

City of Rosemead, CA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended June 30, 2020



CITY OF ROSEMEAD, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2020

Prepared by:
Finance Department

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CITY OF ROSEMEAD, CALIFORNIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2020

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MAYOR:
SANDRA ARMENTA

MAYOR PRO TEM:
POLLY LOW

COUNCIL MEMBERS:
MARGARET CLARK
SEAN DANG
STEVEN LY



City of Rosemead

8838 E. VALLEY BOULEVARD P.O. BOX 399
ROSEMEAD, CALIFORNIA 91770
TELEPHONE (626) 569-2100
FAX (626) 307-9218

December 10, 2020

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Rosemead:

We proudly present to you the City of Rosemead's FY 19-20 Comprehensive Annual Financial Report (CAFR). This report consists of management's representations concerning the finances of the City of Rosemead. It was prepared by the Finance Department in accordance with Generally Accepted Accounting Principles (GAAP) as promulgated by the Government Accounting Standards Board (GASB). Management assumes full responsibility for the completeness and reliability of all of the information presented in this report. We believe that the data presented is complete and reliable in all material respects; that it is presented in a manner designed to fairly set forth the financial activity of the City's various funds; and that all disclosures necessary to enable the reader to gain a good understanding of the City's financial activity have been included.

The City of Rosemead's financial statements have been audited by Lance, Soll, Lunghard, LLP ("LSL"), a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Rosemead for the fiscal year ended June 30, 2020, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Rosemead's financial statements for the fiscal year ended June 30, 2020, are fairly presented in conformity with GAAP. LSL's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Rosemead are part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the City of Rosemead's separately issued Single Audit Report. GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

The City of Rosemead's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Rosemead, incorporated in 1959, is located in the southwestern part of the state. The City occupies a land area of 5.5 square miles and serves a population of more than 55,000.

The City Council consists of five City Council Members who are elected at large by the citizens of Rosemead and are on a rotational Mayor and Mayor Pro Tem term. The Council, as the legislative body, represents the citizens of Rosemead to formulate Citywide policy, enact local legislation, adopt budgets, and appoint the City Manager, City Attorney, and City Clerk. The Council conducts City Council meetings and study sessions as required. The Council establish policies and ordinances to ensure the development and maintenance of a balanced and stable community for citizens, by servicing the community with resourceful, efficient, progressive and professional leadership.

Public schools serving residents of Rosemead are under the authority of independent school districts, but the City works closely with them to provide quality educational opportunities for grades K-12. Garvey School District, Rosemead School District, and El Monte Union High School District serve residents of Rosemead. There are 9 elementary schools, 3 middle schools, and 1 high school. The City of Rosemead and El Monte Union High School District share a 50/50 % contribution to fund one full-time Los Angeles County Sheriff's Deputy to service as a Rosemead High School Resource Officer (SRO). The City of Rosemead shares a 50% contribution to fund crossing guard services for 15 location sites; and the Garvey School District and Rosemead School District share the remaining 50% contribution. Additionally, the City implemented the Success Through Awareness & Resistance (STAR) program with the Rosemead and Garvey School Districts. A Deputy will teach in-classroom instruction to 4th, 5th, and 6th grade level students of the STAR program on school grounds.

Many of the functions often provided by municipal government are provided by special districts. Examples of some of Rosemead's special districts, which usually encompass areas larger than the City itself, are the Fire Protection District, the Library District, and the County Flood Control District. Certain other governmental functions are paid for by the City, but performed by a variety of other public and private agencies under contract. One of the largest is a contract for law enforcement and traffic control provided by the Los Angeles County Sheriff's Department. Some of the contracts in effect during the fiscal year were for capital improvement projects and street maintenance. The City also has three blended component units: 1) the Rosemead Financing Authority (the Authority); 2) the Rosemead Housing Development Corporation (RHDC) and, 3) the Rosemead Successor Agency. Additional information on all three of these legally separate entities can be found in Note 1(a) in the notes to the financial statements. Beyond the City's contractual arrangements for services, the City of Rosemead provides a full range of municipal services, including recreational activities, financial activities, planning activities, and cultural events.

The annual budget serves as the foundation for the City of Rosemead and its component unit's for financial planning and control. All business units and component units of the City of Rosemead are required to submit requests for appropriation to the City Manager in mid-March of each year. The City Manager uses these requests as the starting point for developing a proposed budget. The City Manager then presents this proposed budget to the City Council for review prior to June 30. The City Council is required to hold public hearings on the proposed budget and to adopt a final budget no later than June 30, the close of the City of Rosemead's fiscal year. The appropriated budget is prepared by fund and department (e.g., public safety).

Due to the COVID-19 Emergency enacted by the Governor of the State of California in March of 2020 and the President of the United States in March 2020, many public functions have been curtailed, and normal municipal processes and activities have been significantly affected. These changes are reflected in the CAFR as best as can be anticipated in the middle of a world-wide pandemic.

Department heads, with City Manager approval, may make transfers of appropriations within a department. Transfers of appropriations between departments, however, require the approval of the City Council. However, due to the Emergency Decree approved by the City Council in March of 2020, the City Manager was given emergency powers to allow for certain transfers and purchase of emergency items without prior authorization by the City Council.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general fund and major special revenue funds, these comparison schedules are presented as part of the required supplementary information in the accompanying financial statements. For governmental funds that have appropriated annual budgets, other than the general fund, and major special revenue funds, these comparison schedules are presented in the other supplementary section of the accompanying financial statements.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Rosemead operates.

COVID-19 Worldwide Pandemic and Emergency Declarations

As mentioned earlier, both the President of the United States and the Governor of the State of California authorized Emergency Declarations in March 2020 to deal with the COVID-19 Worldwide Pandemic. These orders included shutting down non-essential businesses, significant stay at home orders, closing of most public facilities and the curtailment of non-essential activities. As expected, this significantly affected the 4th quarter financial condition of all local governments in California, including the City of Rosemead.

Generally, while the City of Rosemead was able to keep all fulltime employees within FY 19-20 employed- many parttime employees were not used, since all public recreation and programs were cancelled. The City of Rosemead did experience revenue reductions (including sales tax and transient occupancy tax) which decreased by 8-20% within the total fiscal year revenues. However, anticipating these reductions, the City also limited discretionary expenses during that time. These reductions and unanticipated revenues from pooled sales tax funds from the State of California combined to provide a net surplus of revenues over expenses as of June 20, 2020.

Local Economy

Even with the effects of the COVID-19 Emergency, the City of Rosemead continues to remain in satisfactory financial condition thanks to a relatively diverse and small business-oriented revenue base including an unanticipated increase in pooled State sales tax funds, stable property tax, decreased transient occupancy tax, and various licenses and permits. Before the COVID-19 emergency, the region had a varied retail and industrial base including two national general merchandise stores that continued to perform well along with some new restaurants and retail businesses. Even after the COVID-19 Emergency, many of the restaurants, certain retailers and food suppliers were allowed to remain open as essential service industries, but many others were forced to temporarily close.

Property tax is the City's largest tax source at \$9.9 million and makes up approximately 43% of the General Fund revenues. Total gross assessed value from the 2019/20 tax roll is \$4.9 billion, up \$220 million from last year. Assessed value, to date, don't seemed to have been affected by the COVID-19 Emergency. This is primarily due to an increase in residential properties and an increase in median sales price for single family homes from \$593,000 to \$630,000. The residential category assessed value increased approximately \$158 million, which represents a 4.4% increase. The peak median price before recession in 2006 was \$495,000 and the current median price is \$630,000, an increase of 6.15%. Data also show that Rosemead retains \$0.0668 for every dollar of property tax collected within the City.

Sales tax is traditionally the second largest revenue source for the General Fund, at \$5.4 million and makes up approximately 24% of the General Fund revenues. The City continues to receive sales tax from three large general consumer goods businesses (Walmart, Target and Macy's), which generate 40% of sales tax revenues. The City was continuously adding new businesses before the COVID-19 Emergency started and has plans to continue that practice once the Emergency is over.

Hotel transient occupancy tax (TOT) revenues are the third largest source of income to the General Fund at \$1.8 million and makes up approximately 8% of the General Fund revenues. These revenues were the hardest hit of the top revenues within the City due to the COVID-19 Emergency and are still struggling going into FY 20-21. The City anticipates these revenues to significantly rebound once the COVID-19 Emergency is over and the local economy returns to normalcy.

Long-term Financial Planning

In December 2009, the City Council adopted a Strategic Plan to guide the organizational efforts of the Council, Commission, and staff. The initial strategic planning process included an extensive public outreach process and a series of public meetings. In 2012, the first biannual update of the Strategic Plan was adopted by the City Council.

The Strategic Plan was later updated in 2016, both of which included public community meetings. The City Council held two special public workshop meetings to develop a Strategic Plan update for 2018-2020 on August 1, 2018 and September 27, 2018. During these workshops, the City Council, community members and staff participated in discussions to set the City's priorities. The updated strategic plan for 2018-2020 uses the City of Rosemead's vision and key organizational goals, to set clear priorities and action items for the next two years. The vision, key organizational goals, and action items in the Strategic Plan update are designed to guide the decisions of the City Council, focus of the City administration, and daily work of City staff. The Strategic Plan and action items also provide accountability for City Council and City administration.

The three Key Organizational Goals are: 1) Ensure the City's continued financial viability by actively pursuing quality economic development. 2) Beautify residential neighborhoods and commercial corridors. 3) Enhance public safety and quality of life.

New management policies and practices

A compressive depreciation and Fixed Asset Policy and Procedure was approved and implemented in FY 19-20 along with an Inventory Tag System and Process to be implemented by the Public Works Department.

In conjunction, a significant effort was made to update the City's Fixed Asset System deleting disposed of property and revising depreciated assets to better reflect the assets of the City.

Several other management policies were developed in FY 19-20 to be implemented in FY 20-21 including online payments for City fees and programs, implementation of a position control module in the City's Financial System, greater use of ACH payments for City vendors and a paperless Account Payable process for the City.

Finally, revised City Financial Policies and Procedures were approved in June of 2020 to help the City become more efficient and effective in their financial affairs and processes.

Debt Administration

The City has no outstanding general obligation bonds as of June 30, 2020. The Successor Agency to the Rosemead Community Development Commission includes the 2016 Tax Allocation Bonds for \$20,805,000 and 2010A Tax Allocation Bonds for \$4,285,000. Additional information on the Successor Agency's debt can be found in Note 15 in the notes to the Basic Financial Statements. There were sufficient Property Tax Increment dollars to pay the outstanding debt principal and interest generated by these debts.

Construction In Progress (CIP) Projects

Each year, Rosemead makes significant investments in maintaining, expanding, and improving civic infrastructure for the benefit of residents and businesses. The City currently has a city-wide Pavement Condition Index (PCI) of 75.6, which is higher than neighboring cities.

Projects that are currently in progress and will be complete in FY 2020/21 include the Rosemead Park Walking Trail, Walnut Grove Ave. Resurfacing and Colored Crosswalk Installation, SR25 Sidewalk Gas Closure Project, Garvey Park Gym HVAC System Replacement, Crosswalk Installation & Sidewalk Replacement Project and various Residential Street Resurfacing Projects.

Major Accomplishments

The Public Works Department completed six projects that were previously approved under the CIP Program Budget including the High Intensity Activated Crosswalk (Mission and Ivar), Garvey Park Restroom Renovation, Traffic Signal Improvements (Valley and Ivar), Crosswalk Installation Phase I at Jay Imperial Park, Rosemead Park Basketball Courts, and Annual Residential Resurfacing. The City was reimbursed for the cost of construction for the High Intensity Crosswalk Project as it was a Federally funded grant project.

At the beginning of 2020, Garvey Earle Plaza broke ground and began construction. Garvey Earle Plaza is a vertical mixed-use project consisting of 35 residential apartment units and 7,520 square feet of commercial floor area. The City also approved and processed several large projects, such as the Garvey Del Mar Plaza and Willard & Garvey Residential Project. Garvey Del Mar Plaza is an approved mixed-use project located within the Garvey Avenue Specific Plan Corridor. It consists of 60 residential apartments and 15,903 of commercial floor area. During fiscal year 19-20, the City processed a development application for Willard & Garvey Residential Project, consisting of a 31 residential townhome unit community. The project is expected to be entitled by December 2020.

In addition to these projects, the City also amended the Accessory Dwelling Unit Ordinance to comply with State Law and received the 2020 Local Early Action Planning (LEAP) Grants Program Award from California Department of Housing and Community Development (HCD) for \$150,000 (small localities with a population of 20,000-59,999 people). The funds from the LEAP Grant will be utilized for the preparation of the 2021-2029 Housing Element, an update to the City's Public Safety Element, and the incorporation of environmental justice policies throughout the General Plan.

Future Initiatives

The City was awarded \$27 million in reimbursable grants from Los Angeles County Metropolitan Transportation Authority for four separate mobility improvement projects (710 Projects) to relieve congestion on local streets along the SR-710 alignment between Interstate 10 and 210. Funding Agreements for two projects were executed in July 2020. The City expects to receive the last two Funding Agreements in FY 20-21. Funding for the 710 Projects will roll out in phases from the Los Angeles County Metropolitan Transportation Authority for the projects.

Future development includes the completion of the Garvey Garden Plaza project, which is a mixed-use project that is currently under construction and consists of 46 residential apartment units and 11,860 square feet of commercial floor area. The project is expected to be completed early 2021. The construction of Garvey Earle Plaza is expected to be completed by winter 2022. The City also anticipates that Garvey Del Mar Plaza and Willard & Garvey Residential Project will begin construction in 2021. The Planning Division also approved the Rosemead Garden Villa, a mixed-use project located within the Garvey Avenue Specific Plan Corridor. The project includes 144 residential units and 56,258 square feet of commercial floor area and is expected to break ground in fiscal year 2021/2022.

In addition to these projects, the City is updating the Housing Element as mandated by State law for the 2021-2029 planning cycle with completed certification by October 2021. Furthermore, the City is currently working on the adoption of a Freeway Corridor Mixed Use Overlay zone. The development of the Freeway Corridor Mixed-Use Overlay Zone will streamline both the development approval process and California Environmental Quality Act environmental review process by pre-entitling and analyzing environmental factors in advance based on the estimated development potential within the planning area. Both projects are anticipated to be approved in 2021.

The City is also concentrating on its Financial Processes and Capabilities. A Financial System Strategic Plan was developed and began implementation in FY 19-20. The plan included expanding the capabilities of the current City Financial Accounting System, creating a “paperless” purchase order and AP process, beginning the digital imaging of all financial documents; developing a position control capability, implementing an on-line fee payment system and exploration of digital cash receipts and a city-wide program card system.

GFOA Certificate of Achievement Award

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Rosemead for its CAFR for the fiscal year ended June 30, 2019. The Certificate of Achievement is a national award recognizing conformance with the highest standards for preparation of State and Local Government financial reports.

To be awarded a Certificate of Achievement a government must publish an easily readable and efficiently organized CAFR. This report must satisfy GAAP, GASB and all other applicable legal requirements. We believe the attached document ending June 30, 2020 continues to meet the Certificate Program’s requirements and we are submitting it to GFOA to determine its eligibility for another award.

Acknowledgements

The preparation and publication of this report is made possible through the dedication of Tess Anson, Finance Manager and the entire Finance Department staff. The department coordinated the closing of the books for the fiscal year, ensuring timely and accurate reporting. This report would also not have been possible without the leadership of the City Manager, Gloria Molleda, and continued commitment from the Mayor and City Council in conducting the financial operations and corresponding financial disclosures of the City in an open, public and transparent manner. Finally, thanks are extended to the firm of Lance, Soll, & Lunghard, LLP for their contributions towards improving our financial reporting.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Scott G. Miller', with a stylized flourish at the end.

Scott G Miller, PhD
Interim Finance Director/Treasurer

CITY OF ROSEMEAD
CITY OFFICIALS AS OF JUNE 30, 2020

CITY COUNCIL

SANDRA ARMENTA
Mayor

POLLY LOW
Mayor Pro Tem

MARGARET CLARK
Council Member

SEAN DANG
Council Member

STEVEN LY
Council Member

ADMINISTRATION

ERICKA HERNANDEZ
City Clerk

RACHEL H. RICHMAN
City Attorney

EXECUTIVE TEAM

GLORIA MOLLEDA
City Manager

BENJAMIN KIM
Assistant City Manager

LT. TONY DUONG
Chief of Police

DR. SCOTT MILLER
Interim Finance Director

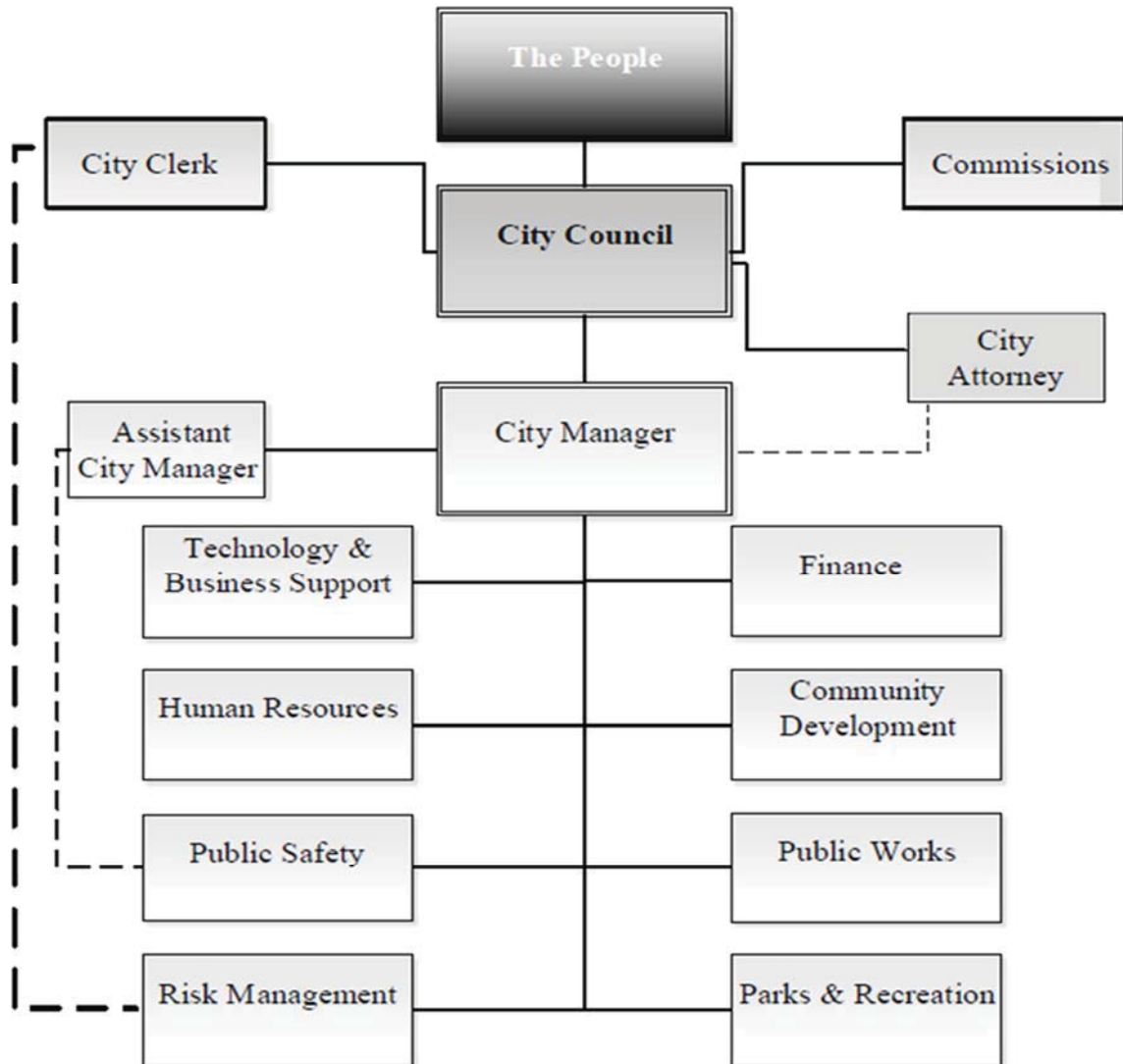
CHRISTOPHER DASTE
Director of Public works

THOMAS BOECKING
Director of Parks & Recreation

ANGELICA FRAUSTO-LUPO
Director of Community Development

ELIZABETH POPESCU
Human Resources Manager

City of Rosemead, California
Function Based Organizational Chart





Government Finance Officers Association

Certificate of
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Presented to

**City of Rosemead
California**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morrell

Executive Director/CEO

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INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of City of Rosemead, California, (the City) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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



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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Rosemead, California, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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



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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2020 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 the City's internal control over financial reporting and compliance.

Lance, Soll & Lughard, LLP

Brea, California
December 9, 2020

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Management's Discussion and Analysis

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

We also want to acknowledge, the fiscal and management impact the COVID-19 Worldwide Pandemic and the subsequent Presidential and Gubernatorial Emergency Declarations have had on the City of Rosemead and all local governments in the State of California. Our readers should understand that the pandemic has affected all governments differently, but all, including the City of Rosemead, operated at the end of FY 2019/20 much differently than it did when the fiscal year first began. The emergency's impacts continue into FY 2020/21 and quite possibly will continue well beyond that date.

Financial Highlights

- The City's total assets and deferred outflows of resources as of June 30, 2020, were about \$94.7 million. Total liabilities and deferred inflow of resources were \$14.4 million, while the total net position was \$80.3 million. The net pension liability of \$8.9 million was reported as part of total liability in the balance sheet due to the reporting requirements of the Governmental Accounting Standards Board (GASB) Statement No. 68. GASB Statement No. 68 also established reporting of deferred outflows and inflows of resources related to pension. Deferred outflows and inflows of resources related to pensions reported at June 30, 2020 of \$3.4 million and \$1.1 million, respectively, represented pension contributions subsequent to measurement date, the net difference between projected and actual earnings on plan investments, changes of assumptions, the difference in proportion, expected and actual experience, and differences in actual and proportionate share in contribution.
- As of June 30, 2020, all governmental funds total revenues from all sources were \$31.9 million and total expenses for all functions and programs were \$27.3 million. The City's net position increased by \$4.6 million during the year.
- The City's General Fund revenues exceeded expenditures by \$914 thousand.
- At the end of the current fiscal year, *the unassigned* fund balance for the General Fund was \$14.7 million or 67% of total General Fund expenditures. \$7.1 million or 32% is set aside to meet the City's reserve policy.

Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the City of Rosemead's basic financial statements. The City of Rosemead's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Rosemead's finances, in a manner similar to private-sector business.

The *statement of net position* presents information on all of the City of Rosemead's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Rosemead is improving or deteriorating even in light of the COVID-19 Pandemic.

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

Both of the government-wide financial statements distinguish functions of the City of Rosemead that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The City of Rosemead does not have any business-type activities. The governmental activities of the City of Rosemead include general government, public safety, public works, community development, and parks and recreation.

The government-wide financial statements include not only the City of Rosemead itself (known as the *primary government*) but also two blended component units- the Rosemead Financing Authority and the Rosemead Housing Development Corporation and one fiduciary component unit- the Rosemead Successor Agency. The City is financially accountable for these entities and financial information for these blended and fiduciary units are reported within the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages 19-20 of this report.

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

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

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

The City of Rosemead and its component units maintain 17 active governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, considered to be a major fund. Data from the other 15 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of Rosemead adopts an annual appropriated budget for all its funds. A budgetary comparison statement has been provided for the General Fund, State Gas Tax Fund, Proposition A Fund, Proposition C Fund, Measure R Fund, Measure M Fund, Air Quality Management District Fund, Street Lighting Fund, Development Impact Fee Funds, Community Development Block Grant Fund, HOME Program Fund, Rosemead Housing Development Corporation Fund, and Road Maintenance and Rehabilitation Account SB1 Fund, to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 21-24 of this report.

Proprietary Funds. The City uses internal service funds to account for vehicle operation and maintenance, information services, and capital equipment. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements in the supplementary information section of this report.

The basic proprietary fund financial statements can be found on pages 25-27 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statement because the resources of those funds are *not* available to support the City of Rosemead's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary fund financial statements can be found on pages 28-29 of this report.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the Basic Financial Statements can be found on pages 31-65 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City of Rosemead's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information and notes can be found beginning on pages 69-77 of this report.

The combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the required supplementary information on pensions. Combining and individual fund statements and schedules can be found on pages 78-103 of this report.

Government-wide Financial Analysis

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 Rosemead, assets exceeded liabilities (net position) by \$80.3 million as of June 30, 2020. It increased by \$2.2 million during the fiscal year. Assets increase by \$3.2 million due to an increase in cash, investments, and fixed assets. Liabilities slightly increased by \$177 thousand. Assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$80.3 million as of June 30, 2020.

A significant portion of the City of Rosemead's net position at June 30, 2020, \$48.8 million reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment); less any related outstanding debt used to acquire those assets. The City of Rosemead uses these capital assets to provide services to the citizens; consequently, these assets are *not* available for future spending. Although the City of Rosemead's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

City of Rosemead's Net Position
As of June 30, 2020 and 2019
(thousands)

	Governmental Activities	
	2020	2019
Current and other assets	42,489	37,251
Capital assets	48,826	50,883
Total assets	91,315	88,134
Deferred outflows of resources	3,403	3,583
Long-term liabilities outstanding	9,515	9,680
Other liabilities	3,295	2,952
Total liabilities	12,810	12,632
Deferred inflows of resources	1,647	989
Net position:		
Net Investment in Capital Assets	48,826	50,883
Restricted	13,681	9,730
Unrestricted	17,754	17,483
Total net position	\$ 80,261	\$ 78,096

An additional portion of the City of Rosemead's net position (\$13.68 million) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* (\$17.7 million) may be used to meet the government's ongoing obligations to citizens and creditors.

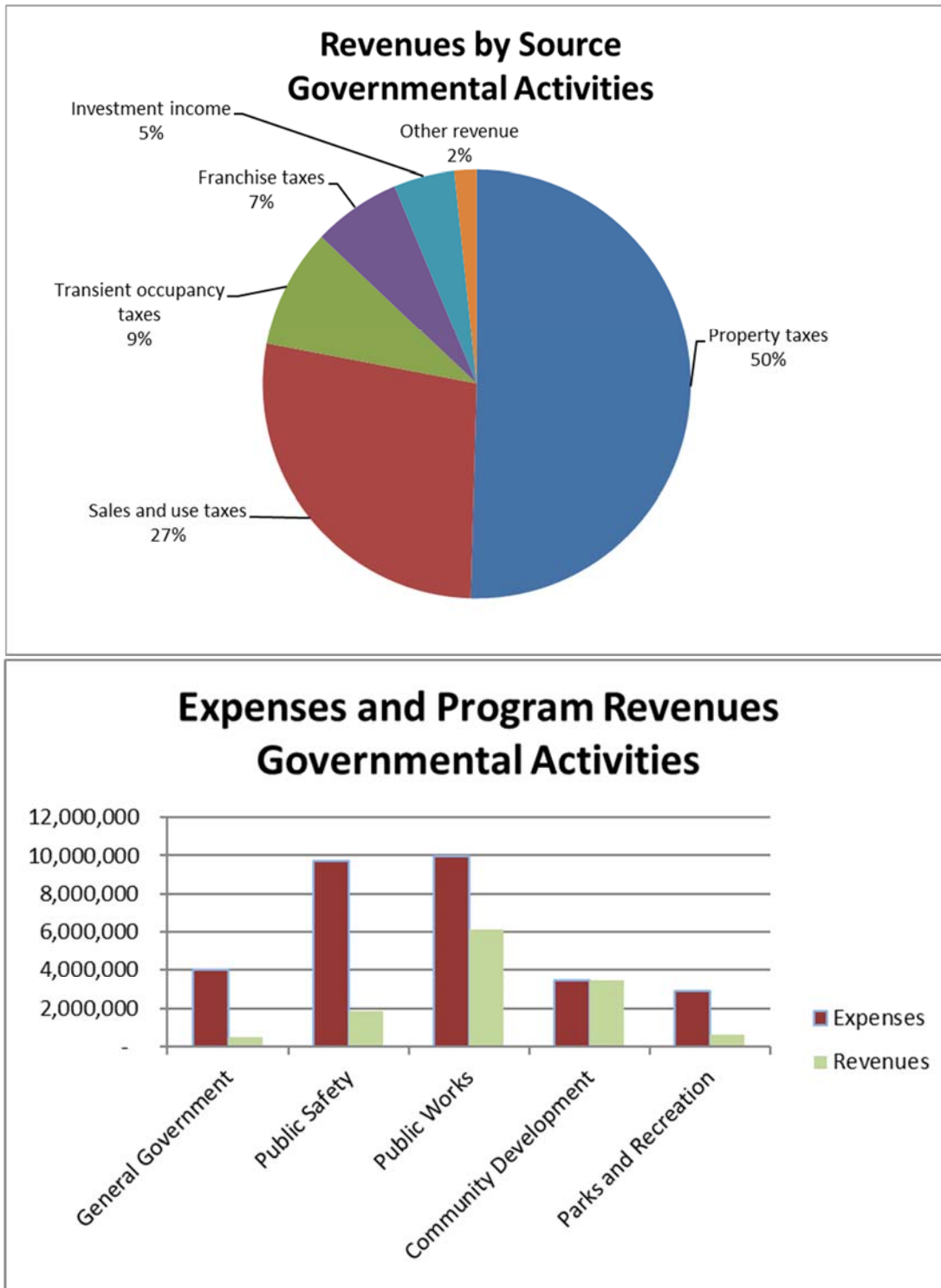
At the end of the current fiscal year, the City of Rosemead is able to report positive net position balances. The situation also held true for the prior fiscal year.

City of Rosemead's Changes in Net Position
Years Ended June 30, 2020 and 2019
(thousands)

	Governmental Activities	
	2020	2019
Program revenues:		
Charges for services	\$ 6,792	\$ 7,897
Operating grants and contributions	4,536	4,122
Capital grants and contributions	1,218	1,218
General revenues:		
Property taxes	9,942	9,567
Other taxes	8,602	9,380
Investment income	905	1,158
Other	257	124
Total revenues	32,252	33,466
Expenses:		
General government	4,004	4,205
Public safety	9,744	9,126
Public works	9,947	7,662
Community development	3,472	6,353
Parks and recreation	2,920	2,377
Total expenses	30,087	29,723
Change in net position	2,165	3,743
Net position - June 30, 2019	78,096	74,353
Net position - June 30, 2020	\$ 80,261	\$ 78,096

Governmental activities. The City of Rosemead's net position increased by approximately \$2.2 million over the previous fiscal year. General Revenue and program revenue exceeded expenses by this same amount. Expenses increased in Public Safety due to an increase in the Los Angeles County's Sheriff Law Enforcement contract and movement of Code Enforcement Staff from the Community Development Department to the Public Safety Department. Public Works expenses increased due to a reclassification of governmental depreciation from the Community Development Department to the Public Works Department correcting a previous fiscal year entry. General Government remained fairly stable with Parks and Recreation expenses increasing due to an increase in programs, certain facility maintenance expenses, and the increase in minimum wage benefits for part-time staff members.

Community Development Dept expenses decreased due to the reclassification issue as mentioned earlier, changes in staffing levels outlined earlier, and decrease in programmatic activities due to the COVID-19 pandemic. As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.



Financial Analysis of the Government's Funds

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

The City implemented GASB Statement No. 54 in FY 2010/11. It substantially altered the categories and terminology used to describe "fund balance." The new categories are as follows:

- Non-spendable fund balance (inherently non-spendable)
- Restricted fund balance (externally enforceable limitations on use)
- Committed fund balance (self-imposed limitations on use)
- Assigned fund balance (limitation resulting from intended use)
- Unassigned fund balance (residual net resources)

As of the end of the current fiscal year, the City of Rosemead's governmental funds reported combined fund balances of \$37.6 million. Approximately \$14.4 million constitutes *unassigned, undesignated fund balance*, which is available for spending at the government's discretion. The remainder of the fund balance is *segregated into nonspendable fund balance, restricted fund balance, committed fund balance or assigned fund balance* to indicate that it is not available for new spending because it has already been committed for other purposes.

General Fund. The General Fund is the chief operating fund of the City of Rosemead. At the end of the current fiscal year, the unassigned fund balance of the general fund was \$14.7 million, while the total fund balance reached \$24.2 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 67% of total General Fund expenditures, while total fund balance represents 110% of that same amount.

The fund balance of the City of Rosemead's General Fund increased by \$914 thousand during the current year. Highlights of the change in fund balance are presented below:

- Total General Fund (GF) revenues of approximately \$22.96 million exceeded expenditures of approximately \$22.04 million even with the negative impact of the COVID-19 pandemic due to limiting expenditures over the last 4 months of the fiscal year causing the fund balance to increase \$914 thousand as of June 30, 2020. GF revenues had decreased compared to the prior year's actual and compared to the approved amounts in the FY 2019-20 Budget. Property tax revenues increased slightly as did miscellaneous revenues with Sales Tax, Transient Occupancy Tax, Fees and Permits, and interest revenues not meeting budgeted amounts for FY 2019/20.

- As mentioned earlier, total General Fund revenues decreased by \$1.78 million in FY 2019/20 over the prior fiscal year mainly due to the COVID-19 pandemic widespread economic shutdown that occurred in March 2020. The pandemic required closure of all Parks and Recreation programs per Los Angeles County Health Officials, causing revenue decreases in spring and summer; the closing of City Hall combined with the general COVID-19 pandemic shut-down caused a decrease in building activities; transient occupancy tax, sales tax and the discontinuation of certain grants.
- General Fund expenditures increased by \$119 thousand over the prior year due to preparations for the COVID-19 Emergency and inflationary increases in salary, benefit, and administration costs.
- Public safety expenditures are one of the City's largest areas of expenditures. Los Angeles County's Sheriff's Department contract increased by 5% over the previous year and the Liability Trust Fund increased by .5% as well. The City also continued the Success Through Awareness & Resistance (STAR) program with Rosemead and Garvey School Districts where a Deputy teaches in-classroom instruction to 4th, 5th, and 6th-grade level students of the STAR program on school grounds. This program was discontinued after March when schools were ordered to close after the COVID-19 Emergency Declaration. General Costs continued to decrease as well in the Public Safety Admin division because the City had a continuous turnover of part-time Community Services Officers during the year.
- Parks and Recreation expenditures increased by \$329 thousand primarily due to increased Community Events during the first 6 months of the year, certain maintenance efforts within facilities, and the wage increases of full-time and part-time employees for the Aquatics and General Recreation divisions. Also, the City continued to pay for part-time employees for their regular compensation from March 23 to May 18, 2020, without any impact on the employees' leave balances during the COVID-19 Emergency.
- Offset by lower expenditures in General Government and Capital outlay expenditures. Most Capital projects were anticipated to be completed in FY 2020/21. In addition, several amended and new capital projects were approved during the budget process for FY 2020/21 budget.
- The City, like all other cities, are faced with an increase in retirement costs as a result of the discount rate and assumption changes approved by the CalPERS board; this has impacted the actuarial valuation performed and caused an increase to participants' retirement contributions. However, the City anticipates a material reduction in CalPERS for FY 2020/21 due to actuarial assumption rates for this year and the retirements of some senior staff who will be replaced by Second Tier or PEPRAs employees.

General Fund Budget Analysis. The City's General Fund collected revenues of \$2.09 million in comparison to the budgeted estimates or 4.3% less than the previously approved budgeted amounts. Property taxes increased \$342 thousand due to an increase in tax assessment values. Licenses and permits decreased by \$449 thousand due to the COVID-19 shutdown and building environment. Interest revenues increased by \$358 thousand due to a change in investment strategies and upgrades in certain investment instruments. Intergovernmental revenues decreased by \$974 thousand due to certain capital projects that were not started; therefore, the City was unable to file for budgeted state grant reimbursements for the Dog Park and Duff Park projects.

The General Fund expenditure budget had an actual variance of \$2.32 million which was due to the City completing less overall CIP projects than budgeted, efforts on behalf of City staff to limit expenditures due to the COVID-19 Emergency and as a result of the Parks and Recreation Department's cancellation of Spring and Summer programs and activities.

Proposition A, C, Measure R and Measure M Funds. These four funds are for transportation purposes and they are all funded with voter-approved additions to Sales Tax on gasoline. The Prop A Fund is used mainly for public transportation services (fixed-route bus service and Dial-A-Ride services); Proposition C has some transportation elements to it but it is focused more on transportation infrastructure maintenance purposes. Measure R and Measure M mainly focus on new transportation infrastructure development. Expenditures for the Proposition A fund are increasing as greater efforts are being made to increase fixed-route ridership as are the operating expenditures for Dial-A-Ride in the Proposition C Fund. The City is utilizing Measure R and Measure M funds for capital improvement projects for street improvements, paving, sidewalk installation, traffic study, and transportation program planning.

Rosemead Housing Development Corporation (RHDC). The RHDC Fund receives its funding from tenant rents and subsidies from the Successor Agency. As operational costs have continued to increase and tenant rents have remained relatively constant, the reliance on the subsidy from the Successor Agency has become more important. Through the elimination of redevelopment, this obligation was submitted and subsequently approved by the Department of Finance as an enforceable obligation which will ensure ongoing funding for the RHDC into the future. As such, revenues and expenditures in this fund will typically balance out at the end of each fiscal year with just a minimal balance remaining due to timing issues.

Vehicle Replacement and Technology Replacement Funds. These funds are utilized to cover the costs of equipment and vehicle replacement over time. Using departments are assessed charges for equipment used by them. The charges are accumulated in the internal service funds for future replacement of vehicles and equipment.

Capital Asset and Debt Administration

Capital assets. The City of Rosemead's investment in capital assets for its governmental activities as of June 30, 2020, amounts to \$48.8 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, and improvements, machinery, and equipment, park facilities, roads, highways, bridges, and construction in progress.

The Public Works Department major capital asset events completed six projects that were previously approved under the CIP Program Budget including the High-Intensity Activated Crosswalk (Mission and Ivar), Garvey Park Restroom Renovation, Traffic Signal Improvements (Valley and Ivar), Crosswalk Installation Phase I at Jay Imperial Park, Rosemead Park Basketball Courts, City Hall Basement Remodel Project, and Annual Residential Resurfacing. The City was reimbursed for the cost of construction for the High-Intensity Crosswalk Project as it was a Federally funded grant project.

At the beginning of 2020, Garvey Earle Plaza broke ground and began construction. Garvey Earle Plaza is a vertical mixed-use project consisting of 35 residential apartment units and 7,520 square feet of commercial floor area. The City also approved and processed several large projects, such as the Garvey Del Mar Plaza and Willard & Garvey Residential Project. Garvey Del Mar Plaza is an approved mixed-use project located within the Garvey Avenue Specific Plan Corridor. It consists of 60 residential apartments and 15,903 of commercial floor area. During fiscal year 2019-20, the City processed a development application for the Willard & Garvey Residential Project, consisting of a 31 residential townhome unit community. The project is expected to be entitled by December 2020.

City of Rosemead's Capital Assets (net of depreciation) (thousands)

	Governmental Activities	
	2020	2019
Land	\$ 4,417	\$ 4,417
Buildings	13,542	14,003
Improvements other than Buildings	3,464	3,673
Machinery and equipment	108	129
Autos and trucks	51	186
Furniture and office equipment	46	101
Infrastructure	26,441	28,096
Construction in progress	757	278
Total	\$ 48,826	\$ 50,883

Additional information on the City of Rosemead's capital assets can be found in note No. 7, found on pages 44-45 of the Basic Financial Statements.

Long-term debt. At the end of the current fiscal year, the Successor Agency for the Rosemead Community Development Commission had total bonded debt outstanding of \$25,090,000. Of this amount, all of it is backed by future property tax increment revenues.

City of Rosemead's Outstanding Debt

Revenue Bonds

(thousands)

	Governmental Activities	
	2020	2019
Tax Allocation Bonds	\$ 25,090	\$ 27,295

- The Successor Agency's total bonded debt decreased by \$2.2 million during the current fiscal year due to principal and interest payments. For more detailed information about the Successor's Agency Long Term Debt, please refer to Note No. 15 on pages 63-65 of the Basic Financial Statements.

Economic Factors and Next Year's Budgets and Rates

- As discussed throughout this Management's Discussion and Analysis report, the COVID-19 Emergency has had a material effect on General Fund revenue in FY 2019/20 compared to what was budgeted for the fiscal year. Property tax revenues have shown modest increases and were stable in the fiscal year and are projected to continue with a steady growth pattern in FY 2020/21. Sales taxes are expected to continue to be depressed due to the COVID-19 pandemic but will be off-set by the larger than expected states' sales tax pool funds received by the City due to internet sales.

While an increase due to new restaurants and stores addition to the community was anticipated, it largely depends on how the COVID-19 restrictions affect the local government economy and business environment. License and permit revenues are expected to remain stable. Additionally, TOT revenues are expected to continue to be depressed, again until the COVID-19 pandemic's effects on the lodging industry are better defined. The City still sees a near-future increase in future projects with the Hampton Inn & Suites and Marriot hotel.

- The local economy is projected to be relatively flat as the COVID-19 Pandemic continues to affect the economy and City revenues. Expense increases were kept to a minimum with slight increases in mandatory expenses due to required minimum wage increases, third party contract increases and capital project expenses. All of these changes are reflected in the City's FY 2020/21 budget. At the time of budget preparation and its adoption in June 2020, General Fund Revenues are projected to stay stagnant and may need a transfer of fund balance to end the fiscal year with a balanced budget. A more accurate analysis and projection will occur at the Mid-Year Budget Council Meeting in February 2021.

- The City adopted the General Fund FY 2020/21 budget with a projected \$19.5 million fund balance reserve. With the FY 2019/20 actual revenue surplus, the total projected fund balance for the General Fund was revised to approximately \$24.2 million. The Operating Budget for FY 2020/21 is a balanced budget with estimated reductions of \$414,000 ordered by the City Council. To maintain a balanced budget, it will be essential for the City to continue its history of conservative spending.

Requests for Information

This financial report is designed to provide a general overview of the City of Rosemead's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Interim Finance Director
8838 East Valley Boulevard
Rosemead, CA 91770.

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CITY OF ROSEMEAD, CALIFORNIA

STATEMENT OF NET POSITION
JUNE 30, 2020

	Governmental Activities
Assets:	
Cash and investments	\$ 38,405,520
Receivables:	
Accounts	2,483,195
Notes and loans	320,360
Accrued interest	115,115
Prepaid costs	415,063
Due from other governments	226,012
Inventories	2,034
Capital assets, not being depreciated	5,174,346
Capital assets, net of depreciation	43,651,517
Net pension asset	521,964
Total Assets	91,315,126
Deferred Outflows of Resources:	
Deferred outflows related to pensions	3,357,344
Deferred outflows related to other post employment benefits	45,227
Total Deferred Outflows of Resources	3,402,571
Liabilities:	
Accounts payable	2,582,196
Accrued liabilities	353,771
Retentions payable	21,400
Deposits payable	42,915
Compensated absences, due within one year	295,043
Noncurrent liabilities:	
Compensated absences, due in more than one year	355,523
Net pension liability, due in more than one year	8,856,781
Net other post employment benefits liability, due in more than one year	301,500
Total Liabilities	12,809,129
Deferred Inflows of Resources:	
Deferred inflows related to pensions	1,106,823
Deferred inflows related to other post employment benefits	540,271
Total Deferred Inflows of Resources	1,647,094
Net Position:	
Investment in capital assets	48,825,863
Restricted:	
Community services	401,851
Low and moderate income housing	354,871
Public works	12,924,360
Unrestricted	17,754,529
Total Net Position	\$ 80,261,474

The notes to financial statements are an integral part of this statement.

CITY OF ROSEMEAD, CALIFORNIA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants	Governmental Activities
Governmental Activities:					
General government	\$ 4,003,674	\$ 274,450	\$ 189,980	\$ -	\$ (3,539,244)
Public safety	9,744,134	686,871	-	1,147,846	(7,909,417)
Community development	3,472,477	2,459,528	1,030,947	-	17,998
Parks and recreation	2,920,016	624,313	-	-	(2,295,703)
Public works	9,946,662	2,746,472	3,315,532	69,738	(3,814,920)
Total Governmental Activities	\$ 30,086,963	\$ 6,791,634	\$ 4,536,459	\$ 1,217,584	(17,541,286)
General Revenues:					
Taxes:					
Property taxes, levied for general purpose					9,942,183
Sales taxes					5,430,222
Transient occupancy taxes					1,785,219
Franchise taxes					1,312,547
Other taxes					74,060
Use of money and property					905,039
Other					257,314
Total General Revenues					19,706,584
Change in Net Position					2,165,298
Net Position at the Beginning of the Year,					78,096,176
Net Position at the End of the Year					\$ 80,261,474

The notes to financial statements are an integral part of this statement.

CITY OF ROSEMEAD, CALIFORNIA

BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2020

		Special Revenue Funds		
	General	Community Development Block Grant	Other Governmental Funds	Total Governmental Funds
Assets:				
Cash and investments	\$ 24,029,462	\$ -	\$ 13,704,036	\$ 37,733,498
Receivables:				
Accounts	1,627,024	359,202	496,969	2,483,195
Notes and loans	320,360	-	-	320,360
Accrued interest	115,115	-	-	115,115
Prepaid costs	415,063	-	-	415,063
Due from other governments	226,012	-	-	226,012
Due from other funds	301,943	-	-	301,943
Inventories	2,034	-	-	2,034
Total Assets	\$ 27,037,013	\$ 359,202	\$ 14,201,005	\$ 41,597,220
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 2,222,769	\$ 87,323	\$ 266,063	\$ 2,576,155
Accrued liabilities	312,634	6,097	35,040	353,771
Deposits payable	484	-	42,431	42,915
Due to other funds	-	259,488	42,455	301,943
Retentions payable	525	18,190	2,685	21,400
Total Liabilities	2,536,412	371,098	388,674	3,296,184
Deferred Inflows of Resources:				
Unavailable revenues	292,120	194,915	193,998	681,033
Total Deferred Inflows of Resources	292,120	194,915	193,998	681,033
Fund Balances:				
Nonspendable:				
Notes and loans	93,274	-	-	93,274
Prepaid costs	415,063	-	-	415,063
Inventories	2,034	-	-	2,034
Restricted:				
Community services	-	-	401,851	401,851
Low and moderate income housing	-	-	354,871	354,871
Public works	-	-	12,924,360	12,924,360
Committed:				
Capital projects	1,780,033	-	-	1,780,033
Reserve contingency	7,116,284	-	-	7,116,284
Assigned:				
Building maintenance	71,617	-	-	71,617
Tree in lieu	50,250	-	-	50,250
Unassigned	14,679,926	(206,811)	(62,749)	14,410,366
Total Fund Balances	24,208,481	(206,811)	13,618,333	37,620,003
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 27,037,013	\$ 359,202	\$ 14,201,005	\$ 41,597,220

The notes to financial statements are an integral part of this statement.

CITY OF ROSEMEAD, CALIFORNIA

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2020**

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

Total fund balances - governmental funds		\$ 37,620,003
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		48,805,119
Compensated absences are not due and payable in the current period, and therefore, are not reported in the funds.		(650,566)
Governmental funds report all pension contributions as expenditures; however, in the statement of activities, the excess/deficiency of the total pension liability over/under the plan fiduciary net position is reported as a net pension liability/asset.		
CalPERS Miscellaneous Plan net pension liability	\$ (8,856,781)	
PARS Retirement Enhancement Plan net pension asset	521,964	(8,334,817)
Pension-related deferred outflows of resources that have not been included as financial uses in the governmental fund activity are as follows:		
Contributions made after the actuarial measurement date	1,446,875	
Changes in assumptions	441,761	
Difference between expected and actual experiences	625,538	
Net difference between projected and actual earnings on plan investments	87,805	
Adjustments due to differences in proportions	75,237	
Difference in proportionate share	680,128	3,357,344
Other post-employment-related deferred outflows of resources that have not been included as financial uses in the governmental fund activity are as follows:		
Contributions made after the actuarial measurement date	45,227	45,227
Pension-related deferred inflows of resources that have not been included as financial resources in the governmental fund activity are as follows:		
Changes in assumptions	(149,713)	
Difference between expected and actual experiences	(187,669)	
Net difference between projected and actual earnings on plan investments	(154,844)	
Adjustments due to differences in proportions	(614,597)	(1,106,823)
Governmental funds report all other post-employment benefits contributions as expenditures; however, in the statement of net position, the excess of the total other post-employment benefits liability over the plan fiduciary net position is reported as a net other post-employment benefits liability.		(301,500)
Other post-employment-related deferred inflows of resources that have not been included as financial resources in the governmental fund activity are as follows:		
Net difference between projected and actual earnings on plan investments		(540,271)
Revenues reported as unavailable revenue in the governmental funds are recognized in the statement of activities.		681,033
Internal service funds are used by management to charge the costs of certain activities, such as equipment and technology replacement, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position.		686,725
Net Position of Governmental Activities		\$ 80,261,474

The notes to financial statements are an integral part of this statement.

CITY OF ROSEMEAD, CALIFORNIA

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	General	Special Revenue Funds Community Development Block Grant	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 18,503,951	\$ -	\$ -	\$ 18,503,951
Licenses and permits	2,115,419	-	-	2,115,419
Intergovernmental	165,754	561,239	7,452,062	8,179,055
Charges for services	695,486	8,392	500,760	1,204,638
Use of money and property	657,382	-	247,657	905,039
Fines and forfeitures	612,080	-	-	612,080
Contributions	2,733	-	-	2,733
Developer participation	-	-	150,728	150,728
Miscellaneous	202,683	-	66,099	268,782
Total Revenues	22,955,488	569,631	8,417,306	31,942,425
Expenditures:				
Current:				
General government	3,531,048	44,548	192,966	3,768,562
Public safety	9,539,004	-	38,863	9,577,867
Community development	2,054,123	269,777	1,028,432	3,352,332
Parks and recreation	2,609,393	20,284	74,180	2,703,857
Public works	4,227,984	25,636	2,778,989	7,032,609
Capital outlay	80,409	392,405	415,745	888,559
Total Expenditures	22,041,961	752,650	4,529,175	27,323,786
 Net Change in Fund Balances	 913,527	 (183,019)	 3,888,131	 4,618,639
 Fund Balances at the Beginning of the Year	 23,294,954	 (23,792)	 9,730,202	 33,001,364
Fund Balances at the End of the Year	\$ 24,208,481	\$ (206,811)	\$ 13,618,333	\$ 37,620,003

The notes to financial statements are an integral part of this statement.

CITY OF ROSEMEAD, CALIFORNIA

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2020

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

Net change in fund balances - total governmental funds	\$	4,618,639
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Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense in the current period.

Capital outlay	\$	865,741	
Depreciation		<u>(2,876,319)</u>	(2,010,578)

Compensated absences expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(69,924)
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Pension obligation expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(497,976)
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Other post-employment benefits obligation expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(71,516)
--	----------

Revenues reported as unavailable revenue in the governmental funds are recognized in the statement of activities. These are included in the operating contributions and miscellaneous income in the statement of activities.	309,836
--	---------

Internal service funds are used by management to charge the costs of certain activities, such as equipment and technology replacement, to individual funds. The net revenues of the internal service funds are reported with governmental activities.	<u>(113,183)</u>
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Change in Net Position of Governmental Activities	\$	<u>2,165,298</u>
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CITY OF ROSEMEAD, CALIFORNIA

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 JUNE 30, 2020

	Governmental Activities
	Internal Service Funds
Assets:	
Current Assets:	
Cash and investments	\$ 672,022
Total Current Assets	672,022
Noncurrent Assets:	
Capital assets, net of accumulated depreciation	20,744
Total Noncurrent Assets	20,744
Total Assets	692,766
Liabilities:	
Current Assets:	
Accounts payable	6,041
Total Current Liabilities	6,041
Total Liabilities	6,041
Net Position:	
Investment in capital assets	20,744
Unrestricted	665,981
Total Net Position	\$ 686,725

The notes to financial statements are an integral part of this statement.

CITY OF ROSEMEAD, CALIFORNIA

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Governmental Activities
	Internal Service Funds
Operating Revenues:	
Charges for services	\$ 164,500
Total Operating Revenues	164,500
Operating Expenses:	
Contractual services	225,825
Depreciation expense	51,858
Total Operating Expenses	277,683
Operating Income	(113,183)
Net Position at the Beginning of the Year	799,908
Net Position at the End of the Year	\$ 686,725

The notes to financial statements are an integral part of this statement.

CITY OF ROSEMEAD, CALIFORNIA

STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2020

	Governmental Activities
	Internal Service Funds
Cash Flows from Operating Activities:	
Cash received from interfund service provided	\$ 164,500
Cash paid to suppliers for goods and services	(219,784)
Net Cash Provided by Operating Activities	(55,284)
Cash Flows from Capital and Related Financing Activities:	
Acquisition and construction of capital assets	(5,747)
Net Cash Used for Capital and Related Financing Activities	(5,747)
Net Increase in Cash and Cash Equivalents	(61,031)
Cash and Cash Equivalents at the Beginning of the Year	733,053
Cash and Cash Equivalents at the End of the Year	\$ 672,022
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating income	\$ (113,183)
Adjustments to reconcile operating income net cash provided by operating activities:	
Depreciation	51,858
Increase in accounts payable	6,041
Total Adjustments	57,899
Net Cash Provided by Operating Activities	\$ (55,284)

The notes to financial statements are an integral part of this statement.

CITY OF ROSEMEAD, CALIFORNIA

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2020

		Private-Purpose Trust Fund
	Agency Funds	Successor Agency
Assets:		
Cash and investments	\$ 1,231,249	\$ 5,236,373
Notes and loans receivable	-	201,314
Prepaid costs	-	139,976
Restricted cash and investments with fiscal agents	-	1,134,248
Total Assets	\$ 1,231,249	6,711,911
Deferred Outflows of Resources:		
Deferred charge on refunding		161,217
Total Deferred Outflows of Resources		161,217
Liabilities:		
Accrued liabilities	\$ -	394
Accrued interest	-	263,030
Deposits payable	1,231,249	-
Long-term liabilities:		
Bonds payable, due within one year	-	2,387,014
Bonds payable, due in more than one year	-	24,043,276
Total Liabilities	\$ 1,231,249	26,693,714
Net Position:		
Held in trust for the dissolution of the former Redevelopment Agency		(19,820,586)
Total Net Position		\$ (19,820,586)

The notes to financial statements are an integral part of this statement.

CITY OF ROSEMEAD, CALIFORNIA

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Private-Purpose Trust Fund
	Successor Agency
Additions:	
Taxes	\$ 3,634,143
Interest and change in fair value of investments	29,858
Total Additions	3,664,001
Deductions:	
Administrative expenses	100,062
Interest expense	1,143,966
Contributions to other governments	453,238
Total Deductions	1,697,266
Change in Net Position	1,966,735
Net Position at the Beginning of the Year	(21,787,321)
Net Position at the End of the Year	\$ (19,820,586)

The notes to financial statements are an integral part of this statement.

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I. SIGNIFICANT ACCOUNTING POLICIES

Note 1: Summary of Significant Accounting Policies

a. Reporting Entity

The City of Rosemead, California, ("the City") was incorporated in August 1959 under the general laws of the State of California. The City operates under an elected Council/City Manager form of government. It provides a broad range of services to its citizens, including general government, public safety, streets, sanitation and health, cultural and park facilities, and social services.

Many of the functions often provided by municipal government are, in the City, provided by special districts. Examples of some of these special districts, which usually encompass areas larger than the City itself, are the Fire Protection District, the Library District, and the County Flood Control District. Certain other governmental functions are paid for by the City but performed by a variety of other public and private agencies under contract. Some of the contracts now in effect are for police, solid waste disposal, and building and safety.

The accounting policies of the City conform to generally accepted accounting principles as applicable to governments. As required by generally accepted accounting principles, these financial statements present the government and its component units, which are entities for which the government is considered to be financially accountable. The City is considered to be financially accountable for an organization if the City appoints a voting majority of that organization's governing body and the City is able to impose its will on that organization or there is a potential for that organization to provide specific financial benefits to or impose specific financial burdens on the City. The City is also considered to be financially accountable if an organization is fiscally dependent (i.e., it is unable to adopt its budget, levy taxes, set rates or charges, or issue bonded debt without approval from the City). In certain cases, other organizations are included as component units if the nature and significance of their relationship with the City are such that their exclusion would cause the City's financial statements to be misleading or incomplete.

Based upon the above criteria, the blended component units of the City are the Rosemead Financing Authority (the Authority) and the Rosemead Housing Development Corporation (the Corporation).

Rosemead Financing Authority

The Authority provides for the financing or refinancing of public capital improvements and working capital requirements of local agencies that enter into contractual arrangements with the Authority. Separate financial statements are not prepared.

Rosemead Housing Development Corporation

The Corporation accounts for the construction, financing and operations of low and moderate-income housing. It is a California nonprofit benefit corporation organized under Section 501(c)(3) of the Internal Revenue Code. The activities of the Corporation are recorded in the RHDC special revenue fund. Separately issued financial statements of the Corporation can be obtained from the Finance Department.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 1: Summary of Significant Accounting Policies (Continued)

Since the City Council and/or other City officials serve as the Governing Board for these component units, and a financial benefit or burden relationship exists for all of the City's component units are considered to be blended component units. Blended component units, although legally separate entities, are, in substance, part of the City's operations. Therefore, data from these units are reported with the funds of the primary government, the City.

b. 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 basic financial statements

Financial reporting is based upon all Governmental Accounting Standards Board pronouncements.

Government-wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include separate columns for the governmental and business-type activities of the primary government (including its blended component units), as well as its discretely presented component units. The City of Rosemead has no business-type activities and no discretely presented component units. Eliminations have been made in the Statement of Activities so that certain allocated expenses are recorded only once (by function to which they were allocated). However, general governmental expenses have not been allocated as indirect expenses to the various functions of the City.

Government-wide financial statements are presented using the economic resources measurement focus and the accrual basis of accounting. Under the economic resources measurement focus, all (both current and long-term) economic resources and obligations of the reporting government are reported in the government-wide financial statements. Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from nonexchange transactions are recognized in accordance with generally accepted accounting principles.

Program revenues include charges for services, special assessments, and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 1: Summary of Significant Accounting Policies (Continued)

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

Fund Financial Statements

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

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

Funds

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

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 1: Summary of Significant Accounting Policies (Continued)

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

Non-current portions of long-term receivables due to governmental funds are reported on their balance sheets in spite of their spending measurement focus. However, special reporting treatments are used to indicate that they should not be considered "available spendable resources," since they do not represent net current assets. Recognition of governmental fund type revenues represented by noncurrent receivables are deferred until they become current receivables.

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

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

When both restricted and unrestricted resources are combined in a fund, expenditures are considered to be paid first from restricted resources, and then from unrestricted resources.

Proprietary Funds

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows for all proprietary funds.

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

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as nonoperating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as nonoperating expenses.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 1: Summary of Significant Accounting Policies (Continued)

Fiduciary Funds

The City maintains two fiduciary fund types. The first is a private-purpose trust fund which uses the economic resources measurement focus and the accrual basis of accounting. The second is an agency fund which has no measurement focus. The agency fund is custodial in nature (assets equal liabilities) and does not involve the recording of City revenues and expenses.

c. Major and Fiduciary Fund Types

The City's major governmental funds are as follows:

- General Fund – Accounts for all financial resources except those required to be accounted for in another fund. These resources are devoted to financing the general services that the City performs for its citizens.
- CDBG Fund – The fund is used to account for monies received from the U.S. Department of Housing and Urban Development (HUD) for administering the CDBG Program.

The City's Fiduciary Funds are as follows:

- Private-purpose Trust Fund – Accounts for the activity of the Successor Agency to the Community Development Commission of the City of Rosemead.
- Agency Fund – Accounts for the assets held in a trustee capacity or as an agent. The cash being held primarily represents amounts placed on deposit for refundable permits and performance bonds.

Additionally, the City reports:

- Internal Service Funds – Account for the financing of goods and services provided by one department to other departments on a cost reimbursement basis. The City has internal service funds for equipment replacement and technology replacement.
- Special Revenue Funds – Account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. All are currently reported in nonmajor governmental funds.

d. Investments

For financial reporting purposes, investments are adjusted to their fair value whenever the difference between fair value and the carrying amount is material.

Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation or sale of investments.

The City pools cash and investments of all funds, except for assets held by fiscal agents. Each fund's share in this pool is displayed in the accompanying financial statements as cash and investments. Investment income earned by the pooled investments is allocated to the various funds based on each fund's average cash and investment balance.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 1: Summary of Significant Accounting Policies (Continued)**e. Cash Equivalents**

For purposes of the statement of cash flows, cash equivalents are defined as short-term, highly liquid investments that are both readily convertible to known amounts of cash or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Cash equivalents also represent the proprietary funds' share in the cash and investment pool of the City of Rosemead. Cash equivalents have an original maturity date of three months or less from the date of purchase. For purposes of the statement of cash flows, the entire balance of cash and investments on the combined balance sheet for the internal service fund is considered cash and cash equivalents.

f. Capital Assets

Capital assets (including infrastructure) are recorded at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets, donated works of art and similar items and capital assets received in a service concession arrangement are recorded at acquisition value at the point of acquisition. Generally, capital asset purchases in excess of \$10,000 are capitalized if they have an expected useful life of one or more years.

Capital assets include public domain (infrastructure) general capital assets consisting of certain improvements including roads, streets, sidewalks, medians, and storm drains.

Capital assets used in operations are depreciated over their estimated useful lives using the straight-line method in the government-wide financial statements and in the fund financial statements of the internal service funds. Depreciation is charged as an expense against operations and accumulated depreciation is reported on the respective balance sheet.

The following schedule summarizes capital asset useful lives:

Building improvements	15-50 years
Improvements other than buildings	3-15 years
Machinery and equipment	7 years
Autos and trucks	5 years
Furniture and office equipment	7 years
Infrastructure:	
Bridges	50 years
Sewer system and storm drain system	50-100 years
Medians and sidewalks	40 years
Traffic Signals	30 years
Streets	20 years

g. Compensated Absences

Vacation is payable to employees at the time used or upon termination of employment. All vacation is accrued when incurred in the government-wide level financial statements.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 1: Summary of Significant Accounting Policies (Continued)

The sick leave liability is estimated based on the City's past experience of making termination payments from sick leave, adjusted for the effect of changes in its termination payment policy and other current factors. A liability for these amounts is reported in governmental funds only if it has matured or will be paid from available resources of the current period. City employees accumulate vacation hours that may be paid upon termination, death or retirement. Full-time employees can accumulate up to four weeks of accrued vacation per year depending on the length of employment.

The City allows full-time employees who have earned vacation time an opportunity to have the City buy back up to 60 hours of vacation time per year.

h. Prepaid Items

Prepaid items are reported in the governmental funds under the consumption method and are offset by a nonspendable designation in fund balance to indicate that they are not available for appropriation and are not expendable financial resources.

i. Fund Balance

The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- **Nonspendable** – This includes amounts that cannot be spent because they are either not in spendable form or must be maintained intact pursuant to legal or contractual requirements, such as prepaids, inventory, or endowments.
- **Restricted** – This includes amounts that can be spent only for specific purposes imposed by creditors, grantors, contributors, or laws and regulations of other governments through enabling litigations.
- **Committed** – This includes amounts that can be used only for the specific purposes pursuant to constraints imposed by formal action of the City's highest authority, the City Council. The formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is Council resolution.
- **Assigned** – This includes amounts that are designated by the City Council, City Manager, or Finance Committee for specific purposes and do not meet the criteria to be classified as restricted or committed.
- **Unassigned** – This is the residual classification that includes all spendable amounts not contained in the other classifications. The General Fund is the only fund that reports a positive unassigned fund balance. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the General Fund, if expenditures incurred for specific purposes exceed amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

When both restricted and unrestricted resources are available for use when an expenditure is incurred, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed. It is the City's policy to consider committed amounts as being reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 1: Summary of Significant Accounting Policies (Continued)**j. Use of Estimates**

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

k. 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 Plan Administrators. 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, at www.calpers.ca.gov. Copies of the PARS annual financial report may be obtained from PARS, 4350 Von Karman Avenue, Suite 100, Newport Beach, California 92660.

GASB 68 requires that the reported results must pertain to liability and asset information within certain defined timeframes. For this report, the following timeframes are used.

CalPERS-Cost sharing Multiple-Employer Plan:

Valuation Date (VD)	June 30, 2018
Measurement Date (MD)	June 30, 2019
Measurement Period (MP)	July 1, 2018 to June 30, 2019

PARS-Single Employer Agent Plan:

Valuation Date (VD)	June 30, 2018
Measurement Date (MD)	June 30, 2020
Measurement Period (MP)	July 1, 2019 to June 30, 2020

l. Other Post-Employment Benefit Plans (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 the City's plan (OPEB Plan), the assets of which are held by Public Agency Retirement Services (PARS), 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.

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

Valuation Date (VD)	June 30, 2019
Measurement Date (MD)	June 30, 2019
Measurement Period (MP)	July 1, 2018 to June 30, 2019

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 1: Summary of Significant Accounting Policies (Continued)

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense.

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

Net different between projected and actual earning on OPEB plan Investments	5 years Expected average remaining service lifetime (EARSL)
All other amounts	(4.0 Years at June 30, 2019)

m. Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has deferred outflows of resources on pensions and OPEB (described previously) in the statement of net position. The pension-related deferred outflows include such items as: contributions made after the actuarial measurement date, changes in assumptions, differences between expected and actual experiences, the net difference between projected and actual earnings on plan investments, adjustments due to differences in proportionate share, and differences in the proportionate share. All of the items, with the exception of the net difference between projected and actual earnings on plan investments which is recognized over five years, are recognized over the expected average remaining service life of plan members.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time. The City has deferred inflow of resources deferred revenue on the fund financial statements – unavailable revenue. Deferred inflows related to pensions and OPEB (described previously) are reported in the statement of net position. The deferred inflows related to pensions include changes in assumptions, the difference in expected and actual experiences, adjustments due to differences in proportionate share, and the difference in proportionate share; these items are recognized over the expected average remaining service life of plan members.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Note 2: Stewardship, Compliance, and Accountability

a. Deficit Fund Balances/Net Position

The Community Development Block Grant (CDBG) major special revenue fund reported a deficit in fund balance in the amount of \$206,811 as of June 30, 2020. The fund deficit balance is due to the timing of grant reimbursement from the grantor agency.

b. Budgetary

Budgets were legally adopted for all governmental funds with the exception of the City Grants Special Revenue Fund.

III. DETAILED NOTES ON ALL FUNDS

Note 3: Cash and Investments

Cash and investments as of June 30, 2020, are classified in the accompanying financial statements as follows:

Statement of Net Position	
Cash and Investments	\$ 38,405,520
Statement of Fiduciary Net Position	
Cash and Investments	6,467,622
Restricted Cash and Investment with Fiscal Agents	1,134,248
Total Cash and Investment	<u>\$ 46,007,390</u>

Cash and Investments as of June 30, 2020, consist of the following:

Deposits with financial institutions	\$ 15,656,856
Investments	<u>30,350,534</u>
Total Cash and Investments	<u>\$ 46,007,390</u>

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

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

CITY OF ROSEMEAD, CALIFORNIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 3: Cash and Investments (Continued)

Authorized Investment Type	Authorized by investment Policy	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
U.S. Treasury Obligations	Yes	5 years	None	None
U.S. Agency Securities	Yes	5 years	70%	35%
Banker's Acceptances	Yes	180 days	20%	30%
Commercial Paper	Yes	180 days	15%	10%
Negotiable Certificates for Deposits	Yes	5 years	30%	None
Medium Term Notes	Yes	5 years	30%	None
Money Market Mutual Funds	Yes	N/A	20%	10%
Local Agency Investment Funds (LAIF)	Yes	N/A	None	\$65M

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

Investment Type	Remaining Maturity (in Months)			Total
	12 Months or Less	13 to 24 months	25 to 60 months	
State investment pool	\$ 18,789,868	\$ -	\$ -	\$ 18,789,868
Certificates of Deposit	1,488,591	769,852	3,363,212	5,621,655
U.S. agency securities	1,007,005	-	1,247,696	2,254,701
Money Market Mutual Funds	528,286	-	-	528,286
Medium-term notes	449,104	258,423	1,314,249	2,021,776
Held by bond trustee				
Money Market Mutual Funds	1,134,248	-	-	1,134,248
Total	<u>\$ 23,397,102</u>	<u>\$ 1,028,275</u>	<u>\$ 5,925,157</u>	<u>\$ 30,350,534</u>

Credit Risk

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

CITY OF ROSEMEAD, CALIFORNIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 3: Cash and Investments (Continued)

Investment Type	Totals	Minimum Legal Rating	Ratings at End of Year				
			N/A	A-	A	A+	AA+
State Investment Pool	\$ 18,789,868	N/A	\$ 18,789,868	\$ -	\$ -	\$ -	\$ -
Certificates of Deposit	5,621,655	N/A	5,621,655	-	-	-	-
U.S. Agency Securities	2,254,701	N/A	-	-	-	-	2,254,701
Medium-Term Notes	2,021,776	A	-	1,060,531	702,822	258,423	-
Money Market Mutual Funds	528,286	Multiple	528,286	-	-	-	-
Held by Bond Trustee:							
Money Market Mutual Funds	1,134,248	Multiple	1,134,248	-	-	-	-
Total	<u>\$ 30,350,534</u>		<u>\$ 26,074,057</u>	<u>\$ 1,060,531</u>	<u>\$ 702,822</u>	<u>\$ 258,423</u>	<u>\$ 2,254,701</u>

Concentration of Credit Risk

The investment policy of the City contains certain limitations on the amount that can be invested in any one issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total As of June 30, 2020 the City did not have any investments in one issuer greater than 5%.

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. As of June 30, 2020, the City had deposits with financial institutions in excess of federal depository insurance limits by \$9,715,064 that were held in collateralized accounts. As of June 30, 2020, the Successor Agency had deposits with financial institutions in excess of federal depository insurance limits by \$4,745,549 that were held in collateralized accounts.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 3: Cash and Investments (Continued)Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. LAIF is not registered with the Securities and Exchange Commission and is not rated. Deposits and withdrawals in LAIF are made on the basis of \$1 and not fair value. Accordingly, the City's investment in this pool is measured on uncategorized inputs not defined as Level 1, 2, or 3.

Fair Value Measurements

Generally accepted accounting principles establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. This hierarchy consists of three broad levels: Level 1 inputs consist of quoted prices (unadjusted) for identical assets and liabilities in active markets that a government can access at the measurement date, Level 2 inputs that are observable for an asset or liability, either directly or indirectly, and Level 3 inputs have the lowest priority and consist of unobservable inputs for an asset or liability. The City's custodian National Financial Services uses Intercontinental Exchange (ICE), Bloomberg, and Thompson Reuters to obtain pricing information. As of June 30, 2020, with the exception of LAIF and Money Market Funds, which are considered uncategorized, all of the City's investments are valued using Level 2 inputs.

Note 4: Loans receivable

Loans receivable consisted of the following at June 30, 2020:

Governmental Activities:	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
Computer Loans	\$ 5,025	\$ -	\$ 2,967	\$ 2,058
San Gabriel Valley Water Co. Loan Phase I	65,840	-	8,230	57,610
San Gabriel Valley Water Co. Loan Phase II	32,921	-	4,115	28,806
Rio Hondo Community Development Co. Loan	227,086	-	-	227,086
El Monte Cemetary Association Loan	6,000	-	1,200	4,800
Total	<u>\$ 336,872</u>	<u>\$ -</u>	<u>\$ 16,512</u>	<u>\$ 320,360</u>

Note 5: Property Taxes

Property tax revenue is recognized in the fiscal year for which the taxes have been levied providing they become available. Available means due, or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter (not to exceed 60 days) to be used to pay liabilities in the current period.

CITY OF ROSEMEAD, CALIFORNIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 5: Property Taxes (Continued)

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value, plus other increases approved by the voters. The property taxes are recorded initially in a pool and are then allocated to the cities based on complex formulas. Accordingly, the City of Rosemead accrues only those taxes that are received from the County within sixty days after year-end.

Lien date	January 1
Levy date	July 1
Due dates	November 1 and February 1
Collection dates	December 10 and April 10

Note 6: Interfund Balances

Due to/due from other funds for the year ending June 30, 2020, consisted of \$301,943 due to the General Fund from the Community Development Block Grant for \$259,488 and Nonmajor Governmental Funds for \$42,455 for short-term loans made to those funds from the General Fund resulting from deficit cash balances in those funds.

Note 7: Capital Assets

Capital asset activity was as follows for the year ended June 30, 2020:

Governmental Activities:	Balance June 30, 2019	CIP Transfers	Additions	Deletions	Balance June 30, 2020
Capital assets not being depreciated:					
Land	\$ 4,417,104	\$ -	\$ -	\$ -	\$ 4,417,104
Construction in progress	277,554	(273,711)	753,399	-	757,242
Total capital assets not being depreciated	4,694,658	(273,711)	753,399	-	5,174,346
Depreciable capital assets:					
Buildings	24,086,271	-	22,643	-	24,108,914
Improvements other than buildings	5,372,034	-	89,699	-	5,461,733
Machinery and equipment	708,992	-	5,747	237,592	477,147
Autos and trucks	1,763,173	-	-	327,268	1,435,905
Furniture and office equipment	1,504,829	-	-	740,404	764,425
Infrastructure	68,614,592	273,711	-	-	68,888,303
Total capital assets being depreciated	102,049,891	273,711	118,089	1,305,264	101,136,427
Less: accumulated depreciation for:					
Buildings	(10,083,447)	-	(483,904)	-	(10,567,351)
Improvements other than buildings	(1,698,589)	-	(299,356)	-	(1,997,945)
Machinery and equipment	(580,315)	-	(26,754)	(237,592)	(369,477)
Autos and trucks	(1,577,153)	-	(135,171)	(327,268)	(1,385,056)
Furniture and office equipment	(1,404,083)	-	(54,296)	(740,404)	(717,975)
Infrastructure	(40,518,410)	-	(1,928,696)	-	(42,447,106)
Total accumulated depreciation	(55,861,997)	-	(2,928,177)	(1,305,264)	(57,484,910)
Total capital assets, being depreciated, net	46,187,894	273,711	(2,810,088)	-	43,651,517
Government activities capital assets, net	\$ 50,882,552	\$ -	\$ (2,056,689)	\$ -	\$ 48,825,863

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 7: Capital Assets (Continued)

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

<u>Governmental Activities</u>	<u>Total</u>
General Government	\$ 16,585
Public Safety	14,686
Public Works	2,677,995
Community development	14,353
Parks and recreation	152,700
Internal Service Funds	51,858
Totals	\$ 2,928,177

Note 8: Compensated Absences

Compensated absences activities for the year ended June 30, 2020, is as follows:

<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>	<u>Due in One Year</u>
\$ 580,642	\$ 333,255	\$ 263,331	\$ 650,566	\$ 295,043

Compensated absences have no repayment schedule and become payable as used by employees. Compensated absences are liquidated through the City's General Fund.

Note 9: Risk Management**a. Description of Self-Insurance Pool Pursuant to Joint Powers Agreement**

The City of Rosemead is a member of the California Joint Powers Insurance Authority (Authority). The Authority is composed of 118 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

b. Primary Self-Insurance Programs of the Authority

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 9: Risk Management (Continued)

Primary Liability Program

In the 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 \$30,000 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 \$30,000 to \$750,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs from \$750,000 to \$50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Subsidence losses have a sub-limit of \$40 million per occurrence. The coverage structure includes retained risk that is pooled among members, reinsurance, and excess insurance. More detailed information about the various layers of coverage is available on the following website: <https://cjpia.org/protection/coverage-programs>.

Workers' Compensation

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

For 2019-20 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 as part of a reinsurance policy, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

c. Purchased Insurance

Pollution Legal Liability Insurance

The City of Rosemead 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 Rosemead. Coverage is on a claims-made basis. There is a \$50,000 deductible. The Authority has an aggregate limit of \$50 million for the 3-year period from July 1, 2017 through July 1, 2020. Each member of the Authority has a \$10 million sub-limit during the 3-year policy term.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020**Note 9: Risk Management (Continued)**Property Insurance

The City of Rosemead participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of Rosemead property is currently insured according to a schedule of covered property submitted by the City of Rosemead to the Authority. City of Rosemead property currently has all-risk property insurance protection in the amount of \$76,032,770. There is a \$10,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 deductible.

Crime Insurance

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

d. Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2019-20.

Note 10: Defined Benefit Pension Plans**a. Aggregate Information on all Defined Benefit Pension Plans**

The City participates in two defined benefit pension plans, the Miscellaneous Cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS), and the Public Agency Retirement System (PARS) retirement enhancement plan, a single-employer defined benefit pension plan. These two plans are presented in aggregate on the government-wide financial statement of net position. The schedule below summarizes the components of the information presented on the government-wide statement broken out by each plan and in aggregate:

	CalPERS Miscellaneous Plan	PARS Retirement Enhancement Plan	Total
Net Pension Liability	\$ 8,856,781	\$ -	\$ 8,856,781
Net Pension Asset	-	521,964	521,964
Deferred Outflows of Resources	3,239,713	117,631	3,357,344
Deferred Inflows of Resources	966,815	140,008	1,106,823
Pension Expense	2,060,525	(3,025)	2,057,500

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 10: Defined Benefit Pension Plans (Continued)**b. Defined Benefit Pension Plan - CalPERS**Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other). Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City sponsors three miscellaneous rate plans. Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS' website, at www.calpers.ca.gov.

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plan's provisions and benefits in effect at June 30, 2020, are summarized as follows:

	Tier 1 *	Tier 2 *	PEPRA
Hire date	Prior to July 1, 2010	From July 1, 2010 to December 31, 2012	January 1, 2013 and after
Benefit formula	2.7% @ 55	2% @ 55	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 to 55&up	50 to 63&up	52 to 67&up
Monthly benefits, as a % of eligible compensation	2.0% to 2.7%	1.426 to 2.418	1.0% to 2.5%
Required employee contribution rates	8.00%	7.00%	6.25%
Required employer contribution rates	54.07%	10.27%	7.43%

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020
Note 10: Defined Benefit Pension Plans (Continued)Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2020 the contributions recognized as a reduction to the net pension liability was \$1,389,145.

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources

At June 30, 2020, the City of Rosemead reported a net pension liability for its proportionate share of the net pension liability in the amount of \$8,856,781.

The City's pension liability is measured as the proportionate share of the net pension liability. The net pensions liability is measured as of June 30, 2019 and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018 rolled forward to June 30, 2019 using standard 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 plans relative to the projected contributions of all participating employers, actuarially determined. The City's proportionate share of the net pension liability for each Plan as of June 30, 2018 and 2019 was as follows:

	<u>Miscellaneous</u>
Proportion - June 30, 2018	0.09186%
Proportion - June 30, 2019	0.08643%
Change - Increase (Decrease)	-0.00542%

For the year ended June 30, 2020, the City of Rosemead recognized pension expense of \$2,060,525. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension contributions subsequent to measurement date	\$ 1,446,875	\$ -
Changes in assumptions	422,332	149,713
Difference between expected and actual experiences	615,141	47,661
Net differences between projected and actual earnings on plan investments	-	154,844
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	680,128	-
Adjustment due to differences in proportions	75,237	614,597
Total	<u>\$ 3,239,713</u>	<u>\$ 966,815</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 10: Defined Benefit Pension Plans (Continued)

The \$1,446,875 reported 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 ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Period Ended June 30	Deferred Outflow / (Inflows) of Resources
2020	\$ 832,213
2021	(75,380)
2022	37,900
2023	31,290
Total	<u>\$ 826,023</u>

Actuarial Assumptions and Methods

For the measurement period ended June 30, 2019 (the measurement date), the total pension liability was determined by rolling forward the June 30, 2018, total pension liability. The June 30, 2018 and the June 30, 2019, total pension liabilities were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal Cost Method
Actuarial Assumptions	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table (1)	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies.

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 10: Defined Benefit Pension Plans (Continued)

Change of Assumptions

For the measurement date June 30, 2019, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate.

Discount Rate

The discount rate used to measure the total pension liability was 7.15 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at 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 project 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.

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

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

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020
Note 10: Defined Benefit Pension Plans (Continued)

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

Asset Class (1)	Assumed Asset Allocation	Real Return Years 1 - 10 (2)	Real Return Years 11+ (3)
Global Equity	50.0%	4.80%	5.98%
Fixed Income	28.0	1.00	2.62
Inflation Assets	0.0	0.77	1.81
Private Equity	8.0	6.30	7.23
Real Estate	13.0	3.75	4.93
Liquidity	1.0	0.00	(0.92)

(1) In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-Term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.

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

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

Sensitivity of Net Pension Liability to Changes in Discount Rate

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

Plan's Net Pension Liability/(Assets)	Discount Rate - 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate +1% (8.15%)
Miscellaneous	\$ 13,369,050	\$ 8,856,781	\$ 5,132,222

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued CalPERS financial reports. See CalPERS' website for additional information.

c. PARS Retirement Enhancement Plan
Plan Description

The Plan is an agent, multiple-employer supplemental employee defined benefit pension plan (the Plan II) administered by the Public Agency Retirement Services (PARS) Phase II Systems. A full description of the pension plan regarding number of employees covered, benefit provisions, assumptions (for funding, but not account purposes), and membership information are listed in the June 30, 2019 Annual Actuarial Valuation Report. Details of the benefits provided can be obtained from the actuarial valuation reports. PARS issues a publicly available financial report that includes financial statement and required supplementary information for the Plan II. That report may be obtained writing to PARS, 3961 MacArthur Boulevard, Suite 200, Newport Beach, California, 92660.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 10: Defined Benefit Pension Plans (Continued)Benefits Provided

The Retirement Enhancement Plan provides a benefit equal to the PARS "3.0% at 55" plan factor (formula is a static 3.0% at age 55 and older), less the CalPERS "2.7% at 55" plan factors (a static 2.7% at age 55 and older) for all years of full-time continuous City service. The benefit from this plan when added to the CalPERS benefit may not exceed 90% of final compensation.

The Plan II includes a pre-retirement death benefit for those eligible employees who die while actively employed with the City and meet the age and service eligibility requirements for a supplemental retirement benefit. The benefit will be paid to a surviving spouse or domestic partner as a life annuity equal to the employee's supplemental retirement benefit actuarially reduced as if the employee had elected a 100% joint-and-survivor annuity. The Plan is closed to all employees in the eligible classes hired on or after July 1, 2010 ("soft-freeze").

The Plan II's provisions and benefits in effect at June 30, 2020, (measurement date) are summarized as follows:

	Supplemental
	On or after September 25, 2007
Hire Date	On or before June 30, 2010
Benefit Formula	3% @ 55 less Cal PERS 2.7% @ 55
Benefit vesting schedule	from date of hire
Benefit payments	life only annuity
Retirement age	55
Monthly benefits, as a % of eligible compensation	0.576%
Required employee contribution rates	none
Required employer contribution rates	3.390%

Employees Covered

At June 30, 2020, the following employees were covered by the benefit terms:

Description	Number of Members
Inactive employees or beneficiaries	
currently receiving benefits	14
Active employees	37
Total	51

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 10: Defined Benefit Pension Plans (Continued)Contributions

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through PARS' 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. For the measurement period ended June 30, 2020 (the measurement date), the employer's contribution rate is 8.41 percent of annual payroll. Employer contribution rates may change if plan contracts are amended. Employer Contributions for the measurement period ended June 30, 2020 are \$112,649.

Net Pension Liability

The City's net pension liability for the Retirement Enhancement Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Plan II is measured as of June 30, 2020, using an annual actuarial valuation as of June 30, 2019.

Total pension liability	\$ 2,720,673
Plan fiduciary net position	<u>(3,242,637)</u>
Net pension (asset)	<u>\$ (521,964)</u>
Plan fiduciary net position as a % of total pension liability	119.2%

Actuarial Assumptions and Methods

The following actuarial methods and assumptions were used in the June 30, 2019 funding valuation:

Actuarial Cost Method	Entry Age Normal
Amortization Method	
Level percent or level dollar	Level dollar
Closed, open, or layered periods	Closed
Amortization period at 06/30/2018	4 years
Amortization growth rate	0.00%
Asset Valuation Method	
Smoothing period	None
Recognition method	None
Corridor	None
Inflation	2.50%
Salary Increases	Varies by entry age and service
Investment Rate of Return	7.15%
Cost of Living Adjustments	2.00%
Mortality	Consistent with Non-Industrial rates used to value the Miscellaneous Public Agency CalPERS Pension Plans.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 10: Defined Benefit Pension Plans (Continued)Discount Rate

GASB 68 generally require that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position (fair market value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 68 will often require that the actuary perform complex projections of future benefit payments and asset values.

GASB 68 (paragraph 29) do allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for the City of Rosemead:

- The City of Rosemead has at least a 5-year history of generally paying at least 100% of the Actuarially Determined Contribution (previously termed the Annual Required Contribution).
- The Actuarially Determined Contribution is based on a closed amortization period, which means that payment of the Actuarially Determined Contribution each year will bring the plan to a 100% funded position by the end of the amortization period.
- GASB 68 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, the City believes that the detailed depletion date projections outlined in GASB 68 will show that the fiduciary net position is always projected to be sufficient to cover benefit payments and administrative expenses.

	June 30, 2019	June 30, 2020
Discount rate	6.50%	6.50%
Long-term expected rate of return, net of investment expense	6.50%	6.50%
Municipal bond rate	N/A	N/A

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

CITY OF ROSEMEAD, CALIFORNIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 10: Defined Benefit Pension Plans (Continued)

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

Asset Class	Index	Current Allocation	Long-Term Expected Arithmetic Real Rate of Return	Long-Term Expected Geometric Real Rate of Return
US Cash	BAML 3-Mon Tbill	9.92%	-0.22%	-0.20%
US Core Fixed Income	Barclays Aggregate	44.73%	0.92%	0.84%
US Equity Market	Russell 3000	35.57%	4.82%	3.52%
Foreign Developed Equity	MSCI EAFE NR	5.65%	6.32%	4.75%
Emerging Markets Equity	MSCI EM NR	3.28%	8.35%	5.53%
US REITs	FTSE NAREIT Equity REIT	0.85%	5.32%	3.62%

Changes in Net Pension Liability

Changes in Net Pension Liability	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances as of June 30, 2019	\$ 2,742,513	\$ 3,255,068	\$ (512,555)
Changes for the year:			
Service cost	25,883	-	25,883
Interest on total pension liability	172,888	-	172,888
Effect of plan changes	-	-	-
Effect of economic/demographic gains or losses	-	-	-
Effect of assumptions changes or inputs	-	-	-
Benefit payments	(220,611)	(220,611)	-
Employer contributions	-	112,649	(112,649)
Member contributions	-	-	-
Net investment income	-	96,972	(96,972)
Administrative expenses	-	(1,441)	1,441
Balances as of June 30, 2020	\$ 2,720,673	\$ 3,242,637	\$ (521,964)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020
Note 10: Defined Benefit Pension Plans (Continued)Sensitivity of Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability, calculated using the discount rate of 6.50%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.50%) or one percentage point higher (7.50%) than the current rate:

1.00% Decrease (5.50%)	Current Discount Rate (6.50%)	1.00% Increase (7.50%)
\$ (222,585)	\$ (521,964)	\$ (777,250)

Pension Plan Fiduciary Net Position

The Plan II fiduciary net position at June 30, 2020, was as follows:

Assets:	
Cash and cash equivalents	\$ 321,591
Investments:	
Fixed income	1,450,528
Stocks	1,442,843
Real estate	27,675
Total Investments	2,921,046
Total Assets	3,242,637
Net Position Restricted for Pensions	\$ 3,242,637

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

For the year ended June 30, 2020, the City recognized pension expense of \$3,025. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 10,397	\$ 140,008
Change of assumptions	19,429	-
Net difference between projected and actual earnings on pension plan investments	87,805	-
Total	\$ 117,631	\$ 140,008

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

Year ended June 30:	Deferred Outflows (Inflows) of Resources
2021	\$ (31,854)
2022	(14,689)
2023	1,946
2024	22,220
	\$ (22,377)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 11: Employees Retirement PlanPARS Alternate Retirement System (ARS) Plan

The City currently offers an alternative plan for employees classified as part-time, seasonal or temporary (PST). The plan is administered by the Public Agency Retirement Services (PARS) and is a qualified deferred compensation plan created in accordance with Internal Revenue Code Section 457(b). All amounts of compensation deferred under the plan, all property, or rights are solely the property and rights of the employee and beneficiaries of the plan. Deferred compensation funds are not subject to claims of the City's general creditor; consequently, the assets and related liabilities of the plan are not included within the City's financial statements. The City contributes 3.75% percent of the employee's compensation. In addition, each participant is required to contribute 3.75% of their salary. During the current fiscal year, the City contributed \$44,899 to the plan.

Note 12: Post-Employment Benefit PlanPlan Description

The City administers an agent-multiple employer defined benefit plan which provides medical benefits to eligible retirees and their spouses in accordance with various labor agreements.

Employees Covered

Employees are eligible for retiree health benefits if they retire from the City on or after age 50 with at least 5 years of service and are eligible for a PERS pension. After age 65, Medicare automatically becomes the primary provider of health coverage. The City's defined benefit plan becomes the secondary provider. Eligible retirees will have no noticeable change in health benefits or plan administration; however, there is a reduction in the City's cost of health coverage as the secondary provider. The City's defined benefit plan administrator establishes the cost of secondary provider rates annually. The City will pay 100% for eligible retirees' health coverage. Membership of the plan consisted of the following at June 30, 2019, the date of the latest actuarial valuation:

Active	61
Inactive employees or beneficiaries currently receiving benefits	34
Total	<u>95</u>

Contributions

The contribution requirements of plan members and the City are established and may be amended by City Council. On May 26, 2009, the City Council passed a resolution to participate in the PARS Public Agencies Post-Retirement Health Care Plan Trust, an irrevocable trust established to fund post-employment benefits for its employees. The purpose of the trust is to accumulate, hold, and distribute medical benefit plan assets for the exclusive benefit of retirees and beneficiaries within the IRS Code Section 115 and in conformance with the accounting standard. The trust is administered by Public Agency Retirement Services (PARS). PARS issues a separate Comprehensive Annual Financial Report. Copies of the PARS annual financial report may be obtained from PARS, 4350 Von Karman Avenue, Suite 100, Newport Beach, California 92660.

For the measurement date ended June 30, 2019, the City recognized a total of \$97,132 in contributions, including an implied subsidy of \$31,026, as a reduction to the net OPEB liability.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 12: Post-Employment Benefit Plan (Continued)Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2019 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2019 was used to determine the total OPEB liability, based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2019
Actuarial Cost Method	Entry Age Normal, Level Percentage of Payroll
Amortization Method	Level percent of pay
Amortization Period	21-year fixed period for 2019/20
Asset Valuation Method	Investment gains and losses spread over 5-year rolling period
Discount Rate	6.00%
General Inflation	2.75%
Medical Trend	Non-Medicare - 7.5% for 2021, decreasing to an ultimate rate of 4.0% in 2076 Medicare - 6.5% for 2021, decreasing to an ultimate rate of 4.0% in 2076
Mortality	CalPERS 1997-2015 experience study
Mortality Improvement	Mortality Improvement Scale 2017 for post-retirement mortality
Salary Increases	Aggregate - 3% annually Merit - CalPERS 1997-2015 experience study.
PEMHCA Minimum Increases	4.25% annually
Cap Increases	No future increases
Healthcare Participation for Future Retirees	Actives & Surviving Spouses Hired <7/1/07: Covered: <12 yrs of service - 70% 12-19 yrs of service - 80% >= 20 yrs of service - 100% Waived: <12 yrs of service - 50% 12-19 yrs of service - 65% >= 20 yrs of service - 80% Actives & Surviving Spouses Hired >= 7/1/07: Covered - 70%, Waived - 50% Retirees & Surviving Spouses: Covered - 100% Waived < 65 - 20% at 65, Waived >= 65 - 0% Mortality improvement scale was updated to Scale MP-2019
Change of assumptions	Participation at retirement for hires after 7/1/07
Changes of benefit terms	None

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020
Note 12: Post-Employment Benefit Plan (Continued)Expected Long-Term Rate of Return

<u>Asset Class Component</u>	<u>Target Allocation PARS-Moderate</u>	<u>Expected Real Rate of Return</u>
Global Equity	48.25%	4.82%
Fixed Income	45.00%	1.47%
REITs	1.75%	3.76%
Cash	5.00%	0.06%
(1) Assumed Long-Term Rate of Inflation		2.75%
(2) Expected Long-Term Net Rate of Return, rounded to the nearest quarter percent		6.00%

The long-term expected real rates of return are presented as geometric means.

Discount Rate

The discount rate used to measure the total OPEB liability was 6.00 percent. 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. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Changes in the OPEB Liability

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

	<u>Total OPEB Liability (a)</u>	<u>Plan Fiduciary Net Position (b)</u>	<u>Net OPEB Liability (c) = (a) - (b)</u>
Balance at June 30, 2019 (measurement date 6/30/2018)	<u>\$ 4,405,321</u>	<u>\$ 3,676,239</u>	<u>\$ 729,082</u>
Changes recognized for the measurement period:			
Service cost	155,962	-	155,962
Interest	268,709	-	268,709
Actual vs. expected experience	(479,267)	-	(479,267)
Assumption changes	(42,977)	-	(42,977)
Contributions - employer	-	97,132	(97,132)
Net investment income	-	242,596	(242,596)
Benefit payments	(165,606)	(165,606)	-
Administrative expenses	-	(9,719)	9,719
Net changes	<u>(263,179)</u>	<u>164,403</u>	<u>(427,582)</u>
Balance at June 30, 2020 (measurement date 6/30/2019)	<u>\$ 4,142,142</u>	<u>\$ 3,840,642</u>	<u>\$ 301,500</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020
Note 12: Post-Employment Benefit Plan (Continued)Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the City if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2019:

	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
Net OPEB Liability	\$ 830,910	\$ 301,500	\$ (139,743)

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

The following presents the net OPEB liability of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2019:

	1% Decrease	Current Healthcare Cost Trent Rates	1% Increase
Net OPEB Liability	\$ 26,602	\$ 301,500	\$ 607,120

OPEB Plan Fiduciary Net Position

PARS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained from the Public Agency Retirement Services, 4350 Von Karman Ave, Newport Beach, California 92660.

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

For the fiscal year ended June 30, 2020, the City recognized OPEB expense of \$116,743. As of fiscal year ended June 30, 2020, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 45,227	\$ -
Differences between expected and actual experience	-	421,524
Changes of assumptions	-	37,799
Net difference between projected and actual earnings on OPEB investments	-	80,948
Total	<u>\$ 45,227</u>	<u>\$ 540,271</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 12: Post-Employment Benefit Plan (Continued)

The \$45,227 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2020. The amounts reported as deferred inflows of resources related to OPEB will be recognized as expense as follows:

Year Ended June 30	Deferred Outflow / (Inflows) of Resources
2021	\$ (97,874)
2022	(97,872)
2023	(69,402)
2024	(67,484)
2025	(62,921)
Thereafter	(144,718)
	<u>\$ (540,271)</u>

Note 13: Commitments and Contingencies

The City is a member of the Los Angeles County Liability Trust Fund (the Trust Fund), which was set up to pay for litigation involving the Los Angeles County Sheriffs' Department within any of the 40 cities that are served by the Los Angeles County Sheriffs' Department. The Trust Fund was and is being funded by the 40 cities based upon each city's allocated surcharge, calculated as a percentage of each city's contribution to the total contracted amount with the County paid to Los Angeles County for the use of its deputies. Based upon the agreement signed by all of the 40 cities at the time the Trust Fund originated, the cities will be jointly liable for any and all claims filed against the Los Angeles County Sheriffs' Department, regardless of the location within the 40 cities.

The City is a defendant in certain legal actions arising in the normal course of operations. In the opinion of management, any liability resulting from such actions will not have a material adverse effect on the City's financial position.

Note 14: Subsequent Events

In December 2019, an outbreak of a novel strain of coronavirus (COVID-19) originated in China, and has since spread to a number of other countries, including the U.S. On March 11, 2020, the World Health Organization characterized COVID-19 as a pandemic. In addition, several states in the U.S., including California, have declared a state of emergency.

Potential impacts to our future tax revenues include disruptions or restrictions on our current employees' ability to work. Any of the foregoing could negatively impact our revenues and we currently can't anticipate all of the ways in which this health epidemics, COVID-19 could adversely impact our government agency. Although we are continuing to monitor and assess the effects of the COVID-19 pandemic on our government agency, the ultimate impact of the COVID-19 outbreak or a similar health epidemic is highly uncertain and subject to change.

On March 27, 2020, in response to the economic fallout of the Coronavirus pandemic in the United States, Congress passed the Coronavirus Aid, Relief, and Economic Security Act, also known as the CARES Act, which provided \$2.2 trillion in economic stimulus funding through a variety of channels. The State of California received a \$500 million allocation to provide cities which did not receive a direct federal allocation through the CARES Act. The City entered into an agreement with the State of California in July 2020 to receive their allocation of the CARES Act funding. The total amount of CARES Act funding to be received by the City is \$111,871. This funding was for the reimbursement of costs incurred by the City since the start of the pandemic.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 15: Successor Agency

On December 29, 2011, the California Supreme Court upheld AB 1x 26 that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City that previously had reported the former Agency within the reporting entity of the City as a blended component unit. In June 2012, the Legislature adopted AR 1484, which amended portions of AB 1x 26 and added certain new provisions. AB 1x 26 and AB 1484 are collectively referred to herein as the "Bill."

The Bill provides that upon dissolution of a redevelopment agency, either city or another unit 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. The successor agency is defined as being a separate legal entity from the City. On January 10, 2012, the City Council elected to become the Successor Agency for the former Redevelopment Agency in accordance with the Bill as part of City resolution number 28029. The assets and activities of the Successor Agency for the former Agency are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City.

Subject to the approval of the oversight board and the State of California Department of Finance (DOF), remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

Successor agencies are allocated property tax revenue in the amount that is necessary to pay the estimated installment payments on enforceable obligations of the former redevelopment agencies until all enforceable obligations of the prior redevelopment agencies have been paid in full and all assets have been liquidated.

a. Cash and Investments

Cash and investments of the Successor Agency consist of demand deposit held with financial institutions and restricted cash held with fiscal agents for the purpose of debt service payments and bond covenants. The cash and investments reported in the accompanying financial statements consisted of the following:

Cash and Investments	\$ 5,236,373
Restricted:	
Cash with Fiscal Agents	1,134,248
Total Cash and Investments	<u>\$ 6,370,621</u>

CITY OF ROSEMEAD, CALIFORNIA

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 15: Successor Agency (Continued)

b. Long-Term Debt

The debt of the Successor Agency as of June 30, 2020 is as follows:

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020	Due Within One Year
Bonds Payable:					
Tax Allocation Bonds Series 2010A	\$ 5,245,000	\$ -	\$ 960,000	\$ 4,285,000	\$ 1,000,000
Tax Allocation Bonds Series 2016	22,050,000	-	1,245,000	20,805,000	1,295,000
Subtotal Bonds	<u>27,295,000</u>	<u>-</u>	<u>2,205,000</u>	<u>25,090,000</u>	<u>2,295,000</u>
Deferred amounts:					
Unamortized bond premium	1,495,120	-	106,795	1,388,325	106,795
Discount on Issuance	(62,816)	-	(14,781)	(48,035)	(14,781)
Total Bonds	<u>1,432,304</u>	<u>-</u>	<u>92,014</u>	<u>1,340,290</u>	<u>92,014</u>
Total Long-term Debt	<u>\$ 28,727,304</u>	<u>\$ -</u>	<u>\$ 2,297,014</u>	<u>\$ 26,430,290</u>	<u>\$ 2,387,014</u>

Future debt service requirements are as follows:

Year Ending June 30	Principal	Interest
2021	\$ 2,295,000	\$ 1,126,375
2022	2,405,000	1,010,125
2023	2,530,000	886,750
2024	2,320,000	765,500
2025	1,245,000	676,375
2026-2030	7,210,000	2,382,300
2031-2035	7,085,000	589,975
Total	<u>\$ 25,090,000</u>	<u>\$ 7,437,400</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2020

Note 15: Successor Agency (Continued)

Tax Allocation Bonds, Series 2010A

In July 2010, the Commission issued \$11,230,000 in Merged Project Area Tax Allocation Bonds. The bonds mature in amounts ranging from \$200,000 to \$1,135,000 with interest rates ranging from 3.00% to 5.00% through December 1, 2023. The bonds were issued to provide funds to finance the costs of certain redevelopment projects within the Merged Project Area including infrastructure improvements and the acquisition of land. Principal is payable annually on December 1, beginning on December 1, 2011. Interest is payable semi-annually on June 1 and December 1. Per the bond indenture, a reserve is required to be maintained. In the event of default, all money in the funds and accounts provided for in the bond indenture and all tax revenues thereafter received by the Successor Agency are to be transmitted to the trustee and applied in the following order: first to pay the costs and expenses of the trustee for legal counsel, and second, to pay the unpaid principal and interest accrued on the bonds. At June 30, 2020, the balance held in the reserve account was \$1,123,000. As of June 30, 2020, the outstanding balance was \$4,285,000.

2016 Subordinate Tax Allocation Refunding Bonds

In October 2016, the Successor Agency to the Rosemead Redevelopment Agency (Successor Agency) issued the 2016 Subordinate Tax Allocation Refunding Bonds in the amount of \$24,230,000 for the purpose of refunding, on a current basis, all of the outstanding Rosemead Community Development Commission Redevelopment Project Area No. 1 Tax Allocation Bonds, Series 2006A, initially issued in the principal amount of \$14,005,000, and the Rosemead Community Development Commission Redevelopment Project Area No. 1 Tax Allocation Refunding Bonds, Series 2006B, initially issued in the principal amount of \$24,230,000. Interest is payable semi-annually on April 1 and October 1. The bonds are subject to acceleration upon an event of default. If an event of default has occurred, the principal of the bonds, together with the interest thereon, are due and payable immediately. As of June 30, 2020, the outstanding balance was \$20,805,000.

c. Pledged Revenue

The City pledged, as security for the bonds issued, a portion of tax increment revenue (including Low and Moderate Income Housing set-aside and pass through allocations) that it received. The bonds were issued to providing financing for various capital projects, accomplish Low and Moderate Income Housing projects, and to defease previously issued bonds. Assembly Bill 1X 26 provided that upon dissolution of the redevelopment activities of the redevelopment agency, property taxes allocated to redevelopment activities are not longer deemed tax increment, but rather property tax revenues and will be allocated first to successor agencies to make payments on the indebtedness incurred by the dissolved redevelopment agency. Total principal and interest remaining on the debt as of June 30, 2020 is \$32,527,400 with annual debt service requirements as indicated above. For the current year, the total property tax revenue recognized by the successor agency for the payment of indebtedness incurred by the dissolved redevelopment agency was \$3,634,143 and the debt service obligation on the bonds was \$3,480,500.

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REQUIRED SUPPLEMENTARY INFORMATION

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2020

Note 1: Budgetary Information

Annual budgets are legally adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. All annual appropriations lapse at fiscal year-end.

On or before the last day in March of each year, all business units and component units of the government submit requests for appropriations to the City Manager so that a budget may be prepared. Before the first Thursday of June, the proposed budget is presented to the City Council for review. The Council holds public hearings and a final budget must be prepared and adopted no later than June 30.

The appropriated budget is prepared by fund and department. The City's Department Heads, with approval of the Finance Director and City Manager, may make transfers of appropriations within a department and between departments within a fund. Transfers of appropriations between funds must be approved by the City Council. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level. The Council made several supplemental budgetary appropriations throughout the year. The supplemental budgetary appropriations made in the various governmental funds are detailed in the required supplementary information. Budgets were legally adopted for all governmental funds with the exception of the City Grants Special Revenue Fund.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, and contracts) outstanding at year end do not constitute expenditures or liabilities because the commitments will be appropriated and honored during the subsequent year.

CITY OF ROSEMEAD, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 23,294,954	\$ 23,294,954	\$ 23,294,954	\$ -
Resources (Inflows):				
Taxes	18,910,000	18,910,000	18,503,951	(406,049)
Licenses and permits	2,567,000	2,567,000	2,115,419	(451,581)
Intergovernmental	1,111,000	1,139,421	165,754	(973,667)
Charges for services	1,080,000	1,240,000	695,486	(544,514)
Use of money and property	299,400	299,400	657,382	357,982
Fines and forfeitures	703,000	703,000	612,080	(90,920)
Contributions	2,000	2,000	2,733	733
Miscellaneous	190,500	190,500	202,683	12,183
Amounts Available for Appropriations	48,157,854	48,346,275	46,250,442	(2,095,833)
Charges to Appropriation (Outflows):				
General government	3,974,000	3,975,386	3,531,048	444,338
Public safety	9,815,300	9,930,300	9,539,004	391,296
Community development	2,379,600	2,511,383	2,054,123	457,260
Parks and recreation	2,848,900	2,929,480	2,609,393	320,087
Public works	4,394,000	4,517,309	4,227,984	289,325
Capital outlay	479,900	494,900	80,409	414,491
Total Charges to Appropriations	23,891,700	24,358,758	22,041,961	2,316,797
Budgetary Fund Balance, June 30	\$ 24,266,154	\$ 23,987,517	\$ 24,208,481	\$ 220,964

CITY OF ROSEMEAD, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
FOR THE YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Deficit, July 1	\$ (23,792)	\$ (23,792)	\$ (23,792)	\$ -
Resources (Inflows):				
Intergovernmental	1,005,700	1,005,700	561,239	(444,461)
Charges for services	-	-	8,392	8,392
Amounts Available for Appropriations	981,908	981,908	545,839	(436,069)
Charges to Appropriation (Outflows):				
General government	21,800	40,386	44,548	(4,162)
Community development	584,100	518,377	269,777	248,600
Parks and recreation	24,400	44,900	20,284	24,616
Public works	59,400	59,400	25,636	33,764
Capital outlay	316,000	316,000	392,405	(76,405)
Total Charges to Appropriations	1,005,700	979,063	752,650	226,413
Budgetary Fund Deficit, June 30	\$ (23,792)	\$ 2,845	\$ (206,811)	\$ (209,656)

CITY OF ROSEMEAD, CALIFORNIA

COST-SHARING MULTIPLE EMPLOYER MISCELLANEOUS PLANS
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS ⁽¹⁾

	2020	2019	2018	2017	2016
Measurement Date	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Proportion of the Net Pension Liability	0.08643%	0.09186%	0.09661%	0.09959%	0.11128%
Proportionate Share of the Net Pension Liability	\$ 8,856,781	\$ 8,688,626	\$ 9,309,566	\$ 8,617,416	\$ 7,638,064
Covered Payroll	\$ 3,903,914	\$ 3,761,962	\$ 3,690,780	\$ 3,388,767	\$ 3,543,958
Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	227%	231%	252%	254%	216%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.3%	75.3%	73.3%	74.1%	78.4%

Notes to Schedule of Proportionate Share of the Net Pension Liability

Benefit Changes: None.

Changes of Assumptions: In 2018, demographic assumptions and inflate rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no chnages in the discount rate.

⁽¹⁾ Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only five years are shown.

CITY OF ROSEMEAD, CALIFORNIA

**COST-SHARING MULTIPLE EMPLOYER MISCELLANEOUS PLANS
 SCHEDULE OF PLAN CONTRIBUTIONS
 AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS ⁽¹⁾**

	2020	2019	2018	2017	2016
Actuarially Determined Contribution	\$ 1,446,875	\$ 1,389,145	\$ 1,487,464	\$ 1,113,875	\$ 1,276,087
Contribution in Relation to the Actuarially Determined Contribution	(1,446,875)	(1,389,145)	(1,487,464)	(1,113,875)	(1,276,087)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 3,832,817	\$ 3,903,914	\$ 3,761,962	\$ 3,690,780	\$ 3,388,767
Contributions as a Percentage of Covered Payroll	37.7%	35.6%	39.5%	30.2%	18.1%

Notes to Schedule of Plan Contributions:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2019-20 were derived from the June 30, 2017 funding valuation report.

Actuarial Cost Method:	Entry Age Normal
Amortization Method/Period:	For details, see June 30, 2016 Funding Valuation Report.
Asset Valuation Method:	Market Value of Assets. For details, see June 30, 2016 Funding Valuation Report.
Inflation:	2.63%
Salary Increases:	Varies by Entry Age and Service
Payroll Growth:	2.88%
Investment Rate of Return:	7.50% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement Age:	The probabilities of Retirement are based on the 2014 CalPERS Experience Study for the period of 1997 to 2011.
Mortality:	The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011. Pre-retirement and Post-retirement mortality rates include 20 years of projected mortality improvement using Scale BB published by the Society of Actuaries.

⁽¹⁾ Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2015 was the first year of implementation, therefore only five years are shown.

CITY OF ROSEMEAD, CALIFORNIA

PARS RETIREMENT ENHANCEMENT PLAN
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS ⁽¹⁾

	2020	2019	2018	2017	2016
Total Pension Liability					
Service Cost	\$ 25,883	\$ 25,190	\$ 37,502	\$ 36,410	\$ 45,435
Interest	172,888	170,716	171,215	192,440	191,270
Effect of Liability Gains or Losses	-	17,567	-	(355,400)	-
Effect of Assumption Changes or Inputs	-	32,827	-	-	-
Benefit Payments, Including Refunds of employee Contributions	(220,611)	(206,738)	(201,490)	(200,693)	(218,411)
Net Change in Total Pension Liability	(21,840)	39,562	7,227	(327,243)	18,294
Total Pension Liability - Beginning	2,742,513	2,702,951	2,695,724	3,022,967	3,004,673
Total Pension Liability - Ending (a)	\$ 2,720,673	\$ 2,742,513	\$ 2,702,951	\$ 2,695,724	\$ 3,022,967
Plan Fiduciary Net Position					
Contribution - Employer	\$ 112,649	\$ 131,770	\$ 140,376	\$ 164,389	\$ 265,241
Net Investment Income	96,972	187,985	175,605	266,884	(2,345)
Benefit Payments, Including Refunds of Employee Contributions	(220,611)	(206,738)	(201,490)	(200,693)	(218,411)
Other Changes in Fiduciary Net Position	(1,441)	(1,440)	(1,461)	(6,848)	(2,624)
Net Change in Fiduciary Net Position	(12,431)	111,577	113,030	223,732	41,861
Plan Fiduciary Net Position - Beginning	3,255,068	3,143,491	3,030,461	2,806,729	2,764,868
Plan Fiduciary Net Position - Ending (b)	\$ 3,242,637	\$ 3,255,068	\$ 3,143,491	\$ 3,030,461	\$ 2,806,729
Plan Net Pension Liability/(Assets) - Ending (a) - (b)	\$ (521,964)	\$ (512,555)	\$ (440,540)	\$ (334,737)	\$ 216,238
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	119.2%	118.7%	116.3%	112.4%	92.8%
Covered Payroll	\$ 2,300,379	\$ 2,238,812	\$ 2,178,892	\$ 2,414,510	\$ 2,344,184
Plan Net Pension Liability/(Asset) as a Percentage of Covered Payroll	-22.7%	-22.9%	-20.2%	-13.9%	9.2%

Notes to Schedule of Changes in the Net Pension Liability (Asset) and Related Ratios:

Changes of Assumptions: There were no changes in assumptions

⁽¹⁾ Historical information is required only for measurement for which GASB 68 is applicable. Fiscal year 2015 was the first year of implementation, therefore only five years are shown.

CITY OF ROSEMEAD, CALIFORNIA

PARS RETIREMENT ENHANCEMENT PLAN
SCHEDULE OF PLAN CONTRIBUTIONS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS ⁽¹⁾

	2020	2019	2018	2017	2016
Actuarially Determined Contribution	\$ 25,970	\$ 73,864	\$ 81,888	\$ 88,845	\$ 116,244
Contribution in Relation to the Actuarially Determined Contribution	(112,649)	(131,770)	(140,376)	(164,389)	(265,241)
Contribution Deficiency (Excess)	<u>\$ (86,679)</u>	<u>\$ (57,906)</u>	<u>\$ (58,488)</u>	<u>\$ (75,544)</u>	<u>\$ (148,997)</u>
Covered Payroll	\$ 2,300,379	\$ 2,238,812	\$ 2,178,892	\$ 2,414,510	\$ 2,344,184
Contributions as a Percentage of Covered Payroll	4.9%	5.9%	6.4%	6.8%	11.3%

Note to Schedule of Plan Contributions:

Valuation Date: June 30, 2018

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level dollar, closed
Remaining amortization period	4 years
Inflation	2.50%
Salary Increases	3.4% to 12.20%, depending on years of service
Investment rate of return	6.50%
Payroll Growth	2.75%
Cost of Living Adjustments	2.00%
Mortality	Consistent with the Non-Industrial rates used to value Miscellaneous Agency CalPERS Pension Plans.

⁽¹⁾ Historical information is required only for measurement for which GASB 68 is applicable. Fiscal year 2015 was the first year of implementation, therefore only five years are shown.

CITY OF ROSEMEAD, CALIFORNIA

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS ⁽¹⁾

	2020	2019	2018
Total OPEB Liability			
Service cost	\$ 155,962	\$ 151,419	\$ 147,009
Interest on the total OPEB liability	268,709	253,402	237,920
Actual and expected experience difference	(479,267)	-	-
Changes in assumptions	(42,977)	-	-
Benefit payments	(165,606)	(142,897)	(119,682)
Net change in total OPEB liability	(263,179)	261,924	265,247
Total OPEB liability - beginning	4,405,321	4,143,397	3,878,150
Total OPEB liability - ending (a)	4,142,142	4,405,321	4,143,397
Plan Fiduciary Net Position			
Contribution - employer	97,132	22,063	158,082
Net investment income	242,596	223,704	336,797
Benefit payments	(165,606)	(142,897)	(119,682)
Administrative expense	(9,719)	(9,889)	(8,925)
Net change in plan fiduciary net position	164,403	92,981	366,272
Plan fiduciary net position - beginning	3,676,239	3,583,258	3,216,986
Plan fiduciary net position - ending (b)	3,840,642	3,676,239	3,583,258
Net OPEB Liability - ending (a) - (b)	\$ 301,500	\$ 729,082	\$ 560,139
Plan fiduciary net position as a percentage of the total OPEB liability	92.7%	83.4%	86.5%
Covered-employee payroll	\$ 3,903,914	\$ 3,761,962	\$ 3,690,780
Net OPEB liability as a percentage of covered-employee payroll	7.7%	19.4%	15.2%

Notes to Schedule:

⁽¹⁾ Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

CITY OF ROSEMEAD, CALIFORNIA

OTHER POST-EMPLOYMENT BENEFIT PLAN
SCHEDULE OF PLAN CONTRIBUTIONS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS ⁽¹⁾

	2020	2019	2018
Actuarially Determined Contribution	\$ 202,000	\$ 197,000	\$ 192,000
Contribution in Relation to the Actuarially Determined Contributions ⁽²⁾	(45,227)	(97,132)	(22,063)
Contribution Deficiency (Excess)	<u>\$ 156,773</u>	<u>\$ 99,868</u>	<u>\$ 169,937</u>
Covered-employee payroll	\$ 3,832,817	\$ 3,903,914	\$ 3,761,962
Contributions as a percentage of covered-employee payroll	1.2%	2.5%	0.6%

Notes to Schedule:

Actuarial methods and assumptions used to set the actuarially determined contribution for Fiscal Year 2018 were from the December 31, 2016 actuarial valuation.

Valuation Date:	December 31, 2016
Actuarial Cost Method:	Entry Age Normal, Level Percentage of Payroll
Amortization Method:	Level percent of pay
Amortization Period:	19-year fixed period for 2019/20
Asset Valuation Method:	Investment gains and losses spread over 5-year rolling period
Discount Rate:	6.00%
General Inflation:	2.75%
Medical Trend:	Non-Medicare - 7.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076 Medicare - 6.5% for 2019, decreasing to an ultimate rate of 4.0% in 2076
Mortality:	CalPERS 1997-2015 experience study
Mortality Improvement:	Mortality Improvement Scale 2017 for post-retirement mortality
All Other Assumptions:	Same as those used to determine the total OPEB liability

⁽¹⁾ Historical information is required only for the measurement periods for which GASB 75 is applicable. Fiscal Year 2018 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

⁽²⁾ Contributions include implied subsidies.

CITY OF ROSEMEAD, CALIFORNIA

COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2020

	Special Revenue Funds			
	State Gas Tax	Proposition A	Proposition C	Measure R
Assets:				
Cash and investments	\$ 1,431,482	\$ 698,723	\$ 1,453,959	\$ 2,119,691
Receivables:				
Accounts receivable	114,774	66,087	-	-
Total Assets	\$ 1,546,256	\$ 764,810	\$ 1,453,959	\$ 2,119,691
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits):				
Liabilities:				
Accounts payable	\$ 63,609	\$ 9,374	\$ 93,679	\$ 3,299
Accrued liabilities	5,530	12,871	7,267	2,864
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Retentions payable	-	-	-	2,355
Total Liabilities	69,139	22,245	100,946	8,518
Deferred Inflows of Resources:				
Unavailable revenues	106,774	-	-	-
Total Deferred Inflows of Resources	106,774	-	-	-
Fund Balances (Deficits):				
Restricted:				
Community services	-	-	-	-
Public works	1,370,343	742,565	1,353,013	2,111,173
Unassigned	-	-	-	-
Total Fund Balances (Deficits)	1,370,343	742,565	1,353,013	2,111,173
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 1,546,256	\$ 764,810	\$ 1,453,959	\$ 2,119,691

CITY OF ROSEMEAD, CALIFORNIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020

(CONTINUED)

	Special Revenue Funds			
	Measure M	Air Quality Management District	Street Lighting	Development Impact Fee Traffic
Assets:				
Cash and investments	\$ 2,159,914	\$ 394,812	\$ 2,407,505	\$ 41,291
Receivables:				
Accounts receivable	-	17,244	24,557	-
Total Assets	\$ 2,159,914	\$ 412,056	\$ 2,432,062	\$ 41,291
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits):				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ 50,685	\$ -
Accrued liabilities	922	-	3,465	-
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Retentions payable	330	-	-	-
Total Liabilities	1,252	-	54,150	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances (Deficits):				
Restricted:				
Community services	-	-	-	41,291
Public works	2,158,662	412,056	2,377,912	-
Unassigned	-	-	-	-
Total Fund Balances (Deficits)	2,158,662	412,056	2,377,912	41,291
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 2,159,914	\$ 412,056	\$ 2,432,062	\$ 41,291

CITY OF ROSEMEAD, CALIFORNIA

**COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020**

	Special Revenue Funds			
	Development Impact Fee Public Safety	Development Impact Fee General Government	Development Impact Fee Parks	HOME Program
Assets:				
Cash and investments	\$ 7,357	\$ 52,200	\$ 218,836	\$ 94,729
Receivables:				
Accounts receivable	-	-	-	128,413
Total Assets	\$ 7,357	\$ 52,200	\$ 218,836	\$ 223,142
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits):				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	1,551
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Retentions payable	-	-	-	-
Total Liabilities	-	-	-	1,551
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	87,224
Total Deferred Inflows of Resources	-	-	-	87,224
Fund Balances (Deficits):				
Restricted:				
Community services	7,357	-	218,836	134,367
Public works	-	52,200	-	-
Unassigned	-	-	-	-
Total Fund Balances (Deficits)	7,357	52,200	218,836	134,367
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 7,357	\$ 52,200	\$ 218,836	\$ 223,142

CITY OF ROSEMEAD, CALIFORNIA

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2020

	Special Revenue Funds			
	Rosemead Housing Development Corporation	Road Maintenance and Rehabilitation Account SB1	City Grants Fund	Total Governmental Funds
Assets:				
Cash and investments	\$ 422,254	\$ 2,201,283	\$ -	\$ 13,704,036
Receivables:				
Accounts receivable	171	145,723	-	496,969
Total Assets	\$ 422,425	\$ 2,347,006	\$ -	\$ 14,201,005
Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits):				
Liabilities:				
Accounts payable	\$ 25,123	\$ -	\$ 20,294	\$ 266,063
Accrued liabilities	-	570	-	35,040
Deposits payable	42,431	-	-	42,431
Due to other funds	-	-	42,455	42,455
Retentions payable	-	-	-	2,685
Total Liabilities	67,554	570	62,749	388,674
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	193,998
Total Deferred Inflows of Resources	-	-	-	193,998
Fund Balances (Deficits):				
Restricted:				
Community services	-	-	-	401,851
Public works	-	2,346,436	-	12,924,360
Unassigned	-	-	(62,749)	(62,749)
Total Fund Balances (Deficits)	354,871	2,346,436	(62,749)	13,618,333
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	\$ 422,425	\$ 2,347,006	\$ -	\$ 14,201,005

CITY OF ROSEMEAD, CALIFORNIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

Special Revenue Funds				
	State Gas Tax	Proposition A	Proposition C	Measure R
Revenues:				
Intergovernmental	\$ 1,205,431	\$ 1,133,021	\$ 885,024	\$ 662,819
Charges for services	-	12,111	25,518	-
Use of money and property	27,259	16,499	28,238	39,461
Developer participation	-	-	-	-
Miscellaneous	61,941	-	-	-
Total Revenues	1,294,631	1,161,631	938,780	702,280
Expenditures:				
Current:				
General government	2,625	133,614	17,946	10,353
Public safety	4,453	-	34,410	-
Community development	-	-	-	-
Parks and recreation	-	26,109	-	-
Public works	664,794	947,104	466,224	87,421
Capital outlay	236,826	-	-	127,817
Total Expenditures	908,698	1,106,827	518,580	225,591
Net Change in Fund Balances	385,933	54,804	420,200	476,689
Fund Balance (Deficit) at the Beginning of the Year	984,410	687,761	932,813	1,634,484
Fund Balance (Deficit) at the End of the Year	\$ 1,370,343	\$ 742,565	\$ 1,353,013	\$ 2,111,173

CITY OF ROSEMEAD, CALIFORNIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

(CONTINUED)

Special Revenue Funds				
	Measure M	Air Quality Management District	Street Lighting	Development Impact Fee Traffic
Revenues:				
Intergovernmental	\$ 745,836	\$ 69,738	\$ 1,145,113	\$ -
Charges for services	-	-	-	-
Use of money and property	37,441	7,354	41,901	757
Developer participation	-	-	-	19,312
Miscellaneous	-	-	-	-
Total Revenues	783,277	77,092	1,187,014	20,069
Expenditures:				
Current:				
General government	-	-	3,010	-
Public safety	-	-	-	-
Community development	-	-	-	-
Parks and recreation	-	-	-	-
Public works	1,643	-	607,147	-
Capital outlay	6,598	-	44,504	-
Total Expenditures	8,241	-	654,661	-
Net Change in Fund Balances	775,036	77,092	532,353	20,069
Fund Balance (Deficit) at the Beginning of the Year	1,383,626	334,964	1,845,559	21,222
Fund Balance (Deficit) at the End of the Year	\$ 2,158,662	\$ 412,056	\$ 2,377,912	\$ 41,291

CITY OF ROSEMEAD, CALIFORNIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Special Revenue Funds			
	Development Impact Fee Public Safety	Development Impact Fee General Government	Development Impact Fee Parks	HOME Program
Revenues:				
Intergovernmental	\$ -	\$ -	\$ -	\$ 197,569
Charges for services	-	-	-	-
Use of money and property	135	958	4,010	7,272
Developer participation	3,484	24,308	103,624	-
Miscellaneous	-	-	-	-
Total Revenues	3,619	25,266	107,634	204,841
Expenditures:				
Current:				
General government	-	-	-	14,826
Public safety	-	-	-	-
Community development	-	-	-	121,718
Parks and recreation	-	-	-	-
Public works	-	-	-	-
Capital outlay	-	-	-	-
Total Expenditures	-	-	-	136,544
Net Change in Fund Balances	3,619	25,266	107,634	68,297
Fund Balance (Deficit) at the Beginning of the Year	3,738	26,934	111,202	66,070
Fund Balance (Deficit) at the End of the Year	\$ 7,357	\$ 52,200	\$ 218,836	\$ 134,367

CITY OF ROSEMEAD, CALIFORNIA

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Special Revenue Funds			
	Rosemead Housing Development Corporation	Road Maintenance and Rehabilitation Account SB1	City Grants Fund	Total Governmental Funds
Revenues:				
Intergovernmental	\$ 453,238	\$ 954,273	\$ -	\$ 7,452,062
Charges for services	463,131	-	-	500,760
Use of money and property	76	36,296	-	247,657
Developer participation	-	-	-	150,728
Miscellaneous	4,158	-	-	66,099
Total Revenues	920,603	990,569	-	8,417,306
Expenditures:				
Current:				
General government	-	-	10,592	192,966
Public safety	-	-	-	38,863
Community development	906,714	-	-	1,028,432
Parks and recreation	-	-	48,071	74,180
Public works	-	570	4,086	2,778,989
Capital outlay	-	-	-	415,745
Total Expenditures	906,714	570	62,749	4,529,175
Net Change in Fund Balances	13,889	989,999	(62,749)	3,888,131
Fund Balance (Deficit) at the Beginning of the Year	340,982	1,356,437	-	9,730,202
Fund Balance (Deficit) at the End of the Year	\$ 354,871	\$ 2,346,436	\$ (62,749)	\$ 13,618,333

CITY OF ROSEMEAD, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
STATE GAS TAX
FOR THE YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 984,410	\$ 984,410	\$ 984,410	\$ -
Resources (Inflows):				
Intergovernmental	1,910,700	1,910,700	1,205,431	(705,269)
Use of money and property	-	-	27,259	27,259
Miscellaneous	62,300	62,300	61,941	(359)
Amounts Available for Appropriations	2,957,410	2,957,410	2,279,041	(678,369)
Charges to Appropriation (Outflows):				
General government	2,500	2,500	2,625	(125)
Public safety	18,000	18,000	4,453	13,547
Public works	692,000	705,229	664,794	40,435
Capital outlay	800,000	800,000	236,826	563,174
Total Charges to Appropriations	1,512,500	1,525,729	908,698	617,031
Budgetary Fund Balance, June 30	\$ 1,444,910	\$ 1,431,681	\$ 1,370,343	\$ (61,338)

CITY OF ROSEMEAD, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
 PROPOSITION A
 FOR THE YEAR ENDED JUNE 30, 2020**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 687,761	\$ 687,761	\$ 687,761	\$ -
Resources (Inflows):				
Intergovernmental	1,216,700	1,216,700	1,133,021	(83,679)
Charges for services	20,000	20,000	12,111	(7,889)
Use of money and property	-	-	16,499	16,499
Amounts Available for Appropriations	1,924,461	1,924,461	1,849,392	(75,069)
Charges to Appropriation (Outflows):				
General government	142,300	142,300	133,614	8,686
Parks and recreation	30,000	30,000	26,109	3,891
Public works	928,700	1,163,491	947,104	216,387
Total Charges to Appropriations	1,101,000	1,335,791	1,106,827	228,964
Budgetary Fund Balance, June 30	\$ 823,461	\$ 588,670	\$ 742,565	\$ 153,895

CITY OF ROSEMEAD, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
PROPOSITION C
FOR THE YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 932,813	\$ 932,813	\$ 932,813	\$ -
Resources (Inflows):				
Intergovernmental	946,200	946,200	885,024	(61,176)
Charges for services	41,000	41,000	25,518	(15,482)
Use of money and property	-	-	28,238	28,238
Amounts Available for Appropriations	1,920,013	1,920,013	1,871,593	(48,420)
Charges to Appropriation (Outflows):				
General government	29,800	29,800	17,946	11,854
Public safety	48,200	48,200	34,410	13,790
Public works	472,900	475,400	466,224	9,176
Capital outlay	500,000	500,000	-	500,000
Total Charges to Appropriations	1,050,900	1,053,400	518,580	534,820
Budgetary Fund Balance, June 30	\$ 869,113	\$ 866,613	\$ 1,353,013	\$ 486,400

CITY OF ROSEMEAD, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
 MEASURE R
 FOR THE YEAR ENDED JUNE 30, 2020**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,634,484	\$ 1,634,484	\$ 1,634,484	\$ -
Resources (Inflows):				
Intergovernmental	709,600	709,600	662,819	(46,781)
Use of money and property	-	-	39,461	39,461
Amounts Available for Appropriations	2,344,084	2,344,084	2,336,764	(7,320)
Charges to Appropriation (Outflows):				
General government	16,200	41,200	10,353	30,847
Public works	276,400	276,800	87,421	189,379
Capital outlay	692,000	692,000	127,817	564,183
Total Charges to Appropriations	984,600	1,010,000	225,591	784,409
Budgetary Fund Balance, June 30	\$ 1,359,484	\$ 1,334,084	\$ 2,111,173	\$ 777,089

CITY OF ROSEMEAD, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
MEASURE M
FOR THE YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 1,383,626	\$ 1,383,626	\$ 1,383,626	\$ -
Resources (Inflows):				
Intergovernmental	804,300	804,300	745,836	(58,464)
Use of money and property	-	-	37,441	37,441
Amounts Available for Appropriations	2,187,926	2,187,926	2,166,903	(21,023)
Charges to Appropriation (Outflows):				
Public works	43,200	43,200	1,643	41,557
Capital outlay	700,000	700,000	6,598	693,402
Total Charges to Appropriations	743,200	743,200	8,241	734,959
Budgetary Fund Balance, June 30	\$ 1,444,726	\$ 1,444,726	\$ 2,158,662	\$ 713,936

CITY OF ROSEMEAD, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
 AIR QUALITY MANAGEMENT DISTRICT
 FOR THE YEAR ENDED JUNE 30, 2020**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 334,964	\$ 334,964	\$ 334,964	\$ -
Resources (Inflows):				
Intergovernmental	72,000	72,000	69,738	(2,262)
Use of money and property	-	-	7,354	7,354
Amounts Available for Appropriations	406,964	406,964	412,056	5,092
Charges to Appropriation (Outflows):				
Public works	30,000	30,000	-	30,000
Total Charges to Appropriations	30,000	30,000	-	30,000
Budgetary Fund Balance, June 30	\$ 376,964	\$ 376,964	\$ 412,056	\$ 35,092

CITY OF ROSEMEAD, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
STREET LIGHTING
FOR THE YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 1,845,559	\$ 1,845,559	\$ 1,845,559	\$ -
Resources (Inflows):				
Intergovernmental	1,000,000	1,000,000	1,145,113	145,113
Use of money and property	-	-	41,901	41,901
Amounts Available for Appropriations	2,845,559	2,845,559	3,032,573	187,014
Charges to Appropriation (Outflows):				
General government	11,300	11,300	3,010	8,290
Public works	729,800	729,800	607,147	122,653
Capital outlay	-	-	44,504	(44,504)
Total Charges to Appropriations	741,100	741,100	654,661	86,439
Budgetary Fund Balance, June 30	\$ 2,104,459	\$ 2,104,459	\$ 2,377,912	\$ 273,453

CITY OF ROSEMEAD, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
 DEVELOPMENT IMPACT FEE TRAFFIC
 FOR THE YEAR ENDED JUNE 30, 2020**

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 21,222	\$ 21,222	\$ 21,222	\$ -
Resources (Inflows):				
Use of money and property	-	-	757	757
Developer participation	8,000	8,000	19,312	11,312
Amounts Available for Appropriations	29,222	29,222	41,291	12,069
Budgetary Fund Balance, June 30	\$ 29,222	\$ 29,222	\$ 41,291	\$ 12,069

CITY OF ROSEMEAD, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
DEVELOPMENT IMPACT FEE PUBLIC SAFETY
FOR THE YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 3,738	\$ 3,738	\$ 3,738	\$ -
Resources (Inflows):				
Use of money and property	-	-	135	135
Developer participation	1,200	1,200	3,484	2,284
Amounts Available for Appropriations	4,938	4,938	7,357	2,419
Budgetary Fund Balance, June 30	\$ 4,938	\$ 4,938	\$ 7,357	\$ 2,419

CITY OF ROSEMEAD, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
DEVELOPMENT IMPACT FEE GENERAL GOVERNMENT
FOR THE YEAR ENDED JUNE 30, 2020**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 26,934	\$ 26,934	\$ 26,934	\$ -
Resources (Inflows):				
Use of money and property	-	-	958	958
Developer participation	9,500	9,500	24,308	14,808
Amounts Available for Appropriations	36,434	36,434	52,200	15,766
Budgetary Fund Balance, June 30	\$ 36,434	\$ 36,434	\$ 52,200	\$ 15,766

CITY OF ROSEMEAD, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
DEVELOPMENT IMPACT FEE PARKS
FOR THE YEAR ENDED JUNE 30, 2020**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 111,202	\$ 111,202	\$ 111,202	\$ -
Resources (Inflows):				
Use of money and property	-	-	4,010	4,010
Developer participation	40,000	40,000	103,624	63,624
Amounts Available for Appropriations	151,202	151,202	218,836	67,634
Budgetary Fund Balance, June 30	\$ 151,202	\$ 151,202	\$ 218,836	\$ 67,634

CITY OF ROSEMEAD, CALIFORNIA

**BUDGETARY COMPARISON SCHEDULE
HOME PROGRAM
FOR THE YEAR ENDED JUNE 30, 2020**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 66,070	\$ 66,070	\$ 66,070	\$ -
Resources (Inflows):				
Intergovernmental	1,490,200	1,490,200	197,569	(1,292,631)
Use of money and property	-	-	7,272	7,272
Amounts Available for Appropriations	1,556,270	1,556,270	270,911	(1,285,359)
Charges to Appropriation (Outflows):				
General government	-	14,716	14,826	(110)
Community development	1,490,200	1,475,484	121,718	1,353,766
Total Charges to Appropriations	1,490,200	1,490,200	136,544	1,353,656
Budgetary Fund Balance, June 30	\$ 66,070	\$ 66,070	\$ 134,367	\$ 68,297

CITY OF ROSEMEAD, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
ROSEMEAD HOUSING DEVELOPMENT CORPORATION
FOR THE YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 340,982	\$ 340,982	\$ 340,982	\$ -
Resources (Inflows):				
Intergovernmental	451,600	451,600	453,238	1,638
Charges for services	454,600	454,600	463,131	8,531
Use of money and property	-	-	76	76
Miscellaneous	4,200	4,200	4,158	(42)
Amounts Available for Appropriations	1,251,382	1,251,382	1,261,585	10,203
Charges to Appropriation (Outflows):				
Community development	910,400	910,400	906,714	3,686
Total Charges to Appropriations	910,400	910,400	906,714	3,686
Budgetary Fund Balance, June 30	\$ 340,982	\$ 340,982	\$ 354,871	\$ 13,889

CITY OF ROSEMEAD, CALIFORNIA

BUDGETARY COMPARISON SCHEDULE
ROAD MAINTENANCE AND REHABILITATION ACCOUNT SB1
FOR THE YEAR ENDED JUNE 30, 2020

	Budget Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Budgetary Fund Balance, July 1	\$ 1,356,437	\$ 1,356,437	\$ 1,356,437	\$ -
Resources (Inflows):				
Intergovernmental	914,800	914,800	954,273	39,473
Use of money and property	-	-	36,296	36,296
Amounts Available for Appropriations	2,271,237	2,271,237	2,347,006	75,769
Charges to Appropriation (Outflows):				
Public works	-	-	570	(570)
Capital outlay	914,800	914,800	-	914,800
Total Charges to Appropriations	914,800	914,800	570	914,230
Budgetary Fund Balance, June 30	\$ 1,356,437	\$ 1,356,437	\$ 2,346,436	\$ 989,999

CITY OF ROSEMEAD, CALIFORNIA

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2020

Governmental Activities - Internal Service Funds			
	Equipment Replacement	Technology Replacement	Totals
Assets:			
Current Assets:			
Cash and investments	\$ 573,862	\$ 98,160	\$ 672,022
Total Current Assets	573,862	98,160	672,022
Noncurrent Assets:			
Capital assets, net of accumulated depreciation	6,935	13,809	20,744
Total Noncurrent Assets	6,935	13,809	20,744
Total Assets	580,797	111,969	692,766
Liabilities:			
Current Liabilities:			
Accounts payable	2,148	3,893	6,041
Total Current Liabilities	2,148	3,893	6,041
Total Liabilities	2,148	3,893	6,041
Net Position:			
Investment in capital assets	6,935	13,809	20,744
Unrestricted	571,714	94,267	665,981
Total Net Position	\$ 578,649	\$ 108,076	\$ 686,725

CITY OF ROSEMEAD, CALIFORNIA

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2020

	Governmental Activities - Internal Service Funds		
	Equipment Replacement	Technology Replacement	Totals
Operating Revenues:			
Charges for services	\$ -	\$ 164,500	\$ 164,500
Total Operating Revenues	-	164,500	164,500
Operating Expenses:			
Contractual services	79,287	146,538	225,825
Depreciation expense	38,867	12,991	51,858
Total Operating Expenses	118,154	159,529	277,683
Operating Income	(118,154)	4,971	(113,183)
Net Position at the Beginning of the Year	696,803	103,105	799,908
Net Position at the End of the Year	\$ 578,649	\$ 108,076	\$ 686,725

CITY OF ROSEMEAD, CALIFORNIA

**COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2020**

	Governmental Activities - Internal Service Funds		
	Equipment Replacement	Technology Replacement	Totals
Cash Flows from Operating Activities:			
Cash received from interfund service provided	\$ -	\$ 164,500	\$ 164,500
Cash paid to suppliers for goods and services	(77,139)	(142,645)	(219,784)
Net Cash Provided by Operating Activities	(77,139)	21,855	(55,284)
Cash Flows from Capital and Related Financing Activities:			
Acquisition and construction of capital assets	-	(5,747)	(5,747)
Net Cash Used for Capital and Related Financing Activities	-	(5,747)	(5,747)
Net Increase in Cash and Cash Equivalents	(77,139)	16,108	(61,031)
Cash and Cash Equivalents at the Beginning of the Year	651,001	82,052	733,053
Cash and Cash Equivalents at the End of the Year	\$ 573,862	\$ 98,160	\$ 672,022
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:			
Operating income	\$ (118,154)	\$ 4,971	\$ (113,183)
Adjustments to reconcile operating income net cash provided by operating activities:			
Depreciation	38,867	12,991	51,858
Increase in accounts payable	2,148	3,893	6,041
Total Adjustments	41,015	16,884	57,899
Net Cash Provided by Operating Activities	\$ (77,139)	\$ 21,855	\$ (55,284)

CITY OF ROSEMEAD, CALIFORNIA

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 AGENCY FUND
 FOR THE YEAR ENDED JUNE 30, 2020

	<u>Balance</u> <u>July 1, 2019</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2020</u>
Assets:				
Cash and investments	\$ 1,112,785	\$ 256,195	\$ 137,731	\$ 1,231,249
Total Assets	\$ 1,112,785	\$ 256,195	\$ 137,731	\$ 1,231,249
Liabilities:				
Deposits payable	\$ 1,112,785	\$ 382,307	\$ 263,843	\$ 1,231,249
Total Liabilities	\$ 1,112,785	\$ 382,307	\$ 263,843	\$ 1,231,249

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STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
Financial Trends <i>These schedules contain trend information to help the reader understand how the government's financial performance and wellbeing have changed over time.</i>	106
Revenue Capacity <i>These schedules contain trend information to help the reader assess the government's most significant revenue source, property tax.</i>	114
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	118
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.</i>	125
Operating Information <i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.</i>	128

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

CITY OF ROSEMEAD

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

	2011	2012	2013	2014	2015
Governmental activities:					
Net investment in capital assets	14,760,940	54,010,031	51,132,854	50,042,631	52,038,429
Restricted	24,806,402	10,870,747	2,829,147	3,110,688	3,419,068
Unrestricted	<u>10,748,249</u>	<u>13,688,078</u>	<u>17,724,709</u>	<u>17,367,841</u>	<u>11,018,153</u>
Total governmental activities net position	<u>50,315,591</u>	<u>78,568,856</u>	<u>71,686,710</u>	<u>70,521,160</u>	<u>66,475,650</u>

Note: The City implemented GASB 75 in the FY 2018. Prior Year information was not restated to reflect the impact of the implementation.

Source: City of Rosemead, Department of Finance

2016	2017	2018	2019	2020
51,542,030	52,806,193	53,587,243	50,882,552	48,825,863
4,005,847	4,387,055	3,554,634	9,730,202	13,681,082
<u>13,108,874</u>	<u>15,690,721</u>	<u>17,211,587</u>	<u>17,483,422</u>	<u>17,754,529</u>
<u>68,656,751</u>	<u>72,883,969</u>	<u>74,353,464</u>	<u>78,096,176</u>	<u>80,261,474</u>

CITY OF ROSEMEAD

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

	2011	2012	2013	2014	2015
Expenses:					
Governmental activities:					
General government	3,160,306	3,989,359	3,381,686	4,271,354	2,739,281
Public safety	8,881,926	7,517,101	7,791,073	7,923,316	7,747,949
Public works	11,907,245	11,588,278	11,717,276	10,072,081	8,703,817
Community services	595,904	-	-	-	-
Community development	3,969,502	4,080,294	2,616,531	2,853,472	2,879,028
Parks and recreation	2,362,860	2,532,665	2,594,863	2,274,920	2,049,540
Interest and other charges	1,681,875	569,045	7,827	5,561	3,198
Total governmental activities expenses	<u>32,559,618</u>	<u>30,276,742</u>	<u>28,109,256</u>	<u>27,400,704</u>	<u>24,122,813</u>
Program revenues:					
Governmental activities:					
Charges for services:					
General government	1,048,727	130,450	2,408,362	2,030,063	2,725,291
Public safety	1,293,524	1,454,759	1,622,911	1,586,557	1,573,532
Public works	9,143,311	4,033,874	3,869,285	4,356,486	4,627,331
Community services	450,004	-	-	-	-
Community development	3,753,612	3,501,082	1,896,876	1,632,508	1,915,557
Parks and recreation	654,437	704,029	785,611	724,197	713,484
Total governmental activities program revenues	<u>16,343,615</u>	<u>9,824,194</u>	<u>10,583,045</u>	<u>10,329,811</u>	<u>11,555,195</u>
Net revenues (expenses):					
Governmental activities					
Total net revenues (expenses)	<u>(16,216,003)</u>	<u>(20,452,548)</u>	<u>(17,526,211)</u>	<u>(17,070,893)</u>	<u>(12,567,618)</u>
General revenues and other changes in net assets:					
Governmental activities:					
Taxes:					
Property taxes	13,656,347	10,567,509	8,900,228	8,667,709	9,034,141
Sales and use taxes	3,737,363	3,200,911	3,215,897	3,504,285	3,452,605
Transient occupancy taxes	1,219,977	1,323,886	1,447,820	1,593,640	1,575,401
Other taxes	576,904	633,393	2,275,986	1,307,280	1,247,941
Investment income	367,961	195,165	28,202	216,499	97,589
Motor vehicle in-lieu, unrestricted	263,983	-	-	-	-
Other general revenues	307,658	853,956	1,180,688	604,053	793,680
Loss on sale of capital assets	-	(2,340,090)	-	-	-
Transfer to Successor Agency	-	-	(6,392,878)	-	-
Extraordinary item:					
Gain on dissolution of redevelopment agency	-	34,271,082	-	-	-
Total governmental activities	<u>20,130,193</u>	<u>48,705,812</u>	<u>10,655,943</u>	<u>15,893,466</u>	<u>16,201,357</u>
Changes in net position					
Governmental activities					
Total primary government	<u>\$ 3,914,190</u>	<u>\$ 28,253,264</u>	<u>\$ (6,870,268)</u>	<u>\$ (1,177,427)</u>	<u>\$ 3,633,739</u>

Source: City of Rosemead, Department of Finance

2016	2017	2018	2019	2020
3,218,363	3,705,685	4,554,063	4,205,482	4,003,674
8,381,588	8,935,164	9,499,683	9,125,853	9,744,134
8,738,495	7,323,865	9,554,073	6,353,025	9,946,662
-	-	-	-	-
3,246,081	3,161,310	3,409,699	2,376,713	3,472,477
2,073,145	2,153,986	2,746,482	7,662,344	2,920,016
787	-	-	-	-
<u>25,658,459</u>	<u>25,280,010</u>	<u>29,764,000</u>	<u>29,723,417</u>	<u>30,086,963</u>
2,203,233	2,191,604	1,769,171	819,371	464,430
1,563,652	1,565,275	1,787,151	1,847,594	1,834,717
4,360,908	4,232,311	5,208,427	6,238,575	6,131,742
-	-	-	-	-
2,352,137	2,523,350	4,265,255	3,373,246	3,490,475
741,171	788,931	828,038	958,176	624,313
<u>11,221,101</u>	<u>11,301,471</u>	<u>13,858,042</u>	<u>13,236,962</u>	<u>12,545,677</u>
<u>(14,437,358)</u>	<u>(13,978,539)</u>	<u>(15,905,958)</u>	<u>(16,486,455)</u>	<u>(17,541,286)</u>
9,158,499	8,643,019	9,128,934	9,566,800	9,942,183
4,124,745	5,366,975	5,929,492	5,735,491	5,430,222
1,998,954	2,213,286	2,326,863	2,314,723	1,785,219
1,209,249	1,224,230	1,313,699	1,329,822	1,386,607
348,651	20,526	210,288	1,158,407	905,039
-	-	-	-	-
945,372	737,721	647,888	123,924	257,314
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>17,785,470</u>	<u>18,205,757</u>	<u>19,557,164</u>	<u>20,229,167</u>	<u>19,706,584</u>
<u>\$ 3,348,112</u>	<u>\$ 4,227,218</u>	<u>\$ 3,651,206</u>	<u>\$ 3,742,712</u>	<u>\$ 2,165,298</u>

CITY OF ROSEMEAD

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

	2011	2012	2013	2014
General fund:				
Reserved	-	-	-	-
Unreserved	-	-	-	-
Nonspendable	2,034	2,034	2,034	140,893
Restricted	-	-	-	-
Committed	5,107,963	5,294,253	6,415,416	5,883,235
Assigned	-	5,712	5,712	65,343
Unassigned	10,209,075	9,519,173	11,194,278	11,607,595
Total general fund	<u>15,319,072</u>	<u>14,821,172</u>	<u>17,617,440</u>	<u>17,697,066</u>
All other governmental funds:				
Reserved	-	-	-	-
Unreserved, reported in:				
Special revenue funds	-	-	-	-
Debt service funds	-	-	-	-
Capital projects funds	-	-	-	-
Nonspendable	-	-	-	-
Restricted	27,476,081	10,870,747	2,829,147	3,110,688
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	(4,402,964)	(1,292,405)	(788,224)	(1,192,926)
Total all other governmental funds	<u>23,073,117</u>	<u>9,578,342</u>	<u>2,040,923</u>	<u>1,917,762</u>

Note: The City implemented GASB 54 for the fiscal year ended June 30, 2011. The categories of fund balance for governmental funds have been changed as described more fully in the notes to the basic financial statements.

Prior year fund balances reflect the guidance in effect when those financial statements were prepared.

Source: City of Rosemead, Department of Finance.

2015	2016	2017	2018	2019	2020
-	-	-	-	-	-
-	-	-	-	-	-
143,560	187,247	765,218	853,920	870,619	510,371
-	-	-	-	-	-
6,120,361	6,682,495	6,935,525	8,760,289	7,667,401	8,896,317
78,280	83,513	63,298	79,798	121,867	121,867
10,128,160	11,514,894	11,270,958	10,790,274	14,635,070	14,679,926
<u>16,470,361</u>	<u>18,468,149</u>	<u>19,034,999</u>	<u>20,484,281</u>	<u>23,294,957</u>	<u>24,208,481</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
3,419,068	4,005,847	4,376,257	3,554,634	8,797,389	13,681,082
-	-	-	1,912,732	932,813	-
-	-	-	-	-	-
<u>(1,643,527)</u>	<u>(832,005)</u>	<u>(639,510)</u>	<u>(31,024)</u>	<u>(23,792)</u>	<u>(269,560)</u>
<u>1,775,541</u>	<u>3,173,842</u>	<u>3,736,747</u>	<u>5,436,342</u>	<u>9,706,410</u>	<u>13,411,522</u>

CITY OF ROSEMEAD

Changes in Fund Balances of Governmental Funds
Last Nine Fiscal Years
(modified accrual basis of accounting)

	2011	2012	2013	2014	2015
Revenues:					
Taxes	\$ 19,313,094	\$ 15,960,662	\$ 16,602,329	\$ 15,320,806	\$ 15,537,262
Intergovernmental	10,124,638	10,330,915	7,372,878	6,948,479	7,092,141
Licenses and permits	1,764,162	1,156,719	1,156,968	1,308,482	1,846,997
Charges for services	677,861	1,055,391	1,036,563	1,087,091	1,138,731
Fines, forfeitures and penalties	462,389	619,397	691,548	700,126	676,830
Development participation	-	-	-	-	-
Investment income	367,956	582,176	474,970	873,631	754,865
Other	253,379	658,670	928,596	61,690	114,074
Total revenues	<u>32,963,479</u>	<u>30,363,930</u>	<u>28,263,852</u>	<u>26,300,305</u>	<u>27,160,900</u>
Expenditures					
Current:					
General government	3,801,486	4,203,302	3,988,156	3,973,364	3,879,122
Public safety	8,882,915	7,517,101	7,773,611	7,913,659	8,156,485
Public works	19,402,924	6,417,803	6,909,471	6,184,890	6,348,101
Community services	595,904	-	-	-	-
Community development	3,397,072	3,681,903	2,605,654	2,846,112	3,150,240
Parks and recreation	2,362,860	2,532,665	2,208,564	2,157,424	2,071,443
Capital outlay	93,121	9,090,076	3,126,669	3,268,391	4,924,435
Debt service:					
Principal	975,000	1,210,000	-	-	-
Interest and fiscal charges	1,882,092	961,506	-	-	-
Bond issuance costs	275,344	-	-	-	-
Total expenditures	<u>41,668,718</u>	<u>35,614,356</u>	<u>26,612,125</u>	<u>26,343,840</u>	<u>28,529,826</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,705,239)</u>	<u>(5,250,426)</u>	<u>1,651,727</u>	<u>(43,535)</u>	<u>(1,368,926)</u>
Other financing sources (uses):					
Transfers in	4,824,919	6,431,374	2,772,415	3,053,605	2,433,974
Transfers out	(4,824,919)	(6,554,374)	(2,772,415)	(3,053,605)	(2,433,974)
Transfer to Successor Agency	-	-	(6,392,878)	-	-
Issuance of long-term debt	11,230,000	-	-	-	-
Discount on bonds	(192,139)	-	-	-	-
Payment to bond escrow agent	-	-	-	-	-
Proceeds of capital lease	-	-	-	-	-
Total other financing sources (uses)	<u>11,037,861</u>	<u>(123,000)</u>	<u>(6,392,878)</u>	<u>-</u>	<u>-</u>
Extraordinary item:					
Gain (loss) on dissolution of redevelopment agency	<u>-</u>	<u>(8,619,249)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>2,332,622</u>	<u>(13,992,675)</u>	<u>(4,741,151)</u>	<u>(43,535)</u>	<u>(1,368,926)</u>
Debt service as a percentage of noncapital expenditures	8.8%	6.8%	0.0%	0.0%	0.0%

Source: City of Rosemead, Department of Finance.

	2016	2017	2018	2019	2020
\$	16,491,447	\$ 17,447,510	\$ 18,698,988	\$ 18,946,836	\$ 18,503,951
	7,734,995	6,726,279	8,002,636	8,588,211	8,179,055
	2,520,937	2,754,881	3,128,000	2,636,026	2,115,419
	1,191,275	1,012,557	1,572,266	1,653,095	1,204,638
	597,373	607,754	633,711	622,221	612,080
	-	-	28,591	117,115	150,728
	1,002,835	666,968	210,288	1,158,407	905,039
	71,152	231,545	566,338	250,364	271,515
	<u>29,610,014</u>	<u>29,447,494</u>	<u>32,840,818</u>	<u>33,972,275</u>	<u>31,942,425</u>
	3,664,633	4,280,825	4,546,789	4,077,516	3,768,562
	8,452,932	9,060,840	9,318,858	9,089,645	9,577,867
	6,346,179	6,499,220	6,554,648	7,247,391	7,032,609
	-	-	-	-	-
	3,323,933	3,385,455	3,279,088	3,637,692	3,352,332
	2,123,274	2,300,906	2,386,463	2,343,452	2,703,857
	2,302,974	2,790,493	3,606,095	495,838	888,559
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	<u>26,213,925</u>	<u>28,317,739</u>	<u>29,691,941</u>	<u>26,891,534</u>	<u>27,323,786</u>
	<u>3,396,089</u>	<u>1,129,755</u>	<u>3,148,877</u>	<u>7,080,741</u>	<u>4,618,639</u>
	1,386,471	2,442,441	121,361	-	-
	(1,386,471)	(2,442,441)	(121,361)	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>3,396,089</u>	<u>1,129,755</u>	<u>3,148,877</u>	<u>7,080,741</u>	<u>4,618,639</u>
	0.0%	0.0%	0.0%	0.0%	0.0%

CITY OF ROSEMEAD

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands of dollars)

Fiscal Year Ended June 30	City			Taxable Assessed Value	Total Direct Tax Rate
	Secured	Unsecured	SBE Non-Unitary		
2011	3,364,287,629	64,231,062	3,301,527	3,431,820,218	22.41%
2012	3,458,570,185	71,320,472	3,301,527	3,533,192,184	22.35%
2013	3,531,097,436	68,996,223	3,301,527	3,603,395,186	22.11%
2014	3,654,495,783	68,912,542	1,901,995	3,725,310,320	9.27%
2015	3,806,028,086	71,498,360	1,901,995	3,879,428,441	9.27%
2016	4,012,426,717	62,768,733	1,901,995	4,077,097,445	9.27%
2017	4,202,108,491	63,820,415	2,051,995	4,267,980,901	9.27%
2018	4,375,810,412	60,507,061	2,051,995	4,438,369,468	9.27%
2019	4,591,020,006	63,704,447	2,051,995	4,656,776,448	9.27%
2020	4,809,362,427	71,764,032	2,347,932	4,883,474,391	9.27%

¹ Beginning with the fiscal year ended June 30, 2002, exemptions are netted directly against the individual property categories.

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 re-assessed as a result of new construction activity or at the time it is sold to a new owner. At that point, the property is reassessed based upon the added value of the construction or at the purchase price (market value) or economic value of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.

Source: L.A. County Assessor 2010/11 - 2019/20 Combined Tax Rolls and HDL Coren & Cone

CITY OF ROSEMEAD

Direct and Overlapping Property Tax Rate
(Rate per \$100 of Taxable Value)
Last Ten Fiscal Years

Agency	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Basic Levy ¹	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
El Monte City School District	0.00000	0.00000	0.00000	0.00000	0.11822	0.14642	0.14682	0.14616	0.14580	0.10803
El Monte Union High School	0.08475	0.09591	0.08992	0.09799	0.08418	0.09155	0.08469	0.08243	0.08793	0.10969
Garvey School District	0.05733	0.05686	0.06037	0.05978	0.05947	0.05874	0.06067	0.08332	0.08705	0.08623
Garvey-Alhambra	0.02770	0.02718	0.02795	0.03154	0.02912	0.02906	0.02806	0.04805	0.04539	0.03660
Los Angeles Community College District	0.04031	0.03530	0.04875	0.04454	0.04017	0.03575	0.03596	0.04599	0.04621	0.02717
Metropolitan Water District	0.01800	0.01800	0.01800	0.01800	0.01800	0.01800	0.02300	0.03000	0.03000	0.03000
Montebello Unified School District	0.09792	0.10001	0.09630	0.09457	0.08750	0.08715	0.14705	0.13514	0.13921	0.09306
Pasadena Community College District	0.01986	0.01956	0.02056	0.01899	0.01032	0.00872	0.00885	0.00819	0.00767	0.00721
Rio Hondo Community College District	0.00000	0.00000	0.00000	0.00000	0.02821	0.02712	0.02808	0.02748	0.02554	0.02571
Rosemead School District	0.10743	0.10507	0.10240	0.10314	0.09886	0.09997	0.08533	0.11979	0.09260	0.08682
San Gabriel Unified School District	0.10190	0.08454	0.10523	0.10082	0.11444	0.10684	0.10534	0.10078	0.10563	0.09682
Total Direct & Overlapping² Tax Rates	1.55520	1.54243	1.56948	1.56937	1.68849	1.70932	1.75385	1.82733	1.81303	1.70734
City's Share of 1% Levy Per Prop 13³	0.09388	0.09388	0.09388	0.09388	0.09388	0.09388	0.09388	0.09388	0.09388	0.09388
Voter Approved City Debt Rate										
Redevelopment Rate⁴	1.00370	1.00370								
Total Direct Rate⁵	0.22407	0.22351	0.22113	0.09271	0.09271	0.09273	0.09274	0.09274	0.09279	0.09279

Notes:

¹In 1978, California voters passed Proposition 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.

²Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all city property owners.

³City's share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the city. ERAF general fund tax shifts may not be included in tax ratio figures.

⁴RDA rate is based on the largest RDA tax rate area (TRA) and includes only rate(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values. The approval of ABX1 26 eliminated Redevelopment from the State of California for the fiscal year 2012-13 and years thereafter.

⁵Total Direct Rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information and excludes revenues derived from aircraft. Beginning in 2013/14 the Total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13. For the purposes of this report, residual revenue is assumed to be distributed to the City in the same proportions as general fund revenue.

Source: L.A. County Assessor 2010/11- 2019/20 Tax Rate Table and HDL Coren & Cone

CITY OF ROSEMEAD

Principal Property Tax Payers
Current Year and Nine Years Ago

Taxpayer	2019/20			2010/11		
	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percent of Total City Taxable Assessed Value
Rosemead Place, LLC	\$ 51,973,771	1	1.08%			
Walmart Stores, Inc	37,787,379	2	0.79%			
Rosemead Hwang, LLC	37,174,724	3	0.77%			
AFG Investment Fund 5 LLC	27,624,074	4	0.57%			
MHI Rosemead LP	24,324,552	5	0.51%			
Sunshine Inn	21,385,016	6	0.44%			
Metodo Investments LLC	20,770,800	7	0.43%			
420 Boyd Street LLC	19,524,568	8	0.41%			
Panda Express	10,466,166	9	0.22%			
Macy's California Inc	15,699,225	10	0.33%			
Rosemead Place, LLC				\$ 45,003,310	1	1.34%
Walmart Real Estate Business Trust				32,655,486	2	0.97%
Rosemead Hwang LLC				32,126,034	3	0.95%
AFG Investment Fund 5 LLC				23,872,481	4	0.71%
Metodo Investments LLC				19,136,512	5	0.57%
420 Boyd Street LLC				18,417,245	6	0.55%
Macy's California Inc				13,567,141	7	0.40%
California Federal Savings and Loan Association				13,385,792	8	0.40%
Sunshine Inn				10,557,466	9	0.31%
Panda Restaurant Group Inc				9,044,766	10	0.27%

Source: Hdl Coren & Cone, Los Angeles County Assessor 2019/20 Combined Tax Rolls.

CITY OF ROSEMEAD

Property Tax Levies and Collections Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years *	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2011	2,633,288	2,595,289	98.56%	-	2,595,289	98.56%
2012	2,711,546	2,699,377	99.55%	-	2,699,377	99.55%
2013	2,771,913	2,710,893	97.80%	-	2,710,893	97.80%
2014	2,865,651	2,850,674	99.48%	-	2,850,674	99.48%
2015	2,981,810	2,935,129	98.43%	-	2,935,129	98.43%
2016	3,134,303	3,114,233	99.36%	-	3,114,233	99.36%
2017	3,187,187	2,632,109	82.58%	-	2,632,109	82.58%
2018	3,336,547	2,878,054	86.26%	-	2,878,054	86.26%
2019	3,489,499	3,008,322	86.21%	-	3,008,322	86.21%
2020	3,675,962	3,064,430	83.36%	-	3,064,430	83.36%

* Information not available.

** Note: For these years the information was not available so an estimate was made to reduce the total collections to date to 100%.

Source: HDL Coren & Cone and Los Angeles County Auditor Controller's Office

CITY OF ROSEMEAD

Ratios of Outstanding Debt by Type Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Tax Allocation Bonds ²</u>	<u>Percentage of Personal Income ¹</u>	<u>Debt Per Capita ¹</u>
2010/11	44,745,000	4.76%	775
2011/12	43,535,000	4.57%	804
2012/13	41,740,000	4.35%	766
2013/14	39,885,000	4.22%	728
2014/15	37,965,000	3.97%	693
2015/16	35,970,000	3.86%	651
2016/17	31,775,000	3.31%	578
2017/18	29,455,000	3.03%	533
2018/19	27,295,000	2.62%	495
2019/20	25,090,000	2.31%	462

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.

² The Rosemead Community Development Commission was dissolved on February 1, 2012. As a result, the tax allocation bonds are not debt of the primary government.

Source: Los Angeles County Auditor-Controller, Tax Division
City of Rosemead Department of Finance

CITY OF ROSEMEAD

Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years
(In Thousands, except Per Capita)

<u>Fiscal Year</u>	<u>Tax Allocation Bonds</u>	<u>Percent of Assessed Value ¹</u>	<u>Per Capita</u>
2010/11	44,745	1.30%	775
2011/12	43,535	1.23%	804
2012/13	41,740	1.16%	766
2013/14	39,885	1.07%	728
2014/15	37,965	0.98%	693
2015/16	35,970	0.88%	651
2016/17	31,775	0.74%	578
2017/18	29,455	0.66%	533
2018/19	27,295	0.59%	495
2019/20	25,090	0.51%	462

General bonded debt is debt payable with governmental fund resources and general obligation bonds recorded in enterprise funds (of which, 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.

² The Rosemead Community Development Commission was dissolved on February 1, 2012. As a result, the tax allocation bonds are not debt of the primary government.

Source: Los Angeles County Auditor-Controller, Tax Division
City of Rosemead Department of Finance

CITY OF ROSEMEAD

Direct and Overlapping Governmental Activities Debt
June 30, 2020

	Gross Bonded Debt Balance	Percentage Applicable To City	Net Bonded Debt
Overlapping Debt			
* Metropolitan Water District	\$ 18,151,752	0.313%	56,749
Garvey SD DS 2004 Series 2006	12,339,236	50.822%	6,270,989
Garvey SD DS 2004 Series C	8,221,018	50.822%	4,178,048
Garvey SD DS 2011 Refund Bonds	2,755,000	50.822%	1,400,133
Garvey SD DS 2013 Ref Bonds	495,000	50.822%	251,567
Garvey SD DS 2014 Ref Bonds	2,845,000	50.822%	1,445,873
Garvey SD DS 2016 Series A	8,700,000	50.822%	4,421,474
Garvey SD DS 2016 Series B	10,000,000	50.822%	5,082,154
Rosemead SD DS 2011 Ref Bond	625,000	67.319%	420,742
Rosemead SD DS 2012 Ref Bonds	5,110,000	67.319%	3,439,987
Rosemead SD DS 2008 Series B	273,740	67.319%	184,278
Rosemead SD DS 2014 Ref Bonds	5,340,000	67.319%	3,594,820
Rosemead SD DS 2016 Ref Bonds	12,075,000	67.319%	8,128,736
Rosemead SD DS 2008 Series C	1,800,000	67.319%	1,211,737
Rosemead SD DS 2014 Series A	25,575,000	67.319%	17,216,764
El Monte Union HSD DS 2008 Series B	29,820,673	14.139%	4,216,411
El Monte Union HSD DS 2015 Ref Bonds	25,460,000	14.139%	3,599,845
El Monte Union HSD DS 2016 Ref DLYD DLVR	3,880,000	14.139%	548,602
El Monte Union HSD DS 2008 Series C	2,550,000	14.139%	360,550
El Monte Union HSD DS 2016 Ref Bonds	48,425,000	14.139%	6,846,917
El Monte Union HSD DS 2008 Series D	10,500,098	14.139%	1,484,632
El Monte Union HSD DS 2018 Series A	52,245,000	14.139%	7,387,036
LA CCD DS 2003, Taxable Series 2004B	2,115,000	0.291%	6,161
LA CCD DS 2001, Taxable Series 2004A	31,555,000	0.291%	91,923
LA CCD DS 2008, 2009 Taxable Ser B	75,000,000	0.291%	218,482
LA CCD DS 2008, 2010 Tax Ser D	125,000,000	0.291%	364,137
LA CCD Debt 2008, 2010 Tax Ser E (BABS)	900,000,000	0.291%	2,621,790
LA CCD Debt 2008, 2012 Series F	199,000,000	0.291%	579,707
LA CCD DS 2013 Ref Bonds	35,410,000	0.291%	103,153
LA CCD DS 2008 Series G	205,725,000	0.291%	599,297
LA CCD DS 2015 Ref Series A	1,395,190,000	0.291%	4,064,327
LA CCD DS 2015 Ref Series B	24,305,000	0.291%	70,803
LA CCD DS 2015 Ref Series C	230,015,000	0.291%	670,057
LA CCD DS 2008 Series I	197,360,000	0.291%	574,929
LA CCD DS 2016 Ref Bonds	813,785,000	0.291%	2,370,637
Pasadena CCD DS 2014 Ref Series A	12,405,000	2.390%	296,488
Pasadena CCD DS 2016 Ref Series A	54,045,000	2.390%	1,291,714
Montebello USD DS 1998 Series 1998	2,797,152	1.558%	43,591
Montebello USD DS 1998 Series 1999	5,484,723	1.558%	85,474
Montebello USD DS 1998 Series 2004	5,562,649	1.558%	86,688
Montebello USD DS 1998 Series 2002	4,860,085	1.558%	75,739
Montebello USD DS 2004 Series 2009A-2 BABS	12,640,000	1.558%	196,981
Montebello USD DS 2010 Refunding Bonds	1,200,000	1.558%	18,701
Montebello USD DS 2004 Series 2013A	16,150,000	1.558%	251,681
Montebello USD DS Ref Bond Series 2015	27,250,000	1.558%	424,662
Montebello USD DS Ref Bonds 2016 Series A	14,585,000	1.558%	227,292
Montebello USD DS 2016 Series A	79,345,000	1.558%	1,236,508

San Gabriel USD DS 2010 Ref Bonds	8,407,370	1.189%	99,926
San Gabriel USD DS 2008 Series B	5,705,000	1.189%	67,807
San Gabriel USD DS 2012 Ref Bond Series B	13,235,940	1.189%	157,317
San Gabriel USD DS 2008 Series C	22,851,249	1.189%	271,600
San Gabriel USD DS 2015 Ref Bond Series A	29,830,000	1.189%	354,546
Total Overlapping Debt			99,270,162

2019/20 Assessed Valuation: \$4,029,492,681 After Deducting \$853,981.70 Incremental Value.

Debt to Assessed Valuation Ratios:

Direct Debt	0.00%
Overlapping Debt	2.46%
Total Debt	2.46%

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

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

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

Source: Hdl Coren & Cone, L.A. County Assessor and Auditor Combined 2019/20 Lien Date Tax Rolls.

CITY OF ROSEMEAD

Legal Debt Margin Information Last Ten Fiscal Years

	2010/11	2011/12	2012/13	2013/14	2014/15
Assessed valuation	3,431,820,218	3,533,192,184	3,603,395,186	3,725,310,320	3,879,248,441
Conversion percentage	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
Adjusted assessed valuation	857,955,055	883,298,046	900,848,797	931,327,580	969,812,110
Debt limit percentage	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>
Debt limit	128,693,258	132,494,707	135,127,319	139,699,137	145,471,817
Total net debt applicable to limit: General obligation bonds	-	-	-	-	-
Legal debt margin	<u>128,693,258</u>	<u>132,494,707</u>	<u>135,127,319</u>	<u>139,699,137</u>	<u>145,471,817</u>
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). 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: Rosemead Finance Department
Los Angeles County Tax Assessor's Office

2015/16	2016/17	2017/18	2018/19	2019/20
4,077,097,445	4,337,892,775	4,525,131,407	4,745,176,577.00	4,960,200,386.00
<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
1,019,274,361	1,084,473,194	1,131,282,852	1,186,294,144	1,240,050,097
<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>
152,891,154	162,670,979	169,692,428	177,944,122	186,007,514
-	-	-	-	-
<u>152,891,154</u>	<u>162,670,979</u>	<u>169,692,428</u>	<u>177,944,122</u>	<u>186,007,514</u>
0.0%	0.0%	0.0%	0.0%	0.0%

CITY OF ROSEMEAD

Pledged-Revenue Coverage

Last Ten Fiscal Years

(In Thousands)

Fiscal Year Ended June 30	Tax Allocation Bonds			
	Tax Increment	Debt Service		Coverage
		Principal	Interest	
2011	6,893,575	975,000	1,882,092	2.41
2012	2,601,979	1,210,000	961,506	1.20
2013	5,439,677	1,795,000	1,852,123	1.49
2014	5,517,943	1,855,000	1,790,511	1.51
2015	5,521,038	1,920,000	1,718,573	1.52
2016	5,724,292	1,995,000	1,635,578	1.58
2017	4,711,788	850,000	1,602,713	1.92
2018	3,916,792	2,320,000	1,386,038	1.06
2019	3,863,435	2,160,000	1,352,881	1.10
2020	3,634,145	2,205,000	1,229,000	1.06

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 Rosemead, Department of Finance

CITY OF ROSEMEAD

Demographic and Economic Statistics
Last Ten Calendar Years

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (in thousands) (2)</u>	<u>Per Capita Personal Income (2)</u>	<u>Unemployment Rate (3)</u>
2010/11	57,756	939,575	16,268	11.20%
2011/12	54,172	952,560	17,584	10.80%
2012/13	54,464	959,982	17,626	8.10%
2013/14	54,762	944,918	17,255	6.70%
2014/15	54,786	956,180	17,453	9.50%
2015/16	55,231	932,800	16,889	7.70%
2016/17	54,984	960,740	17,473	6.10%
2017/18	55,267	972,350	17,594	4.30%
2018/19	55,097	1,040,232	18,880	4.30%
2019/20	54,363	1,084,896	19,956	4.20%

Sources: (1) California State Department of Finance
(2) HDL Coren & Cone and based on the last available census.
(3) State of California Employment Development Department

CITY OF ROSEMEAD

Principal Employers

Current Year and Nine Years Ago

Employer		2020		2011*	
		Number of Employees	Percent of Total Employment ¹	Number of Employees	Percent of Total Employment
Southern California Edison	1	2,722	11.20%	-	0.00%
Garvey School District	2	804	3.31%	-	0.00%
Panda Restaurant Group, Inc.	3	604	2.49%	-	0.00%
Wal-Mart	4	534	2.20%	-	0.00%
Rosemead School District	5	389	1.60%	-	0.00%
Target	6	320	1.32%	-	0.00%
Hemetic Seal Corporation	7	131	0.54%	-	0.00%
Double Tree **	8	130	0.53%	-	0.00%
University of the West	9	98	0.40%	-	0.00%
Lucille's	10	95	0.39%	-	0.00%

¹ Based upon Employment Development Department's estimate of 24,300 residents employed in 2019-20

* Information for 2011 is not available.

** Double Tree Hotel has 130 employees, however, currently only 40 employees are actively working and 90 are furlough employees.

Disclaimer: The City of Rosemead makes no claims concerning the accuracy of data provided nor assumes any liability resulting from the use of information herein..

Source: City of Rosemead business license estimated data

CITY OF ROSEMEAD

Full-time and Part-time City Employees
by Function
Last Ten Fiscal Years

<u>Function</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General government	19	15	13	12	12	11	13	18	21	17
Public safety ¹	42	33	15	20	18	20	21	23	28	25
Community development	23	7	8	8	7	8	8	9	9	9
Public Works	n/a	26	22	23	23	21	24	26	28	26
Parks and recreation	<u>99</u>	<u>68</u>	<u>81</u>	<u>86</u>	<u>80</u>	<u>83</u>	<u>109</u>	<u>118</u>	<u>114</u>	<u>110</u>
Total	<u>183</u>	<u>149</u>	<u>139</u>	<u>149</u>	<u>140</u>	<u>143</u>	<u>175</u>	<u>194</u>	<u>200</u>	<u>187</u>

¹ The City of Rosemead contracts with the Los Angeles County Sheriff's Department for all police services with the exception of parking control and crossing guards which are provided by City personnel.

¹ The City of Rosemead is part of the Los Angeles County Fire Protection District which provides fire fighting, fire prevention, and plan check services for the City.

Source: City of Rosemead, Finance Department

CITY OF ROSEMEAD

Operating Indicators
by Function
Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police:										
Arrests	1,888	1,842	1,186	1,356	1,585	1,339	1,046	1,256	1,817	2,649
Parking citations issued	7,515	7,797	8,765	16,110	7,863	8,047	7,676	8,086	6,244	7,898
Fire:										
Number of emergency calls	2,745	2,928	2,785	2,823	3,212	3,352	3,206	3,822	2,823	2,789
Inspections	1,845	2,066	2,012	2,026	2,793	2,564	2,311	2,430	2,288	2,267
Public works:										
Street resurfacing (miles)	3.5	3.6	0.9	1.6	0.6	1.0	0.7	0.8	1.0	0.0
Parks and recreation:										
Number of recreation classes	617	519	638	724	839	871	873	707	631	387
Number of facility rentals	1,786	3,261	3,124	4,005	2,607	3,070	6,226	3,679	2,508	2,387

Source: City of Rosemead

CITY OF ROSEMEAD

Capital Asset Statistics
by Function
Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Public Safety:										
Sheriff stations	1	1	1	1	1	1	1	1	1	1
Fire:										
Fire stations	2	2	2	2	2	2	2	2	2	2
Public works:										
Streets (miles)	77.55	77.55	77.55	77.55	77.55	81.90	81.90	81.80	81.80	81.80
Streetlights	2,712	2,712	2,712	2,712	2,712	2,712	2,712	2,511	2,511	2,511
Traffic signals	42	42	42	42	42	41	42	42	42	42
Parks and recreation:										
Parks	10	10	10	10	10	10	10	11	12	12
Community centers	2	2	2	2	2	2	2	2	2	2

Source: City of Rosemead

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