-10.6%</u>
Total liabilities	<u>189.1</u>	<u>180.3</u>	<u>23.6</u>	<u>22.4</u>	<u>212.7</u>	<u>202.7</u>	<u>-4.7%</u>
Deferred inflows	28.9	33.9	0.6	1.3	29.5	35.2	19.3%
Net position							
Net investment in							
capital assets	155.9	165.1	17.7	17.2	173.6	182.3	5.0%
Restricted	34.5	40.5	0.6		35.1	40.5	15.4%
Unrestricted	<u>2.6</u>	<u>17.8</u>	<u>5.6</u>	<u>8.4</u>	<u>8.2</u>	<u>26.2</u>	<u>219.5%</u>
	<u>\$ 193.0</u>	<u>\$ 223.4</u>	<u>\$ 23.9</u>	<u>\$ 25.6</u>	<u>\$ 216.9</u>	<u>\$ 249.0</u>	<u>14.8%</u>

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Santa Fe Springs, assets and deferred outflows exceeded liabilities and deferred inflows by \$249.0 million at the close of the fiscal year. The largest portion of the City's net position 73.2%, is invested in capital assets, net of related debt. Approximately 10.5 % of the City's net position is unrestricted. Unrestricted net position is at a surplus of \$26.1 million, an increase of \$17.9 million from the prior year. An additional portion of the City's net position, \$40.5 million, represents resources that are subject to external restrictions on how they may be used.

During the fiscal year, the City's ending net position increased by \$32.1 million, when compared to the prior year, revenues increased by \$3.8 million to \$135.4 million. Expenses increased by \$11.0 million to \$103.3 million. Total revenues outpaced total expenses primarily due to increases in sales, use, and transaction taxes, franchise taxes, use of money & property, and charges for services program revenues.

**CITY OF SANTA FE SPRINGS
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

Changes in Net Position

For the Fiscal Years Ended June 30, 2023 and 2024

(in millions)

	Governmental Activities		Business-type Activities		Total Primary Government		Total Percentage Change
	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	
Revenues							
Program revenues:							
Charges for services	\$ 14.7	\$ 14.3	\$ 15.3	\$ 16.1	\$ 30.0	\$ 30.4	1.3%
Operating grants and contributions	11.4	7.7	0.1	-	11.5	7.7	-33.0%
Capital grants and contributions	3.4	3.7	-	0.1	3.4	3.8	11.8%
General revenues:							
Sales and use taxes	40.2	40.5	-	-	40.2	40.5	0.7%
Transaction and use taxes	16.8	17.2	-	-	16.8	17.2	2.4%
Property taxes	5.9	6.4	-	-	5.9	6.4	8.5%
Franchise taxes	4.7	5.3	-	-	4.7	5.3	12.8%
Motor vehicle in lieu	2.5	2.7	-	-	2.5	2.7	8.0%
Business operations taxes	0.8	0.8	-	-	0.8	0.8	0.0%
Utility users taxes	8.8	8.8	-	-	8.8	8.8	0.0%
Other taxes	0.2	0.2	-	-	0.2	0.2	0.0%
Use of money and property	4.0	9.1	0.4	0.7	4.4	9.8	122.7%
Other	2.3	1.7	0.1	0.1	2.4	1.8	-25.0%
Total revenues	<u>115.7</u>	<u>118.4</u>	<u>15.9</u>	<u>17.0</u>	<u>131.6</u>	<u>135.4</u>	<u>2.9%</u>
Expenses							
Governmental activities:							
General government	10.3	11.2	-	-	10.3	11.2	8.7%
Public safety	28.3	41.4	-	-	28.3	41.4	46.3%
Community development	11.7	4.7	-	-	11.7	4.7	-59.8%
Public works	18.8	20.9	-	-	18.8	20.9	11.2%
Culture and leisure	7.3	8.6	-	-	7.3	8.6	17.8%
Human services	2.2	2.4	-	-	2.2	2.4	9.1%
Interest on long-term debt	0.1	0.1	-	-	0.1	0.1	0.0%
Business-type activities:							
Water	-	-	13.6	14.0	13.6	14.0	2.9%
Total expenses	<u>78.7</u>	<u>89.3</u>	<u>13.6</u>	<u>14.0</u>	<u>92.3</u>	<u>103.3</u>	<u>11.9%</u>
Excess (deficiency) before transfers	37.0	29.1	2.3	3.0	39.3	32.1	-18.3%
Transfers	1.4	1.3	(1.4)	(1.3)	-	-	
Increase (decrease) in net position	<u>38.4</u>	<u>30.4</u>	<u>0.9</u>	<u>1.7</u>	<u>39.3</u>	<u>32.1</u>	<u>-18.3%</u>
Net position - beginning	154.6	193.0	23.0	23.9	177.6	216.9	22.1%
Net position - ending	<u>\$ 193.0</u>	<u>\$ 223.4</u>	<u>\$ 23.9</u>	<u>\$ 25.6</u>	<u>\$ 216.9</u>	<u>\$ 249.0</u>	<u>14.8%</u>

The City's total revenues were \$135.4 million for the fiscal year ended June 30, 2024. Revenues from governmental activity totaled \$118.4 million and revenues from business-type activities totaled \$17.0 million. Program revenues comprise 30.9% of total revenues with the largest portion of this, \$30.4 million, resulting from charges for services. Sales, use, and transaction taxes comprise 42.6% of total revenues and other general revenues comprise the remaining 26.4%. Total revenues increased by 2.9%, primarily due to increase in program charges for services, sales, use, and transaction taxes, and the use of money & property during the fiscal year.

- Charges for services includes culture and leisure programs, and facilities rentals. Increased in charges for services due to an increase in the demand to use city's programs and services.
- The stay-at-home orders during the pandemic generated greater than anticipated online sales which resulted in the City's increased sales, use, and transaction taxes.

**CITY OF SANTA FE SPRINGS
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

Expenses of the City for the year totaled \$103.3 million. Governmental activity expenses totaled \$89.3 million, or 86.4% of total expenses. The following table summarizes the total cost and net cost of the City's governmental activities by function type.

Net Cost of Governmental Activities
(in millions)

	<u>Total Cost of Services</u>		<u>Percentage Change</u>	<u>Net Cost of Services</u>		<u>Percentage Change</u>
	<u>2023</u>	<u>2024</u>		<u>2023</u>	<u>2024</u>	
General government	\$ 10.3	\$ 11.2	8.7%	\$ 2.5	\$ 2.8	12.0%
Public safety	28.3	41.4	46.3%	20.2	36.8	82.2%
Community development	11.7	4.7	-59.8%	8.1	1.6	-80.2%
Public works	18.8	20.9	11.2%	10.6	13.1	23.6%
Culture and leisure	7.3	8.6	17.8%	5.8	7.1	22.4%
Human services	2.2	2.4	9.1%	1.8	2.1	16.7%
Interest on long-term debt	0.1	0.1	0.0%	0.1	0.1	0.0%
Total	<u>\$ 78.7</u>	<u>\$ 89.3</u>	<u>13.5%</u>	<u>\$ 49.1</u>	<u>\$ 63.6</u>	<u>29.5%</u>

Business-type Activities

Program revenues of the City's only business-type activity, the Water Utility, totaled \$16.2 million, and investment and other income totaled an additional \$0.8 million. Expenses of the Water Utility were \$14.0 million. Water rates include a factor to provide for a modest annual water infrastructure replacement program. Income before transfers was \$3.0 million. Transfers out totaled \$1.3 million. This amount was transferred to the City's General Fund for use of the City's rights of way and maintenance of the City's extensive infrastructure. The cost of capital improvements is reported in the statement of net position, rather than as expenses in the statement of activities. Capital assets of \$24.4 million (net of accumulated depreciation) decreased by approximately \$0.6 million.

Financial Analysis of the Fund Statements

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements focus on individual parts of City government, reporting the City's operations in more detail than the government-wide statements.

The City's governmental funds provide information on near-term inflows, outflows and the balance of available resources. The City's governmental funds reported combined fund balances at June 30, 2024, of \$182.5 million, an increase of approximately \$17.6 million from the previous fiscal year. The primary reason for the increase was due to revenues exceeding expenditures in the General Fund resulting from increase in sales, use, and transaction taxes, use of money & property and charges for services program incomes. The increase in the use of money and property was due to an increase interest rates the City is earning on its funds invested.

**CITY OF SANTA FE SPRINGS
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

The General Fund is the chief operating fund of the City. On June 30, 2024, the General Fund's unassigned fund balance was \$50.1 million. Additional General Fund balances were: nonspendable \$1.8 million, restricted \$3.9 million, committed \$0.2 million, and assigned \$65.2 million. Revenues increased by approximately \$5.4 million, and expenditures increased by \$5.9 million when compared to prior year. The revenue increase is a combination of increases in sales, use, transaction taxes, franchise taxes, use of money & property, and charges for services program incomes. The expenditure increase is reflective of rising costs across the nation, pension costs, and additional projects. During the fiscal year ended June 30, 2024, the overall fund balance in the General Fund increased by \$20.7 million.

Within the governmental funds designation, the City has four other major funds: the Low and Moderate Income Housing Assets Special Revenue Fund, the Capital Improvement Capital Projects Fund, the Prefunded Capital Projects Fund, and the Successor Agency Bond Funded Capital Projects Fund.

The Low and Moderate Income Housing Assets Special Revenue Fund was created during FY 2011-12 to account for the assets of the Housing Fund of the former Redevelopment Agency. Under the redevelopment dissolution bills, the City acts as housing successor to the former Redevelopment Agency and will retain the rights and obligations to administer the assets of the Fund. The assets of the Fund total \$9.8 million consisting primarily of cash and investments, notes and loans, advances receivable, and land and buildings held for resale. During fiscal year 2023-24 the Fund expended \$1.5 million in housing administration costs.

The Capital Improvement Capital Projects Fund is used to account for expenditures on various capital improvement projects and the related revenues to finance the projects. The revenues and expenditures of the Fund may vary significantly from year to year depending on the activity each year. The assets of the Fund total \$11.4 million primarily consisting of cash and investments, and receivables expected to be received from various governmental agencies. During the fiscal year ended June 30, 2024, the overall Fund balance decreased by \$2.6 million. The decrease was due to an increase in Due to other Funds and offset by reimbursements from various government agencies for completed projects during prior year were collected this year. These receivables are outstanding beyond the available period and have not been recognized as revenues.

The Prefunded Capital Projects Fund was created during fiscal year 2012-13 to account for the City's Capital Improvement Program in the post-redevelopment era. The former Redevelopment Agency was a significant source of funding prior to dissolution. Without the redevelopment agency, the General Fund became the main source of future funds for the Capital Improvement Program. Through a combination of revenue enhancements (i.e. increase in the utility users tax rate) and cost containment and reduction measures, the General Fund will annually budget a transfer to the Prefunded Capital Projects Fund to build the base from which the Capital Improvement Program will operate. Additionally, one-time revenues will be considered for allocation to the Fund. For the fiscal year ended June 30, 2024, the General Fund transferred \$7.9 million into the Prefunded Capital Projects Fund to restore a portion of the CIP target funding. The Fund balance has decreased by \$1.9 million to \$33.6 million as of the fiscal year-end. The decrease was primarily due to an increase in capital outlay. City staff, in conjunction with the CIP Subcommittee of the City Council, work together throughout the year to plan and manage the projects financed through this fund.

The Successor Agency Bond Funded Capital Projects Fund was created in fiscal year 2014-15 to account for the unspent bond proceeds of the former Redevelopment Agency. With approval from the California Department of Finance, the Successor Agency transferred approximately \$19.6 million in unspent proceeds to the City as of July 1, 2014. Under a Bond Expenditure Agreement between the City and the Successor Agency, the City manages the projects for which the bond proceeds are to be

**CITY OF SANTA FE SPRINGS
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

used. During fiscal year 2023-24, the City expended approximately \$0.8 million on projects. As of fiscal year-end the fund balance increased by \$0.2 million to \$8.3 million. The increase was due to higher interest income on investments. The balance accumulated in the Fund is to be used on future projects.

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget for expenditures was a \$1.9 million increase or 2.1%. The final amended budget exceeded actual expenditures by approximately 10.1% due to lower-than-expected operation costs throughout most functional areas.

Revenues exceeded the budget amount by \$14.2 million, primarily due sales, use, and transaction taxes growth more than anticipated after the pandemic. Increases were seen in other revenue categories, including franchise taxes, charges for services, licenses and permits, and interest income. The Notes to the Required Supplementary Information provides more details regarding budgeting policies and practices.

Capital Assets

The City's investment in capital assets for its governmental activities as of June 30, 2024, amounts to \$171.3 million (net of accumulated depreciation), an increase of approximately \$8.2 million from the previous year. This investment in capital assets includes land, construction in progress, buildings, improvements other than buildings, equipment and infrastructure. Note 7 – Capital Assets provides more detailed information on the capital assets.

The City's investment in capital assets for its business-type activities, the Water Utility Fund, as of June 30, 2024, amounts to \$24.4 million (net of accumulated depreciation), a decrease of \$0.6 million. Water Utility capital assets required for private development purposes are funded by capital contributions.

Long-term Liabilities

On June 30, 2024, the City's governmental activities long-term liabilities decreased by \$7.2 million to \$170.2 million. The City's business-type activities long-term liabilities decreased by \$1.1 million to \$19.9 million. The long-term liabilities consisted of bonds, compensated absences, OPEB obligation, Pension obligation, and other loans/leases are summarized in the table below and more detailed information is included in Note 8 – Long-Term Liabilities, Note 9 - Compensated Absences, Note 11 – Pension Plan Obligations and Note 12 – Post-Employment Health Care Benefits.

During FY 2012-13, the City's business-type activity Water Utility Fund issued \$6.89 million in water revenue bonds to refund the existing 2003 water revenue bonds at lower interest rates and provide approximately \$2.1 million in additional proceeds to be used for water infrastructure projects. During FY 2017-18, Water Utility Authority issued \$1.8 million in water revenue bonds to refund the existing 2005 water revenue bonds at lower interest rates and provide a reduction of approximately \$0.4 million in total debt service payments.

**CITY OF SANTA FE SPRINGS
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

**Outstanding Debt
(in millions)**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>		<u>Total Percentage Change</u>
	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	
Revenue bonds	\$ -	\$ -	\$ 7.4	\$ 7.2	\$ 7.4	\$ 7.2	-2.7%
Compensated absences	1.9	1.9	0.3	0.3	2.2	2.2	0.0%
OPEB obligation	34.8	20.7	3.4	2.0	38.2	22.7	-40.6%
Pension obligation	135.6	143.1	9.9	10.4	145.5	153.5	5.5%
Other loans/leases	5.1	4.5	0.0	0.0	5.1	4.5	-11.8%
Total	<u>\$ 177.4</u>	<u>\$ 170.2</u>	<u>\$ 21.0</u>	<u>\$ 19.9</u>	<u>\$ 198.4</u>	<u>\$ 190.1</u>	<u>-4.2%</u>

All water revenue bonds are insured issues.

Economic Factors and Next Year's Budgets

The City of Santa Fe Springs has dealt with many difficult decisions stemming from the downturn in the economy in the late 2000's, the dissolution of redevelopment agencies and tax increment financing and more recently the COVID-19 pandemic. The City's condition, despite the impacts of the pandemic, is improving due to revenue enhancements coupled with cost containment and reduction measures but still faces significant financial challenges in the years ahead. Major factors expected to affect the budget include:

- Slow recovery of state and local economies.
- Funding capital improvements without the Redevelopment Agency, which historically has funded the majority of capital projects prior to the dissolution of redevelopment.
- Funding for significantly increasing retirement contributions rates caused by a number of factors including the reduced number of active employees, actuarial assumption changes related to mortality and expected investment returns, and poor investment performance of the pension plan during the economic downturn in 2008.
- Increasing demands for public services, including unfunded mandates by both federal and state governments.
- The high inflation rates have led to sharp increases in the cost of living throughout our community and it has also increased the cost to deliver City's programs and services.

All these factors were considered in adopting the Fiscal Year 2025-26 operational budget.

Requests for Information

This financial report is designed to provide a general overview of the City of Santa Fe Springs finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to the Director of Finance and Administrative Services, City of Santa Fe Springs, 11710 Telegraph Road, Santa Fe Springs, California.

**CITY OF SANTA FE SPRINGS
STATEMENT OF NET POSITION
JUNE 30, 2024**

	Governmental Activities	Business-Type Activity	Total
CURRENT ASSETS			
Cash and Investments	\$ 139,790,474	\$ 17,400,453	\$ 157,190,927
Receivables:			
Accounts	3,703,594	3,956,338	7,659,932
Interest	795,706	2,662	798,368
Leases	257,548	-	257,548
Deposits and Other Assets	363,622	-	363,622
Due from Other Governments	20,631,699	-	20,631,699
Inventories	1,265,018	328,153	1,593,171
Restricted Assets:			
Cash and Investments with Fiscal Agents	28,237,121	574,740	28,811,861
Total Current Assets	195,044,782	22,262,346	217,307,128
NONCURRENT ASSETS			
Notes and Loans, Net of Allowances	6,254,849	-	6,254,849
Leases Receivable	18,083,305	-	18,083,305
Land and Buildings Held for Resale	520,032	-	520,032
Capital Assets Not Being Depreciated/Amortized	60,429,279	8,366,862	68,796,141
Capital Assets, Net of Depreciation/Amortization	110,917,569	16,031,166	126,948,735
Total Noncurrent Assets	196,205,034	24,398,028	220,603,062
Total Assets	391,249,816	46,660,374	437,910,190
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred Charge on Refunding	-	16,655	16,655
Deferred Pension-Related Items	41,257,035	2,160,151	43,417,186
Deferred OPEB-Related Items	5,083,130	502,727	5,585,857
Total Deferred Outflows of Resources	46,340,165	2,679,533	49,019,698
CURRENT LIABILITIES			
Accounts Payable	4,385,846	1,327,965	5,713,811
Accrued Liabilities	2,016,066	190,583	2,206,649
Accrued Interest	41,438	44,313	85,751
Unearned Revenue	780,405	15,102	795,507
Deposits Payable	2,373,771	972,331	3,346,102
Due to Other Governments	538,953	-	538,953
Compensated Absences	440,000	60,000	500,000
Bonds, Notes, and Lease Payable	935,828	223,817	1,159,645
Total Current Liabilities	11,512,307	2,834,111	14,346,418
NONCURRENT LIABILITIES			
Compensated Absences	1,456,806	198,656	1,655,462
Bonds, Notes, Lease and SBITA Payable	3,516,713	6,963,435	10,480,148
Net OPEB Liability	20,680,773	2,045,351	22,726,124
Net Pension Liability	143,122,601	10,422,414	153,545,015
Total Noncurrent Liabilities	168,776,893	19,629,856	188,406,749
Total Liabilities	180,289,200	22,463,967	202,753,167
DEFERRED INFLOWS OF RESOURCES			
Deferred Pension-Related Items	3,576,520	112,060	3,688,580
Deferred OPEB-Related Items	11,955,648	1,182,427	13,138,075
Deferred Leases-Related Items	18,340,853	-	18,340,853
Total Deferred Inflows of Resources	33,873,021	1,294,487	35,167,508
NET POSITION			
Net Investment in Capital Assets	165,187,789	17,227,431	182,415,220
Restricted - Nonexpendable	244,676	-	244,676
Restricted - Expendable:			
Community Development Projects	114,646	-	114,646
Public Safety	131,479	-	131,479
Public Works	15,665,017	-	15,665,017
Capital Projects	8,267,213	-	8,267,213
Low and Moderate Income Housing	9,814,905	-	9,814,905
Art in Public Places - Expendable	2,416,000	-	2,416,000
Waste Management	3,344,622	-	3,344,622
Environmental Programs	508,908	-	508,908
Unrestricted	17,732,505	8,354,022	26,086,527
Total Net Position	\$ 223,427,760	\$ 25,581,453	\$ 249,009,213

See accompanying Notes to Basic Financial Statements.

**CITY OF SANTA FE SPRINGS
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 11,238,050	\$ 5,735,195	\$ 2,655,757	\$ -
Public Safety	41,413,294	3,354,600	1,237,669	-
Community Development	4,705,749	3,078,908	32,182	-
Public Works	20,888,027	1,169,696	2,844,777	3,732,406
Culture and Leisure	8,613,554	602,224	939,685	-
Human Services	2,404,255	342,632	26,511	-
Interest on Long-Term Debt	125,137	-	-	-
Total Governmental Activities	89,388,066	14,283,255	7,736,581	3,732,406
Business-Type Activity:				
Water Fund	14,019,326	16,148,720	35,222	75,113
Total	<u>\$ 103,407,392</u>	<u>\$ 30,431,975</u>	<u>\$ 7,771,803</u>	<u>\$ 3,807,519</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF SANTA FE SPRINGS
STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED JUNE 30, 2024**

Functions/Programs	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activity	Total
Governmental Activities:			
General Government	\$ (2,847,098)	\$ -	\$ (2,847,098)
Public Safety	(36,821,025)	-	(36,821,025)
Community Development	(1,594,659)	-	(1,594,659)
Public Works	(13,141,148)	-	(13,141,148)
Culture and Leisure	(7,071,645)	-	(7,071,645)
Human Services	(2,035,112)	-	(2,035,112)
Interest on Long-Term Debt	(125,137)	-	(125,137)
Total Governmental Activities	(63,635,824)	-	(63,635,824)
Business-Type Activity:			
Water Fund	-	2,239,729	2,239,729
Total	(63,635,824)	2,239,729	(61,396,095)
GENERAL REVENUES			
Taxes:			
Property Taxes,			
Levied for General Purpose	6,322,226	-	6,322,226
Transaction and Use Taxes	17,251,079	-	17,251,079
Sales and Use Taxes	40,445,644	-	40,445,644
Franchise Taxes	5,254,059	-	5,254,059
Business Operation Taxes	815,837	-	815,837
Utility Users Tax	8,827,062	-	8,827,062
Other Taxes	174,853	-	174,853
Intergovernmental Revenues -			
Motor Vehicle in Lieu	2,739,793	-	2,739,793
Use of Money and Property	9,131,020	681,910	9,812,930
Other	1,747,586	101,074	1,848,660
Gain on Sale of Capital Assets	34,215	-	34,215
TRANSFERS	1,343,800	(1,343,800)	-
Total General Revenues and Transfers	94,087,174	(560,816)	93,526,358
CHANGE IN NET POSITION	30,451,350	1,678,913	32,130,263
Net Position - Beginning of Year	192,976,410	23,902,540	216,878,950
NET POSITION - END OF YEAR	<u>\$ 223,427,760</u>	<u>\$ 25,581,453</u>	<u>\$ 249,009,213</u>

See accompanying Notes to Basic Financial Statements.

CITY OF SANTA FE SPRINGS
BALANCE SHEET—GOVERNMENTAL FUNDS
JUNE 30, 2024

		Special Revenue Fund	Capital Projects Funds	
		Low and Moderate Income Housing Assets Fund	Capital Improvement	Prefunded Capital Projects
	General			
ASSETS				
Pooled Cash and Investments	\$ 76,271,314	\$ 1,833,035	\$ 3,182,922	\$ 35,245,002
Restricted Cash and Investments with Fiscal Agents	28,237,121	-	-	-
Receivables:				
Accounts	3,653,375	29,098	20,408	-
Notes and Loans, Net of Allowances	177,450	6,000,000	-	-
Leases	18,340,853	-	-	-
Accrued Interest	578,211	-	-	-
Deposits and Other Assets	363,622	-	-	-
Due from Other Governments	10,847,193	-	8,217,416	10,088
Due from Other Funds	8,632,549	-	-	-
Advances to Other Funds	-	1,437,861	-	-
Inventories	1,265,018	-	-	-
Land and Buildings Held for Resale	-	520,032	-	-
Total Assets	<u>\$ 148,366,706</u>	<u>\$ 9,820,026</u>	<u>\$ 11,420,746</u>	<u>\$ 35,255,090</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 2,621,009	\$ 1,493	\$ 96,269	\$ 1,610,249
Accrued Liabilities	1,998,532	3,628	-	11,559
Unearned Revenues	766,305	-	-	-
Deposits Payable	1,516,609	-	857,162	-
Due to Other Governments	473,359	-	65,594	-
Due to Other Funds	-	-	7,384,255	-
Advances from Other Funds	1,437,861	-	-	-
Total Liabilities	<u>8,813,675</u>	<u>5,121</u>	<u>8,403,280</u>	<u>1,621,808</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenues	21,435	-	8,217,416	10,088
Deferred Leases-Related Items	18,340,853	-	-	-
Total Deferred Inflows of Resources	<u>18,362,288</u>	<u>-</u>	<u>8,217,416</u>	<u>10,088</u>
FUND BALANCES				
Nonspendable:				
Inventory	1,265,018	-	-	-
Notes and Loans	177,450	-	-	-
Deposits and Other Assets	363,622	-	-	-
Permanent Fund Principal	-	-	-	-
Restricted for:				
Community Development Projects	-	-	-	-
Public Safety	-	-	-	-
Public Works	-	-	-	-
Capital Projects	-	-	-	-
Low and Moderate Income Housing	-	9,814,905	-	-
Art in Public Places	-	-	-	-
Waste Management	3,344,622	-	-	-
Environmental Programs	508,908	-	-	-
Committed to:				
Capital Projects	225,000	-	-	-
Assigned to:				
Capital Projects	9,500,000	-	-	33,623,194
Renovation & Replacement	250,000	-	-	-
Facility Improvement	25,193	-	-	-
Equipment Replacement	9,177,605	-	-	-
Economic Uncertainty	11,725,000	-	-	-
Employee Liability	7,377,784	-	-	-
Risk Management	903,200	-	-	-
Unfunded Liability	26,276,543	-	-	-
Unassigned	50,070,798	-	(5,199,950)	-
Total Fund Balances	<u>121,190,743</u>	<u>9,814,905</u>	<u>(5,199,950)</u>	<u>33,623,194</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 148,366,706</u>	<u>\$ 9,820,026</u>	<u>\$ 11,420,746</u>	<u>\$ 35,255,090</u>

See accompanying Notes to Basic Financial Statements.

CITY OF SANTA FE SPRINGS
BALANCE SHEET—GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2024

	Capital Projects Funds		
	Successor Agency Bond Funded Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS			
Pooled Cash and Investments	\$ 7,991,569	\$ 15,266,632	\$ 139,790,474
Restricted Cash with Fiscal Agent	-	-	28,237,121
Receivables:			
Accounts	-	713	3,703,594
Notes and Loans, Net of Allowances	58,149	19,250	6,254,849
Leases	-	-	18,340,853
Accrued Interest	217,495	-	795,706
Deposits and Other Assets	-	-	363,622
Due from Other Governments	-	1,557,002	20,631,699
Due from Other Funds	-	-	8,632,549
Advances to Other Funds	-	-	1,437,861
Inventories	-	-	1,265,018
Land and Buildings Held for Resale	-	-	520,032
Total Assets	<u>\$ 8,267,213</u>	<u>\$ 16,843,597</u>	<u>\$ 229,973,378</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ -	\$ 56,826	\$ 4,385,846
Accrued Liabilities	-	2,347	2,016,066
Unearned Revenues	-	14,100	780,405
Deposits Payable	-	-	2,373,771
Due to Other Governments	-	-	538,953
Due to Other Funds	-	1,248,294	8,632,549
Advances from Other Funds	-	-	1,437,861
Total Liabilities	-	1,321,567	20,165,451
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenues	-	749,157	8,998,096
Deferred Leases-Related Items	-	-	18,340,853
Total Deferred Inflows of Resources	-	749,157	27,338,949
FUND BALANCES			
Nonspendable:			
Inventory	-	-	1,265,018
Notes and Loans	-	-	177,450
Deposits and Other Assets	-	-	363,622
Permanent Fund Principal	-	244,676	244,676
Restricted for:			
Community Development Projects	-	114,646	114,646
Public Safety	-	131,479	131,479
Public Works	-	12,647,551	12,647,551
Capital Projects	8,267,213	-	8,267,213
Low and Moderate Income Housing	-	-	9,814,905
Art in Public Places	-	2,416,000	2,416,000
Waste Management	-	-	3,344,622
Environmental Programs	-	-	508,908
Committed to:			
Capital Projects	-	-	225,000
Assigned to:			
Capital Projects	-	-	43,123,194
Renovation & Replacement	-	-	250,000
Facility Improvement	-	-	25,193
Equipment Replacement	-	-	9,177,605
Economic Uncertainty	-	-	11,725,000
Employee Benefits	-	-	7,377,784
Risk Management	-	-	903,200
Unfunded Liability	-	-	26,276,543
Unassigned	-	(781,479)	44,089,369
Total Fund Balances	<u>8,267,213</u>	<u>14,772,873</u>	<u>182,468,978</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 8,267,213</u>	<u>\$ 16,843,597</u>	<u>\$ 229,973,378</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF SANTA FE SPRINGS
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2024**

Fund Balances of Governmental Funds	\$ 182,468,978
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets, net of accumulated depreciation, used in governmental activities are not current financial resources and, therefore, are not reported in the fund financial statements.

Capital Assets Not Being Depreciated/Amortized	\$ 60,429,279	
Capital Assets Being Depreciated/Amortized	265,725,058	
Accumulated Depreciation/Amortization	<u>(154,807,489)</u>	171,346,848

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long term, are reported in the Statement of Net Position.

Notes and Lease Payable	(4,452,541)	
Compensated Absences	<u>(1,896,806)</u>	(6,349,347)

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

Deferred Outflows of Resources - Pension Related	41,257,035	
Deferred Inflows of Resources - Pension Related	(3,576,520)	
Net Pension Liability	(143,122,601)	
Deferred Outflows of Resources - OPEB Related	5,083,130	
Deferred Inflows of Resources - OPEB Related	(11,955,648)	
Net OPEB Liability	<u>(20,680,773)</u>	(132,995,377)

Accrued interest payable for the current portion of interest due on bonds has not been reported in the governmental funds.	(41,438)
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Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.	<u>8,998,096</u>
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Net Position of Governmental Activities	<u><u>\$ 223,427,760</u></u>
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CITY OF SANTA FE SPRINGS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES—GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

		Special Revenue Fund	Capital Projects Funds	
		Low and Moderate Income Housing Assets Fund	Capital Improvement	Prefunded Capital Projects
	General			
REVENUES				
Taxes	\$ 81,562,279	\$ -	\$ -	\$ -
Licenses and Permits	3,685,156	-	-	-
Intergovernmental	1,013,587	-	410,442	16,410
Charges for Services	7,517,518	-	28,425	-
Use of Money and Property	7,367,932	204,640	-	-
Rentals	2,103,157	-	-	-
Fines and Forfeitures	772,530	-	-	-
Contributions	258,116	-	-	-
Miscellaneous	1,533,425	16,548	332,248	975
Total Revenues	105,813,700	221,188	771,115	17,385
EXPENDITURES				
Current:				
General Government	10,812,851	-	-	-
Public Safety	39,447,134	-	-	-
Community Development	3,540,981	1,459,966	-	-
Public Works	14,839,359	-	-	235,288
Culture and Leisure	7,861,333	-	-	-
Human Services	2,207,919	-	-	-
Capital Outlay	1,656,202	-	4,214,252	9,216,310
Debt Service:				
Principal Retirement	1,008,219	-	-	-
Interest and Fiscal Charges	134,763	-	-	-
Total Expenditures	81,508,761	1,459,966	4,214,252	9,451,598
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	24,304,939	(1,238,778)	(3,443,137)	(9,434,213)
OTHER FINANCING SOURCES (USES)				
Transfers In	3,350,469	-	851,288	7,881,534
Transfers Out	(7,290,190)	-	-	(311,242)
Sale of Capital Assets	34,215	-	-	-
Issuance of SBITA Payable	351,676	-	-	-
Total Other Financing Sources (Uses)	(3,553,830)	-	851,288	7,570,292
NET CHANGE IN FUND BALANCES	20,751,109	(1,238,778)	(2,591,849)	(1,863,921)
Fund Balances - Beginning of Year	100,439,634	11,053,683	(2,608,101)	35,487,115
FUND BALANCES - END OF YEAR	<u>\$ 121,190,743</u>	<u>\$ 9,814,905</u>	<u>\$ (5,199,950)</u>	<u>\$ 33,623,194</u>

See accompanying Notes to Basic Financial Statements.

CITY OF SANTA FE SPRINGS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES—GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2024

	Capital Projects Funds		
	Successor Agency Bond Funded Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES			
Taxes	\$ -	\$ 246,839	\$ 81,809,118
Licenses and Permits	-	-	3,685,156
Intergovernmental	-	5,446,782	6,887,221
Charges for Services	-	-	7,545,943
Use of Money and Property	1,036,902	521,546	9,131,020
Rentals	-	-	2,103,157
Fines and Forfeitures	-	-	772,530
Contributions	-	806,705	1,064,821
Miscellaneous	-	-	1,883,196
Total Revenues	1,036,902	7,021,872	114,882,162
EXPENDITURES			
Current:			
General Government	-	-	10,812,851
Public Safety	-	423,375	39,870,509
Community Development	-	32,182	5,033,129
Public Works	-	104,094	15,178,741
Culture and Leisure	-	28,000	7,889,333
Human Services	-	-	2,207,919
Capital Outlay	835,727	942,218	16,864,709
Debt Service:			
Principal Retirement	-	-	1,008,219
Interest and Fiscal Charges	-	-	134,763
Total Expenditures	835,727	1,529,869	99,000,173
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	201,175	5,492,003	15,881,989
OTHER FINANCING SOURCES (USES)			
Transfers In	-	144	12,083,435
Transfers Out	-	(3,138,203)	(10,739,635)
Sale of Capital Assets	-	-	34,215
Issuance of SBITA Payable	-	-	351,676
Total Other Financing Sources (Uses)	-	(3,138,059)	1,729,691
NET CHANGE IN FUND BALANCES	201,175	2,353,944	17,611,680
Fund Balances - Beginning of Year	8,066,038	12,418,929	164,857,298
FUND BALANCES - END OF YEAR	<u>\$ 8,267,213</u>	<u>\$ 14,772,873</u>	<u>\$ 182,468,978</u>

See accompanying Notes to Basic Financial Statements.

CITY OF SANTA FE SPRINGS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

Net Change in Fund Balances - Total Governmental Funds **\$ 17,611,680**

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

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

Capital Outlay	\$ 16,291,437	
Depreciation	<u>(8,010,193)</u>	8,281,244

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. These amounts are the net effect of these differences in the treatment of long-term debt and related items.

Principal Payment	1,008,219	
SBITA Obligation Issuance	<u>(351,676)</u>	656,543

Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.		9,626
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Compensated absence expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.		(29,281)
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Pension expense reported in the governmental funds includes the annual required contributions. In the Statement of Activities, pension expense includes the change in the net pension liability, and related changes in pension amounts for deferred outflows of resources and deferred inflows of resources.		(4,646,559)
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Other postemployment benefit expense reported in the governmental funds includes payment of premiums for the current year. In the OPEB expense includes the change in the net other postemployment benefit liability and OPEB related deferred inflows of resources.		4,988,858
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Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the revenues in the governmental fund activity.		<u>3,579,239</u>
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Change in Net Position of Governmental Activities		<u><u>\$ 30,451,350</u></u>
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CITY OF SANTA FE SPRINGS
STATEMENT OF NET POSITION—PROPRIETARY FUNDS
JUNE 30, 2024

	Business-Type Activity - Enterprise Fund <u>Water Fund</u>
ASSETS	
Current Assets:	
Pooled Cash and Investments	\$ 17,400,453
Receivables:	
Accounts	3,956,338
Accrued interest	2,662
Inventories	328,153
Restricted:	
Cash with Fiscal Agent	574,740
Total Current Assets	<u>22,262,346</u>
NONCURRENT ASSETS	
Capital Assets not Being Depreciated/Amortized	8,366,862
Capital Assets, Net of Depreciation/Amortization	<u>16,031,166</u>
Total Noncurrent Assets	<u>24,398,028</u>
Total Assets	46,660,374
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Charge on Refunding	16,655
Deferred Pension-Related Items	2,160,151
Deferred OPEB-Related Items	<u>502,727</u>
Total Deferred Outflows of Resources	<u>2,679,533</u>
LIABILITIES	
Current Liabilities:	
Accounts Payable	1,327,965
Accrued Liabilities	190,583
Accrued Interest	44,313
Unearned Revenues	15,102
Deposits Payable	972,331
Compensated Absences	60,000
Bonds, Notes and Lease Payable	<u>223,817</u>
Total Current Liabilities	2,834,111
NONCURRENT LIABILITIES	
Compensated Absences	198,656
Bonds, Notes, and Lease Payable	6,963,435
Net OPEB Liability	2,045,351
Net Pension Liability	<u>10,422,414</u>
Total Noncurrent Liabilities	<u>19,629,856</u>
Total Liabilities	22,463,967
DEFERRED INFLOWS OF RESOURCES:	
Deferred Pension-Related Items	112,060
Deferred OPEB-Related Items	<u>1,182,427</u>
Total Deferred Inflows of Resources	<u>1,294,487</u>
NET POSITION	
Net Investment in Capital Assets	17,227,431
Unrestricted	<u>8,354,022</u>
Total Net Position	<u><u>\$ 25,581,453</u></u>

See accompanying Notes to Basic Financial Statements.

**CITY OF SANTA FE SPRINGS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION—
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2024**

	Business-Type Activity - <u>Enterprise Fund</u> <u>Water Fund</u>
OPERATING REVENUES	
Sales and Service Charges	\$ 16,148,720
Other Water Revenue	101,074
Total Operating Revenues	<u>16,249,794</u>
OPERATING EXPENSES	
Source of Supply	7,015,949
System Maintenance and Operation	3,655,373
Billing and Collection	1,555,275
Administration	854,058
Depreciation/Amortization Expense	651,439
Total Operating Expenses	<u>13,732,094</u>
OPERATING INCOME	2,517,700
NONOPERATING REVENUES (EXPENSES)	
Interest Revenue	681,910
Interest Expense	(287,232)
Intergovernmental Revenue	35,222
Total Nonoperating Revenues (Expenses)	<u>429,900</u>
INCOME BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	2,947,600
Capital Contributions	75,113
Transfers Out	<u>(1,343,800)</u>
CHANGE IN NET POSITION	1,678,913
Net Position - Beginning of Year	<u>23,902,540</u>
NET POSITION - END OF YEAR	<u><u>\$ 25,581,453</u></u>

See accompanying Notes to Basic Financial Statements.

CITY OF SANTA FE SPRINGS
STATEMENT OF CASH FLOWS—PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2024

	Business-Type Activity - Enterprise Fund Water Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers and Users	\$ 15,084,850
Cash Paid to Suppliers for Goods and Services	(11,753,197)
Cash Paid to Employees for Services	(1,604,086)
Cash Received from Others	101,074
Net Cash Provided by Operating Activities	1,828,641
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Cash Transfers Out	(1,343,800)
Cash Received from Other Governments	35,222
Net Cash Used by Noncapital Financing Activities	(1,308,578)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Cash Received for Capital Contributions	67,713
Principal Paid on Capital Debt	(218,758)
Interest Paid on Capital Debt	(271,015)
Net Cash Used by Capital and Related Financing Activities	(422,060)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received	681,910
Net Cash Provided by Investing Activities	681,910
NET INCREASE IN CASH AND CASH EQUIVALENTS	779,913
Cash and Cash Equivalents - Beginning of Year	17,195,280
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 17,975,193</u>
CASH AND CASH EQUIVALENTS:	
Pooled Cash and Investments	\$ 17,400,453
Cash with Fiscal Agent	574,740
Total Cash and Cash Equivalents	<u>\$ 17,975,193</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating Income	\$ 2,517,700
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation/Amortization Expense	651,439
(Increase) Decrease in Assets:	
Accounts Receivable	(1,188,764)
Inventory	(41,629)
Deferred Outflows for Pension-Related Items	(82,526)
Deferred Outflows for OPEB-Related Items	75,744
Increase (Decrease) in Liabilities:	
Accounts Payable	(85,565)
Accrued Liabilities	23,127
Unearned Revenues	(44,022)
Deposits Payable	36,255
Compensated Absences	3,993
Net Pension Liability	523,887
Other Postemployments Benefits	(1,396,223)
Deferred Inflows for Pension-Related Items	(124,511)
Deferred Inflows for OPEB-Related Items	798,526
Net Cash Provided by Operating Activities	<u>\$ 1,667,431</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES	
Amortization of Bond Discounts and Deferred Charges	<u>\$ 17,073</u>

See accompanying Notes to Basic Financial Statements.

CITY OF SANTA FE SPRINGS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2024

	Custodial Funds	Private-Purpose Trust Fund Successor Agency of the Former RDA
ASSETS		
Pooled Cash and Investments	\$ 793,995	\$ 2,353,078
Receivables:		
Accounts	-	19,726
Notes and Loans	-	61,438
Due from Other Governments	-	68,801
Land and Buildings Held for Resale	-	3,251,851
Restricted Assets:		
Cash and Investments with Fiscal Agents	175,647	12,604,586
Capital Assets:		
Capital Assets not Being Depreciated	-	415,530
Total Assets	<u>969,642</u>	<u>18,775,010</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Charge on Refunding	-	97,478
Total Deferred Outflows of Resources	<u>-</u>	<u>97,478</u>
LIABILITIES		
Accounts Payable	-	311
Accrued Liabilities	-	6,323
Accrued Interest	-	4,264,946
Deposits Payable	-	49,060
Due to Other Governments	-	160,706
Long-Term Liabilities:		
Due in One Year	-	4,998,770
Due in More Than One Year	-	26,847,906
Total Liabilities	<u>-</u>	<u>36,328,022</u>
NET POSITION		
Net Investment in Capital Assets	-	415,530
Held for Bondholders	969,642	-
Held in Trust for Other Purposes	-	(17,871,064)
Total Net Position	<u>\$ 969,642</u>	<u>\$ (17,455,534)</u>

See accompanying Notes to Basic Financial Statements.

**CITY OF SANTA FE SPRINGS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED JUNE 30, 2024**

	Custodial Funds	Private-Purpose Trust Fund Successor Agency of the Former RDA
ADDITIONS:		
Taxes	\$ -	\$ 10,525,148
Special Assessments or Special Taxes Collected From Property Owners	219,079	-
Interest and Change in Fair Value of Investments	8,494	434,360
Gain on Sale of Land and Buildings Held for Resale	-	-
Total Additions	<u>227,573</u>	<u>10,959,508</u>
DEDUCTIONS:		
Administrative Expenses	-	211,953
Program Expenses	-	34,000
Payment for Special Assessment or Special Tax Debt	168,361	-
Interest Expense	-	542,975
Total Deductions	<u>168,361</u>	<u>788,928</u>
CHANGE IN NET POSITION	59,212	10,170,580
Net Position - Beginning of Year	<u>910,430</u>	<u>(27,626,114)</u>
NET POSITION - END OF YEAR	<u><u>\$ 969,642</u></u>	<u><u>\$ (17,455,534)</u></u>

See accompanying Notes to Basic Financial Statements.

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CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Financial Reporting Entity

The City of Santa Fe Springs (City) was incorporated on May 15, 1957, under the general laws of the state of California and enjoys all the rights and privileges pertaining to such "General Law" cities and is governed by an elected five-member City Council. As required by accounting principles generally accepted in the United States of America, these financial statements present the City (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationship with the City. These entities are legally separate from each other. However, the City elected officials have a continuing accountability for fiscal matters of the other entities. The financial reporting entity consists of: (1) the City, (2) organizations for which the City is financially accountable, and (3) organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete.

An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes or set rates or charges, or issue bonded debt without approval by the primary government. In a blended presentation, a component unit's balances and transactions are reported in a manner similar to the balances and transactions of the City. Component units are presented on a blended basis when the component unit's governing body is substantially the same as the city's and (1) there is a financial benefit or burden relationship between the primary government and the component unit, or (2) management of the primary government has operational responsibility for the component unit, or the component unit provides services almost entirely to the City.

In accordance with Assembly Bill 1X 26 (the Dissolution Act), the Successor Agency to the Community Development Commission for the City of Santa Fe Springs (Successor Agency) was created on February 1, 2012 to serve as a custodian for the assets and to wind down the affairs of the former Agency. The Successor Agency is a legally separate public entity from the City and is reported as a fiduciary component unit under private-purpose trust fund in the fiduciary fund statements.

In general, the Successor Agency's assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments). In future fiscal years, the Successor Agency will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former Agency until all enforceable obligations of the former Agency have been paid in full and all assets have been liquidated. See Note 16 for further detail regarding the dissolution.

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

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

Blended Component Units

The City of Santa Fe Springs Public Financing Authority (PFA) was organized under a joint exercise of power agreement on August 24, 1989. The purpose of this authority is to provide, through the issuance of debt, financing for public capital improvements. The board of directors is appointed by the City Council. The PFA has no activity in the current year.

The Santa Fe Springs Water Utility Authority (WUA) was organized under a joint exercise of power agreement on July 1, 2009. The purpose of this authority is to provide an entity to assist in financing, leasing, owning, operating, and maintaining the water operation. The City Council members are designated as board of directors of the WUA. The WUA has debt outstanding reported in the Water Proprietary Fund and Water Proprietary Fund revenues are pledged to the payment of the debt.

Separate Successor Agency, PFA, and WUA financial statements are not available.

Joint Powers Agreements

Joint Fire Dispatching Center

The City is a participant in the Joint Fire Dispatching Center (Center). The Center is currently comprised of four member cities and is organized under a Joint Powers Agreement. Each member City provides an annually determined contribution towards the ongoing operation. The purpose of the Center is to provide centralized fire dispatching for the participating cities. The communication system is located in and operated by the City of Downey. The payments from the participating cities for the fiscal year ended June 30, 2024, were based on the following percentages:

Downey	34.62 %
Santa Fe Springs	16.17 %
Compton	39.28 %
Vernon	9.93 %

During the fiscal year ended June 30, 2024, the City contributed \$265,893 for the operation of the Center. Separate audited financial statements are not prepared for the Center. Financial information can be obtained from the City of Downey at 11111 Brookshire Avenue, Downey, California.

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

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

Joint Powers Agreements (Continued)

Southeast Water Coalition

The City is a participant in the Southeast Water Coalition (Coalition). The Coalition is currently comprised of several municipal entities in the County of Los Angeles and is organized under a Joint Powers Agreement. The purpose of the Coalition is to maintain groundwater quality within the Central and West Coast Basins (Basins), maintain secure groundwater supplies within the Basins, manage the use of groundwater within the Basins, coordinate efforts among Watermaster and entities proposing to store water within the Basins for future recovery, facilitate the implementation of a conjunctive use program by water purveyors, coordinate efforts among local entities and Watermaster to devise and implement strategies to safeguard groundwater quality, and work cooperatively with Watermaster, the Water Replenishment District of Southern California, and other entities to promote coordination of policies and activities throughout the region. Each member of the Coalition shares financial responsibility equally. Each member is required to make a contribution at the beginning of each year. The contribution requirement for the fiscal year ended June 30, 2024 was \$5,534. Financial statements can be obtained from the City of Whittier. City Hall is located at 13230 Penn Street, Whittier, California.

Basis of Accounting and Measurement Focus

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

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

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information about the primary government and component units as a whole, except for its fiduciary activities. These statements report separately for governmental and business-type activities of the primary government (including its blended component units). Governmental activities are normally financed primarily by taxes and intergovernmental revenues. Business-type activities are financed primarily by fees charged for goods or services.

Certain indirect costs have been allocated and are included as part of the program expenses reported for the various functional activities. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other service charges between the City's water utility and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

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

Government-Wide Financial Statements (Continued)

These statements are presented on an “economic resources” measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Accordingly, all of the City’s assets and liabilities, including capital assets and infrastructure as well as long-term liabilities, are included in the accompanying statement of net position. The statement of activities presents changes in net position. Using the accrual basis of accounting, revenues are recognized in the period in which they are earned and expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue when all eligibility requirements have been satisfied. The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions. Charges for services include revenues from customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Grants and contributions include revenues restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Governmental Funds Financial Statements

The accounting records of the City are organized on the basis of funds. Each fund is a separate accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The governmental funds financial statements include a balance sheet and a statement of revenues, expenditures, and changes in fund balances for all major governmental funds and aggregated nonmajor funds. An accompanying schedule is presented to reconcile and explain the differences in fund balances as presented in these statements to the net position presented in the government-wide financial statements.

CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

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

Governmental Funds Financial Statements (Continued)

Governmental fund financial statements are reported using the “current financial resources” measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Measurable means that the amounts can be estimated, or otherwise determined. Available means that the amounts were collected during the reporting period or soon enough thereafter to be available to finance the expenditures accrued for the reporting period. The City uses an availability period of 60 days, except sales tax revenues, which is 90 days. Sales taxes, property taxes, franchise fees, gas taxes, motor vehicle in lieu fees, highway user’s taxes, transient occupancy taxes, grants, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period to the extent normally collected within the availability period. Other revenue items are considered to be measurable and available when cash is received by the government.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims payable are recorded only when payment is due.

The City reports the following major governmental funds:

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

The Low and Moderate Income Housing Assets Special Revenue Fund is used to account for the receipts and expenditures relating to the Housing Successor in accordance with the California Health and Safety Code.

The Capital Improvement Capital Projects Fund is used to account for monies received from the General Fund, special revenue funds, private developers and from outside governmental entities. These funds are subsequently used for the construction or rehabilitation of streets, bridges, traffic signals, public facilities, and a variety of other construction or improvement projects.

The Prefunded Capital Projects Fund was established in fiscal year 2013. It is used to account for the accumulation of resources used for various construction, rehabilitation, and improvement projects similar to the Capital Improvement Fund. This fund differs from the Capital Improvement Capital Projects Fund in that resources are typically accumulated in the fund prior to undertaking the projects.

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

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

Governmental Funds Financial Statements (Continued)

The Successor Agency Bond Funded Capital Projects Fund is used to account for the expenditure of unspent bond proceeds of the Successor Agency used for various construction, rehabilitation, and improvement projects within the Consolidated Project Area of the former Community Development Commission. All unspent bond proceeds were transferred to the City during fiscal year 2014-15 in accordance with a Bond Expenditure Agreement between the City and Successor Agency.

Additionally, the City reports the following fund types:

Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

Permanent Funds account for resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support specific programs.

Proprietary Funds Financial Statements

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 City's proprietary funds are charges to customers for sales and services. Operating expenses for the proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

The City reports the following major proprietary fund:

The Water Fund is used to account for the operations of the City-owned water system.

Fiduciary Fund Financial Statements

Fiduciary funds are accounted for on the accrual basis of accounting as are the proprietary funds explained above. The City reports the following fiduciary funds, which are excluded from the government-wide financial statements:

The Private-Purpose Trust Fund accounts for the custodial responsibilities that are assigned to the Successor Agency pursuant to the Dissolution Act.

The City reports the following custodial funds:

The Assessment Districts Fund is used to account for special assessments received by the City as agent for payment of special assessment district bonds.

The Community Facilities Assessment Districts Fund is used to account for special assessments received by the City as agent for payment of community facilities district debt and expenses.

CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

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

Functional Classifications

General government – includes the legislative activities, which have a primary objective of providing legal and policy guidance for industrial and residential issues within the City. Also included in this classification are those activities, which provide management or support services across more than one functional area.

Public safety – includes those activities, which have a primary objective of protecting people and property other than health related perils.

Community development – includes those activities which have a primary objective of enhancing the general quality of life in the City. This encompasses aesthetic, as well as economical and structural activities.

Public works – includes all maintenance and engineering of streets, parks, and other public facilities.

Culture and leisure – includes those activities, which have a primary objective of providing recreational and educational endeavors.

Human services – includes those activities, which have a primary objective of maintaining or improving the physical and/or mental health of residents of the community, improving the employment status of unemployed or underemployed residents, and otherwise serving the needs of the less privileged.

Inventory and Prepaid Items

Inventory (General Fund and Water Fund) is valued utilizing the average cost method. Inventory items are considered expenditures or expenses when used under the consumption method.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. These prepaid items are reflected in the financial statements as deposits and other assets and are accounted for under the consumption method.

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

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

Property Taxes

Under California law, the assessment, levy, and collection of property taxes are the responsibility of the County of Los Angeles. The City records property taxes as revenue in the year for which they are levied, and in the governmental fund statements when received from the County within 60 days of year-end. Property taxes are assessed and collected each fiscal year according to the following property tax calendar:

Lien	January 1
Levy period	July 1 - June 30
Due	November 1 - 1st installment
	February 1 - 2nd installment
Delinquent	December 11 - 1st installment
	April 11 - 2nd installment

Cash and Cash Equivalents

For purposes of the statement of cash flows, the City considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. In addition, funds invested in the City's cash and investment pool are considered cash equivalents.

Investments

All investments are stated at fair value (the value at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale), except for money market investments, which have a remaining maturity of less than one year when purchased, which are stated at amortized cost. Money market investments are short-term, highly liquid debt instruments including commercial paper, bankers' acceptances, and U.S. Treasury and agency obligations.

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

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

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (roads, sidewalks, drainage systems, lighting systems, etc.) are reported in the applicable governmental or business-type activities columns in the government-wide and enterprise fund financial statements. These assets are stated at historical cost or estimated historical cost if purchased or constructed (except for intangible right-to-use lease assets and SBITA assets, the measurement of which is discussed below). The City conducted an infrastructure valuation in conjunction with the implementation of GASB No. 34 during the fiscal year ended June 30, 2002. Current replacement costs were calculated for infrastructure assets and discounted back to the original construction dates and the corresponding accumulated depreciation was calculated. Donated capital assets are stated at their estimated acquisition value on the date received. The capitalization threshold is \$20,000, except for vehicles, equipment, and streetlights which is \$5,000.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of assets are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Depreciation is recorded in the government-wide and enterprise fund financial statements on a straight-line basis over the useful life of the assets as follows:

<u>Assets</u>	<u>Years</u>
Computer	3
Furniture	10
Machinery and equipment	3 to 20
Vehicles	8
Water service meters and hydrants	10 to 50
Water transmission and distribution mains	10 to 50
Infrastructure	20 to 75

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

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

CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

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

Land and Buildings Held for Resale

Land and related buildings acquired by the former Community Development Commission (former Commission) and held for resale are accounted for as an investment and are recorded at the lower of cost or estimated realizable value, as determined upon the execution of a disposition and development agreement. Upon the dissolution of the former Commission, land and buildings held for resale were transferred to respective Low and Moderate Income Housing Assets Fund and Successor Agency Private-Purpose Trust Fund.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and balance sheet reports a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The category of deferred outflow of resources reported in the statement of net position is related to debt refunding, pensions, and other postemployment benefits. The deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred outflows on pension and other postemployment benefits are more fully discussed in Notes 11 and 12.

In addition to liabilities, the statement of net position and balance sheet reports a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net assets or fund balance that applies to a future period(s) and thus will not be recognized as an inflow of resources (revenue) until that time. The City's deferred inflows of resources reported on the statement of net position relate to pension and other postemployment benefits, which are more fully discussed in Notes 11 and 12. The statement of net position and the governmental funds balance sheet report a deferred inflow of resources related to leases, which is amortized over the life of the lease.

Under the modified accrual basis of accounting, deferred inflows of resources also include revenues not collected within the availability period after the fiscal year-end. These amounts are deferred and will be recognized as an inflow of resources in the period that amounts become available.

CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

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

Unearned Revenue

Unearned revenues are reported in connection with resources that have been received but not yet earned.

Compensated Absences

The cost of earned but unused vacation and sick leave, for which the City has a future obligation to pay, is recognized in the government-wide financial statements. A liability for these amounts is reported in governmental funds only if they have become due and payable as a result of employee resignations or retirements. For sick leave, Fire Safety personnel will receive 25% of the employee's current hourly pay upon normal service retirement, if the member reaches 90% service credit with CalPERS.

Pension Plans

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

Other Postemployment Benefits (OPEB)

For purposes 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 City's OPEB Plan, the assets of which are held by California Employers' Retiree Benefit Trust (CERBT), and additions to/deductions from the OPEB Plan's fiduciary net position have been determined by an independent actuary. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

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

Net Position

The government-wide, proprietary fund, and fiduciary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

- Net investment in capital assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of liabilities that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.
- Restricted – This category represents restricted assets reduced by liabilities related to those assets. Restrictions can be imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.
- Unrestricted – This category represents net position of the City, not restricted for any project or other purpose.

Use of Restricted Resources

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

Fund Balances

As prescribed by GASB Statement No. 54, governmental funds report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the funds can be spent. As of June 30, 2024, fund balances for government funds are made up of the following:

- Nonspendable Fund Balance – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example: inventory, prepaid amounts, and long-term notes receivable.
- Restricted Fund Balance – includes amounts that can be spent only for the specific purposes stipulated by external resource providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.
- Committed Fund Balance – includes amounts that can only be used for the specific purposes determined by a resolution of the City's highest level of decision-making authority, the City Council. Commitments may be changed or lifted only by the City adopting a resolution.

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

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

Fund Balances (Continued)

- Assigned Fund Balance – comprises amounts intended to be used by the City for specific purposes that are neither restricted nor committed. Intent is expressed by the City Council to which the City Council has delegated the authority to assign amounts to be used for specific purposes.
- Unassigned Fund Balance – is the residual classification for the General Fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. Other governmental funds may only report a negative unassigned balance that was created after classification in one of the other four fund balance categories.

In circumstances when expenditures are incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) fund balances are available, the City's policy is to first apply restricted fund balance. When expenditures are incurred for purposes for which committed, assigned or unassigned fund balances are available, the City's policy is to first apply committed fund balance. It is at the discretion of the Council's designee to then apply the remaining expenditures to assigned or unassigned fund balance.

The City Council delegates to the City Manager and Director of Finance and Administrative Services the authority to assign unrestricted fund balance amounts where the City's intent is for those amounts to be used for specific purposes. This delegation of authority is for the sole purpose of reporting these amounts in the annual financial statements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Endowments

The City has been the recipient of endowments that are recorded in Permanent Funds. The endowments are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs or specific restrictions that were placed on the endowment when the donation to the City was made.

Stewardship, Compliance, and Accountability

Deficit Fund Balance

At June 30, 2024, the Capital Improvement fund had a deficit fund balance of \$5,199,950 and the Fire Grants fund had a deficit fund balance of \$781,479. These funds are on a cost reimbursement basis. The deficit resulted from timing differences between when expenditures are incurred and the recognition of grant revenue. These funds will be replenished with reimbursements from grantor.

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

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

Stewardship, Compliance, and Accountability (Continued)

Expenditures in Excess of Appropriations

The following funds reported expenditures in excess of the adopted budget:

• Low and Moderate Income Housing Assets	(\$1,206,966)
• Community Development Block Grant	(\$33,682)
• Measure W	(\$101,994)

NOTE 2 CASH AND INVESTMENTS

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

Statement of Net Position:

Pooled Cash and Investments	\$ 157,190,927
Cash and Investments with Fiscal Agents	28,811,861
Fiduciary Funds:	
Pooled Cash and Investments	3,147,073
Cash and Investments with Fiscal Agents	12,780,233
Total	<u>\$ 201,930,094</u>

Cash and investments were comprised of the following as of June 30, 2024:

Cash on Hand	\$ 58,519
Deposits with Financial Institutions	6,575,853
California Employers' Pension Prefunding Trust*	28,237,121
Investments	167,058,601
Total	<u>\$ 201,930,094</u>

* The City has a Section 115 trust account with CalPERS to hold assets that are legally restricted for use in administering the City's CalPERS pension plans. The trust's specific cash and investments are managed by CalPERS under guidelines approved by the City. Disclosures related to investments in CalPERS' California Employers' Pension Prefunding Trust related to interest rate risk and fair value are available online.

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Investments Authorized by the City's Investment Policy

The City's Statement of Investment Policy (investment policy) is adopted by the City Council. The investment policy is more conservative and restrictive than the investment vehicles authorized by Section 53601 of the California Government Code. The City's investment policy does not allow investments in stocks, inverse floaters, range notes, mortgage-derived, interest-only strips, or any security that could result in zero interest accrual if held to maturity. Investment vehicles not specifically mentioned in the City's investment policy are not authorized unless the policy is amended by the City Council or are approved as part of the provisions of the bond indentures. Investments are limited to:

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio*</u>	<u>Maximum Investment in One Issuer</u>
U.S. Treasury Obligations	5 years	None	None
U.S. Agency Securities	5 years	None	None
Municipal Obligations	5 years	30%	5%
Bankers' Acceptances	180 days	40%	5%
Commercial Paper	270 days	25%	5%
Medium-Term Notes	5 years	30%	5%
Time Certificates of Deposit	3 years	30%	5%
Negotiable Certificates of Deposit	5 years	30%	5%
Supranationals	5 years	30%	None
Asset-Backed Securities	5 years	20%	5%
Money Market Mutual Funds	N/A	20%	None
Local Agency Investment Fund (LAIF)	N/A	\$75 million	None
Los Angeles County Pooled Fund	N/A	None	None
Local Government Investment Pools (LGIPs)	N/A	None	None

*Excluding amounts held by bond trustee that are subject to California Code restrictions

Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. The table below identifies the investment types that are authorized for investments held by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, and concentration of credit risk.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
U.S. Treasury Obligations	None	None	None
U.S. Agency Securities	None	None	None
Bankers' Acceptances	180 days	None	None
Commercial Paper	270 days	None	None
Money Market Mutual Funds	N/A	None	None
Investment Contracts	30 years	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None

CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Interest Rate Risk

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

Information about the sensitivity of the fair values of the City investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table:

<u>Investment Type</u>	Remaining Maturity (in Months)					Total
	12 Months or Less	13 to 24 Months	25 to 36 Months	37 to 48 Months	48 to 60 Months	
U.S. Treasury Obligations	\$ -	\$ 3,172,997	\$ 12,200,737	\$ 8,138,306	\$ 5,897,743	\$ 29,409,783
U.S. Agency Securities:						
Federal Home Loan						
Mortgage Corporation (FHLMC)	-	151,824	242,252	873,069	-	1,267,145
Federal National Mortgage						
Association (FNMA)	609,265	1,805,610	1,905,405	1,144,384	4,185,124	9,649,788
Municipal Obligations	642,530	-	265,482	-	-	908,012
Medium-Term Notes	1,148,784	3,446,499	7,580,670	2,399,246	1,741,673	16,316,872
Negotiable Certificates of Deposit (CD)	-	651,297	1,028,453	-	-	1,679,750
Supranationals	-	-	263,863	-	-	263,863
Asset-Backed Securities	-	230,822	1,989,130	5,368,442	3,430,056	11,018,450
Local Agency Investment Fund (LAIF)	24,398,688	-	-	-	-	24,398,688
CAMP Pool	58,791,276	-	-	-	-	58,791,276
Held by Bond Trustee:						
Money Market Funds	13,354,974	-	-	-	-	13,354,974
Total	<u>\$ 98,945,517</u>	<u>\$ 9,459,049</u>	<u>\$ 25,475,992</u>	<u>\$ 17,923,447</u>	<u>\$ 15,254,596</u>	<u>\$ 167,058,601</u>

Credit Risk

The City's investment policy limits investments to a rating of "A" or higher for California state and local agency obligations, banker acceptances, and commercial paper that is (i) organized within the United States as a special purpose corporation, trust, or limited liability company and (ii) has program wide credit enhancements including, but not limited to, over collateralization, letters of credit. The City's investment policy limits investments to a rating of "A" or higher for other state obligations, medium-term notes, asset backed securities and commercial paper that is (i) organized and operating in the United States as a general corporation and (ii) has total assets in excess of five hundred million dollars (\$500,000,000). The City's investment policy limits investments to a rating of "AA" or higher for supranational. As of June 30, 2024, the City's investments in external investment pools and money market mutual funds are unrated.

CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Credit Risk (Continued)

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. The City's investments as rated by Standard & Poor's, a nationally recognized statistical rating organization, are as follows:

<u>Investment Type</u>	<u>Total as of June 30, 2024</u>	<u>Minimum Legal Rating</u>	<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>BBB*</u>	<u>Not Rated</u>
U.S. Treasury Obligations	\$ 29,409,783	N/A	\$ -	\$ 29,409,783	\$ -	\$ -	\$ -
U.S. Agency Securities:							
FHLMC	1,267,145	N/A	-	1,267,145	-	-	-
FNMA	9,649,788	N/A	-	9,649,788	-	-	-
Municipal Obligations	908,012	A	-	578,695	-	-	329,317
Medium-Term Notes	16,316,872	A	-	2,715,322	12,637,288	964,262	-
Negotiable CD	1,679,750	A	-	-	1,679,750	-	-
Supranationals	263,863	AA	263,863	-	-	-	-
Asset-Backed Securities	11,018,450	AA	7,977,621	-	-	-	3,040,829
LAIF	24,398,688	N/A	-	-	-	-	24,398,688
CAMP Pool	58,791,276	N/A	-	-	-	-	58,791,276
Held by Bond Trustee:							
Money Market Funds	13,354,974	AAA	13,354,974	-	-	-	-
Total	\$ 167,058,601		\$ 21,596,458	\$ 43,620,733	\$ 14,317,038	\$ 964,262	\$ 86,560,110

* These investments were rated A by Moody's, which meets the minimum rating requirement.

Concentration of Credit Risk

The investment policy of the City contains limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. Investments in any one issuer, other than U.S. Treasury obligations, external investment pools, and money market funds, that represent 5% or more of total City investments at June 30, 2024 are as follows:

<u>Investment Type</u>	<u>Issuer</u>	<u>Amount</u>
U.S. Agency Securities	FNMA	\$ 9,649,788

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Investment in State Investment Pool and CAMP Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the treasurer of the state of California and California Asset Management Program (CAMP) that is regulated by California Government Code. The fair value of the City's investment in these pools is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF and CAMP for the entire LAIF and CAMP portfolio (in relation to the amortized cost of that portfolio, respectively.) The balance available for withdrawal is based on the accounting records maintained by LAIF and CAMP, which are recorded on an amortized cost basis.

Fair Value Hierarchy

The City categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are quoted prices for similar assets in active markets (significant other observable inputs); Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of June 30, 2024:

<u>Investment Type</u>	<u>Totals</u>	<u>Level</u>	
		<u>1</u>	<u>2</u>
U.S. Treasury Obligations	\$ 29,409,783	\$ 29,409,783	\$ -
U.S. Agency Securities:			
FHLMC	1,267,145	-	1,267,145
FNMA	9,649,788	-	9,649,788
Municipal Obligations	908,012	-	908,012
Medium-Term Notes	16,316,872	-	16,316,872
Negotiable Certificates of Deposit	1,679,750	-	1,679,750
Supranationals	263,863	-	263,863
Asset-Backed Securities	11,018,450	-	11,018,450
Totals	70,513,663	<u>\$ 29,409,783</u>	<u>\$ 41,103,880</u>
Not Subject to Fair Value Measurement			
Hierarchy:			
Local Agency Investment Fund (LAIF)	24,398,688		
CAMP Pool	58,791,276		
Held by Bond Trustee:			
Money Market Funds	13,354,974		
Total Investments	<u>\$ 167,058,601</u>		

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

CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 3 LEASES RECEIVABLE

On March 1, 2003, the City (Landlord) and SFSHP Investors I, LLC and SFSHP Investors II, LLC (collectively, Tenant) entered into an Amended, Restated, and Consolidated Ground Lease for 23 buildings as described in the lease agreement. The ground lease has an amended term of 64 years expiring on December 31, 2067. The annual rent as of July 1, 2021, was \$824,000, and is paid in equal monthly installments. The annual rent increases based on defined increases in the Consumer Price Index every five years starting January 1, 2005, with a maximum increase of 35%.

In addition to the ground lease noted above, the City, acting as lessor, leases other land and buildings under long-term noncancelable lease agreements. The leases expire at various dates and provide for renewal options ranging up to 25 years. At June 30, 2024, the City has \$18,340,853 in both lease receivables and deferred inflows of resources in the General Fund.

During the year ended June 30, 2024, the City recognized \$446,217 and \$730,463 in lease revenue and interest revenue, respectively, pursuant to all of its lease agreements.

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

<u>Year Ending June 30.</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 257,548	\$ 722,419
2026	238,818	713,773
2027	246,357	704,995
2028	252,055	695,839
2029	248,280	686,457
2030-2034	1,274,671	3,289,799
2035-2039	1,400,678	3,036,018
2040-2044	1,763,844	2,723,294
2045-2049	1,899,254	2,345,305
2050-2054	2,174,749	1,945,250
2055-2059	2,655,362	1,464,637
2060-2064	3,242,188	877,811
2065-2069	2,687,049	196,950
Total	<u>\$ 18,340,853</u>	<u>\$ 19,402,547</u>

CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 4 LOANS AND NOTES RECEIVABLE

The loans and notes receivable balance consist of the following:

Fund	<u>Balance</u>
Governmental Funds:	
General Fund	\$ 177,450
Low and Moderate Income Housing Assets	
Special Revenue Fund	6,000,000
Successor Agency Bond Funded Capital	
Projects Fund	58,149
Nonmajor Governmental Funds	19,250
Total Funds	<u><u>\$ 6,254,849</u></u>

The General Fund has loans and notes receivable in the amount of \$28,360 representing monies advanced to City employees for home computer purchases. These loans are required to be repaid within two years and bear no interest. Notes receivable in the amount of \$149,090 relate to monies advanced to Community Facilities District 2002-1 for infrastructure improvements. This loan bears an interest rate of 5.75% per annum.

The Low and Moderate Income Housing Assets Special Revenue Fund has 10 notes outstanding related to housing for qualified buyers. The loans are secured by a deed of trust and must be repaid upon sale or refinance of the home if such a transaction occurs within 45 years. A portion of the loan balance is forgiven each year beginning five years after issuance and is completely forgiven after 45 years. An allowance for the full amount of the loans has been recorded as the expectation is for the homeowners to keep the properties for the entire term of the agreement. The balance outstanding at June 30, 2024 is \$822,510 with a net carrying value of zero. The loans do not accrue interest.

In June 2023, the City signed a promissory note to lend Richman Santa Fe Springs Apartments \$6,000,000 for the development of affordable housing. The note is secured by certain Deed of Trust with Assignment of Rents with a maturity date of 55 years from the date Conversion occurs, as defined in the agreement. The agreement calls for annual payments based on a calculation of residual receipts. The residual receipts are calculated based on the project revenues less approved expenses. The outstanding principal accrues simple interest at 3%. At June 30, 2024, the note has an outstanding balance of \$6,000,000

The Successor Agency Bond Funded Capital Projects Fund has a note receivable in the amount of \$58,149 related to monies advanced by the former Commission to Community Facilities District 2004-1 for infrastructure improvements. This loan bears interest at a rate of 5.75% per annum.

The Nonmajor Governmental Funds have two notes receivable outstanding from homeowners through the CDBG housing program. The loans have zero interest and do not require repayment. The loans are secured by a deed of trust and must be repaid upon sale or refinance of the home. The balance outstanding at June 30, 2024, is \$19,250.

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 5 DUE FROM OTHER GOVERNMENTS

Due from other governments primarily consists of grants due from the federal government, the state of California, and the county of Los Angeles.

NOTE 6 INTERFUND ACTIVITY

The following is a summary of interfund transfers for the fiscal year ended June 30, 2024:

	Transfers Out:				Total
	General Fund	Prefunded Capital Projects Fund	Nonmajor Governmental Funds	Water Enterprise Fund	
<u>Transfers In:</u>					
General Fund	\$ -	\$ -	\$ 2,006,669	\$ 1,343,800	\$ 3,350,469
Capital Improvement	540,046	311,242	-	-	851,288
Prefunded Capital Projects Fund	6,750,000	-	1,131,534	-	7,881,534
Nonmajor Governmental Funds	144	-	-	-	144
Total	<u>\$ 7,290,190</u>	<u>\$ 311,242</u>	<u>\$ 3,138,203</u>	<u>\$ 1,343,800</u>	<u>\$ 12,083,435</u>

The General Fund transferred \$6,750,000 into the Prefunded Capital Projects Fund and \$540,046 to Capital Improvement Fund provide funding for current and future capital projects. The General Fund transferred \$144 to Fire Grants Nonmajor Governmental Fund for expenditures not covered by grants.

Prefunded Capital Projects Fund transferred \$311,242 into Capital Improvement Fund for cost related to a capital project.

Other nonmajor Governmental Funds transferred \$2,006,669 into the General Fund for various purposes including eligible expenditures incurred related to public safety, gas tax, metro grants, street lighting, and art in public places activities, and \$1,131,531 into the Prefunded Capital Projects Fund for costs incurred related to capital projects.

The Water Fund transferred \$1,200,000 into the General Fund in connection with the lease agreement between the City and the City's Water Utility Authority and \$143,800 for NPDES street purposes and other computer replacements.

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 6 INTERFUND ACTIVITY (CONTINUED)

Due to/from other funds at June 30, 2024, were as follows:

Due from	Due to		Total
	Capital Improvement Fund	Nonmajor Governmental Funds	
General Fund	<u>\$ 7,384,255</u>	<u>\$ 1,248,294</u>	<u>\$ 8,632,549</u>

The due to/from other funds balances resulted from reimbursable expenditures occurring while the revenues with which to reimburse those expenditures had not yet been received. All balances are expected to be repaid once the fund receives reimbursement from the grantor.

Advances from other funds and advances to other funds at June 30, 2024, are as follows:

Advances to	Advances from
	Low and Moderate Income Housing Assets Fund
General Fund	<u>\$ 1,437,861</u>

An advance payable/receivable was set up between the General Fund and the Low and Moderate Income Housing Assets Fund (Housing Fund) to account for costs originally charged to the Housing Fund but later determined to belong to the General Fund. The advance does not bear interest. Currently, there is no date set for the repayment of the advance.

CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended June 30, 2024:

	Balance June 30, 2023	Additions	Deletions	Balance June 30, 2024
Governmental Activities:				
Capital Assets, not Being Depreciated/Amortized:				
Land	\$ 49,181,852	\$ -	\$ -	\$ 49,181,852
Construction in Process	6,699,149	13,934,605	9,386,327	11,247,427
Total Capital Assets not Being Depreciated/Amortized	55,881,001	13,934,605	9,386,327	60,429,279
Capital Assets, Being Depreciated/Amortized:				
Buildings	35,007,427	2,758,843	-	37,766,270
Improvements	32,206,635	3,955,428	-	36,162,063
Equipment	18,753,834	2,005,157	60,555	20,698,436
Intangible Assets	1,313,015	-	-	1,313,015
Infrastructure	166,247,029	2,672,055	-	168,919,084
Right-to-Use Lease Equipment	454,612	-	-	454,612
SBITA	59,902	351,676	-	411,578
Total Capital Assets, Being Depreciated/Amortized	254,042,454	11,743,159	60,555	265,725,058
Less Accumulated Depreciation/Amortization:				
Buildings	16,331,726	792,227	-	17,123,953
Improvements	21,771,885	1,148,356	-	22,920,241
Equipment	11,879,399	1,447,909	60,555	13,266,753
Intangible Assets	393,905	87,534	-	481,439
Infrastructure	96,339,331	4,384,142	-	100,723,473
Right-to-Use Lease Equipment	138,277	89,029	-	227,306
SBITA	3,328	60,996	-	64,324
Total Accumulated Depreciation/Amortization	146,857,851	8,010,193	60,555	154,807,489
Total Capital Assets, Being Depreciated/Amortized, Net	107,184,603	3,732,966	-	110,917,569
Government Activities Capital Assets, Net	<u>\$ 163,065,604</u>	<u>\$ 17,667,571</u>	<u>\$ 9,386,327</u>	<u>\$ 171,346,848</u>

CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 CAPITAL ASSETS (CONTINUED)

	Balance June 30, 2023	Additions	Deletions	Balance June 30, 2024
Business-Type Activities:				
Capital Assets, not Being Depreciated/Amortized:				
Land and Water Rights	\$ 3,384,974	\$ -	\$ -	\$ 3,384,974
Construction in Process	4,974,488	7,400		4,981,888
Total Capital Assets not Being Depreciated/Amortized	8,359,462	7,400	-	8,366,862
Capital Assets, Being Depreciated/Amortized:				
Source of Supply Plant	4,622,244	-	-	4,622,244
Transmission and Distribution Plant	37,607,015	-	-	37,607,015
Pumping and Treatment Plant	111,016	-	-	111,016
General Plant	1,096,135	-	-	1,096,135
Right-to-Use Leased Equipment	18,942	-	-	18,942
Total Capital Assets, Being Depreciated/Amortized	43,455,352	-	-	43,455,352
Less Accumulated Depreciation/Amortization:				
Source of Supply Plant	2,731,947	87,837	-	2,819,784
Transmission and Distribution Plant	22,828,358	559,420	-	23,387,778
Pumping and Treatment Plant	110,625	393	-	111,018
General Plant	1,096,135	-	-	1,096,135
Right-to-Use Leased Equipment	5,682	3,789	-	9,471
Total Accumulated Depreciation/Amortization	26,772,747	651,439	-	27,424,186
Total Capital Assets, Being Depreciated/Amortized, Net	16,682,605	(651,439)	-	16,031,166
Water Utility Capital Assets, Net	<u>\$ 25,042,067</u>	<u>\$ (644,039)</u>	<u>\$ -</u>	<u>\$ 24,398,028</u>

Depreciation expense was charged to functions/programs of the primary government as follows:

	Governmental Activities	Business-Type Activities
General Government	\$ 816,101	\$ -
Public Safety	1,259,862	-
Community Development	67,948	-
Transportation	4,769,656	-
Culture and Leisure	829,895	-
Human Services	266,731	-
Water Utility	-	651,439
Total Governmental Activities	<u>\$ 8,010,193</u>	<u>\$ 651,439</u>

CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8 LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the fiscal year ended June 30, 2024:

	Balance June 30, 2023	Additions	Reductions	Balance June 30, 2024	Due Within One Year
Governmental Activities:					
Direct Borrowing - Notes Payable:					
Fire Engines	\$ 2,295,114	\$ -	\$ 295,293	\$ 1,999,821	\$ 305,539
Fire Equipment	2,401,803	-	463,932	1,937,871	472,005
Fire Air and Light Vehicle	90,253	-	90,253	-	-
Lease Payable	321,915	-	90,198	231,717	91,609
SBITA Payable	-	351,676	68,544	283,132	66,675
Total	<u>\$ 5,109,085</u>	<u>\$ 351,676</u>	<u>\$ 1,008,220</u>	<u>\$ 4,452,541</u>	<u>\$ 935,828</u>
Business-Type Activities:					
Water Revenue Bonds Payable:					
2013 Series A	\$ 6,890,000	\$ -	\$ -	\$ 6,890,000	\$ -
2018 Subordinate Bonds	610,000	-	215,000	395,000	220,000
Issuance Discount/Premiums	(113,370)	-	5,967	(107,403)	-
Lease Payable	13,413	-	3,758	9,655	3,817
Total	<u>\$ 7,400,043</u>	<u>\$ -</u>	<u>\$ 224,725</u>	<u>\$ 7,187,252</u>	<u>\$ 223,817</u>

The total annual debt service requirements to maturity on bonds and loans are as follows:

Governmental Activities		
<u>Year Ending June 30,</u>	<u>Notes Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 777,544	\$ 103,113
2026	796,359	84,298
2027	815,685	64,972
2028	835,537	45,120
2029	712,567	37,300
Total	<u>\$ 3,937,692</u>	<u>\$ 334,803</u>
Business-Type Activities		
<u>Year Ending June 30,</u>	<u>Revenue Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 220,000	\$ 265,878
2026	240,000	260,620
2027	300,000	254,488
2028	310,000	245,113
2029	320,000	235,038
2029-2033	1,770,000	1,002,400
2034-2038	2,120,000	651,000
2039-2043	2,005,000	204,200
Total	<u>\$ 7,285,000</u>	<u>\$ 3,118,737</u>

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Governmental Activities

Fire Engines Note Payable

In February 2023, the City entered into a financed purchase agreement for \$2,295,114 with Bank of America to purchase two fire engines. Payments are due annually in the amount of \$374,933 on February 28 each year at an annual interest rate of 3.47% with the note payable maturing on February 28, 2030. The current balance outstanding for this note payable is \$1,999,822.

Fire Equipment Note Payable

In November 2020, the City entered into a financed purchase agreement for \$3,306,000 with Bank of America to purchase a fire engine and fire equipment. Payments are due annually in the amount of \$505,724 on November 17 each year at an annual interest rate of 1.74% with the note payable maturing on November 17, 2027. The current balance outstanding for this note payable is \$1,937,871.

Fire Air and Light Vehicle Note Payable

In September 2017, the City entered into a financed purchase agreement for \$598,911 with Community First National Bank to purchase an Air & Light Vehicle for the Fire department. Payments are due annually in the amount of \$92,765 on September 1, each year at an annual interest rate of 2.73%; with the note payable maturing on September 1, 2023. This note was paid off as of June 30, 2024.

Lease Payable

The City leases equipment under a noncancelable lease agreement. A portion of this lease is allocated to the Water Fund. The lease expires in 2027 and does not have a renewal option. Total future minimum lease payments are as follows:

<u>Year Ending June 30,</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2025	\$ 91,609	\$ 2,950	\$ 3,817	\$ 123
2026	93,043	1,517	3,877	63
2027	47,065	213	1,961	9
Total	<u>\$ 231,717</u>	<u>\$ 4,680</u>	<u>\$ 9,655</u>	<u>\$ 195</u>

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Governmental Activities (Continued)

SBITA Payable

The City entered into subscription based-information technology arrangements for a software. The SBITA arrangement expires in 2028. The subscription assets and the related accumulated amortization are detailed in Note 7. The future subscription payments under the SBITA agreement are as follows:

Governmental Activities		
<u>Year Ending June 30,</u>	<u>SBITA Payable</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 66,675	\$ 8,325
2026	69,342	5,658
2027	72,115	2,885
2028	75,000	-
Total	<u>\$ 283,132</u>	<u>\$ 16,868</u>

Business-Type Activities

Water Refunding Revenue Bonds, 2013

In May 2013, in order to take advantage of a low interest rate market and to capture economic savings, the City “currently refunded” the 2003 Water Revenue Bond Series A. The 2013 Revenue Bonds were issued to (1) provide funds for the refunding of the PFA’s 2003 Water Revenue Bond Series A; (2) finance improvements to the water utility enterprise; (3) fund a deposit to a debt service reserve fund for the 2013 bonds; and (4) pay the costs of issuance associated with the issuance and sale of the 2013 Revenue Bonds.

The 2013 Revenue Bonds are due from 2026 through 2043 in annual principal installments of \$65,000 to \$530,000. Interest rates range from 3% to 4% and interest is payable semiannually on November 1 and May 1. The total outstanding principal as of June 30, 2024, is \$6,890,000. The 2013 Revenue Bonds are payable from and secured by net revenues of the City’s water system and facilities. The City has covenanted in the Installment Sale Agreement to set rates and charges for water services for its customers sufficient to provide net revenues each fiscal year equal to at least 120% of the debt service due in such fiscal year. Net revenue is determined by the gross revenues received during such period minus the amount required to pay all operation and maintenance costs becoming payable during such period. Net revenue pledged to these bonds for the current year was \$2,921,004 against debt service payments of \$256,438.

If any event of default shall occur, then the Trustee may, and at the written direction of the owners of a majority in aggregate principal amount of the 2013 Revenue Bonds then outstanding, shall declare the principal of the 2013 Revenue Bonds, together with the accrued interest thereon, to be due and payable immediately.

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Business-Type Activities

Water Refunding Revenue Bonds, 2018

In January 2018, in order to take advantage of a low interest rate market and to capture economic savings, the City “currently refunded” the 2005 Water Revenue Bond Series A. The 2018 Revenue Bonds were issued to (1) provide funds for the refunding of the PFA’s 2005 Water Revenue Bond Series A; (2) finance improvements to the water utility enterprise; and (3) pay the costs of issuance associated with the issuance and sale of the 2018 Revenue Bonds.

The 2018 Revenue Bonds are due from 2018 through 2026 in annual principal installments of \$175,000 to \$220,000. The interest rate is 2.39% and interest is payable semiannually on May 1 and November 1. The total outstanding principal as of June 30, 2024, is \$610,000. The 2018 Revenue Bonds are payable from and secured by net revenues of the City’s water system and facilities on a subordinate basis to the 2013 Revenue Bonds. Net revenue is determined by the gross revenues received during such period minus the amount required to pay all operation and maintenance costs becoming payable during such period. Net revenue pledged to these bonds for the current year was \$2,921,004 against debt service payments of \$229,441.

If any event of default shall occur, then the Trustee may, and at the written direction of the owners of a majority in aggregate principal amount of the 2018 Revenue Bonds then outstanding, shall declare the principal of the 2018 Revenue Bonds, together with the accrued interest thereon, to be due and payable immediately.

NOTE 9 COMPENSATED ABSENCES

Compensated absences consist of amounts due to employees for earned but unused vacation and sick leave balances. Compensated absences are primarily liquidated from the General Fund.

	Balance			Balance	Due Within
	June 30, 2023	Additions	Reductions	June 30, 2024	One Year
Governmental Activities	\$ 1,867,524	\$ 347,540	\$ 318,258	\$ 1,896,806	\$ 440,000
Business-Type Activities	254,663	47,392	43,399	258,656	60,000
Total Compensated Absences	<u>\$ 2,122,187</u>	<u>\$ 394,932</u>	<u>\$ 361,657</u>	<u>\$ 2,155,462</u>	<u>\$ 500,000</u>

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 10 CALIFORNIA JOINT POWERS INSURANCE AUTHORITY INSURANCE PROGRAM

Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City of Santa Fe Springs is a member of the California Joint Powers Insurance Authority (Authority). The Authority is composed of 126 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the board of directors. The board operates through a nine-member executive committee.

Primary Self-Insurance Programs of the Authority

Each member pays an annual contribution at the beginning of the coverage period. The total funding requirement for primary self-insurance programs is based on an actuarial analysis. Costs are allocated to individual agencies based on payroll and claims history, relative to other members of the risk-sharing pool.

Primary Liability Program

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

The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Subsidence losses have a \$50 million per occurrence limit. The coverage structure is composed of a combination of pooled self-insurance, reinsurance, and excess insurance. Additional information concerning the coverage structure is available on the Authority's website: <https://cjpia.org/coverage/risk-sharing-pools>.

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

**NOTE 10 CALIFORNIA JOINT POWERS INSURANCE AUTHORITY INSURANCE PROGRAM
(CONTINUED)**

Primary Self-Insurance Programs of the Authority (Continued)

Primary Workers' Compensation Program

Claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$75,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$75,000 to \$200,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$200,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

For 2023-24, the Authority's pooled retention is \$1 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$1 million. Coverage from \$1 million to \$5 million is purchased through reinsurance policies, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

Purchased Insurance

Pollution Legal Liability Insurance

The City of Santa Fe Springs participates in the pollution legal liability insurance program which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City of Santa Fe Springs. Coverage is on a claims-made basis. There is a \$250,000 deductible. The Authority has an aggregate limit of \$20 million.

Property Insurance

The City of Santa Fe Springs participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of Santa Fe Springs property is currently insured according to a schedule of covered property submitted by the City of Santa Fe Springs to the Authority. City of Santa Fe Springs property currently has all-risk property insurance protection in the amount of \$135,512,752. There is a \$10,000 deductible per occurrence except for nonemergency vehicle insurance which has a \$2,500 deductible.

CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

**NOTE 10 CALIFORNIA JOINT POWERS INSURANCE AUTHORITY INSURANCE PROGRAM
(CONTINUED)**

Purchased Insurance (Continued)

Earthquake and Flood Insurance

The City of Santa Fe Springs purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Authority. City of Santa Fe Springs property currently has earthquake protection in the amount of \$62,694,195. There is a deductible of 5% per unit of value with a minimum deductible of \$100,000.

Crime Insurance

The City of Santa Fe Springs purchases crime insurance coverage in the amount of \$5,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority.

Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2023-2024.

NOTE 11 PENSION PLAN OBLIGATIONS

a. General Information About the Pension Plan

Plan Description

The City contributes to the California Public Employees Retirement System (CalPERS), an agent multiple-employer defined benefit pension plan for the miscellaneous employees and a cost-sharing multiple-employer public employee defined benefit pension plan for the public safety employees that acts as a common investment and administrative agent for participating public entities within the state of California. PERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. All full-time employees are eligible to participate in PERS. Part-time employees are not eligible to participate in PERS retirement system but participate in a defined contribution plan. Benefit provisions for the plans are established by State Statutes and City resolution. Copies of PERS' annual financial report may be obtained from its executive office: 400 P Street, Sacramento, California 95814.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for nonduty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 11 PENSION PLAN OBLIGATIONS (CONTINUED)

a. General Information About the Pension Plan (Continued)

Benefits Provided (Continued)

The Plan provisions and benefits for the fiscal year ended June 30, 2024, are summarized as follows:

	Miscellaneous Plan		
	Tier 1*	Tier 2*	PEPRA
	Prior to November 19, 2012	November 19, 2012 but prior to January 1, 2013	January 1, 2013 and After
Hire Date	Prior to November 19, 2012	November 19, 2012 but prior to January 1, 2013	January 1, 2013 and After
Benefit Formula	2.7%@55	2.0%@55	2.0%@62
Benefit Vesting Schedule	5 years service	5 years service	5 years service
Benefit Payments	monthly for life	monthly for life	monthly for life
Minimum Retirement Age	50	50	52
Monthly Benefits, as a % of Eligible Compensation	2.000% - 2.700%, 50 yrs - 55+ yrs,	1.426% - 2.418%, 50 yrs - 63+ yrs,	1.000% - 2.500%, 52 yrs - 67+ yrs,
Required Employee Contribution Rates	8.00%	7.00%	7.25%
Required Employer Contribution Rates	12.500%	12.500%	7.350%

	Safety Cost-Sharing Rate Plans		
	Tier 1*	Tier 2*	PEPRA
	Prior to November 19, 2012	November 19, 2012 but prior to January 1, 2013	January 1, 2013 and After
Hire Date	Prior to November 19, 2012	November 19, 2012 but prior to January 1, 2013	January 1, 2013 and After
Benefit Formula	3.0%@50	3.0%@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
Minimum Retirement Age	50	50	50
Monthly Benefits, as a % of Eligible Compensation	3.000%, 50+ yrs	2.400% - 3.000%, 50 yrs - 55+ yrs,	2.000% - 2.700%, 50 yrs - 57+ yrs,
Required Employee Contribution Rates	9.000%	9.000%	14.500%
Required Employer Contribution Rates	29.090%	24.790%	14.500%

*Plan is closed to new entrants. The PEPRA plan was enacted for new members hired after January 1, 2013.

Employees Covered

For the measurement period ended June 30, 2023, the following employees were covered by the benefit terms of the Miscellaneous Plan:

Description	Number of Members
Active Members	136
Transferred Members	44
Terminated Members	30
Retired Members and Beneficiaries	228
Total	438

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 11 PENSION PLAN OBLIGATIONS (CONTINUED)

a. General Information About the Pension Plan (Continued)

Contribution Description

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

Employer contributions for the miscellaneous and safety plans for fiscal year ended June 30, 2024, was \$8,157,789 and \$6,312,822, respectively.

b. Net Pension Liability

The net pension liability is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the plans is measured as of June 30, 2023, using an annual actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023, using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown on the subsequent page.

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 11 PENSION PLAN OBLIGATIONS (CONTINUED)

b. Net Pension Liability (Continued)

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The total pension liabilities were determined using the following actuarial assumptions:

	<u>Miscellaneous</u>	<u>Safety</u>
Valuation Date	June 30, 2022	June 30, 2022
Measurement Date	June 30, 2023	June 30, 2023
Actuarial Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	6.90%	6.90%
Inflation	2.30%	2.30%
Projected Salary Increase	(1)	(1)
Mortality Rate Table	(2)	(2)
Post Retirement Benefit Increase	(3)	(3)

Varies by entry age and service.

(1) Varies by entry age and service.

(2) The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

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

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.

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 11 PENSION PLAN OBLIGATIONS (CONTINUED)

b. Net Pension Liability (Continued)

Long-Term Expected Rate of Return (Continued)

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

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

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

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

Discount Rate

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

Change in Benefit Terms

In 2022, Senate Bill 1168 increased the standard retiree lump sum death benefit from \$500 to \$2,000 for any death occurring on or after July 1, 2023.

CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 11 PENSION PLAN OBLIGATIONS (CONTINUED)

c. Changes in the Net Pension Liability

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

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at June 30, 2022 (Measurement Date)	<u>\$ 196,092,030</u>	<u>\$ 113,604,295</u>	<u>\$ 82,487,735</u>
Changes in the Year:			
Service Cost	2,152,473	-	2,152,473
Interest on the Total Pension Liability	13,500,457	-	13,500,457
Change in Benefit Terms	127,718	-	127,718
Changes of Assumptions	-	-	-
Differences Between Actual and Expected Experience	4,491,245	-	4,491,245
Contribution - Employer	-	7,918,095	(7,918,095)
Contribution - Employee	-	1,014,108	(1,014,108)
Net Investment Income	-	7,057,512	(7,057,512)
Administrative Expenses	-	(83,539)	83,539
Benefit Payments, Including Refunds of Employee Contributions	<u>(12,256,868)</u>	<u>(12,256,868)</u>	<u>-</u>
Net Changes	<u>8,015,025</u>	<u>3,649,308</u>	<u>4,365,717</u>
Balance at June 30, 2023 (Measurement Date)	<u><u>\$ 204,107,055</u></u>	<u><u>\$ 117,253,603</u></u>	<u><u>\$ 86,853,452</u></u>

As of June 30, 2024, the City Safety Plan reported a net pension liability for its proportionate share of the net pension liability of the Plan as follows:

	Proportionate Share of Net Pension Liability
Safety Plan	<u>\$ 66,691,562</u>

The City's net pension liability for the Safety Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Safety Plan is measured as of June 30, 2023, and the total pension liability for the Safety Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022, rolled forward to June 30, 2023, using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 11 PENSION PLAN OBLIGATIONS (CONTINUED)

c. Changes in the Net Pension Liability (Continued)

The City's proportionate share of the net pension liability for the Safety Plan as of measurement period ended June 30, 2022 and 2023, was as follows:

<u>Safety Cost-Sharing Plan</u>	
Safety Cost-Sharing Plan	
Proportion - June 30, 2022	0.91734%
Proportion - June 30, 2023	0.89220%
Change - Increase (Decrease)	<u>-0.02514%</u>

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

The following presents the net pension liability of the Plan's as of the measurement date, calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower or 1 percentage-point higher than the current rate:

	Discount Rate - 1% 5.90%	Current Discount 6.90%	Discount Rate + 1% 7.90%
Miscellaneous Plan	\$ 111,056,315	\$ 86,853,452	\$ 66,624,602
Safety Plan	93,069,847	66,691,562	45,125,437
Total Net Pension Liability	<u>\$ 204,126,162</u>	<u>\$ 153,545,014</u>	<u>\$ 111,750,039</u>

Pension Plan Fiduciary Net Position

The plan fiduciary net position disclosed in the GASB 68 accounting valuation report may differ from the plan assets reported in the funding actuarial valuation report due to several reasons. First, for the accounting valuations, CalPERS must keep items such as deficiency reserves, fiduciary self-insurance, and OPEB expense included as assets. These amounts are excluded for rate setting purposes in the funding actuarial valuation. In addition, differences may result from early Annual Comprehensive Financial Report closing and final reconciled reserves. Detailed information about each pension plan's fiduciary net position is available in the separately issued CalPERS financial reports. See CalPERS website for additional information.

CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 11 PENSION PLAN OBLIGATIONS (CONTINUED)

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

For the year ended June 30, 2024, the City recognized pension expense of \$10,845,513 and \$8,635,829 for the Miscellaneous and Safety Plan, respectively, which totals \$14,470,611. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Miscellaneous Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 8,157,789	\$ -
Changes of Assumptions	1,555,106	-
Differences Between Expected and Actual Experience	3,042,456	(933,834)
Net Differences Between Projected and Actual Earnings on Plan Investments	5,245,933	-
Total	<u>\$ 18,001,284</u>	<u>\$ (933,834)</u>
	Safety Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 6,312,822	\$ -
Difference Between Expected and Actual Experiences	4,896,390	(419,183)
Change in Assumptions	3,892,209	-
Net Differences Between Projected and Actual Earnings on Plan Investments	9,126,722	-
Change in Employer's Proportion	549,758	(494,359)
Differences Between the Employer's Contributions and the Employer's Proportionate Share of Contributions	638,001	(1,841,204)
Total	<u>25,415,902</u>	<u>(2,754,746)</u>
Total All Plans	<u>\$ 43,417,186</u>	<u>\$ (3,688,580)</u>

\$8,157,789 and \$6,312,822 reported in the Miscellaneous and Safety Plans, respectively, as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Differences between projected and actual investment earnings are amortized on a five-year straight-line basis and all other amounts are amortized over the expected average remaining service lives of all members that are provided with benefits.

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 11 PENSION PLAN OBLIGATIONS (CONTINUED)

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

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

<u>Measurement Period Ending June 30,</u>	<u>Deferred Outflows/(Inflows) of Resources</u>		
	<u>Miscellaneous</u>	<u>Safety</u>	<u>Total</u>
2024	\$ 2,952,037	\$ 5,015,967	\$ 7,968,004
2025	1,894,211	3,683,197	5,577,408
2026	3,930,739	7,394,426	11,325,165
2027	132,675	254,744	387,419
Total	<u>\$ 8,909,662</u>	<u>\$ 16,348,334</u>	<u>\$ 25,257,996</u>

e. Payable to the Pension Plans

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

NOTE 12 POSTEMPLOYMENT HEALTH CARE BENEFITS

The City provides an agent multiple-employer OPEB plan to retirees through the California Employers' Retiree Benefit Trust (CERBT). Information on the plan is available from CalPERS on their website www.calpers.ca.gov.

a. Plan Description

The City contributes to the California Employers' Retiree Benefit Trust (CERBT), an agent multiple-employer public employee defined postemployment benefit plan. The City provides retiree medical benefits under the PERS health plan, which provides medical insurance benefits to eligible retirees and their beneficiaries in accordance with various labor agreements. Copies of the PERS' annual financial report may be obtained from the PERS Executive Office, 400 P Street, Sacramento, California 95814.

CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 12 POSTEMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

b. Eligibility and Employees Covered

Employees are eligible for retiree health benefits if they retire from the City on or after age 50 (unless disabled) with five years or service and are eligible for a PERS pension. The benefits are available only to employees who retire from the City. At measurement date ended June 30, 2023, the benefit terms covered the following employees:

	<u>Miscellaneous</u>	<u>Fire</u>	<u>Total</u>
Retirees and Beneficiaries Receiving Benefits	\$ 174	\$ 99	\$ 273
Retirees and Beneficiaries Entitled to but not yet Receiving Benefits	108	44	152
Active Plan Members	<u>282</u>	<u>143</u>	<u>425</u>
Total	<u>\$ 564</u>	<u>\$ 286</u>	<u>\$ 850</u>

These amounts do not reflect current retirees not enrolled in the PERS health plan that are eligible to enroll in the plan at a later date.

c. Contributions

The City currently contributes to the CERBT OPEB trust, in addition to paying benefit payments outside the trust. For the fiscal year ended June 30, 2024, the City contributed \$469,000 to the CERBT, paid \$3,408,337 for current premiums, and paid \$10,029 of nontrust admin expenses, resulting in total contributions of \$3,887,366. The liability for governmental activities is primarily liquidated from the general fund and the liability for business-type activities is liquidated from the water enterprise fund.

d. Investments

The CERBT was established for public agencies to pre-fund other postemployment benefit obligations. Employers may choose among three different investment strategies. The City of Santa Fe Springs has selected Strategy 1. Compared with CERBT Strategy 2 and Strategy 3, this portfolio consists of a higher percentage of equities than bonds and other assets. The following was the investment committee approved asset allocation targets:

<u>Asset Class</u>	<u>Target Allocation</u>
Global Equity	49.0 %
U.S. Fixed Income	23.0
REITs	20.0
TIPS	5.0
Commodities	<u>3.0</u>
Total	<u>100.0 %</u>

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 12 POSTEMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

e. Net OPEB Liability

The City's net OPEB liability as the total OPEB liability, less the plan's fiduciary net position. The net OPEB liability is measured as of June 30, 2023, using an actuarial valuation as of June 30, 2022. A summary of the principal assumptions and methods used to determine the total OPEB liability is shown below.

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	6.25%
Inflation	3.10%
Salary Increases	2.80%
Healthcare Cost Trend Rates:	20
2023 Trend (Pre 65 / Post 65)	0.00% / 6.70%
2024 Trend (Pre 65 / Post 65)	0.00% / 4.54%
Ultimate Trend	4.54%
Year Ultimate Trend is Reached (Pre 65 / Post 65)	2090 / 2024
Mortality Rates	Public Agency - Post-Retirement Mortality - SOA Scale MP-2020 Base Year 2018, Public Agency Miscellaneous - Pre-Retirement Mortality - SOA Scale MP-2020 Base Year 2018, and Public Agency Safety / Fire - Pre-Retirement Mortality - SOA Scale MP-2020 Base Year 2018.

The actuarial assumptions used in the June 30, 2022, valuation were based on a standard set of assumptions the actuary has used for similar valuations, modified as appropriate for the City.

The City holds the presumption that the CalPERS medical plan and its premium structure are sustainable over the measurement period, even if other groups or active participants cease to participate and has selected to incorporate that opinion as an assumption in its valuation. The actuary incorporated this assumption and has applied the Actuarial Standard of Practice No. 6 section 3.7.7(c)(4) exception and performed the valuation based on the direct premium rates charged by CalPERS without regard to adjustments for age, thereby resulting in no liability due to an implied rate subsidy.

f. Discount Rate

The discount rate used to measure the total OPEB liability was 6.25%. The projection of cash flows used to determine the discount rate assumed that City contributions will be made at rates equal to the actuarially determined contribution rates.

CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 12 POSTEMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

g. Changes in the Net OPEB Liability

The changes in the Net OPEB Liability for the Plan are as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (Asset) (c)=(a)-(b)
Balance at June 30, 2022 (Measurement Date)	\$ 64,552,170	\$ 26,312,462	\$ 38,239,708
Changes Recognized for the Measurement Period:			
Service Cost	1,204,768	-	1,204,768
Interest on Total OPEB Liability	3,128,602	-	3,128,602
Changes of Assumptions	(12,557,072)	-	(12,557,072)
Difference Between Actual vs. Expected Experience	(1,351,973)	-	(1,351,973)
Contributions-Employer	-	4,211,515	(4,211,515)
Net Investment Income	-	1,734,112	(1,734,112)
Benefit Payments, Including Refunds of Employee Contributions	(3,580,515)	(3,580,515)	-
Administrative Expense	-	(7,718)	7,718
Net Changes	<u>(13,156,190)</u>	<u>2,357,394</u>	<u>(15,513,584)</u>
Balance at June 30, 2023 (Measurement Date)	<u>\$ 51,395,980</u>	<u>\$ 28,669,856</u>	<u>\$ 22,726,124</u>

h. Change in Assumptions

Initial trend rates were advanced and the model for trends in subsequent years is based on the Getzen Model as updated through October 2023. The payroll growth rate was increased from 2.75% to 2.80%.

CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 12 POSTEMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

i. 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 or 1 percentage-point higher than the current discount rate:

	Discount Rate -1% 5.25%	Current Discount 6.25%	Discount Rate + 1% 7.25%
Net OPEB Liability	\$ 29,703,753	\$ 22,726,124	\$ 16,932,500

j. 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 or 1 percentage-point higher than the current healthcare cost trend rates:

	Trend Rate -1% 0.00% / 5.70%	Trend Rate 0.00% / 6.70%	Trend Rate + 1% 1.00% / 7.70%
Net OPEB Liability	\$ 16,306,311	\$ 22,726,124	\$ 30,669,730

k. Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2024, the City recognized OPEB gain of \$1,929,298. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
City Contributions Made Subsequent to Measurement Date	\$ 3,570,152	\$ -
Differences Between Expected and Actual Experience	-	(2,979,464)
Changes of Assumptions	222,027	(10,158,611)
Net Difference Between Projected and Actual Earnings on Plan Investments	1,793,678	-
Total	<u>\$ 5,585,857</u>	<u>\$ (13,138,075)</u>

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 12 POSTEMPLOYMENT HEALTH CARE BENEFITS (CONTINUED)

- k. Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

\$3,570,152 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of total OPEB liability in the year ending June 30, 2025. Other amounts reported as deferred outflows and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ending June 30,</u>	Deferred Outflows/ (Inflows) of of Resources
2025	\$ (3,546,374)
2026	(3,396,347)
2027	(1,668,277)
2028	(2,511,372)
Total	<u>\$ (11,122,370)</u>

NOTE 13 DEFINED CONTRIBUTION PLAN

Employees hired by the City on a part-time, seasonal, or temporary basis whose wages do not qualify for Social Security deductions or membership in a qualified pension plan are required to participate in the Part-Time, Seasonal and Temporary (PST) Employee Retirement Program. The City administers PST, an eligible 457 plan under the Internal Revenue Code. Employees' mandatory PST contributions amount to 7.5% of gross wages on a pretax basis. Employees are fully vested upon enrollment and are entitled to 100% of the account upon separation from the City. The City does not make any contributions to the PST. The PST assets are held in a trust account for the sole benefit of the employees and their beneficiaries and have been excluded from the City's reported assets accordingly.

NOTE 14 COMMITMENTS AND CONTINGENCIES

Claims

Various claims for personal injury and for property damage are pending against the City. It is the opinion of the City Attorney that any liability arising out of such claims is adequately covered under insurance agreements.

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 15 CONDUIT OBLIGATION DEBT

The City issued \$2,315,000 of Heritage Springs Assessment District Improvement Bonds on August 9, 2001. These bonds are not included in the accompanying financial statements as neither the faith and credit nor the taxing powers of the City have been pledged to the payment of the obligations. The outstanding balance at June 30, 2024, is \$1,045,000.

NOTE 16 SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 (the Bill) that provides for the dissolution of all redevelopment agencies in the state of California. This action impacted the reporting entity of the City of Santa Fe Springs (City) that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit. The Bill provides that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. As of February 1, 2012, the City Council, by operation of law, became the Successor Agency to the Community Development Commission for the City of Santa Fe Springs (Successor Agency) in accordance with the Bill.

After enactment of the law, which occurred on June 28, 2011, redevelopment agencies in the state of California cannot enter into new projects, obligations, or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments). Successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

Loans and Notes Receivable

The loans and notes receivable balance in the Successor Agency Fund consist of an installment note in the amount of \$61,438 relate to an advance of former Commission monies to property owners to clean up hazardous materials on private property. This note bears an interest rate of 9.0% per annum.

Capital Assets

Additions and deletions in the Successor Agency's capital assets were as follows:

	Balance June 30, 2023	Additions	Reductions	Balance June 30, 2024
Capital Assets, not Being Depreciated:				
Land	\$ 415,530	\$ -	\$ -	\$ 415,530
Total Capital Assets, Not Being Depreciated	<u>\$ 415,530</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 415,530</u>

CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 16 SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY (CONTINUED)

Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the fiscal year ended June 30, 2024:

	Balance June 30, 2023	Additions	Reductions	Balance June 30, 2024	Due Within One Year
Private-Purpose Activities:					
Consolidated Redevelopment					
Project Tax Allocation Bonds:					
2006 Issue	\$ 17,027,773	\$ -	\$ 5,624,491	\$ 11,403,282	\$ 4,253,770
Accreted Interest on					
Capital Appreciation Bonds	18,616,344	-	4,999,843	13,616,501	-
2016 Refunding Issue	1,480,000	-	735,000	745,000	745,000
Issuance Discounts/Premiums	(45,934)	-	15,312	(30,622)	-
Direct Borrowings:					
Tax Increment Loan from					
Los Angeles County	6,144,414	169,957	201,856	6,112,515	-
Total	<u>\$ 43,222,597</u>	<u>\$ 169,957</u>	<u>\$ 11,576,502</u>	<u>\$ 31,846,676</u>	<u>\$ 4,998,770</u>

<u>Year Ending June 30,</u>	<u>Tax Allocation Bonds</u>	
	<u>Principal</u>	<u>Interest</u>
2025	\$ 4,998,770	\$ 8,381
2026	4,040,748	-
2027	2,069,997	-
2028	1,038,767	-
Total	<u>12,148,282</u>	<u>\$ 8,381</u>

Cumulative Accretion Interest	
on Capital Appreciation Bonds	13,616,501
Total Principal, June 30, 2024	<u>\$ 25,764,783</u>

Consolidated Redevelopment Project 2006 Tax Allocation Bonds

In December 2006, the former Commission issued serial bonds (Series A) in the amount of \$27,658,493. Series A bonds are structured with a mix of current interest bonds and accreted interest on capital appreciation bonds. Serial bonds totaling \$4,710,000 are payable annually on each September 1 ranging from \$10,000 to \$2,195,000 through September 1, 2020. Interest is payable on September 1 and March 1 in each year at rates of 3.75% to 5.0% per annum. Capital appreciation bonds have serial maturities in 2020 through 2028 payable annually on September 1 each year with a value at maturity ranging from \$920,000 to \$11,805,000. The current interest bonds are optionally callable at par on September 1, 2016. The capital appreciation bonds are noncallable. The serial bonds were fully refunded in fiscal year 2016-17 with the issuance of the 2016 Subordinate Tax Allocation Refunding Bonds.

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 16 SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY (CONTINUED)

Consolidated Redevelopment Project 2006 Tax Allocation Bonds (Continued)

In December 2006, the former Commission issued serial bonds (Series B) in the amount of \$18,760,000. Series B bonds have current interest term bonds of \$5,230,000 and \$13,530,000 due September 1, 2011 and September 1, 2018, respectively. The interest rates range from 5.18% to 5.35%. The bonds are optionally callable at par on September 1, 2016. The serial bonds were fully refunded in fiscal year 2016-17 with the issuance of the 2016 Subordinate Tax Allocation Refunding Bonds.

Upon the dissolution of the former redevelopment agency at February 1, 2012, the outstanding balance of the bonds was transferred to the Successor Agency. Upon dissolution, former tax increment revenues are deposited into the Los Angeles County Redevelopment Property Tax Trust Fund (RPTTF) and are distributed to Successor Agencies based on approved enforceable obligations. The City does not believe the dissolution bill changes the pledged nature of the former tax increment and considers all deposits to the RPTTF pledged for debt service until the full debt service obligation for the fiscal year is reached. Total amount outstanding as of June 30, 2024, is \$25,019,783 including \$13,616,501 of accreted interest.

2016 Subordinate Tax Allocation Refunding Bonds

In July 2016, the Successor Agency to the Community Development Commission of the City of Santa Fe Springs (the Successor Agency) issued \$25,270,000 in 2016 Subordinate Tax Allocation Refunding Bonds to redeem and defease all amounts outstanding under the following five series of bonds issued by the former Community Development Commission of the City of Santa Fe Springs:

- \$28,845,000 original principal amount Community Development Commission of the City of Santa Fe Springs Consolidated Redevelopment Project Tax Allocation Bonds, 2001 Series A.
- \$50,915,000 original principal amount Community Development Commission of the City of Santa Fe Springs Consolidated Redevelopment Project Tax Allocation Refunding Bonds, 2002 Series A.
- \$6,530,000 original principal amount Community Development Commission of the City of Santa Fe Springs Consolidated Redevelopment Project Taxable Tax Allocation Refunding Bonds, 2003 Series A (Housing Tax Revenues).
- \$4,710,000 original principal amount Community Development Commission of the City of Santa Fe Springs Consolidated Redevelopment Project Tax Allocation Bonds, 2006 Series A, issued as current interest bonds.
- \$18,760,000 original principal amount Community Development Commission of the City of Santa Fe Springs Consolidated Redevelopment Project Taxable Tax Allocation Bonds, 2006 Series B.

**CITY OF SANTA FE SPRINGS
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

**NOTE 16 SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT
AGENCY (CONTINUED)**

2016 Subordinate Tax Allocation Refunding Bonds (Continued)

The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$487,390, of which the outstanding amount at June 30, 2024 is \$97,478, which is reported as a deferred outflow of resources in the accompanying financial statements and amortized over the remaining life of the refunded debt. Interest is payable semi-annually on March 1 and September 1 of each year, commencing March 1, 2017. The certificates mature in 2025 and principal is payable on September 1 each year, commencing September 1, 2017. Total amount outstanding as of June 30, 2024, is \$745,000.

Tax Increment Loan Payable

A loan of property tax increment was issued by the County of Los Angeles, California, to the former Washington Boulevard Redevelopment Project Debt Service Fund at a variable interest rate equivalent to the Los Angeles County Annual Treasury Pool rate as calculated annually by the County Auditor-Controller. Principal and interest payments on this loan were originally to be deferred until such time as the former Washington Boulevard Project has received a combined total of \$10,750,000 in monies from sales tax increment, and property tax increment. Upon the dissolution of the former redevelopment agency at February 1, 2012, the outstanding balance of the loan was transferred to the Successor Agency. The repayment schedule is not fixed and will be dependent upon the availability of RPTTF to be used for that purpose, subject to the approval of the Oversight Board, Los Angeles County Auditor-Controller, and California Department of Finance. Total amount outstanding as of June 30, 2024, is \$6,112,515.

REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF SANTA FE SPRINGS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 73,169,500	\$ 76,069,500	\$ 81,562,279	\$ 5,492,779
Licenses and Permits	2,840,400	2,900,400	3,685,156	784,756
Intergovernmental	1,003,400	1,003,400	1,013,587	10,187
Charges for Services	6,113,100	6,332,100	7,517,518	1,185,418
Use of Money and Property	2,182,000	2,182,000	7,367,932	5,185,932
Rentals	1,877,100	1,877,100	2,103,157	226,057
Fines and Forfeitures	432,000	432,000	772,530	340,530
Contributions	118,700	118,700	258,116	139,416
Miscellaneous	744,900	744,900	1,533,425	788,525
Total Revenues	88,481,100	91,660,100	105,813,700	14,153,600
EXPENDITURES				
General Government	12,494,400	12,993,500	10,812,851	2,180,649
Public Safety	40,564,600	40,734,500	39,447,134	1,287,366
Community Development	4,399,400	4,329,100	3,540,981	788,119
Public Works	15,971,500	16,582,700	14,839,359	1,743,341
Culture and Leisure	7,628,200	8,162,400	7,861,333	301,067
Human Services	2,147,800	2,147,800	2,207,919	(60,119)
Capital Outlay	4,612,300	4,762,300	1,656,202	3,106,098
Debt Service:				
Principal Retirement	850,000	850,000	1,008,219	(158,219)
Interest and Fiscal Charges	125,000	125,000	134,763	(9,763)
Total Expenditures	88,793,200	90,687,300	81,508,761	9,178,539
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(312,100)	972,800	24,304,939	23,332,139
OTHER FINANCING SOURCES (USES)				
Transfers In	4,655,828	4,680,828	3,350,469	(1,330,359)
Transfers Out	(4,104,828)	(4,104,828)	(7,290,190)	(3,185,362)
Issuance of SBITA Payable	-	-	351,676	351,676
Sale of Capital Asset	5,000	5,000	34,215	29,215
Total Other Financing Sources (Uses)	556,000	581,000	(3,553,830)	(4,134,830)
NET CHANGE IN FUND BALANCE	243,900	1,553,800	20,751,109	19,197,309
Fund Balance - Beginning of Year	100,439,634	100,439,634	100,439,634	-
FUND BALANCE - END OF YEAR	<u>\$ 100,683,534</u>	<u>\$ 101,993,434</u>	<u>\$ 121,190,743</u>	<u>\$ 19,197,309</u>

See accompanying Notes to Required Supplementary Information.

**CITY OF SANTA FE SPRINGS
BUDGETARY COMPARISON SCHEDULE
LOW AND MODERATE INCOME HOUSING ASSETS FUND
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Use of Money and Property	\$ -	\$ -	\$ 204,640	\$ 204,640
Miscellaneous	-	-	16,548	(16,548)
Total Revenues	-	-	221,188	188,092
EXPENDITURES				
Community Development	253,000	253,000	1,459,966	(1,206,966)
Total Expenditures	253,000	253,000	1,459,966	(1,206,966)
NET CHANGE IN FUND BALANCE	(253,000)	(253,000)	(1,238,778)	(1,018,874)
Fund Balance - Beginning of Year	11,053,683	11,053,683	11,053,683	-
FUND BALANCE - END OF YEAR	<u>\$ 10,800,683</u>	<u>\$ 10,800,683</u>	<u>\$ 9,814,905</u>	<u>\$ (1,018,874)</u>

See accompanying Notes to Required Supplementary Information.

**CITY OF SANTA FE SPRINGS
MISCELLANEOUS PLAN
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS**

Fiscal Year Ended	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Measurement Period	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019
Total Pension Liability:					
Service Cost	\$ 2,152,473	\$ 1,970,794	\$ 1,766,312	\$ 1,567,189	\$ 1,609,236
Interest on Total Pension Liability	13,500,457	12,966,728	13,033,238	12,629,742	12,378,733
Differences Between Expected and Actual Experience	4,491,245	(3,009,015)	2,313,861	268,043	2,131,720
Changes in Assumptions	-	5,010,900	-	-	-
Changes in Benefit Terms	127,718	-	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(12,256,868)	(11,567,406)	(10,958,843)	(10,975,249)	(10,473,500)
Net Change in Total Pension Liability	8,015,025	5,372,001	6,154,568	3,489,725	5,646,189
Total Pension Liability - Beginning of Year	196,092,030	190,720,029	184,565,461	181,075,736	175,429,547
Total Pension Liability - End of Year (a)	<u>\$ 204,107,055</u>	<u>\$ 196,092,030</u>	<u>\$ 190,720,029</u>	<u>\$ 184,565,461</u>	<u>\$ 181,075,736</u>
Plan Fiduciary Net Position:					
Contributions - Employer	\$ 7,918,095	\$ 7,068,656	\$ 6,557,278	\$ 5,957,285	\$ 5,182,712
Contributions - Employee	1,014,108	930,374	911,222	855,704	783,946
Net Investment Income	7,057,512	(9,636,898)	24,174,117	5,199,591	6,740,766
Benefit Payments	(12,256,868)	(11,567,406)	(10,958,843)	(10,975,249)	(10,473,500)
Net Plan to Plan Resource Movement	-	-	-	-	-
Other Miscellaneous Income (Expense)	-	-	-	-	242
Administrative Expense	(83,539)	(79,044)	(106,198)	(148,620)	(73,690)
Net Change in Plan Fiduciary Net Position	3,649,308	(13,284,318)	20,577,576	888,711	2,160,476
Plan Fiduciary Net Position - Beginning of Year	113,604,295	126,888,613	106,311,037	105,422,326	103,261,850
Plan Fiduciary Net Position - End of Year (b)	<u>\$ 117,253,603</u>	<u>\$ 113,604,295</u>	<u>\$ 126,888,613</u>	<u>\$ 106,311,037</u>	<u>\$ 105,422,326</u>
Net Pension Liability - Ending (a)-(b)	<u>\$ 86,853,452</u>	<u>\$ 82,487,735</u>	<u>\$ 63,831,416</u>	<u>\$ 78,254,424</u>	<u>\$ 75,653,410</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	57.45%	57.93%	66.53%	57.60%	58.22%
Covered Payroll	\$ 11,947,551	\$ 10,510,114	\$ 9,998,155	\$ 9,185,973	\$ 8,249,634
Net Pension Liability as Percentage of Covered Payroll	726.96%	784.84%	638.43%	851.89%	917.05%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

From fiscal year June 30, 2019 to June 30, 2022:

There were no changes in assumptions.

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

The discount rate and long-term rate of return decreased from 7.15% to 6.90% and the inflation rate decreased from 2.50% to 2.30%.

From fiscal year June 30, 2023 to June 30, 2024:

There were no changes in assumptions.

**CITY OF SANTA FE SPRINGS
MISCELLANEOUS PLAN
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS (CONTINUED)
LAST TEN FISCAL YEARS**

Fiscal Year Ended	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Measurement Period	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Total Pension Liability:					
Service Cost	\$ 1,796,886	\$ 1,697,844	\$ 1,501,984	\$ 1,544,341	\$ 1,578,729
Interest on Total Pension Liability	11,973,513	11,756,269	11,766,386	11,550,084	11,142,267
Differences Between Expected and Actual Experience	(299,522)	(3,198,739)	(1,620,555)	714,618	-
Changes in Assumptions	(953,019)	9,199,362	-	(2,672,769)	-
Changes in Benefit Terms	-	-	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(9,808,276)	(8,617,142)	(8,887,931)	(8,362,515)	(8,292,893)
Net Change in Total Pension Liability	2,709,582	10,837,594	2,759,884	2,773,759	4,428,103
Total Pension Liability - Beginning of Year	172,719,965	161,882,371	159,122,487	156,348,728	151,920,625
Total Pension Liability - End of Year (a)	<u>\$ 175,429,547</u>	<u>\$ 172,719,965</u>	<u>\$ 161,882,371</u>	<u>\$ 159,122,487</u>	<u>\$ 156,348,728</u>
Plan Fiduciary Net Position:					
Contributions - Employer	\$ 4,673,836	\$ 4,174,840	\$ 3,728,926	\$ 3,368,960	\$ 2,513,465
Contributions - Employee	873,584	957,530	932,924	945,614	1,210,652
Net Investment Income	8,481,211	10,317,843	500,787	2,213,275	14,964,552
Benefit Payments	(9,808,276)	(8,617,142)	(8,887,931)	(8,362,515)	(8,292,893)
Net Plan to Plan Resource Movement	(242)	-	-	-	-
Other Miscellaneous Income (Expense)	(294,413)	-	-	-	-
Administrative Expense	(155,035)	(137,006)	(58,860)	(108,707)	-
Net Change in Plan Fiduciary Net Position	3,770,665	6,696,065	(3,784,154)	(1,943,373)	10,395,776
Plan Fiduciary Net Position - Beginning of Year	99,491,185	92,795,120	96,579,274	98,522,647	88,126,871
Plan Fiduciary Net Position - End of Year (b)	<u>\$ 103,261,850</u>	<u>\$ 99,491,185</u>	<u>\$ 92,795,120</u>	<u>\$ 96,579,274</u>	<u>\$ 98,522,647</u>
Net Pension Liability - Ending (a)-(b)	<u>\$ 72,167,697</u>	<u>\$ 73,228,780</u>	<u>\$ 69,087,251</u>	<u>\$ 62,543,213</u>	<u>\$ 57,826,081</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	58.86%	57.60%	57.32%	60.69%	63.01%
Covered Payroll	\$ 8,771,632	\$ 9,696,909	\$ 9,040,284	\$ 9,086,236	\$ 8,979,508
Net Pension Liability as Percentage of Covered Payroll	822.74%	755.18%	764.22%	688.33%	643.98%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

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

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

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

There were no changes in assumptions.

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

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

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

There were no changes in assumptions.

**CITY OF SANTA FE SPRINGS
MISCELLANEOUS PLAN
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS**

Fiscal Year Ended	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Contractually Required Contribution (Actuarially Determined)	\$ 8,157,789	\$ 7,870,770	\$ 7,068,663	\$ 6,557,278	\$ 5,952,729
Contributions in Relation to the Actuarially Determined Contributions	(8,157,789)	(7,870,770)	(7,068,663)	(6,557,278)	(5,952,729)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 13,920,715	\$ 11,947,551	\$ 10,510,114	\$ 9,998,155	\$ 9,185,973
Contributions as a Percentage of Covered Payroll	58.60%	65.88%	67.26%	65.58%	64.80%
Notes to Schedule:					
Valuation Date	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Methods and Assumptions Used to Determine Contribution Rates:					
Actuarial Cost Method	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Inflation	2.300%	2.500%	2.500%	2.500%	2.625%
Salary Increases	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	6.80% (3)	7.00% (3)	7.00% (3)	7.00% (3)	7.25% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

(1) Level percentage of payroll, closed.

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

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

(4) 2.7% at 55, 2% at 55 and 2% at 62

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

**CITY OF SANTA FE SPRINGS
MISCELLANEOUS PLAN
SCHEDULE OF CONTRIBUTIONS (CONTINUED)
LAST TEN FISCAL YEARS**

Fiscal Year Ended	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually Required Contribution (Actuarially Determined)	\$ 5,182,369	\$ 4,669,275	\$ 4,174,840	\$ 3,728,926	\$ 3,554,823
Contributions in Relation to the Actuarially Determined Contributions	(5,182,369)	(4,669,275)	(4,174,840)	(3,728,926)	(3,554,823)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 8,249,634	\$ 8,771,632	\$ 9,696,909	\$ 9,040,284	\$ 9,086,236
Contributions as a Percentage of Covered Payroll	62.82%	53.23%	43.05%	41.25%	39.12%
Notes to Schedule:					
Valuation Date	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
Methods and Assumptions Used to Determine Contribution Rates:					
Actuarial Cost Method	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	15-Year Smoothed Fair Value Method
Inflation	2.75%	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) 2.7% at 55, 2% at 55 and 2% at 62

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

**CITY OF SANTA FE SPRINGS
COST SHARING SAFETY PLAN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST TEN FISCAL YEARS**

Fiscal Year Ended	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Measurement Period	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019
Plan's Proportion of the Net Pension Liability	0.89220%	0.91734%	1.08803%	0.82961%	0.81779%
Plan's Proportionate Share of the Net Pension Liability	\$ 66,691,562	\$ 63,035,973	\$ 38,184,110	\$ 55,271,784	\$ 51,050,543
Plan's Covered Payroll	\$ 7,031,317	\$ 6,764,920	\$ 6,644,007	\$ 6,934,844	\$ 6,607,330
Plan's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	948.49%	931.81%	574.72%	797.02%	772.63%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	65.32%	66.21%	78.59%	68.36%	75.26%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

From fiscal year June 30, 2019 to June 30, 2022:

There were no changes in assumptions.

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

The discount rate and long-term rate of return decreased from 7.15% to 6.90% and the inflation rate decreased from 2.50% to 2.30%.

From fiscal year June 30, 2023 to June 30, 2024:

There were no changes in assumptions.

**CITY OF SANTA FE SPRINGS
COST SHARING SAFETY PLAN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (CONTINUED)
LAST TEN FISCAL YEARS**

Fiscal Year Ended	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Measurement Period	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Plan's Proportion of the Net Pension Liability	0.80993%	0.78353%	0.79447%	0.77891%	0.70334%
Plan's Proportionate Share of the Net Pension Liability	\$ 47,522,971	\$ 46,817,505	\$ 41,147,225	\$ 32,094,633	\$ 26,382,020
Plan's Covered Payroll	\$ 6,994,713	\$ 6,971,540	\$ 6,843,585	\$ 6,502,095	\$ 6,188,907
Plan's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	679.41%	671.55%	601.25%	493.60%	426.28%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	75.26%	73.31%	74.06%	78.40%	79.82%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

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

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

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

There were no changes in assumptions.

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

The discount rate was reduced from 7.65% to 7.15%

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

There were no changes in assumptions.

**CITY OF SANTA FE SPRINGS
COST SHARING SAFETY PLAN
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS**

Fiscal Year Ended	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Contractually Required Contribution (Actuarially Determined)	\$ 6,312,822	\$ 5,870,803	\$ 5,345,973	\$ 4,786,061	\$ 4,372,591
Contributions in Relation to the Actuarially Determined Contributions	(6,312,822)	(5,870,803)	(5,345,973)	(4,786,061)	(4,372,591)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 7,736,367	\$ 7,031,317	\$ 6,764,920	\$ 6,644,007	\$ 6,934,844
Contributions as a Percentage of Covered Payroll	81.60%	83.50%	79.02%	72.04%	63.05%
Notes to Schedule:					
Valuation Date	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Methods and Assumptions Used to Determine Contribution Rates:					
Actuarial Cost Method	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Inflation	2.300%	2.500%	2.500%	2.500%	2.625%
Salary Increases	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	6.80% (3)	7.00% (3)	7.00% (3)	7.00% (3)	7.25% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

(1) Level percentage of payroll, closed.

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

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

(4) 3% at 50, 3% at 55 and 2.7% at 57.

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

**CITY OF SANTA FE SPRINGS
COST SHARING SAFETY PLAN
SCHEDULE OF CONTRIBUTIONS (CONTINUED)
LAST TEN FISCAL YEARS**

Fiscal Year Ended	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually Required Contribution (Actuarially Determined)	\$ 3,701,766	\$ 3,247,068	\$ 2,887,172	\$ 1,166,499	\$ 1,892,765
Contributions in Relation to the Actuarially Determined Contributions	(3,701,766)	(3,247,068)	(2,887,172)	(1,166,499)	(1,892,765)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 6,607,330	\$ 6,994,713	\$ 6,971,540	\$ 6,843,585	\$ 6,502,095
Contributions as a Percentage of Covered Payroll	56.03%	46.42%	41.41%	17.05%	29.11%
Notes to Schedule:					
Valuation Date	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
Methods and Assumptions Used to Determine Contribution Rates:					
Actuarial Cost Method	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	15-Year Smoothed Fair Value Method
Inflation	2.75%	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) 3% at 50, 3% at 55 and 2.7% at 57.

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

CITY OF SANTA FE SPRINGS
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS*

Fiscal Year Ended	June 30, 2024	June 30, 2023
Measurement Date	June 30, 2023	June 30, 2022
Total OPEB Liability:		
Service Cost	\$ 1,204,768	\$ 984,226
Interest on Total OPEB Liability	3,128,602	3,619,578
Changes of Benefit Terms	-	4,802,768
Differences Between		
Expected and Actual Experience	(1,351,973)	-
Changes of Assumptions	(12,557,072)	-
Benefit Payments	(3,580,515)	(3,566,828)
Net Change in Total OPEB Liability	(13,156,190)	5,839,744
Total OPEB Liability - Beginning of Year	64,552,170	58,712,426
Total OPEB Liability - End of Year (a)	<u>\$ 51,395,980</u>	<u>\$ 64,552,170</u>
Plan Fiduciary Net Position:		
Contributions - Employer	\$ 4,211,515	\$ 4,183,089
Net Investment Income	1,734,112	(4,051,230)
Benefit Payments	(3,580,515)	(3,566,828)
Administrative Expenses	(7,718)	(14,857)
Net Change in Plan Fiduciary Net Position	2,357,394	(3,449,826)
Plan Fiduciary Net Position -		
Beginning of Year	26,312,462	29,762,288
Plan Fiduciary Net Position - End of Year (b)	<u>\$ 28,669,856</u>	<u>\$ 26,312,462</u>
Net OPEB Liability - Ending (a)-(b)	<u>\$ 22,726,124</u>	<u>\$ 38,239,708</u>
Plan Fiduciary Net Position as a Percentage		
of the Total OPEB Liability	55.78%	40.76%
Covered - Employee Payroll	\$ 22,159,644	\$ 21,555,073
Net OPEB Liability as Percentage of		
Covered - Employee Payroll	102.56%	177.40%

Notes to Schedule:

Benefit Changes:

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

Effective 1/1/22, the Miscellaneous cap is set equal to the Kaiser Family non-Medicare premium, and the Fire cap is set equal to the PORAC Family non-Medicare premium (CalPERS Region 3).

Changes in Assumptions:

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

Decreased inflation reduced discount rate, medical trend, and salary increases, decreased medical trend rate for Kaiser Senior Advantage, Medicare Advantage plan implied subsidy excluded, mortality improvement scale updated to Scale MP-2021.

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

Initial trend rates were advanced and the model for trends in subsequent years is based on the Getzen Model as updated through October 2023. The payroll growth rate was increased from 2.75% to 2.80%.

* Fiscal year 2018 was the first year of implementation and therefore only seven years are shown.

CITY OF SANTA FE SPRINGS
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS (CONTINUED)
LAST TEN FISCAL YEARS*

Fiscal Year Ended Measurement Date	June 30, 2022 June 30, 2021	June 30, 2021 June 30, 2020	June 30, 2020 June 30, 2019	June 30, 2019 June 30, 2018	June 30, 2018 June 30, 2017
Total OPEB Liability:					
Service Cost	\$ 978,905	\$ 966,145	\$ 1,105,368	\$ 1,073,173	\$ 1,042,000
Interest on Total OPEB Liability	4,094,287	4,051,589	4,408,354	4,254,334	4,100,000
Changes of Benefit Terms	-	-	(24,586)	-	-
Differences Between					
Expected and Actual Experience	(4,911,693)	-	(7,005,009)	-	-
Changes of Assumptions	572,595	(1,048,245)	(397,546)	-	-
Benefit Payments	(3,397,735)	(3,301,649)	(3,163,861)	(2,992,000)	(2,786,000)
Net Change in Total OPEB Liability	(2,663,641)	667,840	(5,077,280)	2,335,507	2,356,000
Total OPEB Liability - Beginning of Year	61,376,067	60,708,227	65,785,507	63,450,000	61,094,000
Total OPEB Liability - End of Year (a)	<u>\$ 58,712,426</u>	<u>\$ 61,376,067</u>	<u>\$ 60,708,227</u>	<u>\$ 65,785,507</u>	<u>\$ 63,450,000</u>
Plan Fiduciary Net Position:					
Contributions - Employer	\$ 5,011,731	\$ 5,033,207	\$ 4,995,349	\$ 4,616,000	\$ 5,223,000
Net Investment Income	6,178,247	793,628	1,101,136	1,119,324	1,216,000
Benefit Payments	(3,397,735)	(3,301,649)	(3,163,861)	(2,992,000)	(2,786,000)
Administrative Expenses	(15,517)	(17,396)	(10,164)	(26,012)	(6,000)
Net Change in Plan Fiduciary Net Position	7,776,726	2,507,790	2,922,460	2,717,312	3,647,000
Plan Fiduciary Net Position -					
Beginning of Year	21,985,562	19,477,772	16,555,312	13,838,000	10,191,000
Plan Fiduciary Net Position - End of Year (b)	<u>\$ 29,762,288</u>	<u>\$ 21,985,562</u>	<u>\$ 19,477,772</u>	<u>\$ 16,555,312</u>	<u>\$ 13,838,000</u>
Net OPEB Liability - Ending (a)-(b)	<u>\$ 28,950,138</u>	<u>\$ 39,390,505</u>	<u>\$ 41,230,455</u>	<u>\$ 49,230,195</u>	<u>\$ 49,612,000</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	50.69%	35.82%	32.08%	25.17%	21.81%
Covered - Employee Payroll	\$ 19,983,477	\$ 18,008,437	\$ 17,127,695	\$ 19,257,018	\$ 18,626,195
Net OPEB Liability as Percentage of Covered - Employee Payroll	144.87%	218.73%	240.72%	255.65%	266.36%

Notes to Schedule:

Benefit Changes:

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

There were no changes in benefits.

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

Life insurance benefit for grandfathered retirees was terminated.

From fiscal year June 30, 2020 to June 30, 2022:

There were no changes in benefits.

Changes in Assumptions:

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

There were no changes in assumptions.

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

The mortality improvement scale was updated from Scale MP-2017 to MP-2019 and the healthcare trend changed from 7.50% non-Medicare and 6.50% Medicare to 7.25% non-Medicare and 6.30% Medicare.

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

Removal of ACA Excise Tax.

* Fiscal year 2018 was the first year of implementation and therefore only seven years are shown.

**CITY OF SANTA FE SPRINGS
SCHEDULE OF CONTRIBUTIONS—OPEB
LAST TEN FISCAL YEARS***

Fiscal Year Ended	June 30, 2024	June 30, 2023
Actuarially Determined Contribution	\$ 6,579,931	\$ 4,229,000
Contributions in Relation to the Actuarially Determined Contributions	(3,887,366)	(4,220,985)
Contribution Deficiency (Excess)	<u>\$ 2,692,565</u>	<u>\$ 8,015</u>
Covered - Employee Payroll	\$ 20,648,719	\$ 22,159,644
Contributions as a Percentage of Covered - Employee Payroll	18.83%	19.05%
Notes to Schedule:		
Valuation Date	6/30/2022	6/30/2021
Methods and Assumptions Used to Determine Contribution Rates:		
Actuarial Cost Method	Entry age	Entry age
Amortization Method	(1)	(1)
Amortization Period	15 year	16.1 year fixed
Asset Valuation Method	(2)	(2)
Discount Rate	6.25%	6.25%
Inflation	3.10%	2.50%
Healthcare Trend Rates	(9)	(7)
Mortality	(10)	(8)

(1) Level percentage of payroll.

(2) Investment gains/losses spread over 5-year rolling period.

(7) Non-Medicare 6.5%, Medicare (Non-Kaiser) 5.65%, Medicare (Kaiser) 4.6%. Decreasing to an ultimate rate of 3.75% in 2076.

(8) CalPERS 2000-2019 experience study.

(9) 2023 trend pre 65/post 65 - 0.00%/6.70%. 2024 trend pre 65/post 65 - 0.00%/4.54%. Ultimate trend 4.54% is reached 2090/2024.

(10) Public Agency - Post-Retirement Mortality - SOA Scale MP-2020 Base Year 2018, Public Agency Miscellaneous - Pre-Retirement Mortality - SOA Scale MP-2020 Base Year 2018, and Public Agency Safety / Fire - Pre-Retirement Mortality - SOA Scale MP-2020 Base Year 2018.

* Fiscal year 2018 was the first year of implementation and therefore only seven years are shown.

**CITY OF SANTA FE SPRINGS
SCHEDULE OF CONTRIBUTIONS—OPEB (CONTINUED)
LAST TEN FISCAL YEARS***

Fiscal Year Ended	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Actuarially Determined Contribution	\$ 4,266,000	\$ 4,141,000	\$ 5,047,000	\$ 4,900,000	\$ 4,737,000
Contributions in Relation to the Actuarially Determined Contributions	(4,183,089)	(5,074,731)	(5,033,207)	(4,995,349)	(4,616,000)
Contribution Deficiency (Excess)	<u>\$ 82,911</u>	<u>\$ (933,731)</u>	<u>\$ 13,793</u>	<u>\$ (95,349)</u>	<u>\$ 121,000</u>
Covered - Employee Payroll	\$ 21,555,073	\$ 19,983,477	\$ 18,008,437	\$ 17,127,695	\$ 19,257,018
Contributions as a Percentage of Covered - Employee Payroll	19.41%	25.39%	27.95%	29.17%	23.97%

Notes to Schedule:

Valuation Date	6/30/2019	6/30/2019	6/30/2017	6/30/2017	6/30/2017
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Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry age	Entry age	Entry age	Entry age	Entry age
Amortization Method	(1)	(1)	(1)	(1)	(1)
Amortization Period	23-year fixed (closed)	23-year fixed (closed)	23-year fixed (closed)	23-year fixed (closed)	23-year fixed (closed)
Asset Valuation Method	(2)	(2)	(2)	(2)	(2)
Discount Rate	6.75%	6.75%	6.75%	6.75%	7.25%
Inflation	2.75%	2.75%	2.75%	2.75%	2.75%
Healthcare Trend Rates	(4)	(4)	(4)	(4)	(3)
Mortality	(6)	(6)	(6)	(6)	(5)

(1) Level percentage of payroll.

(2) Investment gains/losses spread over 5-year rolling period.

(3) Non-Medicare 7.5%, Medicare 6.5%. Decreasing to an ultimate rate of 4% in 2076.

(4) Non-Medicare 7.25%, Medicare 6.3%. Decreasing to an ultimate rate of 4% in 2076.

(5) CalPERS 1997-2011 experience study.

(6) CalPERS 1997-2015 experience study.

* Fiscal year 2018 was the first year of implementation and therefore only seven years are shown.

CITY OF SANTA FE SPRINGS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024

Budgetary Comparison Information

Summary of Budgetary Policies

The budget is prepared by the City Manager in accordance with City Code Section 31.13 and is legally adopted by the City Council. The budget includes activities for the General Fund.

Budgets for capital projects funds are not presented because they are budgeted on a project life basis. Revisions to the originally adopted budget were made during the year and have been incorporated into the budgetary amounts presented within the financial statements.

The basis for budgeting in the General Fund and Special Revenue Funds is substantially consistent with accounting principles generally accepted in the United States of America, except that payments made on financing leases are recorded as functional expenditures. The lease agreements are not budgeted as a financing source and the acquisition price of the acquired asset is not budgeted as an expenditure.

The legal level of control is considered to be at the fund level since management can reassign resources within a fund without special approval from City Council.

The budget is formally integrated into the accounting system and employed as a management control tool during the year. At fiscal year-end, unexpended appropriations lapse, with the exception of capital improvements. All appropriations for capital improvements are carried forward until such time as the project is completed or terminated by action of the City Council.

The following funds do not have a legally adopted budget:

- Heritage Springs Street Maintenance District
- Business License Surcharge
- Fire Grants
- Community Development Block Grant Program Income Fund
- Narcotics Forfeitures/Seizures
- Transportation Center Expansion Parking Lot Fund
- State Coronavirus Relief Fund
- Heritage Art Education Endowment Fund

**CITY OF SANTA FE SPRINGS
DESCRIPTION OF NONMAJOR GOVERNMENTAL FUNDS**

Nonmajor governmental funds reported in the governmental fund financial statements include the following:

SPECIAL REVENUE FUNDS

State Gas Tax

This fund is used to account for gasoline taxes received under Sections 2105, 2106, 2107, and 2107.5 of the Street and Highways Code. These funds are utilized solely for street related purposes such as new construction, rehabilitation, or maintenance.

County Transit Tax

This fund is used to account for the City's share of an additional one-half percent sales tax, which was approved by the electorate in November 1980, restricted to financing transportation projects. This fund is also used to account for the City's share of an additional one-half percent sales tax, which was approved by the electorate in November 1990, restricted to financing transit projects within the City.

Street Lighting Maintenance District

This fund is used to account for revenues received and costs incurred for street lighting services in selected areas within the City. Funds are derived from property-related assessments collected by the County. Financing for the district is provided by assessing areas of benefit under the 1972 Lighting and Maintenance District Art.

Heritage Springs Street Maintenance District

This fund is used to account for revenues received and costs incurred for street maintenance and repair services in selected areas within the City. Funds are derived from property-related assessments collected by the County. Financing for the district is provided by assessing areas of benefit under the 1913 Municipal Improvement Act.

Art in Public Places

This fund is used to account for Heritage Artwork Program fees imposed upon new development at 1% of the building permit valuation for the purpose of increasing public art and providing art educational programs.

Business License Surcharge

This fund is used to account for state mandated \$1 surcharge applied to all business licenses issued in the City. Under SB 1186 the revenue is restricted for Certified Access Specialists (CAsp) programs, assisting businesses to become American with Disabilities Act (ADA) compliant and developing tools to help educate the businesses community on expanding ADA access.

Air Quality Improvement

This fund is used to account for additional motor vehicle registration fees imposed by the South Coast Air Quality Management District to finance the implementation of mobile source emission reduction programs and the provisions of the California Clean Air Act.

**CITY OF SANTA FE SPRINGS
DESCRIPTION OF NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**

Community Development Block Grant

This fund is used to account for expenditures funded by the Community Development Block Grant Program authorized by Title I of the Housing and Community Development Act of 1974 for the purpose of developing viable urban communities, including decent housing and suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.

Fire Grants

This fund is used to account for various federal and state grants administered by the Department of Fire-Rescue which provide funding for labor, operating, and capital expenditures.

Public Safety Augmentation

This fund is used to account for the City's share of the one-half percent sales tax, which was approved by the electorate in November of 1993. The proceeds are earmarked exclusively for public safety purposes.

Supplemental Law Enforcement Services

This fund is used to account for a state of California block grant providing for community-oriented policing programs. The funds are to be spent on new programs supporting "front-line" law enforcement activities.

Community Development Block Grant Program Income

This fund is used to account for the receipt of repayments received by the City from loans funded by the Community Development Block Grant program. These funds may be retained by the City but must be expended under the Community Development Block Grant program.

Narcotics Forfeitures/Seizures

This fund is used to account for assets received for direct local law enforcement participation in investigations or prosecutions resulting in a forfeiture.

Transportation Center Expansion Parking Lot Fund

This fund is used to account for lease income from City of Norwalk for the vacant parcel at the Transportation Center that is being developed. The fund is being earmarked for transportation purposes.

Measure W

This fund is used to account for stormwater activities.

PERMANENT FUND

Heritage Art Education Endowment Fund

This fund is used to account for an endowment held by the City to be used for the purpose of providing art education programs.

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**CITY OF SANTA FE SPRINGS
COMBINING BALANCE SHEET—
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2024**

	Special Revenue Funds				
	State Gas Tax	County Transit Tax	Street Lighting Maintenance District	Heritage Springs Street Maintenance District	Art in Public Places
ASSETS					
Pooled Cash and Investments	\$ 759,813	\$ 5,020,621	\$ 226,688	\$ 183,007	\$ 2,167,812
Receivables:					
Accounts	-	-	-	-	-
Notes and Loans	-	-	-	-	-
Due from Other Governments	179,102	98,542	3,274	-	-
Due from other Funds	-	-	-	-	-
Total Assets	<u>\$ 938,915</u>	<u>\$ 5,119,163</u>	<u>\$ 229,962</u>	<u>\$ 183,007</u>	<u>\$ 2,167,812</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	-	-	-	-	-
Unearned Revenues	-	14,100	-	-	-
Due to Other Funds	-	-	-	-	-
Total Liabilities	-	14,100	-	-	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-
FUND BALANCES					
Nonspendable:					
Permanent Fund Principal	-	-	-	-	-
Restricted for:					
Community Development Projects	-	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	938,915	5,105,063	229,962	183,007	-
Art in Public Places	-	-	-	-	2,167,812
Unassigned	-	-	-	-	-
Total Fund Balances	<u>938,915</u>	<u>5,105,063</u>	<u>229,962</u>	<u>183,007</u>	<u>2,167,812</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 938,915</u>	<u>\$ 5,119,163</u>	<u>\$ 229,962</u>	<u>\$ 183,007</u>	<u>\$ 2,167,812</u>

**CITY OF SANTA FE SPRINGS
COMBINING BALANCE SHEET—
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2024**

	Special Revenue Funds				
	Business License Surcharge	Air Quality Improvement	Community Development Block Grant	Fire Grants	Public Safety Augmentation
ASSETS					
Pooled Cash and Investments	\$ 94,683	\$ 161,212	\$ 4,699	\$ -	\$ -
Receivables:					
Accounts	713	-	-	-	-
Notes and Loans	-	-	-	-	-
Due from Other Governments	-	6,248	13,500	1,213,907	42,429
Due from other Funds	-	-	-	-	-
Total Assets	<u>\$ 95,396</u>	<u>\$ 167,460</u>	<u>\$ 18,199</u>	<u>\$ 1,213,907</u>	<u>\$ 42,429</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ 15,852	\$ 40,364	\$ -
Accrued Liabilities	-	-	2,347	-	-
Unearned Revenues	-	-	-	-	-
Due to Other Funds	-	-	-	1,205,865	42,429
Total Liabilities	-	-	18,199	1,246,229	42,429
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	-	749,157	-
Total Deferred Inflows of Resources	-	-	-	749,157	-
FUND BALANCES					
Nonspendable:					
Permanent Fund Principal	-	-	-	-	-
Restricted for:					
Community Development Projects	95,396	-	-	-	-
Public Safety	-	-	-	-	-
Public Works	-	167,460	-	-	-
Art in Public Places	-	-	-	-	-
Unassigned	-	-	-	(781,479)	-
Total Fund Balances	<u>95,396</u>	<u>167,460</u>	<u>-</u>	<u>(781,479)</u>	<u>-</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 95,396</u>	<u>\$ 167,460</u>	<u>\$ 18,199</u>	<u>\$ 1,213,907</u>	<u>\$ 42,429</u>

**CITY OF SANTA FE SPRINGS
COMBINING BALANCE SHEET—
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2024**

	Special Revenue Funds				
	Supplemental Law Enforcement Services	Community Development Block Grant Program Income	Narcotics Forfeitures/ Seizures	Transportation Center Expansion Parking Lot Fund	Measure W
ASSETS					
Pooled Cash and Investments	\$ 4,513	\$ -	\$ 126,966	\$ 41,003	\$ 5,982,751
Receivables:					
Accounts	-	-	-	-	-
Notes and Loans	-	19,250	-	-	-
Due from Other Governments	-	-	-	-	-
Due from other Funds	-	-	-	-	-
Total Assets	<u>\$ 4,513</u>	<u>\$ 19,250</u>	<u>\$ 126,966</u>	<u>\$ 41,003</u>	<u>\$ 5,982,751</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 610
Accrued Liabilities	-	-	-	-	-
Unearned Revenues	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Total Liabilities	-	-	-	-	610
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-
FUND BALANCES					
Nonspendable:					
Permanent Fund Principal	-	-	-	-	-
Restricted for:					
Community Development Projects	-	19,250	-	-	-
Public Safety	4,513	-	126,966	-	-
Public Works	-	-	-	41,003	5,982,141
Art in Public Places	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Fund Balances	<u>4,513</u>	<u>19,250</u>	<u>126,966</u>	<u>41,003</u>	<u>5,982,141</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 4,513</u>	<u>\$ 19,250</u>	<u>\$ 126,966</u>	<u>\$ 41,003</u>	<u>\$ 5,982,751</u>

**CITY OF SANTA FE SPRINGS
COMBINING BALANCE SHEET—
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
JUNE 30, 2024**

	Permanent Fund <u>Heritage</u> Art Education Endowment Fund	Total Nonmajor Governmental Funds
ASSETS		
Pooled Cash and Investments	\$ 492,864	\$ 15,266,632
Receivables:		
Accounts	-	713
Notes and Loans	-	19,250
Due from Other Governments	-	1,557,002
Due from other Funds	-	-
	<u>492,864</u>	<u>-</u>
Total Assets	<u>\$ 492,864</u>	<u>\$ 16,843,597</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES		
LIABILITIES		
Accounts Payable	\$ -	\$ 56,826
Accrued Liabilities	-	2,347
Unearned Revenues	-	14,100
Due to Other Funds	-	1,248,294
	<u>-</u>	<u>1,248,294</u>
Total Liabilities	-	1,321,567
DEFERRED INFLOWS OF RESOURCES		
Unavailable Revenue	-	749,157
Total Deferred Inflows of Resources	<u>-</u>	<u>749,157</u>
FUND BALANCES		
Nonspendable:		
Permanent Fund Principal	244,676	244,676
Restricted for:		
Community Development Projects	-	114,646
Public Safety	-	131,479
Public Works	-	12,647,551
Art in Public Places	248,188	2,416,000
Unassigned	-	(781,479)
Total Fund Balances	<u>492,864</u>	<u>14,772,873</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 492,864</u>	<u>\$ 16,843,597</u>

CITY OF SANTA FE SPRINGS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES—NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

	Special Revenue Funds				
	State Gas Tax	County Transit Tax	Street Lighting Maintenance District	Heritage Springs Street Maintenance District	Art in Public Places
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	997,443	1,569,031	194,709	-	-
Use of Money and Property	30,121	173,024	7,338	-	81,294
Contributions	-	-	-	-	806,705
Miscellaneous	-	-	-	-	-
Total Revenues	1,027,564	1,742,055	202,047	-	887,999
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Community Development	-	-	-	-	-
Public Works	-	-	-	-	-
Culture and Leisure	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	-	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,027,564	1,742,055	202,047	-	887,999
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	-
Transfers Out	(1,063,758)	(848,450)	(183,000)	-	(611,876)
Total Other Financing Sources (Uses)	(1,063,758)	(848,450)	(183,000)	-	(611,876)
NET CHANGE IN FUND BALANCES	(36,194)	893,605	19,047	-	276,123
Fund Balances - Beginning of Year	975,109	4,211,458	210,915	183,007	1,891,689
FUND BALANCES - END OF YEAR	<u>\$ 938,915</u>	<u>\$ 5,105,063</u>	<u>\$ 229,962</u>	<u>\$ 183,007</u>	<u>\$ 2,167,812</u>

CITY OF SANTA FE SPRINGS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES—NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2024

	Special Revenue Funds				
	Business License Surcharge	Air Quality Improvement	Community Development Block Grant	Fire Grants	Public Safety Augmentation
REVENUES					
Taxes	\$ 6,260	\$ -	\$ -	\$ -	\$ 240,579
Intergovernmental	-	24,979	60,182	964,124	-
Use of Money and Property	-	8,574	-	-	-
Contributions	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	6,260	33,553	60,182	964,124	240,579
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	-	423,375	-
Community Development	-	-	32,182	-	-
Public Works	-	2,100	-	-	-
Culture and Leisure	-	-	28,000	-	-
Capital Outlay	-	116,752	-	825,466	-
Total Expenditures	-	118,852	60,182	1,248,841	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	6,260	(85,299)	-	(284,717)	240,579
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	144	-
Transfers Out	-	-	-	-	(240,579)
Total Other Financing Sources (Uses)	-	-	-	144	(240,579)
NET CHANGE IN FUND BALANCES	6,260	(85,299)	-	(284,573)	-
Fund Balances - Beginning of Year	89,136	252,759	-	(496,906)	-
FUND BALANCES - END OF YEAR	<u>\$ 95,396</u>	<u>\$ 167,460</u>	<u>\$ -</u>	<u>\$ (781,479)</u>	<u>\$ -</u>

CITY OF SANTA FE SPRINGS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES—NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2024

	Special Revenue Funds				
	Supplemental Law Enforcement Services	Community Development Block Grant Program Income	Narcotics Forfeitures/ Seizures	Transportation Center Expansion Parking Lot Fund	Measure W
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	186,159	-	2,984	-	1,447,171
Use of Money and Property	4,512	-	4,507	-	194,581
Contributions	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Revenues	190,671	-	7,491	-	1,641,752
EXPENDITURES					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Community Development	-	-	-	-	-
Public Works	-	-	-	-	101,994
Culture and Leisure	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total Expenditures	-	-	-	-	101,994
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	190,671	-	7,491	-	1,539,758
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	-
Transfers Out	(190,540)	-	-	-	-
Total Other Financing Sources (Uses)	(190,540)	-	-	-	-
NET CHANGE IN FUND BALANCES	131	-	7,491	-	1,539,758
Fund Balances - Beginning of Year	4,382	19,250	119,475	41,003	4,442,383
FUND BALANCES - END OF YEAR	<u>\$ 4,513</u>	<u>\$ 19,250</u>	<u>\$ 126,966</u>	<u>\$ 41,003</u>	<u>\$ 5,982,141</u>

CITY OF SANTA FE SPRINGS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES—NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED JUNE 30, 2024

	Permanent Fund	
	Heritage Art Education Endowment Fund	Total Nonmajor Governmental Funds
REVENUES		
Taxes	\$ -	\$ 246,839
Intergovernmental	-	5,446,782
Use of Money and Property	17,595	521,546
Contributions	-	806,705
Miscellaneous	-	-
Total Revenues	17,595	7,021,872
EXPENDITURES		
Current:		
General Government	-	-
Public Safety	-	423,375
Community Development	-	32,182
Public Works	-	104,094
Culture and Leisure	-	28,000
Capital Outlay	-	942,218
Total Expenditures	-	1,529,869
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	17,595	5,492,003
OTHER FINANCING SOURCES (USES)		
Transfers In	-	144
Transfers Out	-	(3,138,203)
Total Other Financing Sources (Uses)	-	(3,138,059)
NET CHANGE IN FUND BALANCES	17,595	2,353,944
Fund Balances - Beginning of Year	475,269	12,418,929
FUND BALANCES - END OF YEAR	\$ 492,864	\$ 14,772,873

**CITY OF SANTA FE SPRINGS
BUDGETARY COMPARISON SCHEDULE—
STATE GAS TAX
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 535,500	\$ 535,500	\$ 997,443	\$ 461,943
Use of Money and Property	-	-	30,121	30,121
Total Revenues	535,500	535,500	1,027,564	492,064
OTHER FINANCING SOURCES (USES)				
Transfers Out	(642,800)	(642,800)	(1,063,758)	(420,958)
Total Other Financing Sources (Uses)	(642,800)	(642,800)	(1,063,758)	(420,958)
NET CHANGE IN FUND BALANCE	(107,300)	(107,300)	(36,194)	71,106
Fund Balance - Beginning of Year	975,109	975,109	975,109	-
FUND BALANCE - END OF YEAR	<u>\$ 867,809</u>	<u>\$ 867,809</u>	<u>\$ 938,915</u>	<u>\$ 71,106</u>

**CITY OF SANTA FE SPRINGS
BUDGETARY COMPARISON SCHEDULE—
COUNTY TRANSIT TAX
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 1,711,700	\$ 1,711,700	\$ 1,569,031	\$ (142,669)
Use of Money and Property	-	-	173,024	173,024
Miscellaneous	-	-	-	-
Total Revenues	1,711,700	1,711,700	1,742,055	30,355
OTHER FINANCING SOURCES (USES)				
Transfers Out	(2,280,300)	(2,305,300)	(848,450)	1,456,850
Total Other Financing Sources (Uses)	(2,280,300)	(2,305,300)	(848,450)	1,456,850
NET CHANGE IN FUND BALANCE	(568,600)	(593,600)	893,605	1,487,205
Fund Balance - Beginning of Year	4,211,458	4,211,458	4,211,458	-
FUND BALANCE - END OF YEAR	<u>\$ 3,642,858</u>	<u>\$ 3,617,858</u>	<u>\$ 5,105,063</u>	<u>\$ 1,487,205</u>

**CITY OF SANTA FE SPRINGS
BUDGETARY COMPARISON SCHEDULE—
STREET LIGHTING MAINTENANCE DISTRICT
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 195,000	\$ 195,000	\$ 194,709	\$ (291)
Use of Money and Property	-	-	7,338	7,338
Total Revenues	195,000	195,000	202,047	7,047
OTHER FINANCING SOURCES (USES)				
Transfers Out	(183,000)	(183,000)	(183,000)	-
Total Other Financing Sources (Uses)	(183,000)	(183,000)	(183,000)	-
NET CHANGE IN FUND BALANCE	12,000	12,000	19,047	7,047
Fund Balance - Beginning of Year	210,915	210,915	210,915	-
FUND BALANCE - END OF YEAR	<u>\$ 222,915</u>	<u>\$ 222,915</u>	<u>\$ 229,962</u>	<u>\$ 7,047</u>

**CITY OF SANTA FE SPRINGS
BUDGETARY COMPARISON SCHEDULE—
ART IN PUBLIC PLACES
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ -	\$ -	\$ 81,294	\$ 81,294
Contributions	300,000	300,000	806,705	506,705
Total Revenues	300,000	300,000	887,999	587,999
OTHER FINANCING SOURCES (USES)				
Transfers Out	(564,100)	(564,100)	(611,876)	(47,776)
Total Other Financing Sources (Uses)	(564,100)	(564,100)	(611,876)	(47,776)
NET CHANGE IN FUND BALANCE	(264,100)	(264,100)	276,123	540,223
Fund Balance - Beginning of Year	1,891,689	1,891,689	1,891,689	-
FUND BALANCE - END OF YEAR	<u>\$ 1,627,589</u>	<u>\$ 1,627,589</u>	<u>\$ 2,167,812</u>	<u>\$ 540,223</u>

**CITY OF SANTA FE SPRINGS
BUDGETARY COMPARISON SCHEDULE—
AIR QUALITY IMPROVEMENT
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 22,000	\$ 22,000	\$ 24,979	\$ 2,979
Use of Money and Property	-	-	8,574	8,574
Total Revenues	22,000	22,000	33,553	11,553
EXPENDITURES				
Public Works	2,100	2,100	2,100	-
Capital Outlay	117,000	117,000	116,752	248
Total Expenditures	119,100	119,100	118,852	248
NET CHANGE IN FUND BALANCE	(97,100)	(97,100)	(85,299)	11,305
Fund Balance - Beginning of Year	252,759	252,759	252,759	-
FUND BALANCE - END OF YEAR	<u>\$ 155,659</u>	<u>\$ 155,659</u>	<u>\$ 167,460</u>	<u>\$ 11,305</u>

**CITY OF SANTA FE SPRINGS
BUDGETARY COMPARISON SCHEDULE—
COMMUNITY DEVELOPMENT BLOCK GRANT
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 26,500	\$ 26,500	\$ 60,182	\$ 33,682
Total Revenues	26,500	26,500	60,182	33,682
EXPENDITURES				
Community Development	-	-	32,182	(32,182)
Culture and Leisure	26,500	26,500	28,000	(1,500)
Total Expenditures	26,500	26,500	60,182	(33,682)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF SANTA FE SPRINGS
BUDGETARY COMPARISON SCHEDULE—
PUBLIC SAFETY AUGMENTATION
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 211,200	\$ 211,200	\$ 240,579	\$ 29,379
Total Revenues	211,200	211,200	240,579	29,379
OTHER FINANCING SOURCES (USES)				
Transfers Out	(211,200)	(211,200)	(240,579)	(29,379)
Total Other Financing Sources (Uses)	(211,200)	(211,200)	(240,579)	(29,379)
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF SANTA FE SPRINGS
BUDGETARY COMPARISON SCHEDULE—
SUPPLEMENTAL LAW ENFORCEMENT SERVICES
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 100,000	\$ 100,000	\$ 186,159	\$ 86,159
Use of Money and Property	-	-	4,512	4,512
Total Revenues	100,000	100,000	190,671	90,671
OTHER FINANCING SOURCES (USES)				
Transfers Out	(100,000)	(100,000)	(190,540)	(90,540)
Total Other Financing Sources (Uses)	(100,000)	(100,000)	(190,540)	(90,540)
NET CHANGE IN FUND BALANCE	-	-	131	131
Fund Balance - Beginning of Year	4,382	4,382	4,382	-
FUND BALANCE - END OF YEAR	<u>\$ 4,382</u>	<u>\$ 4,382</u>	<u>\$ 4,513</u>	<u>\$ 131</u>

**CITY OF SANTA FE SPRINGS
BUDGETARY COMPARISON SCHEDULE—
MEASURE W
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 2,500,000	\$ 2,500,000	\$ 1,447,171	\$ (1,052,829)
Use of Money and Property	-	-	194,581	194,581
Total Revenues	2,500,000	2,500,000	1,641,752	(858,248)
EXPENDITURES				
Public Works	-	-	101,994	(101,994)
Total Expenditures	-	-	101,994	(101,994)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,500,000	2,500,000	1,539,758	(960,242)
OTHER FINANCING SOURCES (USES)				
Transfers Out	(4,028,000)	(4,028,000)	-	4,028,000
Total Other Financing Sources (Uses)	(4,028,000)	(4,028,000)	-	4,028,000
NET CHANGE IN FUND BALANCE	(1,528,000)	(1,528,000)	1,539,758	3,067,758
Fund Balance - Beginning of Year	4,442,383	4,442,383	4,442,383	-
FUND BALANCE - END OF YEAR	<u>\$ 2,914,383</u>	<u>\$ 2,914,383</u>	<u>\$ 5,982,141</u>	<u>\$ 3,067,758</u>

CITY OF SANTA FE SPRINGS DESCRIPTION OF FIDUCIARY FUNDS

Fiduciary funds are used to account for resources held for the benefits of parties outside the government. The resources of fiduciary funds are not available to support the City's programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

CUSTODIAL FUNDS

Assessment District Funds

This fund is used to account for special assessments received by the City as agent for payment of special assessment district bonds.

Community Facilities Assessment Districts Fund

This fund is used to account for special assessments received by the City as agent for payment of community facilities district debt and expenses.

**CITY OF SANTA FE SPRINGS
COMBINING STATEMENT OF FIDUCIARY NET POSITION—
CUSTODIAL FUNDS
JUNE 30, 2024**

	Assessment Districts	Community Facilities Assessment Districts	Total
ASSETS			
Pooled Cash and Investments	\$ 726,343	\$ 67,652	\$ 793,995
Restricted Assets:			
Cash and Investment with Fiscal Agents	<u>175,647</u>	<u>-</u>	<u>175,647</u>
Total Assets	901,990	67,652	969,642
NET POSITION			
Held for Bondholders	<u>901,990</u>	<u>67,652</u>	<u>969,642</u>
Total Net Position	<u><u>\$ 901,990</u></u>	<u><u>\$ 67,652</u></u>	<u><u>\$ 969,642</u></u>

**CITY OF SANTA FE SPRINGS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION—
CUSTODIAL FUNDS
YEAR ENDED JUNE 30, 2024**

	Assessment Districts	Community Facilities Assessment Districts	Total
ADDITIONS			
Special Assessments or Special Taxes Collected From Property Owners	\$ 219,079	\$ -	\$ 219,079
Interest and Change in Fair Value of Investments	<u>8,494</u>	<u>-</u>	<u>8,494</u>
Total Additions	227,573	-	227,573
DEDUCTIONS			
Payment for Special Assessment or Special Tax Debt	<u>168,361</u>	<u>-</u>	<u>168,361</u>
Total Deductions	<u>168,361</u>	<u>-</u>	<u>168,361</u>
CHANGE IN NET POSITION	59,212	-	59,212
Net Position - Beginning of Year	<u>842,778</u>	<u>67,652</u>	<u>910,430</u>
NET POSITION - END OF YEAR	<u><u>\$ 901,990</u></u>	<u><u>\$ 67,652</u></u>	<u><u>\$ 969,642</u></u>

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**CITY OF SANTA FE SPRINGS
STATISTICAL SECTION**

This part of the City of Santa Fe Springs comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, not disclosures, and required supplementary information says about the government's overall financial health.

	Page
Financial Trends – These schedules contain trend information to help the reader understand how the city's financial performance and well-being have changed over time.	118
Revenue Capacity – These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	128
Debt Capacity – These schedules present information to help the reader assess the Affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	132
Demographic and Economic Information – These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	140
Operating Information – These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the Services the City provides and the activities it performs.	143

**CITY OF SANTA FE SPRINGS
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year			
	2015	2016	2017	2018
Governmental activities:				
Net investment in capital assets	\$ 163,742,164	\$ 159,942,690	\$ 158,121,201	\$ 156,001,364
Restricted	29,208,112	32,373,440	33,145,221	32,820,873
Unrestricted	(50,143,910)	(49,235,190)	(52,203,681)	(90,543,090)
Total governmental activities net position	<u>\$ 142,806,366</u>	<u>\$ 143,080,940</u>	<u>\$ 139,062,741</u>	<u>\$ 98,279,147</u>
Business-type activities:				
Net investment in capital assets	\$ 15,541,573	\$ 17,182,873	\$ 17,533,898	\$ 18,890,862
Restricted	-	-	817,087	536,194
Unrestricted	(2,072,299)	(728,889)	331,570	(1,190,788)
Total business type activities net position	<u>\$ 13,469,274</u>	<u>\$ 16,453,984</u>	<u>\$ 18,682,555</u>	<u>\$ 18,236,268</u>
Primary government:				
Net investment in capital assets	\$ 179,283,737	\$ 177,125,563	\$ 175,655,099	\$ 174,892,226
Restricted	29,208,112	32,373,440	33,962,308	33,357,067
Unrestricted	(52,216,209)	(49,964,079)	(51,872,111)	(91,733,878)
Total primary government net position	<u>\$ 156,275,640</u>	<u>\$ 159,534,924</u>	<u>\$ 157,745,296</u>	<u>\$ 116,515,415</u>

Source: City of Santa Fe Springs Finance and Administrative Services Department

**CITY OF SANTA FE SPRINGS
NET POSITION BY COMPONENT (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 154,315,020	\$ 162,029,958	\$ 163,949,669	\$ 162,283,010	\$ 155,913,818	\$ 165,187,789
34,775,125	30,978,812	30,905,794	32,275,248	34,548,863	40,507,466
(89,116,900)	(75,019,083)	(59,478,048)	(39,991,438)	2,513,729	17,732,505
<u>\$ 99,973,245</u>	<u>\$ 117,989,687</u>	<u>\$ 135,377,415</u>	<u>\$ 154,566,820</u>	<u>\$ 192,976,410</u>	<u>\$ 223,427,760</u>
\$ 18,754,383	\$ 18,028,340	\$ 19,156,150	18,669,402	17,669,785	17,227,431
558,184	559,019	-	-	570,673	-
(324,355)	526,956	218,253	3,110,220	5,662,082	7,354,022
<u>\$ 18,988,212</u>	<u>\$ 19,114,315</u>	<u>\$ 19,374,403</u>	<u>\$ 21,779,622</u>	<u>\$ 23,902,540</u>	<u>\$ 24,581,453</u>
\$ 173,069,403	\$ 180,058,298	\$ 183,105,819	\$ 180,952,412	173,583,603	182,415,220
35,333,309	31,537,831	30,905,794	32,275,248	35,119,536	40,507,466
(89,441,255)	(74,492,127)	(59,259,795)	(36,881,218)	8,175,811	25,086,527
<u>\$ 118,961,457</u>	<u>\$ 137,104,002</u>	<u>\$ 154,751,818</u>	<u>\$ 176,346,442</u>	<u>\$ 216,878,950</u>	<u>\$ 248,009,213</u>

**CITY OF SANTA FE SPRINGS
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year			
	2015	2016	2017	2018
Expenses:				
Governmental activities:				
General government	\$ 5,614,730	\$ 5,692,938	\$ 6,910,410	\$ 4,251,432
Public safety	28,215,907	31,438,552	31,961,957	34,034,478
Community development	3,794,506	4,020,001	4,347,313	4,116,962
Public works	14,269,841	9,510,398	9,160,460	17,219,492
Culture and leisure	7,681,363	8,103,268	9,185,643	6,982,622
Human services	3,133,900	3,326,615	3,190,530	2,790,840
Unallocated depreciation	-	-	-	-
Interest on long term liabilities	239,719	207,917	160,610	121,322
Total governmental activities expenses	62,949,966	62,299,689	64,916,923	69,517,148
Business type activities:				
Water utility	10,911,725	10,056,785	10,437,631	11,192,617
Total primary government expenses	73,861,691	72,356,474	75,354,554	80,709,765
Program revenues:				
Governmental activities:				
Charges for Services:				
General government	1,975,162	2,067,142	2,474,664	2,038,573
Public safety	2,985,378	3,485,203	3,191,717	3,561,042
Community development	1,953,691	2,558,688	2,577,415	1,723,739
Public works	753,510	824,258	791,941	1,046,597
Culture and leisure	533,242	516,907	609,553	453,369
Human services	520,428	450,564	409,783	311,394
Operating grants and contributions	2,090,135	2,414,716	2,313,540	5,261,361
Capital grants and contributions	6,801,309	596,380	708,569	3,883,123
Total governmental activities program revenues	17,612,855	12,913,858	13,077,182	18,279,198
Business type activities:				
Charges for services:				
Water utility	12,252,452	11,445,171	12,760,330	13,491,332
Operating grants and contributions	-	-	-	-
Capital grants and contributions	111,777	796,442	762,739	-
Total business type activities program revenues	12,364,229	12,241,613	13,523,069	13,491,332
Total primary government program revenues	29,977,084	25,155,471	26,600,251	31,770,530
Net revenues (expenses):				
Governmental activities	(45,337,111)	(49,385,831)	(51,839,741)	(51,237,950)
Business type activities	1,452,504	2,184,828	3,085,438	2,298,715
Total net revenues (expenses)	(43,884,607)	(47,201,003)	(48,754,303)	(48,939,235)

CITY OF SANTA FE SPRINGS
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 6,896,856	\$ 8,544,252	\$ 8,482,800	\$ 7,629,048	\$ 10,309,257	\$ 11,238,050
33,932,658	34,743,488	35,296,588	40,445,623	28,262,932	41,413,294
2,955,522	2,795,648	2,674,722	2,728,716	11,654,888	4,705,749
15,558,408	17,572,927	16,766,663	16,318,672	18,788,759	20,888,027
6,689,566	6,539,103	5,501,644	5,486,877	7,320,797	8,613,554
2,000,692	1,777,281	1,612,973	1,637,533	2,233,457	2,404,255
-	-	-	-	-	-
112,477	56,935	51,054	67,435	79,938	125,137
68,146,179	72,029,634	70,386,444	74,313,904	78,650,028	89,388,066
11,124,404	11,310,735	13,282,916	12,347,405	13,624,222	14,019,326
79,270,583	83,340,369	83,669,360	86,661,309	92,274,250	103,407,392
2,131,444	2,246,355	3,121,333	3,306,540	5,172,985	5,735,195
3,433,078	3,222,786	3,580,227	4,298,393	3,109,883	3,354,600
1,818,544	2,005,242	1,760,519	2,336,477	3,509,086	3,078,908
757,476	1,478,915	995,335	1,317,122	2,047,599	1,169,696
624,126	256,996	34,487	275,337	510,546	602,224
39,913	12,063	1,149	40,073	356,524	342,632
4,215,071	4,378,318	5,694,683	6,210,343	11,429,865	7,736,581
161,836	2,116,919	3,351,016	622,474	3,409,443	3,732,406
13,181,488	15,717,594	18,538,749	18,406,759	29,545,931	25,752,242
12,611,914	12,406,103	14,430,951	15,627,075	15,279,357	16,148,720
-	-	-	72,774	8,727	75,113
-	63,014	22,074	5,287	17,285	35,222
12,611,914	12,469,117	14,453,025	15,705,136	15,305,369	16,259,055
25,793,402	28,186,711	32,991,774	34,111,895	44,851,300	42,011,297
(54,964,691)	(56,312,040)	(51,847,695)	(55,907,145)	(49,104,097)	(63,635,824)
1,487,510	1,158,382	1,170,109	3,357,731	1,681,147	2,239,729
(53,477,181)	(55,153,658)	(50,677,586)	(52,549,414)	(47,422,950)	(61,396,095)

**CITY OF SANTA FE SPRINGS
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year			
	2015	2016	2017	2018
General revenues and other changes in net position:				
Governmental activities:				
Taxes:				
Sales and use taxes	\$ 26,432,547	\$ 25,518,717	\$ 25,076,235	\$ 26,093,872
Transaction and use taxes	-	-	-	-
Property taxes	4,088,687	3,425,637	3,949,731	4,130,663
Franchise taxes	2,978,360	3,034,652	2,915,926	3,180,671
Motor vehicle in lieu tax - general purpose	1,686,499	1,716,181	1,767,500	1,863,969
Business operations taxes	780,747	801,658	807,702	789,379
Utility users taxes	6,836,360	6,669,155	6,406,684	6,523,816
Other taxes	567,503	531,045	522,091	628,828
Investment income	1,440,422	1,807,176	1,874,492	2,189,573
Other	2,692,622	2,988,717	2,269,170	675,977
Gain (Loss) on disposal of asset	-	-	-	-
Transfers to Successor Agency	-	-	-	-
Transfers	1,224,700	1,073,642	1,168,892	1,163,587
Extraordinary gain	19,954,190	-	-	-
Total governmental activities	<u>68,682,637</u>	<u>47,566,580</u>	<u>47,821,542</u>	<u>47,240,335</u>
Business type activities:				
Investment income	15,849	27,006	62,836	118,561
Other	240,554	156,955	249,189	1,791,077
Transfers	(1,224,700)	(1,073,642)	(1,168,892)	(1,163,587)
Total business type activities	<u>(968,297)</u>	<u>(889,681)</u>	<u>(856,867)</u>	<u>746,051</u>
Total primary government	<u>67,714,340</u>	<u>46,676,899</u>	<u>46,964,675</u>	<u>47,986,386</u>
Changes in Net Position:				
Governmental activities	23,345,526	(1,819,251)	(4,018,199)	(3,997,615)
Business type activities	484,207	1,295,147	2,228,571	3,044,766
Total primary government	<u>\$ 23,829,733</u>	<u>\$ (524,104)</u>	<u>\$ (1,789,628)</u>	<u>\$ (952,849)</u>

Source: City of Santa Fe Springs Finance and Administrative Services Department

**CITY OF SANTA FE SPRINGS
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 28,360,308	\$ 30,689,739	\$ 32,305,008	\$ 39,572,185	\$ 40,224,112	\$ 40,445,644
3,044,712	13,083,262	13,682,006	15,661,416	16,807,006	17,251,079
4,587,444	4,958,288	5,961,342	5,724,154	5,898,604	6,322,226
3,377,884	3,495,821	3,550,280	3,790,928	4,704,512	5,254,059
1,960,317	2,148,113	2,297,474	2,359,894	2,507,001	2,739,793
831,717	752,800	771,642	809,418	764,330	815,837
6,517,423	6,484,575	6,907,100	7,824,051	8,758,357	8,827,062
564,638	132,232	172,204	158,797	165,381	174,853
4,263,013	4,308,252	1,303,072	(2,976,930)	4,027,079	9,131,020
1,996,198	1,496,137	1,089,993	963,042	2,091,536	1,747,586
-	292,655	40,878	55,786	209,605	34,215
-	-	-	-	-	-
1,155,135	1,156,300	1,154,424	1,153,809	1,356,165	1,343,800
-	-	-	-	-	-
56,658,789	68,998,174	69,235,423	75,096,550	87,513,688	94,087,174
218,248	306,513	181,503	118,355	439,703	681,910
201,321	111,085	61,605	84,237	92,807	101,074
(1,155,135)	(1,156,300)	(1,154,424)	(1,153,809)	(1,356,165)	(1,343,800)
(735,566)	(738,702)	(911,316)	(951,217)	(823,655)	(560,816)
55,923,223	68,259,472	68,324,107	74,145,333	86,690,033	93,526,358
1,694,098	12,686,134	17,387,728	19,189,405	38,409,591	30,451,350
751,944	419,680	258,793	2,406,514	857,492	1,678,913
\$ 2,446,042	\$ 13,105,814	\$ 17,646,521	\$ 21,595,919	\$ 39,267,083	\$ 32,130,263

CITY OF SANTA FE SPRINGS
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2015	2016	2017	2018
General fund:				
Nonspendable	\$ 4,753,064	\$ 12,721,050	\$ 11,441,321	\$ 7,809,238
Restricted	98,821	322,843	869,331	1,070,451
Committed	225,000	225,000	225,000	225,000
Assigned	2,399,700	630,000	3,629,664	6,585,155
Unassigned	<u>20,027,817</u>	<u>21,301,702</u>	<u>21,868,047</u>	<u>21,730,547</u>
Total general fund	<u>\$ 27,504,402</u>	<u>\$ 35,200,595</u>	<u>\$ 38,033,363</u>	<u>\$ 37,420,391</u>
All other governmental funds:				
Nonspendable	\$ 4,330,950	\$ -	\$ -	\$ 244,676
Restricted	25,059,379	32,050,597	32,275,890	31,750,422
Assigned	9,480,556	15,036,492	14,316,725	13,256,233
Unassigned	<u>(16,968)</u>	<u>(13,040)</u>	<u>(13,413)</u>	<u>(3,913,948)</u>
Total all other governmental funds	<u>\$ 38,853,917</u>	<u>\$ 47,074,049</u>	<u>\$ 46,579,202</u>	<u>\$ 41,337,383</u>

Source: City of Santa Fe Springs Finance and Administrative Services Department

CITY OF SANTA FE SPRINGS
FUND BALANCES OF GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 1,828,548	\$ 2,224,444	\$ 2,340,616	\$ 2,813,309	\$ 2,808,056	\$ 1,806,090
1,194,990	1,344,838	1,612,762	1,818,278	2,513,307	3,853,530
225,000	225,000	225,000	225,000	225,000	225,000
10,997,012	22,126,736	31,285,627	35,424,875	61,208,026	65,235,325
22,675,644	24,121,539	24,884,524	28,046,008	33,685,245	50,070,798
<u>\$ 36,921,194</u>	<u>\$ 50,042,557</u>	<u>\$ 60,348,529</u>	<u>\$ 68,327,470</u>	<u>\$ 100,439,634</u>	<u>\$ 121,190,743</u>
\$ 244,673	\$ 244,676	\$ 244,676	\$ 244,676	\$ 244,676	\$ 244,676
33,580,135	28,278,390	26,982,856	30,212,294	31,790,880	33,391,794
17,598,708	22,501,686	28,622,561	35,841,732	35,487,115	33,623,194
(3,222,614)	(1,679,312)	(3,279,711)	(62,608)	(3,105,007)	(5,981,429)
<u>\$ 48,200,905</u>	<u>\$ 49,345,440</u>	<u>\$ 52,570,382</u>	<u>\$ 66,236,094</u>	<u>\$ 64,417,664</u>	<u>\$ 61,278,235</u>

CITY OF SANTA FE SPRINGS
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2015	2016	2017	2018
Revenues:				
Taxes	\$ 41,684,204	\$ 39,980,864	\$ 39,678,369	\$ 43,211,198
Licenses and permits	2,206,324	2,536,719	2,750,708	2,363,791
Fines, forfeitures and seizures	529,250	515,632	492,313	487,549
Interest and rentals	1,440,422	1,807,176	1,874,492	2,189,573
Intergovernmental	11,054,345	5,257,715	5,357,852	4,640,275
Charges for services	5,250,369	6,078,535	5,798,869	5,899,159
Other	2,855,254	3,146,736	2,464,110	1,671,228
Total revenues	65,020,168	59,323,377	58,416,713	60,462,773
Expenditures:				
Current:				
General government	5,483,276	5,449,398	6,282,824	3,795,998
Public safety	26,968,072	28,407,173	29,775,257	31,403,449
Community development	3,755,596	3,876,256	4,214,838	3,935,033
Public works	4,591,234	4,553,769	4,687,638	10,447,798
Culture and leisure	6,995,907	7,337,952	8,356,661	5,932,050
Human services	2,798,407	3,022,969	2,885,022	2,303,821
Capital outlay	9,745,411	2,621,810	4,208,654	5,960,909
Debt service:				
Interest	240,815	209,663	162,419	123,174
Principal retirement	1,045,658	988,940	1,059,310	1,133,745
Total expenditures	61,624,376	56,467,930	61,632,623	65,035,977
Excess (deficiency) of revenues over (under) expenditures	3,395,792	2,855,447	(3,215,910)	(4,573,204)
Other financing sources (uses):				
Proceeds (loss) from sale of assets	25,000	34,954	7,318	-
Contributions from successor agency	100,238	48,465	-	-
Transfer to private purpose trust fund	(20,000)	-	-	-
Leases/SBITA obligations	-	-	-	-
Transfers in	6,524,301	8,616,801	6,879,579	4,902,747
Transfers out	(4,749,901)	(8,753,473)	(2,388,867)	(3,739,160)
Total other financing sources (uses)	1,879,638	(53,253)	4,498,030	1,163,587
Extraordinary loss	19,954,190	-	1,055,801	-
Net change in fund balances	\$ 25,229,620	\$ 2,802,194	\$ 2,337,921	\$ (3,409,617)
Debt service as a percentage of noncapital expenditures	2.2%	2.2%	2.1%	2.1%

Source: City of Santa Fe Springs Finance and Administrative Services Department

CITY OF SANTA FE SPRINGS
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 49,244,443	\$ 62,150,070	\$ 65,647,056	\$ 75,791,133	\$ 79,939,013	\$ 81,809,118
2,145,963	2,485,395	2,228,200	2,913,256	4,254,978	3,685,156
738,807	788,382	380,754	446,114	452,766	772,530
4,263,013	4,667,628	1,514,370	(2,550,531)	6,170,529	11,234,177
4,551,765	6,210,417	5,495,267	9,014,232	10,596,884	6,887,221
5,524,875	5,346,393	6,463,339	7,558,372	7,561,413	7,545,943
2,698,764	2,467,770	2,274,675	2,085,146	3,500,830	2,948,017
69,167,630	84,116,055	84,003,661	95,257,722	112,476,413	114,882,162
6,876,387	7,902,106	8,521,649	8,985,486	9,252,883	10,812,851
30,466,404	30,472,065	33,162,493	36,495,217	36,964,765	39,870,509
2,777,781	2,649,405	2,758,116	3,254,267	4,455,993	5,033,129
10,651,342	11,375,367	11,324,465	12,439,376	13,838,498	15,178,741
5,698,374	5,554,076	5,029,572	5,785,102	6,620,926	7,889,333
1,532,644	1,414,482	1,418,131	1,757,065	1,953,202	2,207,919
5,459,285	10,174,605	12,561,418	5,809,555	12,158,811	16,864,709
95,235	63,389	21,337	76,193	64,482	1,008,219
1,488,130	1,464,840	176,868	675,015	793,905	134,763
65,045,582	71,070,335	74,974,049	75,277,276	86,103,465	99,000,173
4,122,048	13,045,720	9,029,612	19,980,446	26,372,948	15,881,989
-	292,655	40,878	55,786	209,605	34,215
-	-	-	-	-	-
-	-	-	-	-	-
1,087,142	-	3,306,000	454,612	2,355,017	351,676
10,635,624	9,593,689	12,168,606	14,688,298	11,798,545	12,083,435
(9,480,489)	(8,437,389)	(11,014,182)	(13,534,489)	(10,442,380)	(10,739,635)
2,242,277	1,448,955	4,501,302	1,664,207	3,920,787	1,729,691
-	-	-	-	-	-
\$ 6,364,325	\$ 14,494,675	\$ 13,530,914	\$ 21,644,653	\$ 30,293,735	\$ 17,611,680
2.6%	2.5%	0.3%	1.1%	1.2%	1.3%

CITY OF SANTA FE SPRINGS
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(IN THOUSANDS OF DOLLARS)

Fiscal Year	Secured Property	Unsecured Property	Less Property Exemptions	Grand Total	Homeowner's Exemption	Net Taxable Value (1)	Total Direct Tax Rate (2)
2015	\$ 5,819,662	\$ 1,002,581	\$ 67,730	\$ 6,754,513	\$ 15,194	\$ 6,739,319	0.077%
2016	5,954,556	993,740	88,515	6,859,781	15,058	6,844,723	0.077%
2017	6,101,589	1,054,534	80,496	7,075,627	14,805	7,060,822	0.077%
2018	6,463,463	1,061,430	70,198	7,454,696	14,547	7,440,148	0.077%
2019	6,820,231	1,104,056	78,617	7,845,670	14,262	7,831,408	0.077%
2020	7,432,543	1,184,857	38,932	8,578,468	14,162	8,564,306	0.077%
2021	8,031,534	1,251,065	99,021	9,183,578	13,761	9,169,817	0.077%
2022	8,288,822	1,271,960	160,749	9,400,033	13,593	9,386,440	0.077%
2023	8,865,124	1,275,308	167,026	9,973,406	13,360	9,960,046	0.077%
2024	9,561,297	1,420,887	59,330	10,922,854	13,054	10,909,800	0.077%

NOTE:

In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only reassessed at the time that it is sold to a new owner. At that point, the new assessed value is reassessed at the purchase price of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

(1) Net taxable value does not include state utility value

(2) Total direct tax rate is the City share of the 1% proposition 13 tax only for TRA 05-333

Source: County Assessor data, MuniServices, LLC / Avenu Insights & Analytics

**CITY OF SANTA FE SPRINGS
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(PER \$100 OF ASSESSED VALUE)**

Fiscal Year	Basic 1% Direct Tax Rate		Override Assessments					Total
	City of Santa Fe Springs	Los Angeles County	Elementary Schools	Los Angeles County	Rio Hondo Community College District	Whittier Union High School District	Metro. Water District	
2015	0.077	0.923	0.080	0.000	0.028	0.053	0.004	1.165
2016	0.077	0.923	0.065	0.000	0.027	0.051	0.004	1.147
2017	0.077	0.923	0.075	0.000	0.028	0.060	0.004	1.167
2018	0.077	0.923	0.079	0.000	0.027	0.058	0.004	1.168
2019	0.077	0.923	0.076	0.000	0.026	0.058	0.004	1.164
2020	0.077	0.923	0.065	0.000	0.026	0.055	0.004	1.150
2021	0.077	0.923	0.065	0.000	0.014	0.054	0.004	1.137
2022	0.077	0.923	0.062	0.000	0.015	0.054	0.004	1.135
2023	0.077	0.923	0.068	0.000	0.015	0.053	0.004	1.140
2024	0.077	0.923	0.080	0.000	0.022	0.051	0.004	1.157

NOTE:

In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% general levy, Los Angeles County, elementary school districts, Rio Hondo College District, Whittier Union High School District, and Metropolitan Water District all have levied direct assessments in addition to the 1.00% general levy.

Source: Los Angeles County Auditor/Controller data, MuniServices, LLC / Avenu Insights & Analytics

Rates are not adjusted for ERAF

**CITY OF SANTA FE SPRINGS
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND TEN YEARS AGO**

Taxpayer	FY 2023-24		FY 2014-15	
	Taxable Assessed Value	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Percent of Total City Taxable Assessed Value
Golden Springs Dev	\$ 345,181,516	3.16%	\$ 292,234,962	4.34%
Goodman Santa Fe Springs	241,267,969	2.21%		
Rexford Industrial	169,019,775	1.55%		
GLC SFS II LLC	167,913,933	1.54%		
PPF Industrial 12016 Telegraph	165,626,072	1.52%	33,848,104	0.50%
PSB Hathaway III LLC	109,322,550	1.00%		
1050 College Partners	96,282,199	0.88%		
MCcaster Carr Supply Company	93,938,923	0.86%	73,731,771	1.09%
Duke Realty Lakeland Rd LP	92,310,000	0.85%		
Teachers Insurance Annuity Assoc	85,076,404	0.78%	59,782,680	0.89%
Thor 12065 Pike Street LLC	85,000,000	0.78%		
TGA Greenstone Logistics Center	82,492,631	0.76%		
SDCO SFS Logistics Center Inc.	70,829,879	0.65%		
BSREP III California Infill	70,705,582	0.65%		
Sorensen XC II LLC	70,213,515	0.64%		
BRE Jupiter Western B West Az	68,326,603	0.63%		
WG Holdings SPV LLC	65,319,104	0.60%		
AMB Us Logistics Fund LP	62,802,864	0.58%	110,516,555	1.64%
Breit MF Telegraph Rd LLC	60,846,654	0.56%		
Pioneer Gardens Venture LP	60,259,891	0.55%		
Heraeus Metal Processing Inc.	58,355,493	0.53%	44,000,862	0.65%
Freeway Springs LLC	57,152,151	0.52%	48,204,440	0.72%
FDC Partners LP	55,772,591	0.51%		
Centris Telegraph Point LLC	54,520,000	0.50%		
Standard SFV Venture LP	54,035,739	0.49%		
Breitbart Operating LP			315,111,209	4.68%
Legacy Partners II Santa Fe Springs			86,768,493	1.29%
Gateway Santa Fe Springs Industrial			60,000,000	0.89%
Inland Paperboard			54,758,611	0.81%
Mckesson Corp			47,248,544	0.70%
Vons Companies Inc.			45,720,266	0.68%
Catellus			41,804,931	0.62%
Maruichi American Corp			40,776,806	0.61%
Centro Watt Property Owner II			39,296,630	0.58%
Bloomfield Commerce Center			38,649,642	0.57%
Prologis			35,825,308	0.53%
Carmenita Plaza LLC			35,370,558	0.52%
14141 Alondra LP			32,886,491	0.49%
CFH ENVP Ltd. Ptnshp			32,455,393	0.48%
Solaris Paper Inc.			31,131,403	0.46%
Pactiv LLC			30,415,605	0.45%
Sorensen Industrial LLC			28,830,298	0.43%
PR Mid Counties LLC			28,627,334	0.42%
	<u>\$ 2,542,572,038</u>	<u>23.29%</u>	<u>\$ 1,687,996,896</u>	<u>25.05%</u>

NOTE:

The amounts shown above include assessed value data for both the City and Redevelopment Agency

Source: Los Angeles County Assessor data, MuniServices, LLC / Avenu Insights & Analytics

**CITY OF SANTA FE SPRINGS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Total Tax Levy	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2015	\$ 35,511,774	\$ 35,217,986	99.17%	\$ -	\$ 35,217,986	99.17%
2016	34,092,546	33,826,245	99.22%	-	33,826,245	99.22%
2017	34,802,722	34,524,691	99.20%	-	34,524,691	99.20%
2018	37,721,588	36,571,390	96.95%	-	36,571,390	96.95%
2019	39,275,800	38,914,079	99.08%	-	38,914,079	99.08%
2020	45,613,414	45,027,883	98.72%	-	45,027,883	98.72%
2021	46,103,009	45,790,160	99.32%	-	45,790,160	99.32%
2022	48,011,117	47,585,974	99.11%	-	47,585,974	99.11%
2023	50,915,906	50,660,885	99.50%	-	50,660,885	99.50%
2024	56,622,331	56,087,067	99.05%	-	56,087,067	99.05%

NOTE:

The amounts presented include City property taxes and Redevelopment Agency tax increment. This schedule also includes amounts collected by the City and Redevelopment Agency that were passed-through to other agencies

The City receives limited information from Los Angeles County in relation to tax levies and collections. The City was unable to obtain further detail from Los Angeles County regarding the collections in excess of the levy amount after 2011.

Source: County Assessor Data, MuniServices, LLC / Avenu Insights & Analytics

**CITY OF SANTA FE SPRINGS
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Governmental Activities				Business-type Activities			Total Primary Government	Percentage of Personal Income ¹	Debt Per Capita ¹
	SBITA	Pension Obligation Bonds	Notes Payable/ Lease Payable	Total Governmental Activities	Lease Payable	Revenue Bonds	Total Business-type Activities			
2015	\$ -	\$ 5,238,000	\$ 449,068	\$ 5,687,068	\$ -	\$ 9,069,544	\$ 9,069,544	\$ 14,756,612	3.93%	837
2016	-	4,334,000	364,128	4,698,128	-	8,902,394	8,902,394	13,600,522	3.49%	737
2017	-	3,362,000	276,819	3,638,819	-	8,725,243	8,725,243	12,364,062	3.06%	676
2018	-	2,318,000	693,218	3,011,218	-	8,366,795	8,366,795	11,378,013	2.64%	621
2019	-	1,199,000	905,085	2,104,085	-	8,177,762	8,177,762	10,281,847	2.27%	563
2020	-	-	639,246	639,246	-	7,983,729	7,983,729	8,622,975	1.83%	471
2021	-	-	3,768,377	3,768,377	-	7,789,696	7,789,696	11,558,073	2.29%	638
2022	-	-	3,547,974	3,547,974	17,113	7,590,663	7,607,776	11,155,750	1.86%	595
2023	-	-	5,109,085	5,109,085	13,413	7,386,630	7,400,043	12,509,128	1.81%	674
2024	283,132	-	4,169,409	4,452,541	9,655	7,177,597	7,187,252	11,639,793	1.67%	624

NOTES:

Details regarding the City's outstanding debt can be found in the notes to the financial statements.

¹ These ratios are calculated using personal income and population for the prior calendar year.

Prior year data has been adjusted for updated personal income information obtained after the 2010 Census.

Source: City of Santa Fe Springs Department of Finance and Administrative Services

**CITY OF SANTA FE SPRINGS
RATIO OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30	Outstanding General Bonded Debt			Percent of Assessed Value¹	Per Capita
	Tax Allocation Bonds	Pension Obligation Bonds	Total General Bonded Debt		
2015	-	\$ 5,238,000	\$ 5,238,000	0.08%	297
2016	-	4,334,000	4,334,000	0.06%	235
2017	-	3,362,000	3,362,000	0.05%	184
2018	-	2,318,000	2,318,000	0.03%	126
2019	-	1,199,000	1,199,000	0.01%	66
2020	-	-	-	0.00%	0
2021	-	-	-	0.00%	0
2022	-	-	-	0.00%	0
2023	-	-	-	0.00%	0
2024	-	-	-	0.00%	0

NOTE:

General bonded debt is debt payable with governmental fund resources and general obligation bonds recorded in enterprise funds (of which, the City has none).

1 Assessed value has been used because the actual value of taxable property is not readily available in the State of California.

Source: City of Santa Fe Springs Finance and Administrative Services Department

**CITY OF SANTA FE SPRINGS
DIRECT AND OVERLAPPING DEBT
JUNE 30, 2024**

2023-24 Assessed Valuation: \$10,930,479,620

<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>Total Debt 6/30/24</u>	<u>% Applicable (1)</u>	<u>City's Share of Debt 6/30/24</u>
Metropolitan Water District	\$ 18,210,000	0.282%	\$ 51,352
Cerritos Community College District	433,766,921	4.854	21,055,046
Rio Hondo Community College District	164,769,080	15.378	25,338,189
Whittier Union High School District	157,614,361	23.902	37,672,985
ABC Unified School District	116,814,373	2.960	3,457,705
Norwalk-La Mirada Unified School District	298,338,444	13.871	41,382,526
Little Lake City School District	55,709,901	61.473	34,246,547
Los Nietos School District	39,847,715	61.418	24,473,670
South Whittier School District	43,530,000	45.159	19,657,713
Whittier City School District	65,020,000	0.555	360,861
City of Santa Fe Springs Heritage Springs Assessment District	1,045,000	100.	1,045,000
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$208,741,594

<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
Los Angeles County General Fund Obligations	\$2,479,229,730	0.545%	\$13,511,802
Los Angeles County Superintendent of Schools Certificates of Participation	2,857,300	0.545	15,572
Whittier City School District Certificates of Participation	8,365,000	0.555	46,426
City of Santa Fe Springs Capital Lease Obligations	3,937,692	100.	3,937,692
City of Santa Fe Springs Lease Payables	231,717	100	231,717
Subscription Based Information Technology	283,132	100	283,132
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$18,026,341

<u>OVERLAPPING TAX INCREMENT DEBT (Successor Agency):</u>	\$12,148,281	100.	%	\$12,148,281
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TOTAL DIRECT DEBT	\$4,452,541
TOTAL OVERLAPPING DEBT	\$234,463,675

COMBINED TOTAL DEBT	\$238,916,216	(2)
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- (1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.
- (2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2023-24 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	1.91%
Total Direct Debt (\$4,452,541)	0.04%
Combined Total Debt	2.18%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$6,188,630,995):

Total Overlapping Tax Increment Debt.....	0.20%
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Source: Avenu Insights & Analytics
California Municipal Statistics, Inc

**CITY OF SANTA FE SPRINGS
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	Fiscal Year Ended June 30		
	2015	2016	2017
Assessed valuation	\$ 6,754,513,000	6,874,971,507	7,078,133,887
Conversion percentage	25%	25%	25%
Adjusted assessed valuation	\$ 1,688,628,250	1,718,742,877	1,769,533,472
Debt limit percentage	15%	15%	15%
Debt limit	\$ 253,294,238	257,811,432	265,430,021
Total net debt applicable to the limit: General obligation bonds ¹	<u>5,238,000</u>	<u>4,334,000</u>	<u>3,362,000</u>
Legal Debt Margin	<u>\$ 248,056,238</u>	<u>253,477,432</u>	<u>262,068,021</u>
Total debt applicable to the limit as a percentage of debt limit	2.1%	1.7%	1.3%

NOTE:

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 Fiscal Year 1981-82, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the State.

Source: City of Santa Fe Springs Finance and Administrative Services Department
Los Angeles County, Auditor-Controller

**CITY OF SANTA FE SPRINGS
LEGAL DEBT MARGIN INFORMATION (CONTINUED)
LAST TEN FISCAL YEARS**

	Fiscal Year Ended June 30			
	2018	2019	2020	2021
Assessed valuation	\$ 7,446,116,929	\$ 7,831,408,399	\$ 8,570,322,631	\$ 9,175,834,549
Conversion percentage	25%	25%	25%	25%
Adjusted assessed valuation	\$ 1,861,529,232	\$ 1,957,852,100	\$ 2,142,580,658	\$ 2,293,958,637
Debt limit percentage	15%	15%	15%	15%
Debt limit	\$ 279,229,385	\$ 293,677,815	\$ 321,387,099	\$ 344,093,796
Total net debt applicable to the limit:				
General obligation bonds ¹	<u>2,318,000</u>	<u>\$ 1,199,000</u>	<u>\$ -</u>	<u>\$ -</u>
Legal Debt Margin	<u>\$ 276,911,385</u>	<u>\$ 292,478,815</u>	<u>\$ 321,387,099</u>	<u>\$ 344,093,796</u>
Total debt applicable to the limit				
as a percentage of debt limit	0.8%	0.4%	-	-

NOTE:

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 Fiscal Year 1981-82, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the State.

Source: City of Santa Fe Springs Finance and Administrative Services Department
Los Angeles County, Auditor-Controller

**CITY OF SANTA FE SPRINGS
LEGAL DEBT MARGIN INFORMATION (CONTINUED)
LAST TEN FISCAL YEARS**

	Fiscal Year Ended June 30		
	2022	2023	2024
Assessed valuation	\$ 9,393,925,905	9,967,531,845	10,917,286,020
Conversion percentage	25%	25%	25%
Adjusted assessed valuation	\$ 2,348,481,476	2,491,882,961	2,729,321,505
Debt limit percentage	15%	15%	15%
Debt limit	\$ 352,272,221	373,782,444	409,398,226
Total net debt applicable to the limit: obligation bonds ¹	-	-	-
Legal Debt Margin	\$ 352,272,221	373,782,444	409,398,226
Total debt applicable to the limit as a percentage of debt limit	-	-	-

NOTE:

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 Fiscal Year 1981-82, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the State.

Source: City of Santa Fe Springs Finance and Administrative Services Department
Los Angeles County, Auditor-Controller

**CITY OF SANTA FE SPRINGS
PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS**

Fiscal Year	Water Revenue Bonds					
	Water Revenue	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2015	\$ 12,604,783	\$ 9,674,355	\$ 2,930,428	\$ 165,000	\$ 373,579	5.44
2016	12,398,568	9,210,440	3,188,128	170,000	365,329	5.96
2017	13,772,258	9,488,599	4,283,659	180,000	356,830	7.98
2018	15,282,409	10,181,577	5,100,832	180,000	347,800	9.66
2019	12,936,754	10,173,874	2,762,880	195,000	325,379	5.31
2020	12,823,701	10,649,931	2,173,770	200,000	318,349	4.19
2021	14,674,059	12,636,213	2,037,846	200,000	313,569	3.97
2022	15,902,441	11,699,084	4,203,357	200,000	285,714	8.65
2023	17,086,718	12,889,897	4,196,821	210,000	276,040	8.63
2024	17,174,700	15,334,577	1,840,123	215,000	287,232	3.66

NOTE:

Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest or depreciation expenses.

Source: City of Santa Fe Springs Finance and Administrative Services Department

**CITY OF SANTA FE SPRINGS
PLEDGED-REVENUE COVERAGE (CONTINUED)
LAST TEN FISCAL YEARS**

Fiscal Year	Tax Allocation Bonds			
	Tax Increment	Debt Service		Coverage
		Principal	Interest	
2015	-	-	-	-
2016	-	-	-	-
2017	-	-	-	-
2018	-	-	-	-
2019	-	-	-	-
2020	-	-	-	-
2021	-	-	-	-
2022	-	-	-	-
2023	-	-	-	-
2024	-	-	-	-

NOTE:

Details regarding the City's outstanding debt can be found in the notes to the financial statements. Operating expenses do not include interest or depreciation expenses.

Source: City of Santa Fe Springs Finance and Administrative Services Department

**CITY OF SANTA FE SPRINGS
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population	Personal Income (in thousands)	Per Capita Personal Income	*Public School Enrollment	Unemployment Rate
2015	17,627	\$ 375,077	\$ 21,279	6,632	8.4%
2016	18,459	389,558	21,104	6,632	8.0%
2017	18,291	404,312	22,104	6,632	6.2%
2018	18,335	431,061	23,510	5,621	2.2%
2019	18,261	452,842	24,798	6,632	2.5%
2020	18,295	471,861	25,792	6,632	13.1%
2021	18,129	504,701	27,839	5,203	7.6%
2022	18,763	599,975	31,976	5,478	2.4%
2023	18,570	692,611	37,297	4,959	3.2%
2024	18,640	777,773	41,726	4,452	3.8%

NOTE:

The data for prior years has been adjusted based on currently available data.

Sources: Population Projections are provided by the California Department of Finance Projections.
Income Data is provided by the United States Census Bureau, 2010 American Community Survey.
Unemployment Rates are provided by the State of California, Employment Development Department Labor Market Information Division.

*Student Enrollment reflects the total number of students enrolled in Santa Fe Springs Schools, which occur in several different school districts.

**CITY OF SANTA FE SPRINGS
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO**

Employer	FY 2023-24		FY 2014-15	
	Number of Employees	Percent of Total Employment	Number of Employees	Percent of Total Employment
FN Logistics, LLC	1,100	2.59%		
McMaster Carr Supply Company	803	1.89%	845	1.92%
L. A. Specialty Produce Company	532	1.25%	511	1.16%
MRDN Staffing Inc.	500	1.18%		
Harbor Distributions LLC	450	1.06%		
Vans	448	1.05%		
FedeEx Ground Package System In	446	1.05%	350	0.80%
Southern Glazer's Wine and Spirits	427	1.00%	395	0.90%
Trojan Battery Company LLC	408	0.96%	365	0.83%
Windsor Fashions LLC	379	0.89%		
SE Pipe Line Construction	-	0.00%		
Bumble Bee Seafoods, LLC	-	0.00%		
Pactiv LLC	-	0.00%		
Shaw Diversified Services, Inc.			336	0.76%
Performance Team			337	0.77%
Vance and Hines, Inc.			414	0.94%
Swift & Company			429	0.98%
The Vons Companies, Inc.			745	1.69%
	<u>5,493</u>	<u>12.93%</u>	<u>4,727</u>	<u>10.75%</u>

NOTE:

"Total Employment" as used above represents the total employment of all employers located within City limits.

Source: City of Santa Fe Springs Finance and Administrative Services Department

**CITY OF SANTA FE SPRINGS
FULL-TIME AND PART-TIME CITY EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

	Fiscal Year Ended June 30									
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General Government	39	38	38	37	39	39	38	37	38	38
Public Safety	83	83	76	73	70	72	70	74	76	77
Public Works	54	56	58	57	55	52	57	55	60	65
Planning and Community Development	6	7	7	6	7	9	9	9	10	8
Community Services - Administration	1	4	4	4	4	4	3	3	3	6
Community Services - Parks and Recreation	88	88	106	108	93	27	75	72	98	128
Community Services - Library Services	17	22	20	22	23	14	16	20	22	28
Community Services - Human Services	<u>48</u>	<u>54</u>	<u>50</u>	<u>39</u>	<u>32</u>	<u>11</u>	<u>27</u>	<u>31</u>	<u>34</u>	<u>39</u>
Total	<u><u>336</u></u>	<u><u>352</u></u>	<u><u>359</u></u>	<u><u>346</u></u>	<u><u>323</u></u>	<u><u>228</u></u>	<u><u>295</u></u>	<u><u>301</u></u>	<u><u>341</u></u>	<u><u>389</u></u>

Source: City of Santa Fe Springs Finance and Administrative Services Department

**CITY OF SANTA FE SPRINGS
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

		Fiscal Year Ended June 30									
		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Fire:											
Number of emergency calls		3,439	3,928	3,961	3,835	3,732	3,644	3,542	3,985	3,798	4,170
Inspections		3,325	2,428	1,702	1,598	1,798	2,209	1,916	2,707	4,549	3,230
Public works:											
Street resurfacing (miles)		3	1.5	1	2	1.5	3.0	5.21	2	11.65	1
Parks and recreation:											
Number of recreation classes		368	335	309	393	356	216	157	310	341	506
Number of participants in recreation classes	**		3,419	3,771	3,779	3,515	449	913	3,224	3,614	5,470
Number of events	**		**	**	**	10	0	7	10	14	17
Attendance at events	**		**	**	**	**	**	15,325	19,275	24,680	35,167
Number of meals served	**		**	**	**	2,995	1,875	2,130	3,412	3,487	3,519
Number of facility rentals		3,038	3,822	3,791	4,323	4,073	1,179	4	1,475	1,906	1,989
Number of sports field reservations	**		**	**	**	**	459	0	1,955	2,140	2,278
Human services:											
Children served in the City's											
**childcare centers		286	807	1,006	266	0	0	0	0	0	0
Number of facility rentals	*	333	305	536	878	983	671	2	111	395	390
Number of Older Adult Gym Usage				1,500	4,476	4,895	3,245	0	109	61	2,136
Number of Older Adult classes				40	40	42	28	4	19	21	32
Estimated Number of Congregate Meals				12,000	10,002	11,700	12,400	10,700	7,096	12,750	12,600
Water:											
Average daily consumption (thousands of gallons)		5,207	5,580	5,073	5,615	5,379	5,314	5,809	5,703	4,869	4,882

NOTES:

* Reflective of the limited availability of the Neighborhood Center due to construction.

** 2019's number has reduced significantly due to no longer partnering with Child care for summer camp.

Source: City of Santa Fe Springs

**CITY OF SANTA FE SPRINGS
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS**

	Fiscal Year Ended June 30									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Fire:										
Fire stations *	4	4	4	4	4	4	4	4	4	4
Public works:										
Streets (miles)	110	110	110	110	110	110	110	110	110	110
Traffic signals	75	81	81	81	81	81	81	81	81	81
Streetlights	2,960	3,174	3,140	3,140	3,140	3,140	3,140	3,140	3,140	3,140
Parks and recreation:										
**Parks/Fields	11	11	11	11	9	9	9	9	9	9
**Community services facilities	4	4	4	4	4	4	4	4	4	4
Human services:										
Child care centers	3	3	3	3	0	0	0	0	0	0
Community services facilities	1	1	1	1	3	3	3	3	3	3
Library Services:										
Library facilities	2	2	2	2	2	2	2	2	2	2
Water:										
Water mains (miles)	107	108	108	108	108	108	108	108	108	108
Number of service connections	6,330	6,335	6,402	6,509	6,731	6,722	6,232	6,247	6,237	6,239

NOTES:

* For a portion of FY 2012-13 (August 2012 - April 2013) there were three (3) operating fire stations.

**Numbers were modified to include all City fields and additional facilities not captured elsewhere on this report.

Source: City of Santa Fe Springs