

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED
JUNE 30, 2024



CITY OF RANCHO PALOS VERDES



CITY OF RANCHO PALOS VERDES, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED JUNE 30, 2024

PREPARED BY: FINANCE DEPARTMENT

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INTRODUCTORY SECTION





February 14, 2025

Honorable Mayor and City Council
City of Rancho Palos Verdes
Rancho Palos Verdes, California

The Annual Comprehensive Financial Report (ACFR), of the City of Rancho Palos Verdes for the fiscal year ended June 30, 2024, is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that the City of Rancho Palos Verdes issue annually a report on its financial position and activity, and that an independent firm of certified public accountants audit this report. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds and component unit of the City of Rancho Palos Verdes. In addition, to the best of our knowledge, there are no untrue statements of material fact within the financial statements or omissions of material fact to cause the financial statements to be misleading. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

CliftonLarsonAllen LLP, a firm of licensed certified public accountants, has audited the City's financial statements. The goal of the independent audit was to provide reasonable assurance to the City's financial statements for the fiscal year ended June 30, 2024 are free of material misstatement. The independent auditor concluded it was reasonable to render an unmodified opinion and that the City's financial statements for the fiscal year ended June 30, 2024, are fairly presented in conformity with the Generally Accepted Accounting Principles (GAAP). Their report is presented in the beginning of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditors' report and provides a narrative overview and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

City of Rancho Palos Verdes Profile

The City of Rancho Palos Verdes is located on a coastal peninsula overlooking the Pacific Ocean in Los Angeles County, 20 miles south of the City of Los Angeles. The City was incorporated September 7, 1973, and currently has land area of 13.6 square miles and a population of about 41,000. The City is primarily a "bedroom" community with relatively little commercial activity.

The City has operated under the council-manager form of government since incorporation. Policy-making and legislative authority are vested in the governing City Council, which consists of five Council Members, including the Mayor and Mayor Pro-Tem. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees and hiring the City Manager and the City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City, and for appointing the heads of the City's departments. The City Council is elected on a non-partisan, at-large basis. Council Members are elected to four-year staggered terms with two or three Council Members elected every two years. The City Council designates the Mayor and Mayor Pro-Tem for a one-year term.

The financial reporting entity (the government) includes all the funds of the primary government (i.e., the City of Rancho Palos Verdes as legally defined), as well as its component unit, the Rancho Palos Verdes Joint Powers Improvement Authority. A component unit is a legally separate entity for which the primary government is financially accountable. The City provides a broad range of services, including police protection, solid waste collection, construction, and maintenance of streets and other infrastructure, planning and zoning activities, recreational activities, cultural events, and general administrative services. The City of Rancho Palos Verdes is a contract city, meaning that some of these services are provided by contract with other agencies (both public and private) and some services are delivered by the City's own employees.

Special districts of the County of Los Angeles provide library services, fire protection services, and sewer services. The City has excluded the County of Los Angeles, as well as the State of California and various school districts, from the financial reporting entity because they do not meet the established criteria for inclusion.

FINANCIAL INFORMATION

Budgetary Controls

The City of Rancho Palos Verdes maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions contained in the annual appropriated budgets approved by the City Council and the Improvement Authority Commission. Activities of the General fund, Special Revenue funds, Capital Projects funds and Permanent funds are included in the annual appropriated budgets of the government units except for the Bikeways Special Revenue Fund. The level of budgetary control (that

is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the department/function level within each fund. Formal budgetary integration is employed as a management control device. The City also maintains an encumbrance accounting system as one method of maintaining budgetary control. These encumbrances lapse at year-end, and any unexpended balance is eligible to be carried over to the following year's budget appropriations with City Council approval.

Adopted Budget to Actual Comparison

The City experienced a favorable budget variance of \$5.4 million in the General fund for the fiscal year ended June 30, 2024. Sustained economic activity alongside elevated prices due to inflation led to a favorable revenue variance of \$1.4 million higher than budgeted. Total expenditures also fared favorably and ended the year \$3.5 million below budget. Much of the positive expenditure variance is attributed to the planned work that was not completed by year-end as well as budgetary savings from underspent line items such as supplies, training, and salaries and benefits.

Financial Policies

The City Council has established Reserve policies that require the City to maintain a minimum General Fund fund balance of at least 50 percent of the annual operating expenditures in the General Fund. Reserve levels are reviewed annually during the budget process. This reserve may be used at the discretion of the City Council to provide for economic uncertainties, local disasters, contingencies for unseen operating or capital needs, cash flow requirements and/or other financial hardships or downturns in the local or national economy.

As of June 30, 2024, the General Fund unrestricted fund balance of \$35.5 exceeds the minimum requirement of \$15.0 million (50% of the \$30.0 million in total annual operating expenditures for the General Fund).

The City also maintains a \$5.0 million reserve in the Capital Infrastructure Program (CIP) fund as a reserve for major improvement projects related to roadways, storm drains, parks, buildings, rights-of-way, and the sewer system.

Internal Control

The Finance Department of the City is responsible for establishing and maintaining an appropriate internal control structure. The internal control system is designed to ensure that the assets of the City are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgements by management.

Significant Financial Events

American Rescue Plan Act (ARPA) Funding and Utilization

On March 11, 2021, the American Rescue Plan Act (ARPA) was signed into law, amending Title VI of the Social Security Act to add Section 602 which establishes the Coronavirus State Fiscal Recovery Fund (CSFR) and Section 603 which establishes the Coronavirus Local Fiscal Recovery Fund (CLFR). ARPA is a relief package that provides fiscal aid of \$350 billion in emergency funding for state, local, territorial, and tribal governments. The funding objectives defined by the Department of Treasury (DOT) are as follows:

- Support urgent COVID-19 response efforts to continue to decrease spread of the virus and bring the pandemic under control.
- Replace lost revenue for eligible state, local, territorial, and tribal governments to strengthen support for vital public services and help retain jobs.
- Support immediate economic stabilization for households and businesses.
- Address systemic public health and economic challenges that have contributed to the unequal impact of the pandemic.

As defined in CLFR Section 603 (g)(5) of the Social Security Act, local governments that are serving populations of less than 50,000 are categorized as “non-entitlement units (NEUs)” of local government. For all NEUs, the DOT disburses the funds to the state governments, then the state distributes the funds to cities based on the population of the NEU. Local governments will receive funds in two batches, with 50% being distributed in June 2021 and the balance to be distributed 12 months later.

The City of Rancho Palos services a population of less than 50,000, thus the City’s ARPA allocation is disbursed by the State of California. Based on DOT’s formula calculation, the City’s allocation is \$9.9 million. On June 10, 2021, the City submitted its request for ARPA’s allocations to the State of California Department of Finance (DOF). Subsequently, on July 13 2021, the City received the first disbursement in the amount of \$4.97 million, and the second disbursement of \$4.97 million on July 21, 2022.

In October 2021, the City Council approved 14 projects that are to be funded by the ARPA funds. The approved categories of the projects are investment in capital infrastructure, investment in information technology, and investment in protection of life and property.

Overall, since receiving the \$9.9 million allocation of ARPA funds, the City Council has committed 100% of the funds. Staff continue to monitor the interest earnings and will report the status on a quarterly basis. Based on these commitments and once completed, the utilization of ARPA funds will relieve the General Fund for needed one-time costs and deferred maintenance projects and generate available funds in the CIP that can be used for future projects and initiatives.

Landslide Emergency Response and Additional Financial Commitments

In response to ongoing land movement within the Greater Portuguese Bend-Ancient Altamira Landslide Complex, the City declared a state of local emergency on October 3, 2023, which has been continuously renewed. The City Council extended the Local State of Emergency on May 7, 2024, approving a Public Works Contract with Malcolm Drilling Inc. to undertake the Portuguese Bend Landslide Emergency Hydraugers Project.

Subsequent actions expanded the project to include deep vertical dewatering wells and winterization efforts, with total emergency funding for FY 2024-25 reaching \$31.9 million. This includes:

- \$23.9 million allocated for emergency response, including road and sewer repairs, legal fees, equipment, personnel costs, district loans, and tax assessments.
- \$4.0 million dedicated to emergency stabilization measures, including deep dewatering wells.
- \$4.0 million for winterization efforts.

Funding sources for the \$31.9 million commitment include:

- \$10.1 million from the Capital Improvement Program (CIP) Fund
- \$3.4 million from the General Fund
- \$1.4 million from Proposition C
- \$2.9 million from ARPA funds

Additional funding of \$14.1 million, approved on October 1, 2024, includes:

- \$500,000 from ARPA
- \$2.2 million from Supervisor Hahn's Grant
- \$5.0 million from CIP Emergency Reserves
- \$6.4 million from General Fund Excess Reserves

The City continues to prioritize funding and proactive mitigation measures to stabilize the landslide area while ensuring financial responsibility in addressing critical infrastructure needs.

Long-term Financial Planning

The City utilizes two long-term planning tools that serve as a guide to best allocate resources to meet the City's needs over time. The first of which is the Five-Year Capital Improvement Program (CIP). The CIP provides efficient and effective delivery of resources for improvement and maintaining public infrastructure and facilities. The Five-Year Capital Improvement Plan is updated annually during the budget process.

The second long-term planning tool is the City's Financial Model (Model). This tool previously presented a five-year outlook and was expanded to 10 years beginning in FY 2021-22. The Model provides the framework for directing policy and financial choices,

taking into account anticipated opportunities and challenges before they materialize. This is accomplished through the creation of baseline and alternative forecasts, which utilize historical data and current economic assumptions to project the fiscal impact of ongoing operations with proposed initiatives.

To ensure a more precise projection, the Finance Department actively refreshes the planning tools with the most recent data. As a result, any significant adjustments to the assumptions will be brought to the City Council's attention.

MAJOR INITIATIVES

The City's staff, following specific directives of the City Council and the City Manager, have been involved in a variety of projects throughout the year. Here are some projects to highlight the City's commitment to ensuring that its citizens can live and work in a thriving environment.

- Celebrated the City's 50th anniversary with a year of community events culminating with a gala at Terranea Resort.
- Secured selection by the Federal Emergency Management Agency for a \$23.3 million Building Resilient Infrastructure and Communities (BRIC) grant to slow the Portuguese Bend Landslide.
- Initiated a local emergency declaration to the City Council in October 2023 in response to accelerated land movement in the Portuguese Bend Landslide Complex, enabling the City to respond to the disaster on an expedited basis, quickly mobilize resources, and proceed with emergency landslide remediation work while the City's larger long-term project remains in the environmental review process.
- Ensured that the landslide crisis remained in the national media spotlight, drawing attention to the emergency and aiding the City in securing financial assistance from legislators and government agencies.
- Installed three of four high-mounted, 360-degree cameras as part of the peninsula-wide wildfire detection network, enabling continuous landscape scanning to detect, evaluate, and signal wildfire activity within a 15-mile radius for early alerts to first responders.
- Developed the City's new Public Safety Division, utilizing in-house staff to enhance and expand public safety services.
- Implemented a Students in Local Government Program and formed the Youth Advisory Committee (YAC) to empower and engage youth in our community.
- Successfully continued the newly introduced Internship Program for Fall 2023 and Spring/Summer 2024, with ten new participants contributing across various departments.
- Adopted by resolution a Memorandum of Understanding (MOU) with new represented employee's labor group, American Federation of State, County, and Municipal Employees, District Council 36 (AFSCME) and implemented a new pay schedule based on the MOU.

- Implemented changes based on Classification and Compensation staff recommendations, including a new citywide pay schedule, updated organizational charts for all departments, and the reclassification and renaming of various positions across the City.
- Introduced performance evaluations for part-time staff, coordinated various in-person learning sessions for benefits, and conducted annual personnel training sessions.
- Prepared and processed over 200 personnel action forms and onboarded 41 new hires.
- Upgraded the City's website.
- Completed the migration to a cloud-based phone system.
- Set up the core IT infrastructure at the new Ladera Linda Community Park.
- Finalized the GIS upgrade and migration project in cooperation with the GIS consultant.
- Awarded the Government Finance officers Association's (GFOA) Certificate of Achievement for excellence in Financial Reporting for the City's Annual Comprehensive Financial Report (ACFR) for Fiscal Year ended June 30, 2023.
- Received the GFOA's distinguished Budget presentation Award for the FY 2023-24 budget for the first time in the City's history.
- Attained a clean audit of the City's financial statements for Fiscal Year ended June 30, 2023.
- Collaborated effectively with the City's Finance Advisory Committee (FAC) to accomplish various tasks outlined in the FY 2023-24 Work Plan, including the coordination of FAC/CCAC joint meetings to discuss potential financing options for the Civic Center Master plan.
- Expanded the City's Financial Model to 30-years to determine the potential funding requirements and fiscal impact related to the Civic Center Master Plan.
- Responded to over 100 calls during the January 31 to February 9 winters storm, which was declared a federal disaster, and kept infrastructure operational.
- Resolved dozens of traffic-related resident concerns in conjunction with the Traffic Safety Committee.
- Cleared approximately 253 acres of brush in open space areas using both manned crews and goats to help reduce fire loads and protect nearby structures.
- Issued approximately 450 right-of-way permits including encroachment, parking, dumpster, and haul route permits.
- Completed nearly 2,000 service requests/repairs throughout the City including landscaping and tree trimming, street maintenance, sanitary sewer maintenance and repair, storm drain cleaning, park facilities maintenance, trail repair, signage replacement, pothole repair, and graffiti removal.
- Responded to over 150 emergency calls for mudslides, flooding, sanitary sewer breaks, and debris removal. > trimmed 2,850 trees and removed 54 declining trees to prevent/respond to emergencies.
- Developed a Capital Improvement program (CIP) in conjunction with the Infrastructure Management Advisory Committee.

- Broke ground on test boreholes to determine exact underground conditions in advance of landslide remediation dewatering, which provided extremely valuable information to guide efforts moving forward.
- Completed a comprehensive traffic study for the Western Avenue Traffic Flow Improvement Project, which identified measures for final engineering that will reduce congestion and improve operations.
- Completed construction of the Ladera Linda Community Park Project under budget.
- Completed a full renovation of the exterior and interior restrooms at the Point Vicente Interpretive Center under budget and ahead of schedule.
- Completed construction of the Retaining Wall Replacement at 3001 Crest Road project, improving slope stability and drainage in the public right-of-way at this location.
- Entered a memorandum of understanding with the Seagate Villas owners Association to replace a jointly owned storm drain and outlet structure.
- Adopted the City's Final Housing Element for the 2021-2029 Housing Cycle and implemented documents and received confirmation from the Housing & Community Development Department that the Housing Element is in compliance with State Housing Laws.
- Provided timely submittals of the City's Annual General Plan Update Report as well as the Housing Element Annual Progress Report to the Governor's Office of Planning and Research and the California Department of Housing and Community Development.
- Adopted a mixed use-overlay zoning district within the City's commercial zones in support of the City's 2021-2029 Housing Element pursuant to the City Council's Quality of Life Goal.
- Completed 188 new plan checks; issued 2,100 building permits.
- Performed a combined total of 7,500 in-person and virtual job-site inspections.
- Conducted 98 foliage analysis as part of the Planning Division's development review process.
- Assisted with the Grand Opening event and current operations for Ladera Linda Community Park.
- Organized various meetings and events at Ladera Linda Community Park including State of the City, Landslide, Public Safety, and HOA meetings in addition to private rentals.
- Contributed to the City's response to the landslide local emergency by providing public education, notices for trail closures, and ongoing trail maintenance and oversight.
- Successfully planned and managed numerous special events for residents including the City's first-ever drone show at the Fourth of July Celebration.
- The Recreation and Parks Department collaborated with the Public Works Department to complete the Point Vicente Interpretive Center restroom renovation project.
- Designed and implemented the City and park entry signage program.

OTHER INFORMATION

Independent Audit

The City requires an annual audit by independent certified public accountants. The accounting firm of CliftonLarsonAllen LLP conducted this year's audit. The auditors' report on the government-wide financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

Single Audit

As a recipient of federal, state, and county financial assistance, the City is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management. In years when over \$750,000 is expended on Federal financial assistance programs, the City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and U.S. Office of Management and the Uniform Guidance. For the year ended June 30, 2024, the City expended over \$750,000 on Federal financial assistance programs in the amount of \$4.1 million; and therefore, a Single Audit is required.

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 Finance Reporting to the City of Rancho Palos Verdes for its ACFR for the fiscal year ended June 30, 2023. This was the 30th consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The preparation of this report would not have been possible without the dedication of the entire staff of the Finance Department. I would also like to acknowledge the assistance of the City's auditors, CliftonLarsonAllen LLP, and the contributions of all the departments by providing data necessary to prepare the City's FY 2023-24 ACFR.

In closing, I want to thank the City Council and City Manager for their continued leadership in directing the City to achieve a sound fiscal position over the last several years. We look forward to maintaining this success in the future under the leadership of the City Council and City Manager.

Respectfully submitted,



Vina D. Ramos
Director of Finance



Annual Comprehensive Financial Report Year Ended June 30, 2024

FY 2023-24 CITY OFFICIALS



John Cruikshank
Mayor



Eric Alegria
Mayor Pro Tem



David L. Bradley
Councilmember



Barbara Ferraro
Councilmember

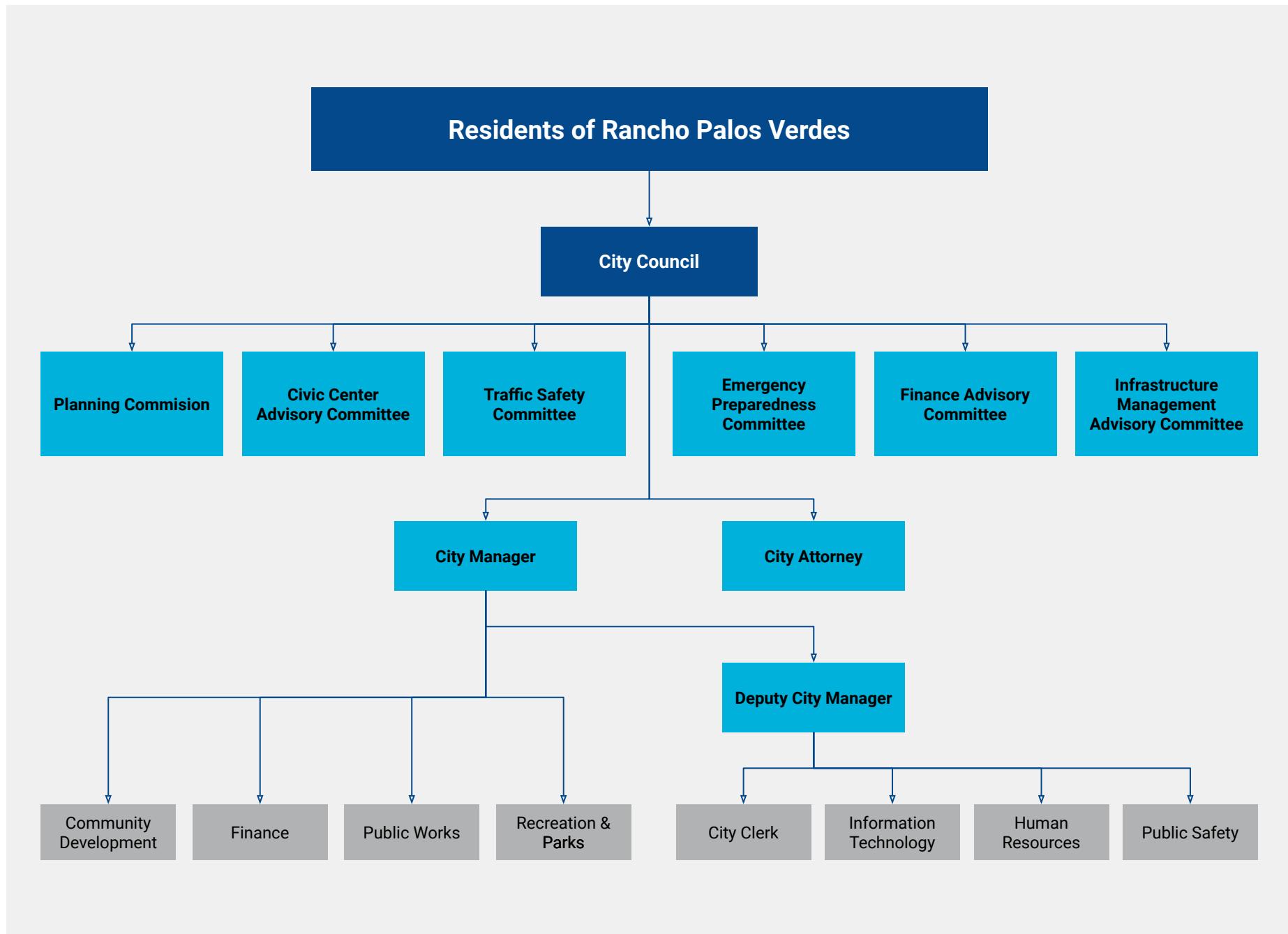


Paul Seo
Councilmember

CITY STAFF

City Manager **Ara Mihranian, AICP**

Deputy City Manager	Karina Banales
Director of Finance	Vina Ramos
Director of Public Works	Ramzi Awwad
Director of Recreation and Parks	Cory Linder
Director of Community Development	Brandy Forbes





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Rancho Palos Verdes
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

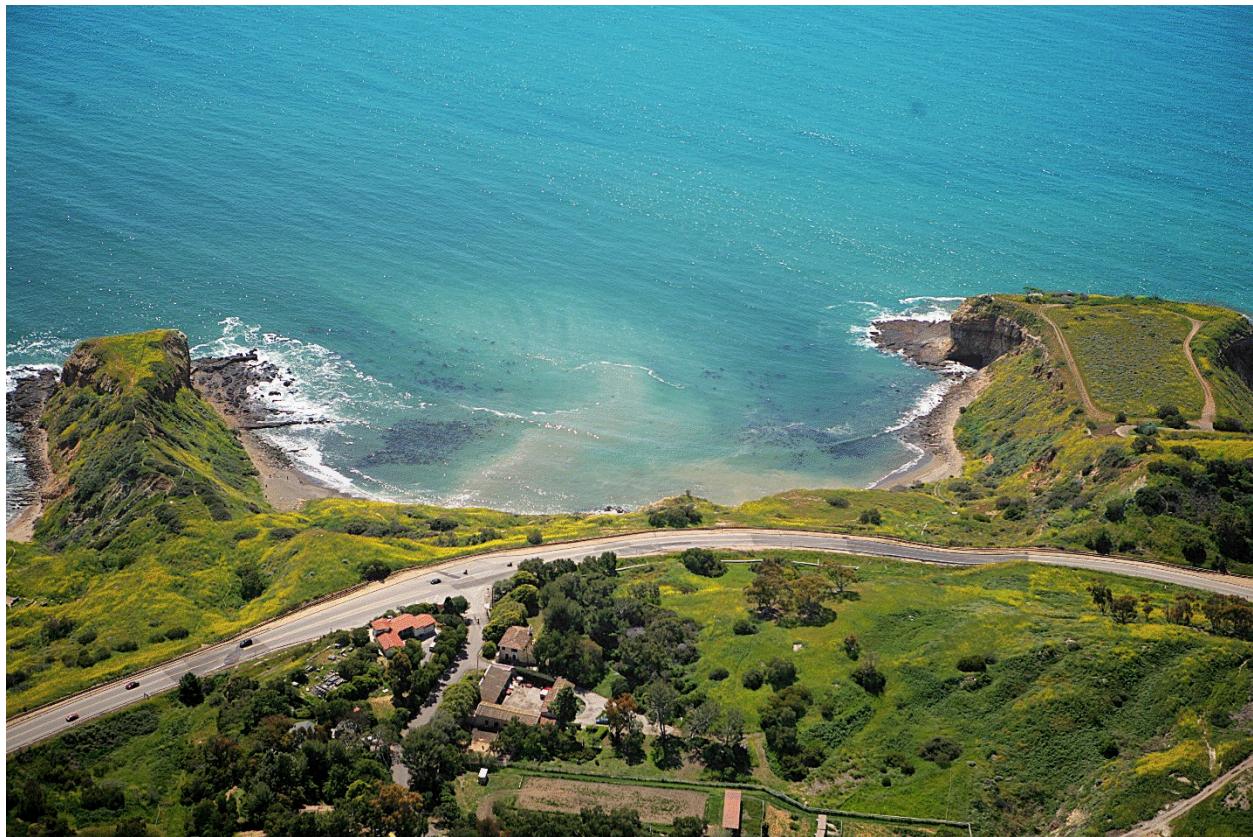
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Executive Director/CEO

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FINANCIAL SECTION





INDEPENDENT AUDITORS' REPORT

City Council Members
City of Rancho Palos Verdes
Rancho Palos Verdes, California

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparisons for the General Fund, American Rescue Plan Act special revenue fund, and State Grants special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Other Information

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

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

City Council Members
City of Rancho Palos Verdes

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 14, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

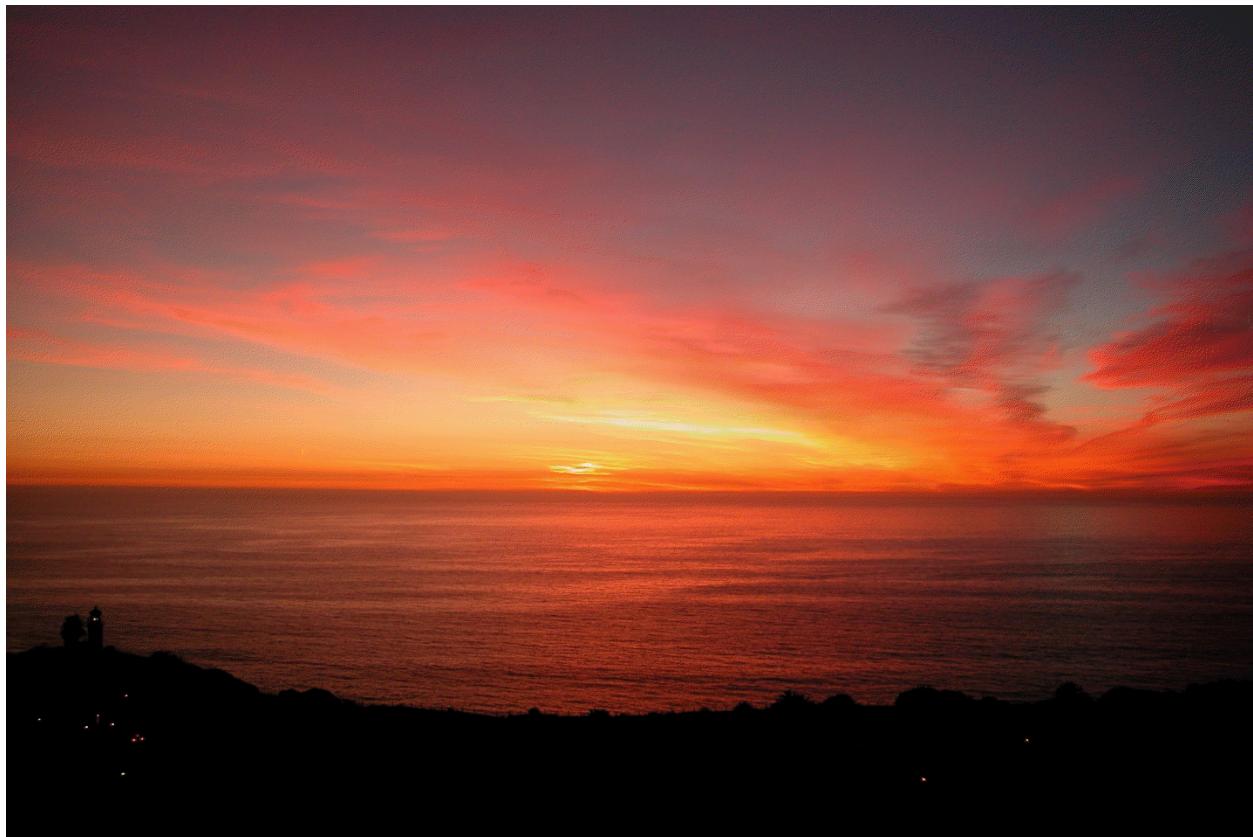
CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Irvine, California
February 14, 2025



MANAGEMENT'S DISCUSSION & ANALYSIS





MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR ENDED JUNE 30, 2024

The Management of the City of Rancho Palos Verdes offers readers of the City of Rancho Palos Verdes' Financial Statements this narrative overview and analysis of the City's financial activities for the Fiscal Year ended June 30, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our Letter of Transmittal, which can be found on pages i-x of this report.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City of Rancho Palos Verdes exceeded its liabilities and deferred inflows of resources at the close of the Fiscal Year ended June 30, 2024, by \$238.5 million (Net Position). Of this amount, \$61.6 million (Unrestricted Net Position) may be used to meet the City's ongoing obligations to its citizens and creditors. The remaining amount is invested in capital assets or is otherwise restricted, and therefore not available to meet the City's obligations.
- The City's total Net Position increased by \$2.9 million from the prior year from the Governmental Activities mainly driven by growth in property tax revenue, stable other tax sources, increased investment earnings, and stable expenditures.
- As of June 30, 2024, the City's Governmental Funds reported combined ending Fund Balances of \$87.9 million, an increase of \$2.2 million in comparison with the prior year. This growth from \$51.8 million to \$53.4 million in revenues was attributed to the continued increase in property tax revenue, stable growth in other tax sources, and a favorable return on investment earnings. While revenues continued to grow, expenditures remained at approximately \$51 million, primarily due to lower-than-expected expenditures resulting from citywide vacancies.
- At the end of the current fiscal year, the General Fund reported an increase in fund balance in the amount of \$3.9 million or 11%. This growth was primarily driven by a \$1.7 million increase in investment earnings and stable tax revenues. Additionally, transfers out decreased by \$2.2 million compared to the prior year, largely due to the previous year's additional transfers to the Capital Infrastructure Program Fund for capital projects.
- As of June 30, 2024, the unrestricted fund balance of \$35.5 million exceeds the minimum requirement of \$15,593,289 (50% of \$31,186,577 in General Fund annual operating expenditures).

As a result of the City Council's reserve policy, the unassigned fund balance has historically been maintained at or above the policy threshold level of 50% of annually budgeted General Fund expenditures. At the end of the current fiscal year, the General



MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR ENDED JUNE 30, 2024

Fund expenditures including transfers was \$36.3 million. The General Fund unassigned fund balance represents 98% of this amount.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements, which are comprised of three components: 1) Government-Wide Financial Statements; 2) Fund Financial Statements; and 3) Notes to the Financial Statements. This report also contains other supplementary 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's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between the two reported as *Net Position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Rancho Palos Verdes is improving or deteriorating.

The *Statement of Activities* presents information showing how the government'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 the Government-Wide Financial Statements distinguish functions of the City 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 governmental activities of the City include general government, public safety, public works, community development and parks and recreation. The City no longer has business-type activities.

The Government-Wide Financial Statements include not only the City of Rancho Palos Verdes itself (known as the *Primary Government*), but also a legally separate



MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR ENDED JUNE 30, 2024

Improvement Authority for which the City of Rancho Palos Verdes is financially accountable. Financial information for this *Component Unit* has been included as an integral part of the primary government. The Government-Wide Financial Statements can be found on pages 20-21 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 Rancho Palos Verdes, 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 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. The Governmental Fund Financial Statements can be found on pages 22-25.

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. The Governmental Balance Sheet and 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 Rancho Palos Verdes maintained 30 individual Governmental Funds during the Fiscal Year ended June 30, 2024. 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, American Rescue Plan Act Fund, State Grants Fund, and the Capital Improvements Fund are major funds. Data from the other 26 Governmental Funds are combined into a single, aggregated presentation. Individual fund data for each of these Other Governmental



MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR ENDED JUNE 30, 2024

Funds is provided in the form of *combining statements* elsewhere in this report. The City of Rancho Palos Verdes adopts an annual appropriated budget for each of its Governmental Funds. A budgetary comparison statement has been provided for each Governmental Funds to demonstrate compliance with this budget.

Proprietary Funds

The City of Rancho Palos Verdes maintains one type of Proprietary Fund. Internal Service Funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses an Internal Service Fund to account for its fleet of vehicles, computer systems, furniture and equipment, and Civic Center building replacement/improvements. Because these services predominantly benefit the governmental function, they have been included within governmental activities in the Government-Wide Financial Statements.

The Proprietary Fund Financial Statements can be found on pages 30-32 of this report. The Proprietary Fund Financial Statements provide separate information for the City's Internal Service Fund. The Internal Service Fund is combined and presented with the City's governmental activities in the government-wide financial statements.

Fiduciary Fund

The City is a fiduciary for the Successor Agency to the Rancho Palos Verdes Redevelopment Agency (the "Successor Agency"). The City is responsible for ensuring that the assets reported in the Successor Agency's private-purpose trust fund are only: 1) used to extinguish the obligations of the former RDA; or 2) transferred to another agency pursuant to state redevelopment dissolution law. All of the fiduciary activities are reported in a separate Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. We exclude these activities from the City's Government-Wide Financial Statement because the City cannot use these assets to finance its operations. Individual Fiduciary Fund statements can be found on pages 33-34 of this report.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-Wide and Fund Financial Statements. The notes to the financial statements can be found on pages 35-70 of this report.



MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR ENDED JUNE 30, 2024

Other Information

The combining statements referred to earlier in connection with Other Governmental Funds and Internal Service Funds are presented immediately following the Notes to the Financial Statements. Combining and individual fund statements and schedules can be found on pages 75-88 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 Rancho Palos Verdes, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$238.5 million on June 30, 2024. By far, the largest portion of the City's Net Position of \$147.5 million or 62% reflects its net investment in Capital Assets (e.g. Land, Infrastructure, Buildings, and Equipment). The City uses these Capital Assets to provide services to its citizens; consequently, these assets are not available for future spending.

Summary of Net Position

	Governmental Activities	
	2024	2023
Current and other assets	\$ 113,596,053	\$ 112,080,752
Capital assets	156,705,197	156,395,945
Total assets	270,301,250	268,476,697
 Deferred outflows of resources	 6,335,239	 6,393,397
Long-term liabilities outstanding	22,755,610	22,516,996
Other liabilities	14,051,836	14,861,170
Total liabilities	36,807,446	37,378,166
 Deferred inflows of resources	 1,303,801	 1,841,525
Net Investment in capital assets	147,505,609	146,586,694
Restricted	29,441,785	25,255,613
Unrestricted	61,577,848	63,808,096
Total net position	\$ 238,525,242	\$ 235,650,403



MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR ENDED JUNE 30, 2024

A portion of the City's Net Position of \$29.4 million or 12% represents resources subject to external restrictions. The remaining balance of Unrestricted Net Position of \$61.6 million or 28% may be used to meet the government's ongoing obligations to its citizens and creditors.

Compared to the prior year, the total current and other assets increased by \$1.5 million or 1%. The increase is primarily due to a higher inflow of revenues.

As a result of the net pension liability increase, the long-term liabilities outstanding increased by \$0.2 million or 1% over the prior year. Additionally, other liabilities decreased by \$0.8 million or 5% over prior year mainly from timing disbursements of the City's allocations from the American Rescue Plan Act.

Statement of Activities

	Governmental Activities	
	2024	2023
Program revenues:		
Charges for services	\$ 5,291,933	\$ 5,865,893
Operating contributions and grants	7,953,190	9,504,738
Capital contributions and grants	1,534,260	1,779,622
General revenues:		
Property taxes	18,129,999	17,328,746
Other taxes	15,171,805	15,812,648
Other	5,419,068	1,691,236
Total revenues	53,500,255	51,982,883
Administration	\$ 14,420,764	\$ 5,031,826
Public safety	7,988,532	7,425,699
Public works	19,698,308	20,828,471
Community development	4,604,541	3,243,100
Parks and recreation	3,747,012	3,908,242
Interest Expense	166,259	154,616
Total expenses	50,625,416	40,591,954
(Decrease) / Increase in net position	2,874,839	11,390,929
Net position - beginning of fiscal year	235,650,403	224,259,474
Net position - end of fiscal year	\$ 238,525,242	\$ 235,650,403



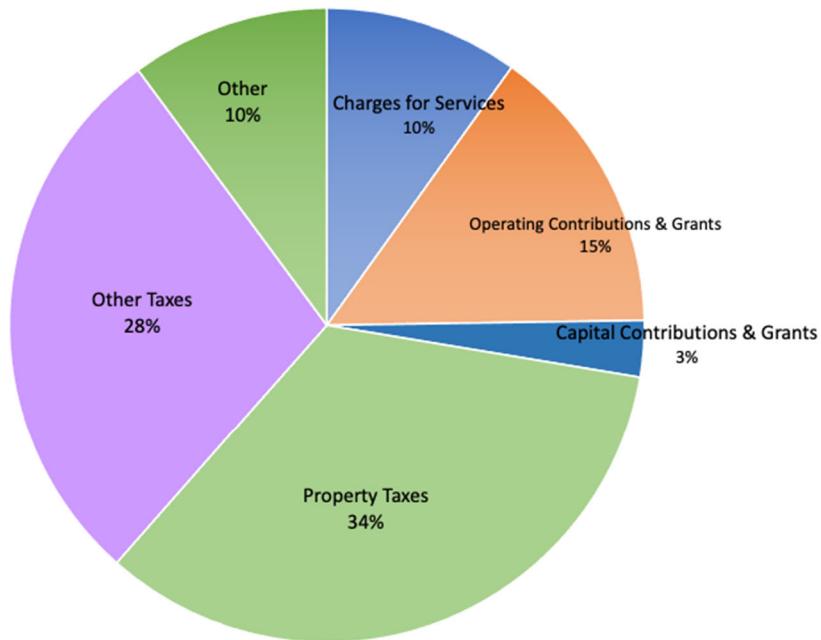
MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR ENDED JUNE 30, 2024

Governmental Activities

As illustrated in the chart above, the City's Net Position in Governmental Activities increased by \$2.9 million over the prior fiscal year. The increase is mainly from an increase in property tax revenue and investment income. Overall, government-wide revenues for the fiscal year ended June 30, 2024, increased by \$1.5 million. Of the increased amount, a decrease of \$2.4 million from the program revenues in grants was offset by an increase of \$3.8 million from general revenues.

The percentages of each category for the sources of revenues are illustrated in the following chart.

Sources of Revenue - Governmental Activities

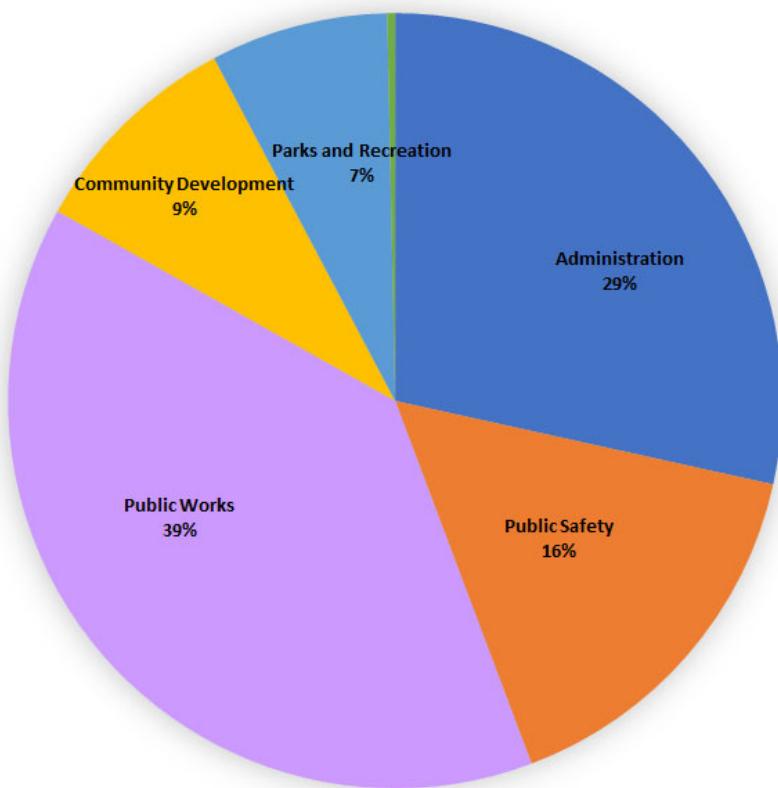




MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR ENDED JUNE 30, 2024

The government-wide expenses for the fiscal year ended June 30, 2024 increased by \$10.0 million from the prior year. The increased amount compared to the prior year is due to the increased activities in administrative costs. The percentages of each function for the expenses are illustrated in the following chart.

Expenses by Function – Governmental Activities





MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR ENDED JUNE 30, 2024

FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

As of the end of the current fiscal year, the City's Governmental Funds reported combined ending Fund Balances of \$87.9 million, an increase of \$2.2 million in comparison to the prior year. Approximately \$84.0 million or 96% of the combined ending Fund Balances constitutes spendable fund balance. The remainder of the combined ending Fund Balances are non-spendable either due to legal restrictions or non-spendable in the form of prepaid items and inventory. Additional information on the non-spendable items can be found in Note # 8 on pages 55-56 of this report.

The General Fund is the chief operating fund of the City of Rancho Palos Verdes. At the end of the current fiscal year, the unassigned fund balance of the General Fund is \$35.5 million, while total Fund Balance reached to \$38.0 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 uses (expenditures and transfers out). Unassigned Fund Balance represents 98% of total General Fund uses, while total Fund Balance represents 96% of the same amount.

The fund balance of the City's General Fund increased by \$3.9 million from the prior year. The increase is due to the higher inflow of revenues and delayed projects that were not completed at year-end. Additional details on General Fund are provided in the General Fund Highlights.

The American Rescue Plan Act (ARPA) fund balance increased by \$0.3 million as a result of revenue collected from completed projects and the fund's investment earnings.

The State Grants fund balance increased by \$0.1 million from the prior year. The increase is a result of revenue collected from completed projects and the fund's investment earnings.

The Capital Improvements Capital Projects Fund ended the year with a decrease of \$5.7 million of the fund balance from the prior year. The majority of the decrease is from the City's current improvement projects to assist with active land movement. These projects include the Portuguese Bend Landslide Remediation and the de-watering of the wells in the Abalone Cove Landslide Abatement District.



MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR ENDED JUNE 30, 2024

Financial Analysis of Proprietary Funds

The City's Proprietary Funds provide the same type of information found in the Government-Wide Financial Statements, but in more detail.

The Net Position of the Internal Service Funds at the end of the fiscal year amounted to \$3.4 million, an increase to the Net Position by \$0.2 million. The increased amount is due to the increase in funding received for the replacement of computers and hardware, equipment, and vehicles and the fund's investment earnings.

General Fund Budgetary Highlights

The City of Rancho Palos Verdes' budget is prepared over the course of several months, beginning with a thorough review and analysis of the prior fiscal year between September and December. The General Fund actual year-end results show operations ending the year with total revenues of almost \$40.0 million and \$31.2 million of expenditures. When including net transfers of \$(4.9) million, there is a positive variance of just almost \$3.9 million (revenues to expenditures).

The economic upswing and strong growth in General Fund's investment earnings experienced in FY 2023-24 contributed to the revenue growth.

Revenue Highlights

Taxes

- Taxes, including property tax, transient occupancy tax (TOT), franchise tax, and sales tax, ended the year at \$32.3 million, reflecting a slight decrease of \$49,602 (-0.2%) compared to the final budget. Property tax revenue, the City's largest revenue source, increased by \$0.8 million, bringing the year-end total to \$18.1 million, driven by continued stability in assessed property values and steady long-term growth in the tax base. However, this increase was offset by a \$0.5 million (-0.7%) decline in TOT revenues, which totaled \$6.9 million. The decrease in TOT revenue was largely due to lower-than-expected occupancy rates and reduced attrition fees collected during the final quarter, reflecting broader trends in the hospitality sector. Despite this fluctuation, the City's tax revenue base remained stable, with sales tax and franchise tax revenues performing in line with



MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR ENDED JUNE 30, 2024

expectations, supported by consistent consumer spending, business activity, and franchise agreements

Licenses and Permits

- This category ended the year at \$4.0 million, \$0.1 million, or 4%, below the final budget of \$3.9 million. This revenue source is comprised of roughly 14 permit and fee types, including building and safety permits, plan check permits, and planning and zoning permits. The decrease in year-end actuals is primarily attributed to lower-than-anticipated revenues from building and safety permits and miscellaneous right-of-way permits. Despite this shortfall, other permit types, such as plan check permits and planning and zoning permits, performed steadily. Revenues from permits and fees often vary year-to-year but continue to indicate stable levels of construction and business-related activities taking place within the City. The total number of permits issued, including Building & Safety permits, Public Works permits, and Film permits, decreased from 2,407 in FY 2022-23 to 2,217 in FY 2023-24, reflecting a decline of 190 permits (-7.9%) year over year.

Fines and Forfeitures

- Revenues totaled \$330,775 which is \$91,625 or 28% under the final budget of \$422,400. The two primary contributors to this decrease in revenue were parking lot fees and code enforcement citations.

Expenditure Highlights

Salaries & Benefits

- This category ended the year at \$1.6 million or 14% under the final budget of \$12 million. This variance reflects unspent funds due to turnover in the City Manager's, Community Development, Public Works, Recreation and Parks, and Finance Departments. The amount also includes adjustments to personnel costs to utilize for the professional and technical services utilized while efforts were made to fill vacancies. This was to ensure temporary needs were addressed, and service demands were met throughout the year. As of June 30, 2023, the City had 63 full-time (FT) employees and 52 part-time (PT) employees. By June 30, 2024, these numbers increased to 64 FT and 55 PT employees, reflecting a net gain of one FT and three PT employees. This represents a 1.59% increase in full-time staffing and a 5.77% increase in part-time staffing year over year. The changes in employment levels highlight



MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR ENDED JUNE 30, 2024

ongoing efforts to fill vacancies and manage personnel costs while maintaining service levels.

Professional & Technical Services

- This category came in approximately \$708,412 or 21% under the final budget of \$3.4 million. The variance is attributed to unspent budget amounts from projects that were approved but not completed by year-end such as the Housing Element for approximately \$209,000 and \$254,000 unspent budget from the Los Angeles County Sheriff Department line item that was originally budgeted at \$7.8 million but the final contract amount was for \$7.6 million.

CAPITAL ASSET AND DEBT ADMINISTRATION

The City's investment in Capital Assets for its Governmental activities as of June 30, 2024, amounts to \$156.7 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, park improvements, roadways, sewer, storm drains, vehicles, computer equipment, right-to-use leased equipment, furniture, other equipment, and construction in progress.

Major capital asset events during the current fiscal year included the following:

- Depreciation of \$7.0 million was recorded for the City's Capital Assets.
- A total of \$6.9 million of construction in progress was added primarily from the Portuguese Bend Landslide Remediation project and the de-watering of the wells in the Abalone Cove Landslide Abatement District.



MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2024

City of Rancho Palos Verdes Capital Assets (Net of Depreciation)

	Governmental Activities	
	2024	2023
Capital assets not being depreciated		
Land	\$ 44,871,416	\$ 44,841,416
Construction in progress	2,481,208	13,000,973
Total capital assets not being depreciated	47,352,624	57,842,389
Capital assets being depreciated, net		
Buildings	5,862,327	6,128,497
Vehicles	274,837	19,077
Computer equipment	95,866	128,129
Furniture, fixtures and equipment	59,916	72,967
Right-to-use Leased Assets:		
Equipment	723,035	1,054,432
Infrastructure		
Roadway system	43,454,821	46,116,382
Sewer system	2,977,920	3,122,702
Storm drain system	7,775,239	8,055,184
Storm drain system - water quality	28,622,824	29,455,401
Park system	19,505,788	4,400,785
Total capital assets being depreciated, net	109,352,573	98,553,556
Capital Assets, net	\$ 156,705,197	\$ 156,395,945

Additional information on the City's Capital Assets can be found in Note #5 on pages 51-52 of this report.

Long-term debt. At the end of the current Fiscal Year, the City of Rancho Palos Verdes had total debt outstanding of \$7,754,344. Of this amount \$489,599 is for the Employee Compensated Absences, \$592,161 is for leases, \$152,087 is for subscriptions and \$6,520,497 million is for the Ladera Linda Community Park Project.



**MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2024**

City of Rancho Palos Verdes Outstanding Debt

	Governmental	
	2024	2023
Employee compensated absences	489,599	481,323
Leases Liability	592,161	667,582
Subscription Liability	152,087	328,019
Ladera Linda Community Park Project	6,520,497	7,265,975
Total	\$ 7,754,344	\$ 8,742,899

At the fiscal year ended June 30, 2024, the City's total outstanding debt decreased by \$988,555 or -11%.

State statutes limit the amount of general obligation debt a governmental entity may issue to 15 percent of its total assessed valuation. The current debt limitation for the City of Rancho Palos Verdes is \$2,492,815.

ECONOMIC FACTORS AND NEXT YEAR BUDGETS AND RATES

The annual budget is developed in conformity with the City's long tradition of fiscal responsibility. Along with newly established and current City Council Goals, public safety and infrastructure projects remain a top priority alongside providing the highest possible service levels to the community. The City maintains a healthy financial outlook and supports the General Fund operations with only recurring tax revenue. Roughly 47% of the General Fund revenue came from property tax during FY 2023-24. Property tax is expected to continue to account for approximately 44% of general fund revenue during FY 2024-25. This stable revenue base provides the City with a steady and predictable revenue inflow year over year.

For the upcoming fiscal year, total property values increased by \$262 million based on the maximum CPI of 2%. Moreover, properties sold between January and December 2023 provided an additional \$348 million in property value. Given these major factors, staff anticipates a 3.7% increase in overall property value. In total, property tax revenues are projected to grow to slightly over \$17.5 million, or 2%, in FY 2024-25. In total, property tax revenues are projected to grow to slightly over \$17.5 million, or 2%, in FY 2024-25.



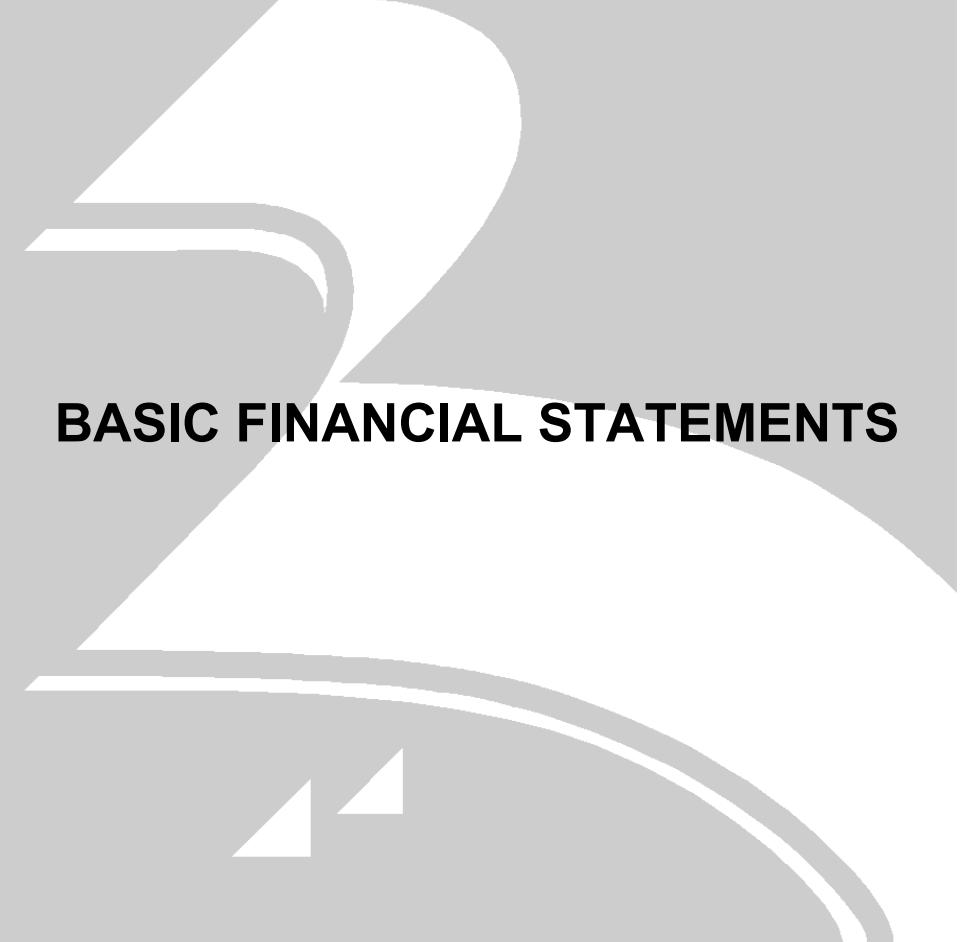
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2024**

A return to economic normalcy led towards historical growth in the fiscal year ended June 30, 2024. Growth is expected to remain stable throughout the FY 2024-25 fiscal. Ultimately, the City-wide annual budget continues to showcase the City's commitment to fiscal prudence, predicated on maintaining a structurally sound operating budget, lean staffing, healthy cash reserves and absence of debt.

REQUESTS FOR INFORMATION

This Financial Report is designed to provide a general overview of the financial position of the City of Rancho Palos Verdes 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 the Finance Department at 30940 Hawthorne Boulevard, Rancho Palos Verdes, CA 90275 or finance@rpvca.gov.

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BASIC FINANCIAL STATEMENTS



CITY OF RANCHO PALOS VERDES, CALIFORNIA
STATEMENT OF NET POSITION
JUNE 30, 2024

	<u>Governmental Activities</u>
ASSETS	
Current Assets:	
Cash and Investments	\$ 98,017,568
Receivables:	
Taxes	2,467,915
Interest	525,208
Other	975,178
Leases	709,028
Inventory	37,929
Prepaid Items	1,765,620
Total Current Assets	<u>104,498,446</u>
Noncurrent Assets:	
Notes Receivable	9,097,607
Receivable from Successor Agency	10,298,476
Allowance for Successor Agency Receivable	(10,298,476)
Capital Assets:	
Not Being Depreciated/Amortized	47,352,624
Being Depreciated/Amortized	109,352,573
Total Noncurrent Assets	<u>165,802,804</u>
Total Assets	270,301,250
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows Related to Pensions	6,335,239
LIABILITIES	
Current Liabilities:	
Accounts Payable and Accrued Liabilities	6,193,584
Interest Payable	35,863
Retentions Payable	1,088,578
Unearned Revenue	3,970,598
Deposits Payable	1,361,292
Current Portion of Noncurrent Liabilities	1,401,921
Total Current Liabilities	<u>14,051,836</u>
Noncurrent Liabilities:	
Due Beyond One Year	6,352,423
Net Pension Liability	16,403,187
Total Noncurrent Liabilities	<u>22,755,610</u>
Total Liabilities	36,807,446
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows Related to Leases	644,621
Deferred Inflows Related to Pensions	659,180
Total Deferred Inflows of Resources	<u>1,303,801</u>
NET POSITION	
Net Investment in Capital Assets	147,505,609
Restricted for:	
Housing and Community Development	10,506,321
Transportation	11,791,425
Public Works	4,301,551
Parks and Recreation	1,049,749
Public Safety	42,739
Nonexpendable Endowment Principal	1,750,000
Unrestricted	<u>61,577,848</u>
Total Net Position	<u>\$ 238,525,242</u>

See accompanying Notes to Basic Financial Statements.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

Functions/Programs	Program Revenues				Net Revenue (Expense) and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
Administration	\$ 14,420,764	\$ 1,068,089	\$ 2,092,679	\$ -	\$ (11,259,996)
Public Safety	7,988,532	151,387	188,879	-	(7,648,266)
Public Works	19,698,308	251,719	5,671,632	1,564,260	(12,210,697)
Parks and Recreation	4,604,541	838,796	-	-	(3,765,745)
Community Development	3,747,012	2,981,942	-	-	(765,070)
Interest Expense	166,259	-	-	-	(166,259)
Total Governmental Activities/					
Primary Government	<u>\$ 50,625,416</u>	<u>\$ 5,291,933</u>	<u>\$ 7,953,190</u>	<u>\$ 1,564,260</u>	<u>(35,816,033)</u>
General Revenues:					
Taxes:					
Property Taxes					18,129,999
Transient Occupancy Tax					6,449,007
Franchise Tax					2,428,770
Utility User Tax					2,691,520
Other Taxes					767,834
Unrestricted Intergovernmental					
Revenue - Shared Sales Tax					2,834,674
Investment Income					4,585,486
Unrestricted Grants, Contributions, and Other Revenues					803,582
Total General Revenues					<u>38,690,872</u>
CHANGE IN NET POSITION					
Net Position - Beginning of Year					<u>2,874,839</u>
NET POSITION - END OF YEAR					<u>\$ 238,525,242</u>

See accompanying Notes to Basic Financial Statements.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024

	Special		Special		Capital		Other	Total
	General	American Rescue	Revenue	State	Projects	Governmental		
ASSETS		Plan Act	Grants	Capital	Improvements	Funds		Governmental
Cash and Investments	\$ 38,029,673	\$ 3,745,958	\$ 1,526,775	\$ 32,140,549	\$ 19,391,609	\$ 94,834,564		
Receivables:								
Taxes	2,375,368	-	-	-	-	92,547	2,467,915	
Interest	200,499	21,291	8,020	171,727	106,762	508,299		
Leases	709,028	-	-	-	-	709,028		
Other	137,490	-	96,902	-	740,786	975,178		
Due from Other Funds	28,860	-	-	-	-	28,860		
Inventory	37,929	-	-	-	-	37,929		
Prepaid Items	1,765,620	-	-	-	-	1,765,620		
Receivable from Successor Agency	10,298,476	-	-	-	-	10,298,476		
Allowance for Successor Agency								
Receivable	(10,298,476)	-	-	-	-	(10,298,476)		
Total Assets	\$ 43,284,467	\$ 3,767,249	\$ 1,631,697	\$ 32,312,276	\$ 20,331,704	\$ 101,327,393		
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
LIABILITIES								
Accounts Payable and Accrued Liabilities	\$ 3,135,244	\$ 554,676	\$ 82,315	\$ 1,940,748	\$ 474,893	\$ 6,187,876		
Due to Other Funds	-	-	-	-	-	28,860	28,860	
Retentions Payable	51,872	230,062	-	778,994	27,650	1,088,578		
Unearned Revenue	-	2,680,598	1,290,000	-	-	3,970,598		
Deposits Payable	1,361,292	-	-	-	-	1,361,292		
Total Liabilities	4,548,408	3,465,336	1,372,315	2,719,742	531,403	12,637,204		
DEFERRED INFLOWS OF RESOURCES								
Leases	644,621	-	-	-	-	644,621		
Unavailable Revenue	83,478	-	17,417	-	607	101,502		
Total Deferred Inflows of Resources	728,099	-	17,417	-	607	746,123		
FUND BALANCES (DEFICITS)								
Nonspendable:								
Endowment Principal	-	-	-	-	-	1,750,000	1,750,000	
Prepaid Items	1,765,620	-	-	-	-	-	1,765,620	
Inventory	37,929	-	-	-	-	-	37,929	
Restricted	-	301,913	241,965	-	18,078,330	18,622,208		
Committed	725,942	-	-	2,035,935	-	2,761,877		
Assigned	-	-	-	27,556,599	-	27,556,599		
Unassigned	35,478,469	-	-	-	(28,636)	35,449,833		
Total Fund Balances (Deficits)	38,007,960	301,913	241,965	29,592,534	19,799,694	87,944,066		
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 43,284,467	\$ 3,767,249	\$ 1,631,697	\$ 32,312,276	\$ 20,331,704	\$ 101,327,393		

See accompanying Notes to Basic Financial Statements.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2024

Fund Balances - Total Governmental Funds \$ 87,944,066

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

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet. 156,422,381

Receivables not available to pay for current period expenditures are reported as unavailable revenue in the financial statements. 101,502

Long-term notes receivable are not current available resources and, therefore, do not affect the governmental fund balance. 9,097,607

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:

Compensated Absences	(489,599)
Loan Payable	(6,520,497)
Leases Payable	(488,823)
Subscriptions Payable	(152,087)

Accrued interest payable for certain long-term liabilities of governmental activities is not reported in the governmental funds (35,863)

The pension liability and related amounts are not due and payable in the current period and, therefore, are not reported in the governmental funds. Deferred outflows of resources and deferred inflows of resources related pensions are only reported in the Statement of Net Position as the changes in these amounts affect only the government-wide statements for governmental activities:

Net Pension Liability	(16,403,187)
Deferred Outflows of Resources Related to Pensions	6,335,239
Deferred Inflows of Resources Related to Pensions	(659,180)

Internal service funds are used by management to charge the costs of certain activities, including equipment and building replacement to individual funds. The assets and liabilities of the internal service funds are included in the Statement of Net Position.

3,373,683

Net Position of Governmental Activities \$ 238,525,242

CITY OF RANCHO PALOS VERDES, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

	Special		Capital		Other	Total
	General	American Rescue	Revenue	Projects		
		Plan Act	State Grants	Capital Improvements	Funds	Funds
REVENUES						
Taxes	\$ 32,285,918	\$ -	\$ -	\$ -	\$ 1,015,886	\$ 33,301,804
Licenses and Permits	4,026,147	-	-	-	-	4,026,147
Revenue from Other Agencies	131,824	1,717,827	222,866	-	7,005,519	9,078,036
Charges for Services	24,439	-	-	-	243,915	268,354
Fines and Forfeitures	330,775	-	-	-	-	330,775
Investment Income	2,375,025	266,745	73,883	1,827,199	839,676	5,382,528
Other Revenues	776,645	-	-	-	92,013	866,658
Total Revenues	39,950,773	1,984,572	296,749	1,827,199	9,197,009	53,256,302
EXPENDITURES						
Current:						
Administration	6,334,447	-	-	4,627,038	-	10,961,485
Public Safety	7,988,532	-	-	-	-	7,988,532
Public Works	6,519,939	173,904	115,977	1,594,127	5,403,027	13,806,974
Parks and Recreation	4,211,831	-	-	-	10,945	4,222,776
Community Development	3,747,012	-	-	-	-	3,747,012
Non-Departmental	2,186,008	-	-	-	-	2,186,008
Capital Outlay	-	1,543,923	-	5,395,549	-	6,939,472
Debt Service:						
Principal	190,562	-	59,440	745,478	-	995,480
Interest and Fiscal Charges	8,246	-	10,560	143,866	-	162,672
Total Expenditures	31,186,577	1,717,827	185,977	12,506,058	5,413,972	51,010,411
Excess (Deficiency) of Revenues Over (Under) Expenditures	8,764,196	266,745	110,772	(10,678,859)	3,783,037	2,245,891
OTHER FINANCING SOURCES (USES)						
Transfers In	270,000	-	-	4,975,559	145,561	5,391,120
Transfers Out	(5,121,120)	-	-	-	(270,000)	(5,391,120)
Total Other Financing Sources (Uses)	(4,851,120)	-	-	4,975,559	(124,439)	-
NET CHANGE IN FUND BALANCES						
Fund Balances - Beginning of Year	34,094,884	35,168	131,193	35,295,834	16,141,096	85,698,175
FUND BALANCES - END OF YEAR	\$ 38,007,960	\$ 301,913	\$ 241,965	\$ 29,592,534	\$ 19,799,694	\$ 87,944,066

See accompanying Notes to Basic Financial Statements.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

Net Change in Fund Balances - Total Governmental Funds \$ 2,245,891

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense, or are allocated to the appropriate functional expense when the cost is below the capitalization threshold. Asset disposals are also not recognized in the governmental funds. This activity is reconciled as follows:

Cost of Assets Capitalized	7,106,916
Capital Contribution	30,000
Depreciation/Amortization Expense	(6,958,978)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds. (100,514)

Increases in long-term notes receivable use current financial resources and are included in the expenditures of governmental funds. Repayments of long-term notes receivable provide current financial resources and are included in the revenues of governmental funds. These changes in notes receivable are not reflected in the revenues or expenses of the Statement of Activities. This amount represents the net change in the long-term notes receivable. 155,233

The issuance of long-term liabilities provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Issuance of debt increases long-term liabilities and the repayment of principal reduces long-term liabilities in the Statement of Net Position:

Principal Payments	995,480
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Certain 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. Such expenses relate to:

Net change in compensated absences	(8,276)
Net change in accrued interest payable	(3,587)

Governmental funds report pension contributions as expenditures. However, in the Statement of Activities, pension expense is measured as the change in net pension liability and the amortization of deferred outflows and inflows relate to pensions.

This amount represents the net change in pension related amounts. (790,884)

Internal service funds are used by management to charge the costs of certain activities, including equipment and building replacement and employee benefits, to individual funds. The net revenues (expenses) of the internal service funds are reported with governmental activities.

203,558

Change in Net Position of Governmental Activities \$ 2,874,839

CITY OF RANCHO PALOS VERDES, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)	
	Original	Final	Actual		
REVENUES					
Taxes	\$ 32,335,520	\$ 32,335,520	\$ 32,285,918	\$ (49,602)	
Licenses and Permits	3,871,500	3,871,500	4,026,147	154,647	
Revenue from Other Agencies	-	-	131,824	131,824	
Charges for Services	40,000	40,000	24,439	(15,561)	
Fines and Forfeitures	422,400	422,400	330,775	(91,625)	
Investment Income (Loss)	953,900	953,900	2,375,025	1,421,125	
Other Revenues	911,180	898,180	776,645	(121,535)	
Total Revenues	38,534,500	38,521,500	39,950,773	1,429,273	
EXPENDITURES					
Administration:					
City Council	118,900	118,900	106,744	12,156	
City Manager	1,203,500	923,900	713,002	210,898	
Legal Services	950,000	950,000	1,147,147	(197,147)	
Community Outreach	89,300	89,300	74,818	14,482	
City Clerk	601,900	601,900	494,834	107,066	
RPV TV	230,100	230,100	222,081	8,019	
Personnel	446,000	529,300	449,778	79,522	
Finance	1,564,400	1,539,312	1,231,846	307,466	
Information Technology - Data	1,089,600	1,126,933	774,319	352,614	
Information Technology - Voice	151,000	142,200	141,645	555	
Emergency Preparedness	219,900	219,900	110,806	109,094	
Emergency Operations	-	-	867,427	(867,427)	
Total Administration	6,664,600	6,471,745	6,334,447	137,298	
Public Safety:					
Sheriff	7,872,000	7,872,000	7,617,751	254,249	
Special Programs	377,000	397,493	370,781	26,712	
Total Public Safety	8,249,000	8,269,493	7,988,532	280,961	
Public Works:					
Public Works Administration	3,309,800	3,295,428	2,909,869	385,559	
Traffic Management	1,128,900	1,417,070	937,360	479,710	
Storm Water Quality	312,400	345,146	328,883	16,263	
Building Maintenance	717,700	763,761	587,583	176,178	
Park/Trail/Open Space Maintenance	1,546,000	1,546,000	1,094,718	451,282	
Street Landscape Maintenance	782,000	787,000	579,543	207,457	
Sewer Maintenance	75,000	65,000	81,983	(16,983)	
Total Public Works	7,871,800	8,219,405	6,519,939	1,699,466	

See accompanying Notes to Basic Financial Statements.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND (CONTINUED)
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
EXPENDITURES (CONTINUED)				
Parks and Recreation:				
Recreation Administration	\$ 1,264,400	\$ 1,467,032	\$ 1,094,727	\$ 372,305
Recreation Facilities	1,973,000	1,956,614	1,772,131	184,483
Special Events	294,000	345,700	458,815	(113,115)
PVIC	433,700	433,700	626,103	(192,403)
REACH	82,600	82,600	121,084	(38,484)
Parking Enforcement	25,000	226,604	114,691	111,913
Support Services	-	-	24,280	(24,280)
Total Parks and Recreation	4,072,700	4,512,250	4,211,831	300,419
Community Development:				
Planning Services	2,168,800	2,367,873	1,820,554	547,319
Building and Safety	1,074,200	1,034,200	974,474	59,726
Code Enforcement	293,300	333,300	258,198	75,102
View Restoration/Preservation	401,300	401,300	383,252	18,048
Geology	160,000	175,000	173,603	1,397
Animal Control	230,000	230,000	136,931	93,069
Total Community Development	4,327,600	4,541,673	3,747,012	794,661
Non-Departmental Capital Outlay	2,327,800	2,691,700	2,186,008	505,692
	25,000	25,000	-	25,000
Debt Service:				
Principal	-	-	190,562	(190,562)
Interest	-	-	8,246	(8,246)
Total Debt Service	-	-	198,808	(198,808)
Total Expenditures	33,538,500	34,731,266	31,186,577	3,544,689
Excess of Revenues Over Expenditures	4,996,000	3,790,234	8,764,196	4,973,962
OTHER FINANCING SOURCES (USES)				
Transfers In	561,300	561,300	270,000	(291,300)
Transfers Out	(5,882,500)	(5,846,800)	(5,121,120)	725,680
Total Other Financing Sources (Uses)	(5,321,200)	(5,285,500)	(4,851,120)	434,380
NET CHANGE IN FUND BALANCE				
Fund Balance - Beginning of Year	(325,200)	(1,495,266)	3,913,076	5,408,342
FUND BALANCE - END OF YEAR	\$ 33,769,684	\$ 32,599,618	\$ 38,007,960	\$ 5,408,342

See accompanying Notes to Basic Financial Statements.

**CITY OF RANCHO PALOS VERDES, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
AMERICAN RESCUE PLAN ACT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Revenue from Other Agencies	\$ -	\$ -	\$ 1,717,827	\$ 1,717,827
Investment Income	83,000	83,000	266,745	183,745
Total Revenues	83,000	83,000	1,984,572	1,901,572
EXPENDITURES				
Public Works	2,862,600	2,591,030	173,904	2,417,126
Capital Outlay	350,000	3,496,530	1,543,923	1,952,607
Total Expenditures	3,212,600	6,087,560	1,717,827	4,369,733
NET CHANGE IN FUND BALANCE	(3,129,600)	(6,004,560)	266,745	6,271,305
Fund Balance - Beginning of Year	35,168	35,168	35,168	-
FUND BALANCE - END OF YEAR	<u><u>\$ (3,094,432)</u></u>	<u><u>\$ (5,969,392)</u></u>	<u><u>\$ 301,913</u></u>	<u><u>\$ 6,271,305</u></u>

See accompanying Notes to Basic Financial Statements.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
STATE GRANTS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Revenue from Other Agencies	\$ -	\$ -	\$ 222,866	\$ 222,866	
Investment Income	690	690	73,883	73,193	
Total Revenues	690	690	296,749	296,059	
EXPENDITURES					
Public Works	355,000	481,973	115,977	365,996	
Debt Service:					
Principal	-	-	59,440	(59,440)	
Interest and Fiscal Charges	-	-	10,560	(10,560)	
Total Expenditures	355,000	481,973	185,977	295,996	
NET CHANGE IN FUND BALANCE					
Fund Deficit - Beginning of Year	(354,310)	(481,283)	110,772	592,055	
	131,193	131,193	131,193	-	
FUND BALANCE (DEFICIT) - END OF YEAR					
	\$ (223,117)	\$ (350,090)	\$ 241,965	\$ 592,055	

See accompanying Notes to Basic Financial Statements.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2024

	Equipment Replacement Internal Service Fund
ASSETS	
Current Assets:	
Cash and Investments	\$ 3,183,004
Receivables:	
Interest	16,909
Total Current Assets	<u>3,199,913</u>
Noncurrent Assets:	
Capital Assets, Being Depreciated:	
Property and Equipment	2,844,901
Accumulated Depreciation	<u>(2,562,085)</u>
Total Noncurrent Assets	<u>282,816</u>
Total Assets	3,482,729
LIABILITIES	
Current Liabilities:	
Accounts Payable and Accrued Liabilities	5,708
Lease Payable	<u>33,877</u>
Total Current Liabilities	<u>39,585</u>
Noncurrent Liabilities:	
Lease Payable	<u>69,461</u>
Total Liabilities	109,046
NET POSITION	
Investment in Capital Assets	179,478
Unrestricted	<u>3,194,205</u>
Total Net Position	<u>\$ 3,373,683</u>

See accompanying Notes to Basic Financial Statements.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2024

	Equipment Replacement Internal Service Fund
OPERATING REVENUES	
Charges for Services	\$ 246,900
Total Operating Revenues	246,900
OPERATING EXPENSES	
Materials and Supplies	141,156
Depreciation and Amortization Expense	58,576
Total Operating Expenses	199,732
OPERATING INCOME	47,168
NONOPERATING REVENUES (EXPENSES)	
Investment Income	159,235
Interest Expense	(2,845)
Total Nonoperating Revenues (Expenses)	156,390
CHANGE IN NET POSITION	203,558
Net Position - Beginning of Year	3,170,125
NET POSITION - END OF YEAR	<u>\$ 3,373,683</u>

See accompanying Notes to Basic Financial Statements.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
YEAR ENDED JUNE 30, 2024

	Equipment Replacement Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Interfund Services Provided	\$ 246,900
Payments to Suppliers	(135,823)
Net Cash Provided by Operating Activities	<u>111,077</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition and construction of capital assets	(164,468)
Principal Paid on Lease Liability	(26,773)
Interest Paid on Lease Liability	(2,643)
Net Cash Used by Capital and Related Financing Activities	<u>(193,884)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received on Investments	<u>156,506</u>
Net Cash Provided by Investing Activity	<u>156,506</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	73,699
Cash and Cash Equivalents - Beginning of Year	<u>3,109,305</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 3,183,004</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating Income	\$ 47,168
Adjustments to Reconcile Operating Income to Net Cash	
Provided by Operating Activities:	
Depreciation and Amortization Expense	58,576
Changes in Operating Assets and Liabilities:	
Increase (Decrease) in Accounts Payable and Accrued Liabilities	5,333
Net Cash Provided by Operating Activities	<u>\$ 111,077</u>

See accompanying Notes to Basic Financial Statements.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
JUNE 30, 2024

	Successor Agency Private-Purpose Trust Fund
ASSETS	
Cash and Investments	\$ 355,720
Receivables:	
Interest Receivable	702
Total Assets	<u>356,422</u>
LIABILITIES	
Current Liabilities:	
Current Portion of Noncurrent Liabilities	<u>599,500</u>
Total Current Liabilities	<u>599,500</u>
Noncurrent Liabilities:	
Due Beyond One Year	<u>11,758,976</u>
Total Noncurrent Liabilities	<u>11,758,976</u>
Total Liabilities	<u>12,358,476</u>
Net Deficit Restricted for Other Purpose	<u>\$ (12,002,054)</u>

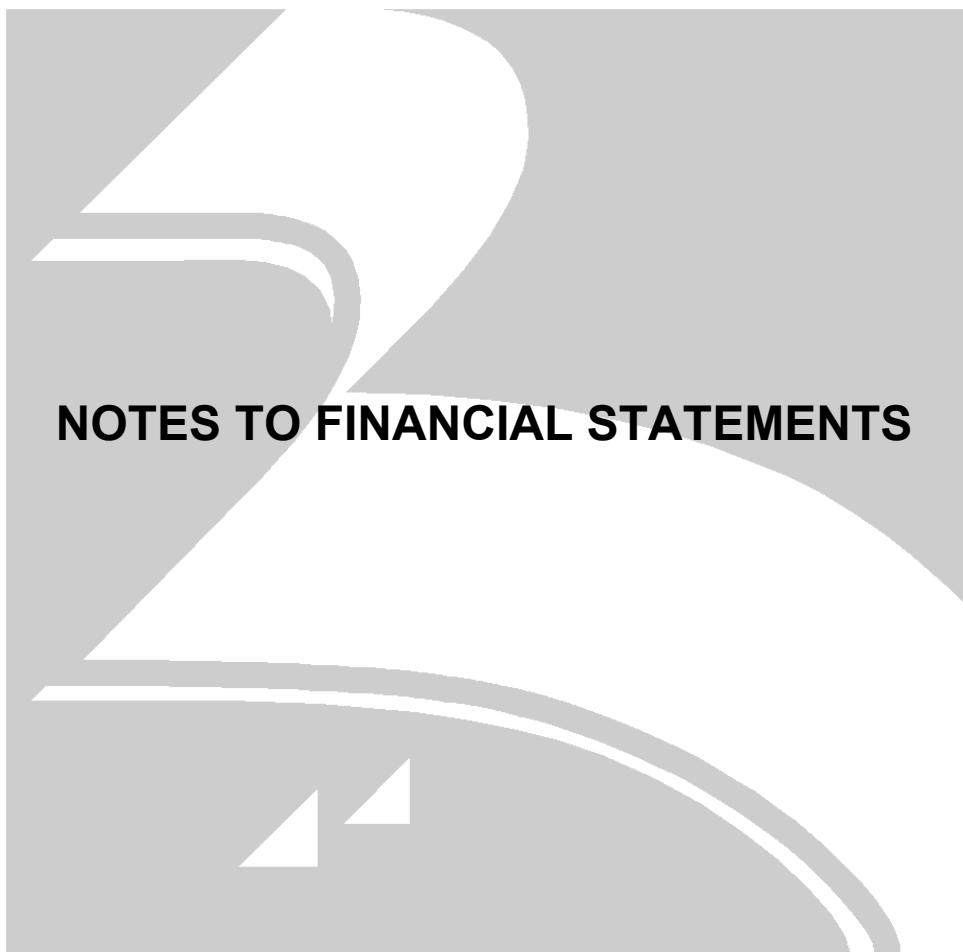
See accompanying Notes to Basic Financial Statements.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
YEAR ENDED JUNE 30, 2024

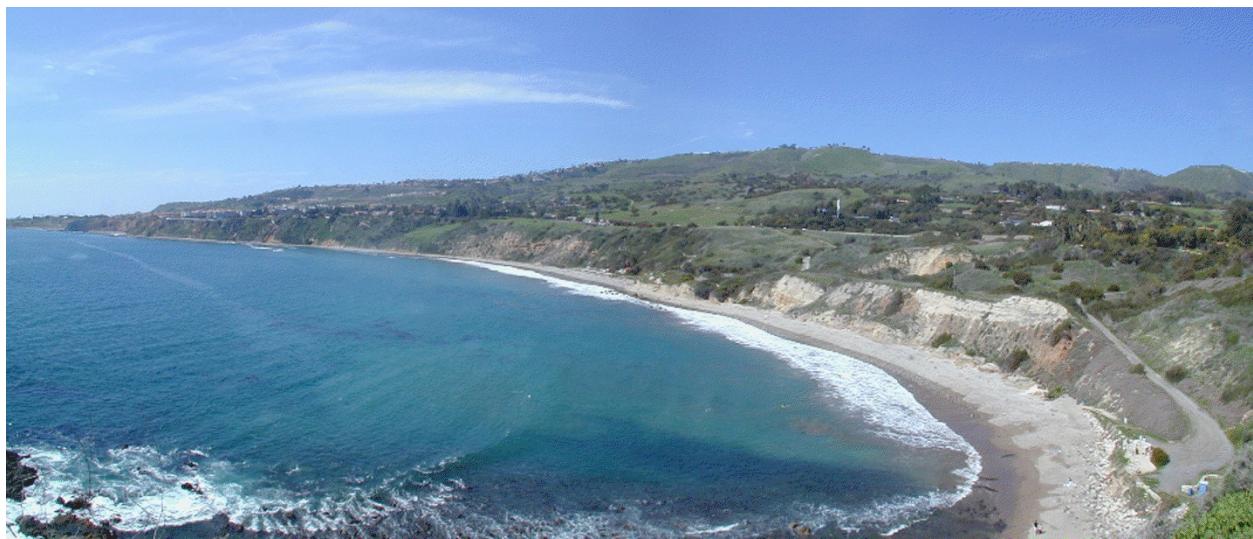
	Successor Agency Private-Purpose Trust Fund
ADDITIONS	
Taxes	\$ 859,702
Investment Income	9,746
Total Additions	<u>869,448</u>
DEDUCTIONS	
Administration	335
Debt Interest and Fiscal Charges	262,875
Total Deductions	<u>263,210</u>
CHANGE IN NET POSITION	606,238
Net Deficit - Beginning of Year	<u>(12,608,292)</u>
NET DEFICIT - END OF YEAR	<u><u>\$ (12,002,054)</u></u>

See accompanying Notes to Basic Financial Statements.

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NOTES TO FINANCIAL STATEMENTS



CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the City of Rancho Palos Verdes (the City) conform to accounting principles generally accepted in the United States of America as applicable to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for governmental accounting and financial reporting principles. The following is a summary of the significant policies.

A. Reporting Entity

The reporting entity, "City of Rancho Palos Verdes", includes the accounts of the City and the Joint Powers Improvement Authority (the Authority). The City was incorporated on September 7, 1973, as a General Law City and operates under a Council/Manager form of government.

The City sponsored the formation of a Redevelopment Agency in 1984 pursuant to the State of California Health and Safety Code Section 33000 entitled "Community Redevelopment Law" with a purpose to finance long-term capital improvements designed to eliminate physical and economic blight in a project area through stabilization of hazardous landslides. Effective February 1, 2012, pursuant to state law, the Redevelopment Agency was dissolved, and its assets were transferred to a Successor Agency for the purpose of winding down the business of the former Redevelopment Agency (see Note 14). The Successor Agency is a separate legal entity that is a related organization to the City; but is not a component unit, as described more fully below.

The Authority was formed on September 4, 1990, in accordance with the provisions of the Reimbursement and Settlement Agreement, dated October 27, 1987, entered into by the City, the former Redevelopment Agency, and the County of Los Angeles (County) in connection with the Horan Lawsuit. The Agreement requires funds to be set aside and expended by the Authority to maintain landslide abatement improvements installed and constructed by the former Redevelopment Agency.

The City of Rancho Palos Verdes is the primary government unit. Component units are legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, component units can be other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading. The City has accounted for the Authority as a "blended" component unit. The balances and transactions of the Authority are reported in separate Permanent and Special Revenue Funds; and are included in the government-wide statements.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

The following specific criteria were used in determining that the Authority is a “blended” component unit.

- The members of the City Council also act as members of the Authority Board.
- The Authority is fiscally dependent on the City, and there is potential for the Authority to impose specific financial burdens on the City; as the City subsidizes maintenance operations performed by the Authority and the City is legally liable for facilities maintained by the Authority.

Separately issued financial statements for the Authority may be obtained at the City's administrative offices.

The Successor Agency is a fiduciary component unit. The balances and transactions of the Successor Agency are reported as a separate Fiduciary Fund private purpose trust fund.

Participation in Public Entity Jointly Controlled Government

The City is a member of the Palos Verdes Peninsula Transit Joint Powers Authority (the Transit Authority). The Transit Authority is comprised of three member cities and is organized under a Joint Powers Agreement pursuant to the California Government Code. The purpose of the Authority is to study, implement, and provide a public transit system within and around the Palos Verdes Peninsula. These transit services include Palos Verdes Transit, Dial-A-Ride, and a fixed route shuttle service. Periodic deposits are paid by member Cities and are adjusted retrospectively to cover costs. Costs are prorated among all participating Cities based on population.

The City does not have an equity interest in the Transit Authority; therefore, no amount has been reported in the statement of net position. However, the City does have an ongoing financial interest because the City is able to influence the operations of the Authority so that the Authority uses its resources on behalf of the City. Also, an ongoing financial responsibility exists because the Authority is dependent on continued funding from the City. The condensed financial information of the Authority has not been reproduced in this report, but is available upon request from the Authority by emailing pvtransit@palosverdes.com or mailing a request to P.O. Box 2656, Palos Verdes Peninsula, California 90274.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Description of Funds

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, deferred outflows/inflows, fund equity, revenues, and expenditures. The following are types of funds used.

Governmental Fund Types

General Fund – Used to account for all financial resources except those that are required to be accounted for in another fund. The financial resources accounted for in the General Fund may be used to fund any City program.

Special Revenue Funds – Used to account for the proceeds of specific revenue sources that are restricted by law or administrative action for specified purposes.

Capital Projects Funds – Used to account for financial resources used for the construction of specific capital projects.

Permanent Funds – Used to account for resources legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs.

Proprietary Fund Types

Internal Service Funds – Used to centralize the accounting for purchases of equipment, furniture and vehicles on behalf of all City departments, and the accumulation of funds for replacement of certain buildings on behalf of the City.

Fiduciary Fund Type

Private-Purpose Trust Fund – Used to account for property tax revenue allocated to the Successor Agency and payments of the obligations of the former Redevelopment Agency.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting/Measurement Focus

Government-Wide Financial Statements

The City's Government-Wide Financial Statements include a "Statement of Net Position" and a "Statement of Activities." These two statements present a summary of Governmental Activities for the City; and do not include fiduciary activities. These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources; including capital assets, infrastructure, and long-term debt, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the liability is incurred. The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenue transactions for the City are reported in three categories: 1) Charges for Services, 2) Operating Grants and Contributions, and 3) Capital Grants and Contributions. Charges for Services include revenues from customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Operating Grants and Contributions include revenues restricted to meeting the requirements of a particular operating function and may include state shared revenues and grants. Capital Grants and Contributions include revenues restricted to meeting the requirements of a particular capital function and may include grants and developer fees. Taxes and other items not properly included among program revenues are reported instead as general revenues. As a general rule, the effect of inter-fund activity has been eliminated from the Government-Wide Financial Statements.

Governmental Fund Financial Statements

Governmental fund financial statements include a "Balance Sheet – Governmental Funds" and "Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds" for all major and other governmental funds. An accompanying schedule is presented to reconcile and explain the differences in fund balances as presented in these statements to the Net Position presented in the Government-Wide Financial Statements.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the City, except those that are required to be accounted for in another fund.

The American Rescue Plan Act Special Revenue Fund is used to account for American Rescue Plan Act assistance.

The State Grants Special Revenue Fund is used to account for state financial assistance programs.

The Capital Improvement Capital Projects Fund is used to account for funds used for the City's capital improvement projects.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting/Measurement Focus

Governmental Fund Financial Statements (Continued)

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Under the “current financial resources” measurement focus, generally only current assets, current liabilities and deferred inflows are reported on the balance sheets. The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balances. Revenues are recognized in the accounting period in which they become susceptible to accrual, that is, when they become both measurable and available to finance expenditures of the current period. “Measurable” means that the amount of the transaction can be determined, and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Accrued revenues include property taxes received within 60 days after year-end, taxpayer-assessed taxes such as sales taxes, and earnings on investments. Grant funds earned but not received are recorded as a receivable, and grant funds received before the revenue recognition criteria have been met are reported as unearned revenues. Expenditures are recorded when the fund liability is incurred, if measurable, except for interest on general long-term debt that has not yet matured, which is recognized when due.

Proprietary Fund Financial Statements

Proprietary fund types are accounted for using the “economic resources” measurement focus and accrual basis of accounting. This means that all assets and liabilities (whether current or noncurrent) associated with the activity are included on the balance sheet. Fund equity is presented as total net position. The operating statement of proprietary funds presents increases (revenues) and decreases (expenses) in total net position. Revenues are recognized when they are earned and expenses are recognized when the liability is incurred.

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

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting/Measurement Focus (Continued)

Proprietary Fund Financial Statements (Continued)

The City uses an internal service fund to finance and account for goods and services provided by one City department to other City departments, including the purchase and maintenance of equipment. The City's internal service fund is presented in the proprietary funds financial statements. Because the principal users of the internal services are the City's governmental activities, the financial statements of the internal service fund are consolidated into the governmental activities column when presented in the government-wide financial statements. To the extent possible, the cost of these services is reported in the appropriate functional activity (administration, public safety, public works, etc.).

Fiduciary Fund Financial Statements

The fiduciary private-purpose trust fund type is accounted for using the economic resources measurement focus and accrual basis of accounting similar to the proprietary funds.

The City reports the following fiduciary fund.

The assets and liabilities of the former Redevelopment Agency were transferred to the Successor Agency as part of the business of redevelopment dissolution. The Successor Agency private-purpose trust fund accounts for the changes in the former Redevelopment Agency's assets and liabilities until they are disposed of through dissolution. This fund also accounts for the administrative costs associated with dissolution.

D. Budgetary Accounting

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds, except for the Bikeways Special Revenue Fund. All annual appropriations lapse at fiscal year-end. Budget control is maintained over all accounts, and expenditures are not allowed to exceed appropriations at the department level. Throughout the year, the City Council made several budgetary adjustments to the General fund, Special Revenue funds, Capital Projects funds, and Permanent funds.

Under Article XIIIIB of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller, returned to the taxpayers through revised tax rates or revised fee schedules, or an excess in one year may be offset against a deficit in the following year. For the fiscal year ended June 30, 2024, based on calculations by City Management, the proceeds of taxes in the amount of \$30.9 million did not exceed appropriation limit of \$37.5 million.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Capital Assets

Capital assets include land, construction in progress, building and improvements, vehicles, computer equipment, furniture, fixtures and equipment, and infrastructure assets (street systems, storm drains, sewer systems, etc.). Capital assets are defined by the City as all land and buildings, vehicles, computers, equipment, and right-to-use assets with an initial individual cost of more than \$5,000 and; and improvements and infrastructure assets with construction costs of more than \$100,000, that have an estimated useful life of more than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated or annexed capital assets are recorded at acquisition value at the date of donation or annexation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Depreciation is recorded in the Government-Wide Financial Statements on a straight-line basis over the useful life of the assets as follows:

Buildings and Improvements	25 to 50 Years
Vehicles, Computers, and Equipment	3 to 10 Years
Right-to-Use Assets:	
Equipment	1 to 3 Years
Subscriptions	1 to 6 Years
Infrastructure Assets:	
Roadway System	10 to 100 Years
Sewer System	25 to 50 Years
Storm Drain System	30 to 100 Years
Parks System	25 Years

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

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

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Employee Compensated Absences

City employees may receive from 10 to 20 days of vacation time each year, depending upon length of service. An employee may accumulate earned vacation time up to a maximum of two years' worth of accrued vacation leave. Upon termination, employees are paid the full value of their unused vacation time at their existing salary.

City employees accrue 96 hours of sick leave each year with a maximum accrual of 720 hours. However, unused sick leave is never paid out to the employee upon separation; and therefore, the City does not accrue a liability.

The General Fund will primarily be used to liquidate the liability for compensated absences in future years. Any liability for compensated absences is only carried in the General Fund if there is unused/unpaid leave outstanding following an employee's separation.

G. Investments

Investments are reported at fair value which is the amount at which financial instruments could be exchanged in a current transaction between willing parties. All fair values are determined by external consultants. Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period.

H. Cash and Investments

The Equipment Replacement Internal Service Fund participates in the pooling of City-wide cash and investments. Amounts from the pool are available to this fund on demand. Therefore, the cash and investments reported in this fund is considered to be cash and cash equivalents for purpose of the statement of cash flows.

I. Claims and Judgments

When it is probable that a claim liability has been incurred, and the amount of the loss can be reasonably estimated, the City records the estimated loss, net of any insurance coverage under its self-insurance program. Small claims and judgments are recorded as expenditures when paid.

The City's self-insurance program is administered through the California Joint Powers Authority (the CJPIA), which is described at Note 10. The CJPIA is a public entity risk pool. The City records amounts deposited with CJPIA as insurance expenditures in the General Fund.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items using the consumption method. In governmental funds, the prepaid assets recorded do not reflect current appropriable resources and thus, an equivalent portion of fund balance is reported as nonspendable.

K. Estimates

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

L. Net Position and Fund Balance Flow Assumptions

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first. When unrestricted resources (committed, assigned or unassigned) are available for use, it is the City's policy to use committed resources first, assigned resources second and finally unassigned resources.

In the Government-Wide financial statements net position is classified in the following categories:

Net Investment in Capital Assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation on these assets reduces this category as does any outstanding balance on debt incurred in acquiring or constructing the capital assets.

Restricted Net Position – This category presents external restrictions imposed by creditors, grantors, contributions or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – This category represents the difference between total net position and the two categories noted above: Net Investment in Capital Assets and Restricted Net Position.

The fund balances reported on the fund statements consist of the following categories:

Nonspendable – Amounts that are not in a spendable form (such as inventory and prepaid expenditures) or are legally required to be maintained intact (such as the corpus of an endowment fund).

Restricted – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Net Position and Fund Balance Flow Assumptions (Continued)

Committed – Amounts constrained to specific purposes by the City Council via a City Council resolution or ordinance, which are considered to be equally binding. To be reported as committed, amounts cannot be used for any other purpose unless the City Council adopts another resolution to remove or change the constraint.

Assigned – Amounts the City Council *intends* to use for a specific purpose, which is expressed by the City Council via minute order.

Unassigned – Amounts that are available for any purpose; these amounts are reported only in the General Fund. However, if there is a deficit fund balance to be reported in any fund, it is classified as unassigned.

M. Deferred Inflows and Outflows

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 assets that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until that time. The City has the following items that qualify for reporting in this category:

- Deferred outflows related to pensions equal to employer contributions made after the measurement date of the net pension liability.
- Deferred outflows related to pensions for differences between expected and actual experiences. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the plans.
- Deferred outflows related to pensions for changes in assumptions. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the plans.
- Deferred outflows related to pensions resulting from the net difference between projected and actual earnings on investments from the pension plan fiduciary net position. These amounts are amortized over five years.
- Deferred outflows related to pensions for changes in employer's proportion and differences between employer's contributions and the employer's proportionate share of contributions. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the plans.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Deferred Inflows and Outflows (Continued)

In addition to liabilities, the statement of net position and the governmental funds balance sheet will sometimes report a separate section for *deferred inflows of resources*. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The City has the following items that qualify for reporting in this category:

- Deferred inflows from unavailable revenues, which are reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source: grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- Deferred inflows from lease receivable is initially measured at the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.
- Deferred inflows related to pensions for changes in employer's proportion and differences between employer's contributions and the employer's proportionate share of contributions. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the plans.
- Deferred inflows related to pensions for differences between expected and actual experiences. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the plans.

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

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 CASH AND INVESTMENTS

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

	Government- Wide Statement of Net Position	Fiduciary Fund Statement of Fiduciary Net Position	Total
Cash and Investments	<u>\$ 98,017,568</u>	<u>\$ 355,720</u>	<u>\$ 98,373,288</u>

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

Petty Cash	\$ 5,000
Deposits with Financial Institutions	1,774,343
Certificates of Deposit	32,128,444
Money Market Mutual Funds	1,094,714
U.S. Treasury Obligations	6,790,955
Government Sponsored Agency Bonds	8,823,411
Local Agency Investment Fund (LAIF)	<u>47,756,421</u>
Total	<u>\$ 98,373,288</u>

Investments are authorized by the California Government Code and the City of Rancho Palos Verdes' Investment Policy.

The table below identifies the investment types that are authorized for the City of Rancho Palos Verdes by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Amount or Percent of Portfolio	Maximum in One Issuer
U.S. Treasury Obligations	5 Years	None	None
Government Sponsored Agency Bonds	5 Years	None	None
Certificates of Deposit	5 Years	None	None
Negotiable Certificates of Deposit	5 Years	30%	None
Repurchase Agreements	7 Days	15%	None
Money Market Mutual Funds	N/A	15%	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Money Market Savings/Demand Deposits	N/A	15%	\$5 Million

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, there is a greater sensitivity of its fair value to changes in market interest rates. The City manages its exposure to interest rate risk by investing with the Local Agency Investment Fund (LAIF) such that the portfolio provides cash flows and liquidity needed for operations. The City's investment is represented by shares in the pool, which can be withdrawn in one business day. The average maturity of the pool is less than one year.

Investment Type	Remaining Maturity					Total
	0-6 Months	6-12 Months	12-36 Months	36-60 Months		
Certificates of Deposit	\$ 7,056,588	\$ 4,665,185	\$ 12,957,820	\$ 7,448,851	\$ 32,128,444	
Money Market Mutual Funds	1,094,714	-	-	-	-	1,094,714
U.S. Treasury Obligations	2,981,900	1,937,610	1,871,445	-	-	6,790,955
Government Sponsored Agency Bonds	1,992,140	2,024,581	3,814,520	992,170	-	8,823,411
Local Agency Investment Fund (LAIF)	47,756,421	-	-	-	-	47,756,421
Total	\$ 60,881,763	\$ 8,627,376	\$ 18,643,785	\$ 8,441,021	\$ 96,593,945	

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The U.S. Treasury Obligations are not required to be rated. The certificates of deposit, and LAIF are not rated. The money market funds and Government Sponsored Agency Bonds are rated AAA and AA, respectively.

Concentration of Credit Risk

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

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 of Rancho Palos Verdes' 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.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk (Continued)

The City's deposits with financial institutions in excess of federal depository insurance limits were held in collateralized accounts, but not in the name of the City. The financial institutions that held the uninsured deposits are legally required by the California Government Code to collateralize the City's deposits as noted above.

Investment in Local Agency Investment Fund (LAIF)

The City of Rancho Palos Verdes is a voluntary participant in LAIF that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the City of Rancho Palos Verdes' investment in this pool is based upon the City of Rancho Palos Verdes' pro-rata share of the fair value provided by LAIF for the entire pool 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 a governmental investment pool managed and directed by the Treasurer of the State of California and is not registered with the Securities and Exchange Commission. An oversight committee comprised of California State officials and various other participants provides oversight to the management of the fund. The daily operations and responsibilities of LAIF fall under the auspices of the State Treasurer's office.

Fair Value Classifications

The City categorized its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are quoted prices for similar assets in active markets, Level 3 inputs are significant unobservable inputs.

The fair value of the City's investments in U. S. Treasury Obligations and Government Sponsored Agency Bonds are based on Level 2 inputs. The City's investments in FDIC-insured certificates of deposits, money market funds and LAIF are not subject to the fair value hierarchy.

NOTE 3 INTERFUND TRANSACTIONS

Interfund Receivable/Payable

The \$28,860 due to the General Fund from Other Governmental Funds is the result of loans to cover temporary deficit cash balances.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 3 INTERFUND TRANSACTIONS (CONTINUED)

Interfund Transfers

Interfund transfers for the year ended June 30, 2024, consisted of the following:

Transfer To	Transfer From		
	General Fund	Other Governmental Funds	Totals
General Fund	\$ -	\$ 270,000	\$ 270,000
Capital Improvement Projects	4,975,559	-	4,975,559
Other Governmental Funds	145,561	-	145,561
Total	<u>\$ 5,121,120</u>	<u>\$ 270,000</u>	<u>\$ 5,391,120</u>

Transfers are used to: (1) move revenues from the fund that a statute or the budget requires for collection to the fund that a statute or the budget requires for expenditure; (2) unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations or grant matching requirements; and, (3) return money to the General Fund that was originally transferred from the General Fund to another fund, yet not used.

The General Fund transferred a total of \$5,121,120 to other funds. Of this amount, \$4,975,559 was transferred to the Capital Improvement Projects (CIP) Fund as a CIP Reserve for future infrastructure projects, as required by the City Council's Reserve Policy. The remaining \$145,561 was transferred to the following Other Governmental Funds: \$15,000 to the Joint Powers Improvement Authority Portuguese Bend to subsidize annual maintenance of landslide mitigation facilities, \$60,000 to the Subregion 1 Fund to subsidize landscape maintenance, \$70,000 to the Abalone Cove Sewer Assessment fund to for maintenance and repair services, and, \$561 to the Habitat Restoration fund to perform habitat maintenance. The General Fund received \$270,000 from the following Other Governmental Funds: \$170,000 from the Public Safety Grants Fund to supplement the special community resource policing team for the deputy cost within the Sheriff program of the public safety section of the budget, and \$100,000 from the Measure A Special Revenue Fund to cover park and trail maintenance costs.

NOTE 4 LEASES RECEIVABLE

The City, acting as lessor, leases equipment under three long-term, noncancelable lease agreements. The leases expire at various dates through June 30, 2041. The net present values of the leases receivable were determined using a discount rate of 1.98% and 2.93%. Rent payments ranging from \$283 to \$3,925, are received monthly. During the year ended June 30, 2024, the City recognized \$94,456 and \$14,312 in lease revenue and interest revenue, respectively, pursuant to these lease agreements.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 4 LEASES RECEIVABLE (CONTINUED)

One of the leases provides for increases in future minimum monthly rent payments, subject to certain stated increases.

Principal and interest requirements to maturity under lease agreements are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 94,695	\$ 14,312	\$ 109,007
2026	89,094	12,276	101,370
2027	70,548	10,615	81,163
2028	75,136	9,033	84,169
2029	79,973	7,353	87,326
Thereafter	<u>299,582</u>	<u>13,519</u>	<u>313,101</u>
Total	<u><u>\$ 709,028</u></u>	<u><u>\$ 67,108</u></u>	<u><u>\$ 776,136</u></u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 5 CAPITAL ASSETS AND DEPRECIATION

The City has reported all capital assets including infrastructure in the Government-Wide Statement of Net Position. The City elected to use the basic reporting approach as defined by GASB Statement No. 34 for all infrastructure, whereby depreciation expense and accumulated depreciation has been recorded. The following tables present the capital assets activity for the year ended June 30, 2024.

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets not Being Depreciated/Amortized:				
Land	\$ 44,841,416	\$ 30,000	\$ -	\$ 44,871,416
Construction in Progress	13,000,973	6,939,472	(17,459,237)	2,481,208
Total Capital Assets not Being Depreciated/Amortized	57,842,389	6,969,472	(17,459,237)	47,352,624
Capital Assets Being Depreciated/Amortized:				
Building and Improvements	14,281,198	-	-	14,281,198
Vehicles	592,099	303,094	-	895,193
Computer Equipment	1,150,464	-	-	1,150,464
Furniture, Fixtures, and Equipment	1,046,243	28,815	-	1,075,058
Right-to-Use Assets:				
Leases	860,544	25,425	-	885,969
Subscription	508,308	-	-	508,308
Infrastructure:				
Roadway System	129,572,339	1,972,469	-	131,544,808
Sewer System	25,965,995	-	-	25,965,995
Storm Drain System	14,142,879	-	-	14,142,879
Storm Drain System - Water Quality	36,851,640	-	-	36,851,640
Parks System	8,103,193	15,486,768	-	23,589,961
Total Capital Assets Being Depreciated/ Amortized	233,074,902	17,816,571	-	250,891,473
Less Accumulated Depreciation/Amortization for:				
Buildings and Improvements	(8,152,701)	(266,170)	-	(8,418,871)
Vehicles	(573,022)	(47,334)	-	(620,356)
Computer Equipment	(1,022,335)	(32,263)	-	(1,054,598)
Furniture, Fixtures, and Equipment	(973,276)	(41,866)	-	(1,015,142)
Right-to-Use Assets:				
Leases	(120,532)	(202,571)	-	(323,103)
Subscription	(193,888)	(154,251)	-	(348,139)
Infrastructure:				
Roadway System	(83,455,957)	(4,634,030)	-	(88,089,987)
Sewer System	(22,843,293)	(144,782)	-	(22,988,075)
Storm Drain System	(6,087,695)	(279,945)	-	(6,367,640)
Storm Drain System - Water Quality	(7,396,239)	(832,577)	-	(8,228,816)
Parks System	(3,702,408)	(381,765)	-	(4,084,173)
Total Accumulated Depreciation/Amortization	(134,521,346)	(7,017,554)	-	(141,538,900)
Total Capital Assets Being Depreciated/Amortized, Net	98,553,556	10,799,017	-	109,352,573
Governmental Activities				
Capital Assets, Net	<u>\$ 156,395,945</u>	<u>\$ 17,768,489</u>	<u>\$ (17,459,237)</u>	<u>\$ 156,705,197</u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 5 CAPITAL ASSETS AND DEPRECIATION (CONTINUED)

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

Administration (Depreciation of Buildings and Some Furniture and Amortization of Right-to-Use Assets)	\$ 685,879
Public Works (Depreciation of Roadways, Sewers, and Storm Drains)	5,891,334
Parks and Recreation (Depreciation of Parks System)	381,765
Capital Assets Held by the City's Internal Service	
Funds are Charged to Various Functions Based on Their Usage of the Assets	<u>58,576</u>
Total Depreciation/Amortization Expense -	
Governmental Activities	<u>\$ 7,017,554</u>

NOTE 6 NOTES RECEIVABLE

	Notes Receivable
Affordable Housing	\$ 8,883,816
Community Development Block Grant	<u>213,791</u>
Subtotal	9,097,607
Receivable from Successor Agency	10,298,476
Allowance from Successor Agency Receivable	<u>(10,298,476)</u>
Total Notes Receivable	<u>\$ 9,097,607</u>

The receivable from the Successor Agency is discussed further in Note 15.

Affordable Housing

In March 2009, the former Redevelopment Agency (RDA) entered into a Disposition and Development Agreement (DDA) with AMCAL Mirandela Fund LP (AMCAL). Under the DDA, the former RDA provided financial assistance to AMCAL in an amount up to \$6,790,000 to develop a thirty-four-unit senior housing project. The loan accrues simple interest at a rate of 3% per annum on the amounts disbursed. The note is due December 22, 2065. The balance of the note receivable from AMCAL including accrued unpaid interest of \$2,613,272 at June 30, 2024 was \$8,883,816.

In March 2011, the former RDA sold an affordable housing condominium to an individual for \$350,000. In connection with the sale, the buyer issued a secured promissory note in the amount of \$126,320. The note bears no interest and principal is payable upon default by the owner (or any successors' owner) under a regulatory agreement that requires the condominium to be occupied by a person or families of moderate income. If no such default has occurred by February 22, 2056, the principal will be forgiven. Due to the nature of this loan, the outstanding balance has been offset in full by an allowance for uncollectability.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 6 NOTES RECEIVABLE (CONTINUED)

Affordable Housing (Continued)

As part of state-wide redevelopment dissolution, these two long-term notes receivable were transferred to the RDA housing successor (the City), which elected to retain the housing assets and function as the former Redevelopment Agency.

Community Development Block Grant (CDBG)

As part of the City's CDBG program, the City extends loans to property owners meeting low and moderate income requirements to make repairs and improvements to their homes. These notes receivable bear no interest, and repayment is required when the title to the property is transferred or the property is re-financed. The maximum loan amount per property is \$13,000. Amounts repaid are returned to the CDBG program. The total of these loans outstanding at June 30, 2024 is \$213,791.

NOTE 7 LONG-TERM LIABILITIES

	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024	Amount Due in One Year
Employee Compensated Absences	\$ 481,323	\$ 394,551	\$ (386,275)	\$ 489,599	\$ 392,917
Leases Payable	667,582	25,425	(100,846)	592,161	179,417
Subscriptions Payable	328,019	-	(175,932)	152,087	69,348
Loan Payable - Ladera Linda	7,265,975	-	(745,478)	6,520,497	760,239
Total	\$ 8,742,899	\$ 419,976	\$ (1,408,531)	\$ 7,754,344	\$ 1,401,921

The internal service fund above predominantly serves the governmental funds. Accordingly, the lease liability for this fund is included as part of the above totals for governmental activities.

Employee Compensated Absences

There is no fixed payment schedule for employee compensated absences. Based on historical trends, \$392,917 is estimated to be the amount that will be used and/or paid out during the fiscal year ended June 30, 2025.

Leases Payable

The City leases a building and equipment for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2027. The net present values of the leases payable were determined using a discount rate ranging between 1.98% to 3.54%. Monthly lease payments total \$15,375.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 LONG-TERM LIABILITIES (CONTINUED)

Leases Payable (Continued)

Total future minimum lease payments are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 179,417	\$ 11,602	\$ 191,019
2026	167,884	8,051	175,935
2027	244,860	4,589	249,449
Total	<u>\$ 592,161</u>	<u>\$ 24,242</u>	<u>\$ 616,403</u>

Right-to-use assets acquired through outstanding leases are shown below:

Equipment	\$ 885,969
Less: Accumulated Amortization	(323,103)
Total	<u>\$ 562,866</u>

Subscriptions Payable

The City has entered into subscription based-information technology arrangements (SBITAs) for various software applications. The SBITA arrangements expire at various dates through 2027 and provide renewal options.

As of June 30, 2024, SBITA assets and related accumulated amortization totaled \$508,308 and \$348,139, respectively.

The future subscription payments under SBITA arrangements are as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 69,348	\$ 3,821	\$ 73,169
2026	71,076	2,092	73,168
2027	11,663	320	11,983
Total	<u>\$ 152,087</u>	<u>\$ 6,233</u>	<u>\$ 158,320</u>

Loan Payable – Ladera Linda Community Park

On April 8, 2022, the City obtained an \$8,000,000 term loan bearing an interest rate of 1.98% for the purpose of funding a portion of the costs of construction of the new City-owned Ladera Linda Community Park. This financing, referred to as the Ladera Linda Loan, requires annual principal payments of approximately \$889,500, commencing on April 1, 2023, with interest payable semi-annually on April 1 and October 1. These payments are funded through transfers from the General Fund. In the event of default, the lender is allowed to charge a default interest rate of 3.0% above the base rate on the outstanding principal. Additionally, the loan allows for early repayment without any prepayment penalties, providing the City flexibility in managing its debt obligations.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 LONG-TERM LIABILITIES (CONTINUED)

Loan Payable – Ladera Linda Community Park (Continued)

Future debt service payments on the loan are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 760,239	\$ 129,106	\$ 889,345
2026	775,292	114,053	889,345
2027	790,642	98,702	889,344
2028	806,297	83,048	889,345
2029	822,262	67,083	889,345
2030 - 2032	2,565,765	102,268	2,668,033
Total	\$ 6,520,497	\$ 594,260	\$ 7,114,757

NOTE 8 CLASSIFICATIONS OF NET POSITION AND FUND BALANCE

The City's governmental fund balances were classified as follows at June 30, 2024:

	<u>General Fund</u>	<u>American Rescue</u>		<u>State Grants</u>	<u>Capital Improvement Fund</u>	<u>Other Governmental Funds</u>
		<u>Plan Act Special Revenue Fund</u>	<u>Special Revenue Fund</u>			
Nonspendable:						
In Form (Inventory and Prepaid Items)	\$ 1,803,549	\$ -	\$ -	\$ -	\$ -	\$ -
Legally (Endowment Principal)	-	-	-	-	-	1,750,000
Restricted:						
Public Works	-	301,913	241,965	-	-	6,126,078
Housing and Community Development	-	-	-	-	-	679,646
Transportation	-	-	-	-	-	10,226,744
Parks and Recreation	-	-	-	-	-	1,003,123
Public Safety	-	-	-	-	-	42,739
Committed:						
City Administration	118,484	-	-	-	-	-
Public Safety	2,000	-	-	-	-	-
Public Works	303,534	-	-	2,035,935	-	-
Recreation and Parks	11,837	-	-	-	-	-
Housing and Community Development	290,087	-	-	-	-	-
Assigned:						
Public Works	-	-	-	-	27,556,599	-
Unassigned:						
Unrestricted Fund Balance	35,478,469	-	-	-	-	(28,636)
Governmental Fund Balance						
Totals	\$ 38,007,960	\$ 301,913	\$ 241,965	\$ 29,592,534	\$ 19,799,694	

Nonspendable Fund Balance

General Fund assets include \$37,929 of inventory held for resale at the Point Vicente Interpretive Center gift shop, and \$1,765,620 of prepaid costs related to future years.

The fund balance of the Improvement Authority's Abalone Cove Permanent Fund includes a \$1,000,000 nonspendable endowment, as required by a Reimbursement and Settlement Agreement dated October 27, 1987 in connection with the Horan Lawsuit.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8 CLASSIFICATIONS OF NET POSITION AND FUND BALANCE (CONTINUED)

Nonspendable Fund Balance (Continued)

The fund balance of the Subregion One Maintenance Permanent Fund includes a \$750,000 nonspendable endowment, as required by the developer agreement for the Subregion One tract.

Beginning with the fiscal year ending June 30, 2006, the City's Natural Communities Conservation Plan (NCCP) required a nonspendable endowment in the Habitat Restoration Permanent Fund to be funded at \$10,000 annually (plus interest) for 50 years to provide for future habitat maintenance.

On October 29, 2021, pursuant to the NCCP adopted on November 19, 2019, by Resolution 2019-61, the City transferred the nonspendable endowment balance of \$188,055 (FY 2021-22 ending balance) to the Palos Verdes Peninsula Land Conservancy (PVPLC), a nonprofit organization in Ranchos Palos Verdes, California.

In FY 2022-23, the City contributed \$12,740 (\$11,862 plus a 7.4% CPI adjustment) to the PVPLC, bringing total contributions to \$200,795.

In FY 2023-24, the City contributed \$13,390 (\$12,740 plus a 5.1% CPI adjustment), bringing total contributions to \$214,184.

Restricted Fund Balance

The restricted balances of the City's American Rescue Plan Act Special Revenue Fund, State Grants Special Revenue Fund, and Other Governmental Funds are constrained to use for specific purposes by other governmental agencies, property owners, and grantors.

Committed Fund Balance

The \$725,942 balance of the General Fund is committed for ongoing projects approved by the City Council. These projects can only be redesignated to other projects by City Council. The \$2,035,935 balance of the Capital Improvement Fund is committed for ongoing improvements for streets, building, parks, trails and open space, and Portuguese Bend's dewatering wells project.

Assigned Fund Balance

The \$27,556,599 balance of the Capital Improvement Projects Fund has been assigned for the planning, design, and construction of infrastructure projects.

Unassigned Fund Balance

City Council Policy No. 41 – *Reserve Policies*, adopted via resolution, requires the City to maintain a minimum General Fund fund balance of at least fifty percent of annual operating expenditures. As of June 30, 2024, the unrestricted fund balance of \$35,478,469 exceeds the minimum requirement of \$15,593,289 (50% of \$31,186,577 in General Fund annual operating expenditures).

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 9 PENSION AND RETIREMENT HEALTH SAVINGS PLANS

Pension Plan Description

All qualified permanent and probationary employees are eligible to participate in the City of Rancho Palos Verdes Employee Pension Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees Retirement System (CalPERS). The CalPERS Plan consists of a miscellaneous pool and a safety pool (referred to as risk pools), which are comprised of individual employer miscellaneous and safety rate plans, respectively. The risk pools are included within the Public Employees' Retirement Fund C (PERF C). Benefit provisions under the Plan are established by State statute and may be amended by City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provision, assumption and membership information that can be found on the CALPERS website.

Benefits Provided

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

The Public Employees' Pension Reform Act of 2013 (PEPRA) requires new benefits and member contributions for new members as defined by PEPRA, that are hired after January 1, 2013. These PEPRA members in pooled plans are reflected in the new Miscellaneous and Safety risk pools created by the CalPERS Board in response to the passage of PEPRA, beginning with the June 30, 2013, risk-pool valuations.

The Plan's provisions and benefits in effect for the year ended June 30, 2024, are summarized in the following table.

Hire Date	Miscellaneous		
	Classic Tier 1	Classic Tier 2	New Members
	Prior to January 1, 2013	Prior to October 2, 2012	On or after January 1, 2013
Formula	2.5% at 55	2.0% at 60	2.0% at 62
Benefit Vesting Schedule	5 Years of Service	5 Years of Service	5 Years of Service
Benefit Payments	Monthly for Life	Monthly for Life	Monthly for Life
Retirement Age	55	60	62
Monthly Benefits, as a % of Annual Compensation	2.50%	2.00%	2.00%
Required Employee Contribution Rates	8%	7%	6.75%
Required Employer Contributions Rates:			
Normal Cost Rate	14.060%	10.100%	7.680%
Payment of Unfunded Liability	\$ 1,035,683	\$ -	\$ -

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 9 PENSION AND RETIREMENT HEALTH SAVINGS PLANS (CONTINUED)

Contribution Description

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. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. City contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions. For the year ended June 30, 2024, the City made contributions totaling of \$1,750,259.

Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions

The City reported a net pension liability for its proportionate share of the net pension liability of the Miscellaneous Plan as of June 30, 2024, in the amount of \$16,403,187.

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

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

Proportion - June 30, 2022	0.32542%
Proportion - June 30, 2023	<u>0.32804%</u>
Change - Increase (Decrease)	<u><u>0.00262%</u></u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 9 PENSION AND RETIREMENT HEALTH SAVINGS PLANS (CONTINUED)

Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

For the year ended June 30, 2024, the City recognized a pension expense of \$2,599,357. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to the Measurement Date	\$ 1,750,259	\$ -
Differences Between Expected and Actual Experience	837,963	(129,988)
Change of Assumptions	990,334	-
Change in Employer's Proportion and Differences Between the Employer's Contributions and the Employer's Proportionate Share of Contributions	100,859	(529,192)
Net Differences Between Projected and Actual Earnings on Plan Investments	2,655,824	-
Total	<u>\$ 6,335,239</u>	<u>\$ (659,180)</u>

The amount of \$1,750,259 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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows or resources related to pensions will be recognized as pension expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2025	\$ 1,063,090
2026	752,348
2027	2,034,155
2028	76,207
2029	-
Thereafter	-
Total	<u>\$ 3,925,800</u>

Actuarial Assumptions

The total pension liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of June 30, 2022, with update procedures used to roll forward the total pension liability to June 30, 2023.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 9 PENSION AND RETIREMENT HEALTH SAVINGS PLANS (CONTINUED)

Actuarial Assumptions (Continued)

The total pension liability was based on the following assumptions:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	(1)
Mortality Rate Table	(2)
Postretirement Benefit Increase	(3)

(1) Varies by entry age and service

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

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

Subsequent Events

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

Long-Term Expected Rate of Return

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

In determining the long term expected rate of return, CalPERS took into account both short term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all 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.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 9 PENSION AND RETIREMENT HEALTH SAVINGS PLANS (CONTINUED)

Long-Term Expected Rate of Return (Continued)

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

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

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

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

Discount Rate

The discount rate used to measure the total pension liability was 6.9%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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

The following presents the City's proportionate share of the net pension liability for each 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-percentage point lower or 1-percentage point higher than the current rate:

Discount Rate -1%	Current Discount Rate	Discount Rate +1%
(5.90%)	(6.90%)	(7.90%)
\$ 24,254,748	\$ 16,403,187	\$ 9,940,678

Pension Plan Fiduciary Net Position

Detailed information about the Plan's fiduciary net position is available in a separately issued CalPERS financial report.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 9 PENSION AND RETIREMENT HEALTH SAVINGS PLANS (CONTINUED)

Payable to the Pension Plan

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

Retirement Health Savings Plan

On November 17, 2009, the City approved the establishment of a defined contribution Retirement Health Savings Plan (the Plan) for its full-time employees. The Plan is a Health Reimbursement Arrangement (HRA) within Sections 105 and 106 of the Internal Revenue Code. The Plan assets are managed in a nontaxable trust as described in Section 501 (c)(9) of the Internal Revenue Code. The City is the Plan Administrator, and utilizes the services of a contracted financial services provider for day-to-day administration of contributions and disbursements. The City has the authority to amend the Plan's provisions and contribution requirements.

The City has no obligation to make contributions to the Plan, but as part of the annual budget process the City may elect to make contributions to the Plan. Employees are required to contribute 1% of their gross wages to their account, which is owned by the employee. During the fiscal year ended June 30, 2024, the City employees contributed \$60,657 and the City contributed \$100,486 to employee accounts.

The Plan assets are not an asset of the City. Therefore, only the City's expense to make contributions to the Plan has been recorded in the General Fund in the City's financial statements.

NOTE 10 LIABILITY, WORKERS' COMPENSATION, AND PURCHASED INSURANCE

Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

The City of Rancho Palos Verdes is a member of the CALIFORNIA JOINT POWERS INSURANCE AUTHORITY (California JPIA). The California JPIA is composed of 124 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the California JPIA is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the board of directors. The Board operates through a nine-member Executive Committee.

Primary Self-Insurance Programs of the California JPIA

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.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

**NOTE 10 LIABILITY, WORKERS' COMPENSATION, AND PURCHASED INSURANCE
(CONTINUED)**

Primary Liability Program

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

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

Primary Workers' Compensation Program

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

For 2023-2024, the California JPIA's pooled retention is \$1 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$1 million. Coverage from \$1 million to \$5 million is purchased through reinsurance policies, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

**CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

**NOTE 10 LIABILITY, WORKERS' COMPENSATION, AND PURCHASED INSURANCE
(CONTINUED)**

Purchased Insurance

Pollution Legal Liability Insurance

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

Property Insurance

The City of Rancho Palos Verdes participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of Rancho Palos Verdes property is currently insured according to a schedule of covered property submitted by the City of Rancho Palos Verdes to the Authority. City of Rancho Palos Verdes property currently has all-risk property insurance protection in the amount of \$21,965,054. There is a \$10,000 deductible per occurrence except for nonemergency vehicle insurance which has a \$2,500 deductible.

Earthquake and Flood Insurance

The City of Rancho Palos Verdes purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Authority. City of Rancho Palos Verdes property currently has earthquake protection in the amount of \$20,786,336. There is a deductible of 5% per unit of value with a minimum deductible of \$100,000.

Crime Insurance

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

Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in FY2023-2024.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 11 CONTINGENCIES AND COMMITMENTS

Litigation

In the normal course of operations, the City has been named as a defendant in various claims and legal actions. Generally, unfavorable results of these claims and legal actions are funded through the City's participation in the California Joint Powers Insurance Authority (CJPIA, see Note 10) and, as such, the City believes that the ultimate liability for these legal actions and claims will not have a material adverse effect on the City's financial statements. The City is also a defendant in legal actions for which the potential losses would not be covered through participation in CJPIA.

Commitments

Beginning with the fiscal year ending June 30, 2006, the City's Natural Communities Conservation Plan (NCCP) required a nonspendable endowment in the Habitat Restoration Permanent Fund to be funded at \$10,000 annually (plus interest) for 50 years to provide for future habitat maintenance.

On October 29, 2021, pursuant to the NCCP adopted on November 19, 2019, by Resolution 2019-61, the City transferred the nonspendable endowment balance of \$188,055 (FY 2021-22 ending balance) to the Palos Verdes Peninsula Land Conservancy (PVPLC).

In FY 2022-23, the City contributed \$12,740 (\$11,862 plus a 7.4% CPI adjustment) to the PVPLC, bringing total contributions to \$200,795.

In FY 2023-24, the City contributed \$13,390 (\$12,740 plus a 5.1% CPI adjustment), bringing total contributions to \$214,184.

NOTE 12 PROPERTY TAXES

Under California law, property taxes are assessed and collected by the counties up to one percent of assessed value, plus supplemental assessments and other increases approved by the voters. The property taxes go into a pool, and are then allocated to the cities based on complex formulas. Accordingly, the City accrues only those taxes, which are received from the county within sixty days after year-end.

Lien Date	January 1
Levy Date	June 30
Due Date	November 1 and February 1
Collection Dates	December 10 and April 10

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 13 UNAVAILABLE REVENUES

The unavailable revenues in the fund financial statements of the City of Rancho Palos Verdes as of June 30, 2024 are presented in the following table.

Revenue Measurable but Not Available (beyond 60 days):	
General Fund	\$ 83,478
State Grants Special Revenue Fund	17,417
Other Governmental Funds	607
Total Unavailable Revenues	<u><u>\$ 101,502</u></u>

NOTE 14 OTHER REQUIRED FUND DISCLOSURES

The following departments' budget had expenditures in excess of the budget for the year ended June 30, 2024, as follows:

Program	Budget	Expenditures	Excess
Other Governmental Funds:			
1911 Act Special Revenue Fund:			
Public Works	\$ 395,000	\$ 438,777	\$ 43,777
Habitat Restoration Special Revenue Fund:			
Public Works	179,000	188,526	9,526

The Successor Agency Private-Purpose Trust Fund has a deficit fiduciary net position at June 30, 2024 of \$12,002,054 which will be reduced by collection of future tax revenues. The Habitat Restoration Special Revenue Fund has a deficit fund balance at June 30, 2024 of \$28,636 which will be reduced by transfers from the General Fund.

NOTE 15 SUCCESSOR AGENCY

Under the Dissolution Act, each California redevelopment agency (each a Dissolved RDA) was dissolved as of February 1, 2012. A Successor Agency was created for each Dissolved RDA which is the sponsoring community of the Dissolved RDA unless it elected not to serve as the Successor Agency. On September 6, 2011, the City elected to serve as the Successor Agency of the Rancho Palos Verdes Redevelopment Agency.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 15 SUCCESSOR AGENCY (CONTINUED)

Debt Summary

	Balance June 30, 2023	Additions	Deletions	Balance June 30, 2024	Amounts Due in One Year
Due to City:					
Portuguese Bend	\$ 7,002,977	\$ 95,339	\$ (172,047)	\$ 6,926,269	\$ 95,339
Abalone Cove	3,410,686	54,161	(92,640)	3,372,207	54,161
Due to County:					
Tax Increment Bond	2,475,000	-	(415,000)	2,060,000	450,000
Totals	<u>\$ 12,888,663</u>	<u>\$ 149,500</u>	<u>\$ (679,687)</u>	<u>\$ 12,358,476</u>	<u>\$ 599,500</u>

Consolidated Loan from City

The City entered into an agreement to provide the former Redevelopment Agency (RDA) operating funds and staff assistance, supplies, technical and other services and facilities of the City as the RDA required in carrying out its function under the community redevelopment law. The former RDA was to repay the resulting indebtedness, plus interest, from incremental property tax revenues arising from the project area, as such revenue became available. Pursuant to the State redevelopment dissolution law, loans from cities to redevelopment agencies made more than two years after formation of the redevelopment agency are not recognized obligations. Therefore, the Consolidated Loan from the City has been previously disallowed on the Successor Agency's Recognized Obligation Payment Schedule (ROPS). However, AB1484 provides a method to secure recognition of the City's Consolidated Loan as an obligation of the Successor Agency. Upon completion of various independent reviews and transfers of funds to Los Angeles County, the Successor Agency received a "Finding of Completion" on April 26, 2013. On December 11, 2013, the Oversight Board made a finding that the Consolidated Loan from the City was made for legitimate redevelopment purposes. As required by the State redevelopment dissolution law, twenty percent of the amount available will be deposited into the City's Low-Moderate Income Housing Fund.

On September 22, 2015, Governor Brown signed legislation that became effective immediately. The legislation requires accrued interest on city loans to be recalculated using a simple interest rate of 3%. Previously, accrued interest on the City's loan was calculated using historical Local Agency Investment Fund (LAIF) rates. At June 30, 2024, using the simple interest rate of 3%, the loan balance is \$10,413,663.

	Principal	Interest	Balance
Portuguese Bend	\$ 3,177,963	\$ 3,748,306	\$ 6,926,269
Abalone Cove	1,805,367	1,566,840	3,372,207
Allowance from Successor			
Agency Receivable	(4,983,330)	(5,315,146)	(10,298,476)
Totals	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Due to the uncertainty of Redevelopment Property Tax Trust Fund revenue available for future loan repayments, the City's loan receivable of \$10,413,663 has been completely offset with an allowance for uncollectable amounts on the City's financial statements.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 15 SUCCESSOR AGENCY (CONTINUED)

Tax Increment Bond and Deferred Interest Payable

In July 1991, the former Redevelopment Agency received \$10,000,000 in loan proceeds (the Loan) from the County of Los Angeles (the County) upon the County's issue of Abalone Cove Improvement Bonds 2651-M pursuant to a Reimbursement and Settlement Agreement (the Agreement), dated October 27, 1987 in connection with the Horan Lawsuit. The Loan was made for the purpose of abating the Abalone Cove landslide. The settlement Loan was secured by property assessment liens in the Abalone Cove project area.

As stipulated by the parties to the Agreement, a portion of the Loan proceeds was used to repay a tax allocation and revenue anticipation promissory note issued to the County in the principal amount of \$1,450,000, plus accrued interest equal to \$179,244. A second portion of the proceeds was used to repay expenses advanced by the County in the amount of \$135,614. A third portion was used to repay certain loans from the City to the former Redevelopment Agency in the amount of \$787,340.

Per the terms of the Agreement, \$1,000,000 of the proceeds was deposited in the Abalone Cove Permanent Fund of the Joint Powers Improvement Authority. The remainder of the proceeds were accounted for in the former Redevelopment Agency's Abalone Cove Fund. Concurrent with the execution of the Agreement, the County deeded its title in the Abalone Cove Beach Park to the former Redevelopment Agency.

As part of the Agreement, the former Redevelopment Agency was required to transfer 17% of tax increment revenue to the Consolidated Fire Protection District of the County and 50.9% of tax increment revenue for debt repayment to the County. In accordance with the Agreement, the former Redevelopment Agency was to pay the Loan principal plus interest at 7.7654% over a 30-year period that began in 1992. However, these debt payments were to be deferred 10 years until the fiscal year ended June 30, 2002.

As part of the deferral arrangement, the accrued interest from the inception of the Loan through June 30, 2002, in the amount of \$7,314,944, was scheduled for payment over a 20-year period beginning in the fiscal year ended June 30, 2002 with no additional interest. The remaining balance of \$10,274,119 was scheduled for payment to the County over a 20-year period beginning in the fiscal year ended June 30, 2002, with interest at 7.7654%.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 15 SUCCESSOR AGENCY (CONTINUED)

Tax Increment Bond and Deferred Interest Payable (Continued)

On November 1, 1997, the City, the former Redevelopment Agency and the County of Los Angeles entered into a Memorandum of Understanding (MOU) agreeing to restructure the repayment schedule of the debt owed to the County by the former Redevelopment Agency. In accordance with the terms of the MOU, the \$10,000,000 loan principal owed to the County was cancelled. As consideration for the loan cancellation, the former Redevelopment Agency made a lump sum payment to the County in the amount of \$4,545,000 and issued a \$5,455,000 tax increment bond to the County (the bond). Of the \$4,545,000 lump sum payment, \$2,000,000 was paid from tax increment revenue and interest earnings accumulated in the Debt Service Fund. The remaining \$2,545,000 was funded by a combination of a loan from the General Fund of the City to the Agency for \$1,545,000 and a net operating transfer from the Agency's Abalone Cove Capital Projects Fund to the Debt Service Fund of \$1,000,000. The private property liens resulting from the formation of the bond assessment district in connection with the Reimbursement and Settlement Agreement in 1987 were discharged in accordance with the terms of the MOU.

The bond was issued as a conduit through the Joint Powers Improvement Authority to the County. No issuance costs were incurred. Future allocations of property tax to the Successor Agency will fund the payment of the bond debt and the deferred interest from the original Loan until paid in full. The principal of the bond began maturing in installments each December 2nd, commencing December 2, 2004. Interest accrues at a rate of 5% per annum and is payable in arrears each June 2nd and December 2nd.

Additionally, both the accrued interest and deferred interest on the \$10,000,000 Loan previously owed the County was retroactively recalculated from the Loan origination date at a rate of approximately 5% compared to 7.7654% per the original Agreement. The recalculated deferred interest was \$3,111,400. In accordance with the MOU, the recalculated deferred interest does not accrue additional interest. As of June 30, 2014, the balance of the deferred interest debt has been completely repaid.

The California Department of Finance has approved the Tax Increment Bond and Deferred Interest Payable as obligations of the Successor Agency.

The debt service schedule below summarizes all fixed principal and interest payments for the term of the bond. Because the payback period for the deferred interest amount will fluctuate depending on the availability of excess property tax revenue, no amounts have been included in the following schedule for repayment of the deferred interest.

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 450,000	\$ 91,750	\$ 541,750
2026	495,000	68,125	563,125
2027	535,000	42,375	577,375
2028	580,000	14,500	594,500
Totals	\$ 2,060,000	\$ 216,750	\$ 2,276,750

**CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 16 SUBSEQUENT EVENT

On August 28, 2023, the City was named a recipient of FEMA's Building Resilient Infrastructure and Communities (BRIC) grant totaling \$23.33 million. The purpose of the grant is to help communities across the country build resilience against extreme weather events and proactively reduce natural hazard risks. This funding is for the proposed Portuguese Bend Landslide Remediation Project.



REQUIRED SUPPLEMENTARY INFORMATION



CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
LAST TEN FISCAL YEARS
YEAR ENDED JUNE 30, 2024

	Miscellaneous				
Fiscal Year Ended	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Measurement Period	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019
Plan's Proportion of the Net Pension Liability	0.32804%	0.32542%	0.40821%	0.30643%	0.29762%
Plan's Proportionate Share of the Net Pension Liability	\$ 16,403,187	\$ 15,227,193	\$ 7,751,010	\$ 12,925,644	\$ 11,918,073
Plan's Covered Payroll	\$ 7,124,549	\$ 6,868,403	\$ 6,513,032	\$ 6,454,856	\$ 6,697,322
Plan's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	230.23%	221.70%	119.01%	200.25%	177.95%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	71.74%	72.16%	84.98%	73.77%	75.26%
Plan's Proportionate Share of Aggregate Employer Contributions	\$ 1,750,259	\$ 1,738,045	\$ 1,724,590	\$ 1,624,308	\$ 1,440,684

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

From Fiscal Year June 30, 2015 to June 30, 2016:

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

From Fiscal Year June 30, 2016 to June 30, 2017:

There were no changes in assumptions.

From Fiscal Year June 30, 2017 to June 30, 2018:

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

From Fiscal Year June 30, 2018 to June 30, 2019:

There were no changes in assumptions.

From Fiscal Year June 30, 2019 to June 30, 2020:

There were no changes in assumptions.

From Fiscal Year June 30, 2020 to June 30, 2021:

There were no changes in assumptions.

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

There were no changes in assumptions.

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

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

From Fiscal Year June 30, 2023 to June 30, 2024:

There were no significant changes in assumptions.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (CONTINUED)
LAST TEN FISCAL YEARS
YEAR ENDED JUNE 30, 2024

	Miscellaneous				
Fiscal Year Ended	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Measurement Period	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Plan's Proportion of the Net Pension Liability	0.28980%	0.28221%	0.27708%	0.28237%	0.09183%
Plan's Proportionate Share of the Net Pension Liability	\$ 10,921,840	\$ 11,124,689	\$ 9,625,397	\$ 7,637,567	\$ 5,714,320
Plan's Covered Payroll	\$ 6,360,881	\$ 6,124,374	\$ 5,997,450	\$ 5,673,471	\$ 5,609,006
Plan's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	171.70%	181.65%	160.49%	134.62%	101.88%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	75.26%	73.31%	74.06%	78.40%	76.48%
Plan's Proportionate Share of Aggregate Employer Contributions	\$ 1,235,073	\$ 1,096,042	\$ 998,812	\$ 919,858	NA

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

From Fiscal Year June 30, 2015 to June 30, 2016:

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

From Fiscal Year June 30, 2016 to June 30, 2017:

There were no changes in assumptions.

From Fiscal Year June 30, 2017 to June 30, 2018:

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

From Fiscal Year June 30, 2018 to June 30, 2019:

There were no changes in assumptions.

From Fiscal Year June 30, 2019 to June 30, 2020:

There were no changes in assumptions.

From Fiscal Year June 30, 2020 to June 30, 2021:

There were no changes in assumptions.

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

There were no changes in assumptions.

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

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

From Fiscal Year June 30, 2023 to June 30, 2024:

There were no significant changes in assumptions.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF PENSION CONTRIBUTIONS
LAST TEN FISCAL YEARS
YEAR ENDED JUNE 30, 2024

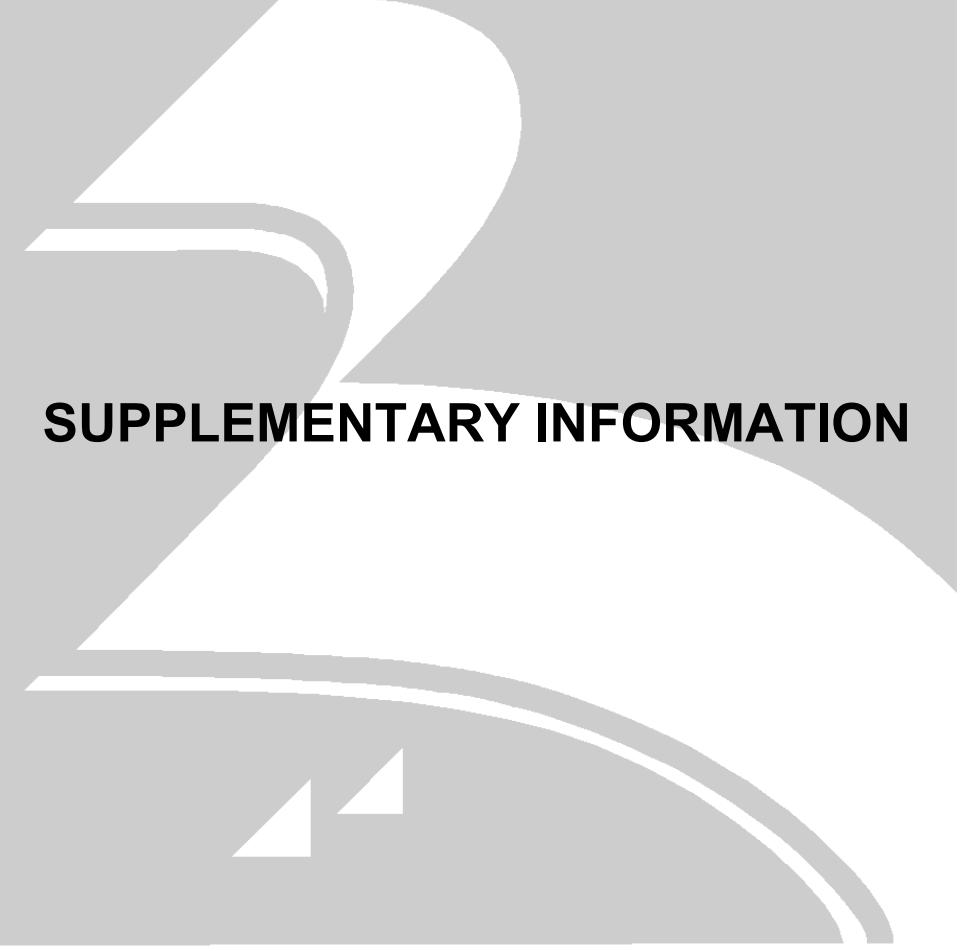
Fiscal Year Ended	Miscellaneous				
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Contractually Required					
Contribution (Actuarially Determined)	\$ 1,750,259	\$ 1,738,045	\$ 1,583,725	\$ 1,433,161	\$ 1,265,361
Contributions in Relation to the Actuarially Determined Contributions	<u>(1,750,259)</u>	<u>(1,738,045)</u>	<u>(1,583,725)</u>	<u>(1,433,161)</u>	<u>(1,265,361)</u>
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 7,502,985	\$ 7,124,549	\$ 6,868,403	\$ 6,513,032	\$ 6,454,856
Contributions as a Percentage of Covered Payroll	23.33%	24.40%	23.06%	22.00%	19.60%
Notes to Schedule:					
Valuation Date	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Methods and Assumptions					
Used to Determine Contribution Rates:					
Actuarial Cost Method	Entry Age				
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value				
Inflation	2.300%	2.300%	2.500%	2.500%	2.625%
Salary Increases	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	6.90% (3)	6.90% (3)	7.00% (3)	7.00% (3)	7.25% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

- (1) Level percentage of payroll, closed
- (2) Depending on age, service, and type of employment
- (3) Net of pension plan investment expense, including inflation
- (4) 55 for Tier 1, 60 for Classic Tier 2, and 62 for PEPRA members
- (5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF PENSION CONTRIBUTIONS (CONTINUED)
LAST TEN FISCAL YEARS
YEAR ENDED JUNE 30, 2024

Fiscal Year Ended	Miscellaneous				
	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually Required Contribution (Actuarially Determined)	\$ 1,153,245	\$ 990,670	\$ 910,177	\$ 830,645	\$ 725,496
Contributions in Relation to the Actuarially Determined Contributions	<u>(1,153,245)</u>	<u>(990,670)</u>	<u>(910,177)</u>	<u>(830,645)</u>	<u>(725,496)</u>
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 6,697,322	\$ 6,360,881	\$ 6,124,374	\$ 5,997,450	\$ 5,673,471
Contributions as a Percentage of Covered Payroll	17.22%	15.57%	14.86%	13.85%	12.79%
Notes to Schedule:					
Valuation Date	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
Methods and Assumptions Used to Determine Contribution Rates:					
Actuarial Cost Method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	15 Year Smoothed Market Method
Inflation	2.75%	2.75%	2.75%	2.75%	2.75%
Salary Increases	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

(1) Level percentage of payroll, closed
 (2) Depending on age, service, and type of employment
 (3) Net of pension plan investment expense, including inflation
 (4) 55 for Tier 1, 60 for Classic Tier 2, and 62 for PEPRA members
 (5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.



SUPPLEMENTARY INFORMATION



CITY OF RANCHO PALOS VERDES, CALIFORNIA
DESCRIPTION OF SPECIAL REVENUE FUNDS
JUNE 30, 2024

Special Revenue Fund Descriptions

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

Gas Tax Fund – To account for state-shared highway users' tax that is restricted to use for street maintenance, right of-way acquisition and street construction.

SB1 – To account for transportation taxes allocated to cities and counties through the Road Maintenance and Rehabilitation Account (RMRA) established by the Road Repair and Accountability Act of 2017 (SB1) for use on eligible local streets and roads projects.

1972 Act Landscaping and Lighting District (1972 Act) – To account for revenues and costs associated with the City's landscaping and lighting district.

El Prado – To account for taxes collected to maintain and service existing and proposed improvements to the common area of the El Prado neighborhood.

1911 Act Lighting District (1911 Act) – To account for revenue and costs associated with a lighting district transferred to the "city-side" landscape and lighting district from the County in 1995.

Waste Reduction – To account for AB939 fees received for state mandated waste reduction and recycling plans and program.

Air Quality Management – To account for AB2766 fees received to fund programs to reduce air pollution from motor vehicles.

Proposition C – To account for sales taxes received from the County of Los Angeles and used to support public transit and related services.

Proposition A – To account for the City share of an additional one-half percent sales tax designated to fund certain public transportation-oriented projects.

Public Safety Grants – To account for federal grant funds for local law enforcement supplemental services, AB3229 funds used for additional law enforcement services and public safety technology equipment.

Measure R – To account for the half-cent sales tax approved by the Los Angeles County voters in November 2008 to meet transportation needs, including maintenance and improvement of arterial streets, traffic control, bikeway and pedestrian improvements, and public transit.

Measure A – To account of the voter approved 1992 and 1996 Measure A funds and other state and county grants used for the acquisition of open space and park improvements.

Measure M – To account for the half-cent sales tax and continued half-cent relief tax partially distributed to cities approved by the Los Angeles County voters in November 2016 to fund transportation needs.

Measure W – To account for the City's share of the California parcel tax increase of \$0.025 per square foot of impermeable property for funding projects in accordance with the expenditure plan pursuant to the Los Angeles Region, Safe, Clean Water Program Projects.

Abalone Cove Sewer Assessment – To account for property assessments used to partially pay for operation and maintenance of the Abalone Cove sewer system.

Donor-Restricted Contributions – To account for donations received to construct or acquire recreational facilities within the City.

**CITY OF RANCHO PALOS VERDES, CALIFORNIA
DESCRIPTION OF SPECIAL REVENUE FUNDS
JUNE 30, 2024**

Special Revenue Fund Descriptions (Continued)

Joint Powers Improvement Authority - Portuguese Bend – To account for maintenance and repairs of landslide abatement improvements in the Portuguese Bend Project area.

Community Development Block Grant – To account for federal grants received from the Department of Housing and Urban Development.

Quimby – To account for developer paid fees or the dedication of land for park and recreation purposes.

Environmental Excise Tax – To account for taxes received in connection with new construction within the City.

Bikeways – To account for state funds that are used for the construction of bikeways and pedestrian facilities.

Capital Projects Fund Descriptions

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

Low-Moderate Income Housing – To account for low and moderate income housing assets that were transferred to the City after electing to retain the housing assets and function of the former redevelopment agency, which was dissolved on January 31, 2012.

Affordable Housing In-Lieu - to account for developer fees paid in-lieu of providing affordable housing in conjunction with new development as required by the Affordable Housing Chapter of the City's Municipal Code (Chapter 17.11).

Permanent Fund Descriptions

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

Habitat Restoration – To account for fees paid by developers for conservation easements to be used exclusively for habitat restoration efforts on City owned property. The Habitat Restoration Fund to be funded at the rate of \$10,000 annually (plus interest) for fifty (50) years, to provide for maintenance of habitat in the future.

Sub-region One Maintenance – To account for monies used to maintain public improvements and habitat areas dedicated to the City upon completion of the Sub-region One residential development project also known as Oceanfront Estates. As part of the development agreement, the City received a \$750,000 nonexpendable deposit. The interest earnings contribute to the maintenance of the public open space.

Joint Powers Improvement Authority – Abalone Cove – To account for monies received as part of a July 1991 Reimbursement and Settlement Agreement with the County of Los Angeles. As part of this Agreement, the Authority received a \$1,000,000 nonexpendable deposit. The interest earnings are used to pay for maintenance and repair of Abalone Cove landslide abatement improvements.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS
JUNE 30, 2024

Special Revenue Funds

	Gas Tax	SB1	1972 Act	El Prado	1911 Act
ASSETS					
Cash and Investments	\$ 1,320,012	\$ 1,974,927	\$ 30,659	\$ 51,830	\$ 2,941,834
Receivables:					
Taxes	-	-	-	82	20,824
Interest	4,120	11,914	160	269	15,386
Other	<u>210,445</u>	<u>190,367</u>	<u>-</u>	<u>-</u>	<u>6,221</u>
Total Assets	<u>\$ 1,534,577</u>	<u>\$ 2,177,208</u>	<u>\$ 30,819</u>	<u>\$ 52,181</u>	<u>\$ 2,984,265</u>
LIABILITIES					
Accounts Payable and Accrued Liabilities	\$ 104,132	\$ -	\$ -	\$ -	\$ 65,803
Due to Other Funds	-	-	-	-	-
Retentions Payable	1,299	-	-	-	-
Total Liabilities	<u>105,431</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>65,803</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	-	-	-
FUND BALANCES					
Nonspendable:					
Endowment Principal	-	-	-	-	-
Restricted	1,429,146	2,177,208	30,819	52,181	2,918,462
Unassigned	-	-	-	-	-
Total Fund Balances	<u>1,429,146</u>	<u>2,177,208</u>	<u>30,819</u>	<u>52,181</u>	<u>2,918,462</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 1,534,577</u>	<u>\$ 2,177,208</u>	<u>\$ 30,819</u>	<u>\$ 52,181</u>	<u>\$ 2,984,265</u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
COMBINING BALANCE SHEET (CONTINUED)
OTHER GOVERNMENTAL FUNDS
JUNE 30, 2024

Special Revenue Funds (Continued)

	Waste Reduction	Air Quality Management	Proposition C	Proposition A	Public Safety Grants
ASSETS					
Cash and Investments	\$ 499,437	\$ 80,540	\$ 409,683	\$ 2,489,388	\$ 42,371
Receivables:					
Taxes	-	-	71,641	-	-
Interest	2,331	370	2,006	12,509	368
Other	<u>42,783</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 544,551</u>	<u>\$ 80,910</u>	<u>\$ 483,330</u>	<u>\$ 2,501,897</u>	<u>\$ 42,739</u>
LIABILITIES					
Accounts Payable and Accrued Liabilities	\$ 20,292	\$ -	\$ -	\$ 521	\$ -
Due to Other Funds	-	-	-	-	-
Retentions Payable	-	-	1,528	-	-
Total Liabilities	<u>20,292</u>	<u>-</u>	<u>1,528</u>	<u>521</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	-	-	-
FUND BALANCES					
Nonspendable:					
Endowment Principal	-	-	-	-	-
Restricted	524,259	80,910	481,802	2,501,376	42,739
Unassigned	-	-	-	-	-
Total Fund Balances	<u>524,259</u>	<u>80,910</u>	<u>481,802</u>	<u>2,501,376</u>	<u>42,739</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 544,551</u>	<u>\$ 80,910</u>	<u>\$ 483,330</u>	<u>\$ 2,501,897</u>	<u>\$ 42,739</u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
COMBINING BALANCE SHEET (CONTINUED)
OTHER GOVERNMENTAL FUNDS
JUNE 30, 2024

Special Revenue Funds (Continued)

	Measure R	Measure A	Measure M	Measure W	Abalone Cove Sewer Assessment
ASSETS					
Cash and Investments	\$ 3,019,507	\$ 46,298	\$ 522,926	\$ 1,369,725	\$ 79,953
Receivables:					
Taxes	-	-	-	-	-
Interest	15,632	328	2,880	7,262	355
Other	<u>53,889</u>	<u>-</u>	<u>210,862</u>	<u>-</u>	<u>1,270</u>
Total Assets	<u><u>\$ 3,089,028</u></u>	<u><u>\$ 46,626</u></u>	<u><u>\$ 736,668</u></u>	<u><u>\$ 1,376,987</u></u>	<u><u>\$ 81,578</u></u>
LIABILITIES					
Accounts Payable and Accrued Liabilities	\$ 126	\$ -	\$ 165,510	\$ 54,271	\$ 641
Due to Other Funds	-	-	-	-	-
Retentions Payable	-	-	22,848.00	-	-
Total Liabilities	<u>126</u>	<u>-</u>	<u>188,358</u>	<u>54,271</u>	<u>641</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	-	-	-
FUND BALANCES					
Nonspendable:					
Endowment Principal	-	-	-	-	-
Restricted	3,088,902	46,626	548,310	1,322,716	80,937
Unassigned	-	-	-	-	-
Total Fund Balances	<u><u>3,088,902</u></u>	<u><u>46,626</u></u>	<u><u>548,310</u></u>	<u><u>1,322,716</u></u>	<u><u>80,937</u></u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u><u>\$ 3,089,028</u></u>	<u><u>\$ 46,626</u></u>	<u><u>\$ 736,668</u></u>	<u><u>\$ 1,376,987</u></u>	<u><u>\$ 81,578</u></u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
COMBINING BALANCE SHEET (CONTINUED)
OTHER GOVERNMENTAL FUNDS
JUNE 30, 2024

Special Revenue Funds (Continued)									
	Donor Restricted Contributions		Joint Powers Improvement Authority Portuguese Bend		Community Development Block Grant (CDBG)		Quimby		Environmental Excise Tax
ASSETS									
Cash and Investments	\$ 938,278		\$ 94,308		\$ 24,709		\$ 114,327		\$ 86,785
Receivables:									
Taxes	-		-		-		-		-
Interest	4,884		1,043		-		615		452
Other	-		-		4,949		-		-
Total Assets	<u><u>\$ 943,162</u></u>		<u><u>\$ 95,351</u></u>		<u><u>\$ 29,658</u></u>		<u><u>\$ 114,942</u></u>		<u><u>\$ 87,237</u></u>
LIABILITIES									
Accounts Payable and Accrued Liabilities	\$ -		\$ 467		\$ 1,200		\$ 53,006		\$ -
Due to Other Funds	-		-		-		-		-
Retentions Payable	-		-		-		1,975		-
Total Liabilities	<u><u>-</u></u>		<u><u>467</u></u>		<u><u>1,200</u></u>		<u><u>54,981</u></u>		<u><u>-</u></u>
DEFERRED INFLOWS OF RESOURCES									
Unavailable Revenue	-		-		-		607		-
FUND BALANCES									
Nonspendable:									
Endowment Principal	-		-		-		-		-
Restricted	943,162		94,884		27,851		59,961		87,237
Unassigned	-		-		-		-		-
Total Fund Balances	<u><u>943,162</u></u>		<u><u>94,884</u></u>		<u><u>27,851</u></u>		<u><u>59,961</u></u>		<u><u>87,237</u></u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u><u>\$ 943,162</u></u>		<u><u>\$ 95,351</u></u>		<u><u>\$ 29,658</u></u>		<u><u>\$ 114,942</u></u>		<u><u>\$ 87,237</u></u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
COMBINING BALANCE SHEET (CONTINUED)
OTHER GOVERNMENTAL FUNDS
JUNE 30, 2024

	Special Revenue Funds (Continued)			Capital Projects Funds		
	Bikeways	Total Special Revenue Funds	Low-Moderate Income Housing	Affordable Housing In-lieu	Total Capital Projects Funds	
ASSETS						
Cash and Investments	\$ -	\$ 16,137,497	\$ 441,718	\$ 911,492	\$ 1,353,210	
Receivables:						
Taxes	-	92,547	-	-	-	
Interest	-	82,884	2,300	4,746	7,046	
Other	-	720,786	-	20,000	20,000	
Total Assets	<u>\$ -</u>	<u>\$ 17,033,714</u>	<u>\$ 444,018</u>	<u>\$ 936,238</u>	<u>\$ 1,380,256</u>	
LIABILITIES						
Accounts Payable and Accrued Liabilities	\$ -	\$ 465,969	\$ -	\$ -	\$ -	
Due to Other Funds	-	-	-	-	-	
Retentions Payable	-	27,650	-	-	-	
Total Liabilities	<u>-</u>	<u>493,619</u>	<u>-</u>	<u>-</u>	<u>-</u>	
DEFERRED INFLOWS OF RESOURCES						
Unavailable Revenue	-	607	-	-	-	
FUND BALANCES						
Nonspendable:						
Endowment Principal	-	-	-	-	-	
Restricted	-	16,539,488	444,018	936,238	1,380,256	
Unassigned	-	-	-	-	-	
Total Fund Balances	<u>-</u>	<u>16,539,488</u>	<u>444,018</u>	<u>936,238</u>	<u>1,380,256</u>	
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ -</u>	<u>\$ 17,033,714</u>	<u>\$ 444,018</u>	<u>\$ 936,238</u>	<u>\$ 1,380,256</u>	

CITY OF RANCHO PALOS VERDES, CALIFORNIA
COMBINING BALANCE SHEET (CONTINUED)
OTHER GOVERNMENTAL FUNDS
JUNE 30, 2024

	Permanent Funds						Total Other Governmental Funds	
	Habitat Restoration	Subregion One Maintenance	Joint Powers Improvement Authority Abalone Cove	Total Permanent Funds				
ASSETS								
Cash and Investments	\$ -	\$ 799,660	\$ 1,101,242	\$ 1,900,902	\$ 19,391,609			
Receivables:								
Taxes	- 224	- 4,107	- 12,501	- 16,832	- 92,547			
Interest						106,762		
Other	- -	- -	- -	- -	- 740,786			
Total Assets	<u>\$ 224</u>	<u>\$ 803,767</u>	<u>\$ 1,113,743</u>	<u>\$ 1,917,734</u>	<u>\$ 20,331,704</u>			
LIABILITIES								
Accounts Payable and Accrued Liabilities	\$ -	\$ 5,478	\$ 3,446	\$ 8,924	\$ 474,893			
Due to Other Funds	28,860	- -	- -	28,860	28,860			
Retentions Payable	- -	- -	- -	- -	27,650			
Total Liabilities	<u>28,860</u>	<u>5,478</u>	<u>3,446</u>	<u>37,784</u>	<u>531,403</u>			
DEFERRED INFLOWS OF RESOURCES								
Unavailable Revenue						607		
FUND BALANCES								
Nonspendable:								
Endowment Principal	- -	750,000	1,000,000	1,750,000	1,750,000			
Restricted	- -	48,289	110,297	158,586	18,078,330			
Unassigned	<u>(28,636)</u>	- -	- -	<u>(28,636)</u>	<u>(28,636)</u>			
Total Fund Balances	<u>(28,636)</u>	<u>798,289</u>	<u>1,110,297</u>	<u>1,879,950</u>	<u>19,799,694</u>			
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 224</u>	<u>\$ 803,767</u>	<u>\$ 1,113,743</u>	<u>\$ 1,917,734</u>	<u>\$ 20,331,704</u>			

CITY OF RANCHO PALOS VERDES, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
OTHER GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

Special Revenue Funds						
	Gas Tax	SB1	1972 Act	El Prado	1911 Act	
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ 3,554	\$ 899,976	
Revenue from Other Agencies	1,156,765	1,092,319	-	-	-	
Charges for Services	-	-	-	-	-	
Investment Income (Loss)	52,327	56,981	1,497	2,364	120,986	
Other Revenues	-	-	-	-	-	
Total Revenues	1,209,092	1,149,300	1,497	5,918	1,020,962	
EXPENDITURES						
Current:						
Public Works	617,666	412,533	-	-	438,777	
Parks and Recreation	-	-	-	-	-	
Total Expenditures	617,666	412,533	-	-	438,777	
Excess (Deficiency) of Revenues Over (Under) Expenditures	591,426	736,767	1,497	5,918	582,185	
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	-	-	-	
Transfers Out	-	-	-	-	-	
Total Other Financing Sources (Uses)	-	-	-	-	-	
NET CHANGE IN FUND BALANCES	591,426	736,767	1,497	5,918	582,185	
Fund Balances - Beginning of Year	837,720	1,440,441	29,322	46,263	2,336,277	
FUND BALANCES - END OF YEAR	\$ 1,429,146	\$ 2,177,208	\$ 30,819	\$ 52,181	\$ 2,918,462	

CITY OF RANCHO PALOS VERDES, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
OTHER GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

<u>Special Revenue Funds (Continued)</u>					
	Waste Reduction	Air Quality Management	Proposition C	Proposition A	Public Safety Grants
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue from Other Agencies	131,088	41,386	912,077	1,099,581	186,159
Charges for Services	243,915	-	-	-	-
Investment Income (Loss)	17,441	2,209	23,348	108,885	3,632
Other Revenues	-	-	-	-	-
Total Revenues	392,444	43,595	935,425	1,208,466	189,791
EXPENDITURES					
Current:					
Public Works	227,084	-	898,603	854,117	-
Parks and Recreation	-	-	-	-	-
Total Expenditures	227,084	-	898,603	854,117	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	165,360	43,595	36,822	354,349	189,791
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	(170,000)
Total Other Financing Sources (Uses)	-	-	-	-	(170,000)
NET CHANGE IN FUND BALANCES	165,360	43,595	36,822	354,349	19,791
Fund Balances - Beginning of Year	358,899	37,315	444,980	2,147,027	22,948
FUND BALANCES - END OF YEAR	\$ 524,259	\$ 80,910	\$ 481,802	\$ 2,501,376	\$ 42,739

CITY OF RANCHO PALOS VERDES, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
OTHER GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

<u>Special Revenue Funds (Continued)</u>					
	Measure R	Measure A	Measure M	Measure W	Abalone Cove Sewer Assessment
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 59,419
Revenue from Other Agencies	683,844	20,666	921,972	681,565	-
Charges for Services	-	-	-	-	-
Investment Income (Loss)	126,079	5,956	31,690	50,109	3,044
Other Revenues	-	-	-	-	-
Total Revenues	809,923	26,622	953,662	731,674	62,463
EXPENDITURES					
Current:					
Public Works	78,794	-	976,314	284,070	111,069
Parks and Recreation	-	-	-	-	-
Total Expenditures	78,794	-	976,314	284,070	111,069
Excess (Deficiency) of Revenues Over (Under) Expenditures	731,129	26,622	(22,652)	447,604	(48,606)
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	70,000
Transfers Out	-	(100,000)	-	-	-
Total Other Financing Sources (Uses)	-	(100,000)	-	-	70,000
NET CHANGE IN FUND BALANCES	731,129	(73,378)	(22,652)	447,604	21,394
Fund Balances - Beginning of Year	2,357,773	120,004	570,962	875,112	59,543
FUND BALANCES - END OF YEAR	<u>\$ 3,088,902</u>	<u>\$ 46,626</u>	<u>\$ 548,310</u>	<u>\$ 1,322,716</u>	<u>\$ 80,937</u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
OTHER GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

Special Revenue Funds (Continued)						
	Donor Restricted Contributions	Joint Powers Improvement Authority Portuguese Bend	Community Development Block Grant (CDBG)	Quimby	Environmental Excise Tax	
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue from Other Agencies	-	-	47,307	-	-	-
Charges for Services	-	-	-	-	-	-
Investment Income (Loss)	43,167	4,380	-	13,843	4,349	
Other Revenues	73,200	-	-	-	7,805	
Total Revenues	116,367	4,380	47,307	13,843	12,154	
EXPENDITURES						
Current:						
Public Works	-	2,261	27,630	201,611	-	
Parks and Recreation	10,945	-	-	-	-	
Total Expenditures	10,945	2,261	27,630	201,611	-	
Excess (Deficiency) of Revenues Over (Under) Expenditures	105,422	2,119	19,677	(187,768)	12,154	
OTHER FINANCING SOURCES (USES)						
Transfers In	-	15,000	-	-	-	
Transfers Out	-	-	-	-	-	
Total Other Financing Sources (Uses)	-	15,000	-	-	-	
NET CHANGE IN FUND BALANCES	105,422	17,119	19,677	(187,768)	12,154	
Fund Balances - Beginning of Year	837,740	77,765	8,174	247,729	75,083	
FUND BALANCES - END OF YEAR	\$ 943,162	\$ 94,884	\$ 27,851	\$ 59,961	\$ 87,237	

CITY OF RANCHO PALOS VERDES, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
OTHER GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

	Special Revenue Funds (Continued)			Capital Projects Funds			Total Capital Projects Funds	
	Bikeways	Total Special Revenue Funds	Low-Moderate Income Housing	Affordable Housing In-lieu				
REVENUES								
Taxes	\$ -	\$ 962,949	\$ 52,937	\$ -	\$ 52,937			
Revenue from Other Agencies	30,790	7,005,519	-	-	-			
Charges for Services	-	243,915	-	-	-			
Investment Income (Loss)	-	672,287	18,802	44,112	62,914			
Other Revenues	-	81,005	-	10,399	10,399			
Total Revenues	30,790	8,965,675	71,739	54,511	126,250			
EXPENDITURES								
Current:								
Public Works	30,790	5,161,319	-	-	-			
Parks and Recreation	-	10,945	-	-	-			
Total Expenditures	30,790	5,172,264	-	-	-			
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	3,793,411	71,739	54,511	126,250			
OTHER FINANCING SOURCES (USES)								
Transfers In	-	85,000	-	-	-			
Transfers Out	-	(270,000)	-	-	-			
Total Other Financing Sources (Uses)	-	(185,000)	-	-	-			
NET CHANGE IN FUND BALANCES								
Fund Balances - Beginning of Year	-	3,608,411	71,739	54,511	126,250			
FUND BALANCES - END OF YEAR	\$ -	\$ 16,539,488	\$ 444,018	\$ 936,238	\$ 1,380,256			

CITY OF RANCHO PALOS VERDES, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
OTHER GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

	Permanent Funds					Total Other Governmental Funds
	Habitat Restoration	Subregion One Maintenance	Joint Powers Improvement Authority Abalone Cove	Total Permanent Funds		
	\$	\$	\$	\$		
REVENUES						
Taxes	-	-	-	-	-	\$ 1,015,886
Revenue from Other Agencies	-	-	-	-	-	7,005,519
Charges for Services	-	-	-	-	-	243,915
Investment Income (Loss)	9,404	37,749	57,322	104,475	839,676	
Other Revenues	609	-	-	609	92,013	
Total Revenues	10,013	37,749	57,322	105,084	9,197,009	
EXPENDITURES						
Current:						
Public Works	188,526	37,749	15,433	241,708	5,403,027	
Parks and Recreation	-	-	-	-	10,945	
Total Expenditures	188,526	37,749	15,433	241,708	5,413,972	
Excess (Deficiency) of Revenues Over (Under) Expenditures	(178,513)	-	41,889	(136,624)	3,783,037	
OTHER FINANCING SOURCES (USES)						
Transfers In	561	60,000	-	60,561	145,561	
Transfers Out	-	-	-	-	(270,000)	
Total Other Financing Sources (Uses)	561	60,000	-	60,561	(124,439)	
NET CHANGE IN FUND BALANCES						
Fund Balances - Beginning of Year	(177,952)	60,000	41,889	(76,063)	3,658,598	
FUND BALANCES - END OF YEAR	\$ (28,636)	\$ 798,289	\$ 1,110,297	\$ 1,879,950	\$ 19,799,694	

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
GAS TAX SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Revenue from Other Agencies	\$ 2,245,200	\$ 1,198,900	\$ 1,156,765	\$ (42,135)
Investment Income	18,500	18,500	52,327	33,827
Total Revenues	2,263,700	1,217,400	1,209,092	(8,308)
EXPENDITURES				
Public Works:				
Street Pavement Maintenance	972,900	972,900	271,060	701,840
Street Landscape Maintenance	605,000	605,000	346,606	258,394
Total Expenditures	1,577,900	1,577,900	617,666	960,234
NET CHANGE IN FUND BALANCE	685,800	(360,500)	591,426	951,926
Fund Balance - Beginning of Year	837,720	837,720	837,720	-
FUND BALANCE - END OF YEAR	\$ 1,523,520	\$ 477,220	\$ 1,429,146	\$ 951,926

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
SB1 SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Revenue from Other Agencies	\$ -	\$ 1,046,300	\$ 1,092,319	\$ 46,019	
Investment Income	-	-	56,981	56,981	
Total Revenues	-	1,046,300	1,149,300	103,000	
EXPENDITURES					
Public Works:					
Repairs maintenance and Service	-	83,680	412,533	(328,853)	
Capital Outlay	-	1,000,000	-	1,000,000	
Total Expenditures	-	1,083,680	412,533	671,147	
NET CHANGE IN FUND BALANCE	-	(37,380)	736,767	774,147	
Fund Balance - Beginning of Year	1,440,441	1,440,441	1,440,441		-
FUND BALANCE - END OF YEAR	\$ 1,440,441	\$ 1,403,061	\$ 2,177,208	\$ 774,147	

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
1972 ACT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Actual	Variance with Final Budget Positive (Negative)
	Original	Final			
REVENUES					
Investment Income	\$ 300	\$ 300		\$ 1,497	\$ 1,197
NET CHANGE IN FUND BALANCE	300	300		1,497	1,197
Fund Balance - Beginning of Year	<u>29,322</u>	<u>29,322</u>		<u>29,322</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 29,622</u>	<u>\$ 29,622</u>		<u>\$ 30,819</u>	<u>\$ 1,197</u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
EL PRADO SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget	
	Original		Final	Actual	Positive (Negative)
	Taxes	\$ 3,380	\$ 3,380	\$ 3,554	\$ 174
REVENUES	Investment Income	\$ 500	\$ 500	\$ 2,364	\$ 1,864
	Total Revenues	<u>3,880</u>	<u>3,880</u>	<u>5,918</u>	<u>2,038</u>
EXPENDITURES	Public Works	500	500	-	500
NET CHANGE IN FUND BALANCE		3,380	3,380	5,918	2,538
Fund Balance - Beginning of Year		<u>46,263</u>	<u>46,263</u>	<u>46,263</u>	<u>-</u>
FUND BALANCE - END OF YEAR		<u>\$ 49,643</u>	<u>\$ 49,643</u>	<u>\$ 52,181</u>	<u>\$ 2,538</u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
1911 ACT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget	
	Original		Final	Actual	Positive (Negative)
	Taxes	\$ 751,300	\$ 751,300	\$ 899,976	\$ 148,676
REVENUES	Investment Income	\$ 24,900	\$ 24,900	\$ 120,986	\$ 96,086
	Total Revenues	<u>776,200</u>	<u>776,200</u>	<u>1,020,962</u>	<u>244,762</u>
EXPENDITURES	Public Works	<u>155,000</u>	<u>395,000</u>	<u>438,777</u>	<u>(43,777)</u>
	Total Expenditures	<u>155,000</u>	<u>395,000</u>	<u>438,777</u>	<u>(43,777)</u>
NET CHANGE IN FUND BALANCE		621,200	381,200	582,185	200,985
Fund Balance - Beginning of Year		<u>2,336,277</u>	<u>2,336,277</u>	<u>2,336,277</u>	<u>-</u>
FUND BALANCE - END OF YEAR		<u>\$ 2,957,477</u>	<u>\$ 2,717,477</u>	<u>\$ 2,918,462</u>	<u>\$ 200,985</u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
WASTE REDUCTION SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Revenue from Other Agencies	\$ -	\$ -	\$ 131,088	\$ 131,088	
Charges for Services	192,500	192,500	243,915	51,415	
Investment Income	4,900	4,900	17,441	12,541	
Total Revenues	197,400	197,400	392,444	195,044	
EXPENDITURES					
Public Works	298,000	298,000	227,084	70,916	
NET CHANGE IN FUND BALANCE	(100,600)	(100,600)	165,360	265,960	
Fund Balance - Beginning of Year	358,899	358,899	358,899	-	
FUND BALANCE - END OF YEAR	<u>\$ 258,299</u>	<u>\$ 258,299</u>	<u>\$ 524,259</u>	<u>\$ 265,960</u>	

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
AIR QUALITY MANAGEMENT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Actual	Variance with Final Budget Positive (Negative)
	Original	Final			
REVENUES					
Revenue from Other Agencies	\$ 54,000	\$ 54,000	\$ 41,386	\$ (12,614)	
Investment Income	1,600	1,600	2,209	609	
Total Revenues	55,600	55,600	43,595	(12,005)	
NET CHANGE IN FUND BALANCE	55,600	55,600	43,595	(12,005)	
Fund Balance - Beginning of Year	37,315	37,315	37,315	-	
FUND BALANCE - END OF YEAR	\$ 92,915	\$ 92,915	\$ 80,910	\$ (12,005)	

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PROPOSITION C SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Revenue from Other Agencies	\$ 994,000	\$ 994,000	\$ 912,077	\$ (81,923)	
Investment Income	9,900	9,900	23,348	13,448	
Total Revenues	<u>1,003,900</u>	<u>1,003,900</u>	<u>935,425</u>	<u>(68,475)</u>	
EXPENDITURES					
Public Works	1,050,000	1,384,571	898,603	485,968	
Total Expenditures	<u>1,050,000</u>	<u>1,384,571</u>	<u>898,603</u>	<u>485,968</u>	
NET CHANGE IN FUND BALANCE	(46,100)	(380,671)	36,822	417,493	
Fund Balance - Beginning of Year	444,980	444,980	444,980	-	
FUND BALANCE - END OF YEAR	<u>\$ 398,880</u>	<u>\$ 64,309</u>	<u>\$ 481,802</u>	<u>\$ 417,493</u>	

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PROPOSITION A SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Revenue from Other Agencies	\$ 1,198,400	\$ 1,198,400	\$ 1,099,581	\$ (98,819)
Investment Income	24,600	24,600	108,885	84,285
Total Revenues	<u>1,223,000</u>	<u>1,223,000</u>	<u>1,208,466</u>	<u>(14,534)</u>
EXPENDITURES				
Public Works	854,227	854,227	854,117	110
Total Expenditures	<u>854,227</u>	<u>854,227</u>	<u>854,117</u>	<u>110</u>
NET CHANGE IN FUND BALANCE	368,773	368,773	354,349	(14,424)
Fund Balance - Beginning of Year	<u>2,147,027</u>	<u>2,147,027</u>	<u>2,147,027</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 2,515,800</u>	<u>\$ 2,515,800</u>	<u>\$ 2,501,376</u>	<u>\$ (14,424)</u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PUBLIC SAFETY GRANTS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Revenue from Other Agencies	\$ 168,500	\$ 168,500	\$ 186,159	\$ 17,659	
Investment Income	1,600	1,600	3,632	2,032	
Total Revenues	<u>170,100</u>	<u>170,100</u>	<u>189,791</u>	<u>19,691</u>	
OTHER FINANCING USES					
Transfers Out	(170,000)	(170,000)	(170,000)	-	
NET CHANGE IN FUND BALANCE	100	100	19,791	19,691	
Fund Balance - Beginning of Year	<u>22,948</u>	<u>22,948</u>	<u>22,948</u>	<u>-</u>	
FUND BALANCE - END OF YEAR	<u>\$ 23,048</u>	<u>\$ 23,048</u>	<u>\$ 42,739</u>	<u>\$ 19,691</u>	

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MEASURE R SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Revenue from Other Agencies	\$ 745,500	\$ 745,500	\$ 683,844	\$ (61,656)	
Investment Income	26,800	26,800	126,079	99,279	
Total Revenues	<u>772,300</u>	<u>772,300</u>	<u>809,923</u>	<u>37,623</u>	
EXPENDITURES					
Public Works	685,000	864,220	78,794	785,426	
Total Expenditures	<u>685,000</u>	<u>864,220</u>	<u>78,794</u>	<u>785,426</u>	
NET CHANGE IN FUND BALANCE	87,300	(91,920)	731,129	(747,803)	
Fund Balance - Beginning of Year	<u>2,357,773</u>	<u>2,357,773</u>	<u>2,357,773</u>	<u>-</u>	
FUND BALANCE - END OF YEAR	<u>\$ 2,445,073</u>	<u>\$ 2,265,853</u>	<u>\$ 3,088,902</u>	<u>\$ (747,803)</u>	

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MEASURE A SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Revenue from Other Agencies	\$ 100,000	\$ 100,000	\$ 20,666	\$ (79,334)	
Investment Income (Loss)	1,900	1,900	5,956	4,056	
Total Revenues	<u>101,900</u>	<u>101,900</u>	<u>26,622</u>	<u>(75,278)</u>	
OTHER FINANCING USES					
Transfers Out	<u>(100,000)</u>	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>	
NET CHANGE IN FUND BALANCE	1,900	1,900	(73,378)	(75,278)	
Fund Balance - Beginning of Year	<u>120,004</u>	<u>120,004</u>	<u>120,004</u>	<u>-</u>	
FUND BALANCE - END OF YEAR	<u>\$ 121,904</u>	<u>\$ 121,904</u>	<u>\$ 46,626</u>	<u>\$ (75,278)</u>	

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MEASURE M SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Revenue from Other Agencies	\$ 844,900	\$ 844,900	\$ 921,972	\$ 77,072	
Investment Income	7,900	7,900	31,690	23,790	
Total Revenues	852,800	852,800	953,662	100,862	
EXPENDITURES					
Public Works	1,356,400	1,739,563	976,314	763,249	
NET CHANGE IN FUND BALANCE	(503,600)	(886,763)	(22,652)	864,111	
Fund Balance - Beginning of Year	570,962	570,962	570,962	-	
FUND BALANCE - END OF YEAR	\$ 67,362	\$ (315,801)	\$ 548,310	\$ 864,111	

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MEASURE W SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Revenue from Other Agencies	\$ 680,000	\$ 680,000	\$ 681,565	\$ 1,565	
Investment Income	10,300	10,300	50,109	39,809	
Total Revenues	690,300	690,300	731,674	41,374	
EXPENDITURES					
Public Works	608,300	608,300	284,070	324,230	
NET CHANGE IN FUND BALANCE	82,000	82,000	447,604	365,604	
Fund Balance - Beginning of Year	875,112	875,112	875,112	-	
FUND BALANCE - END OF YEAR	\$ 957,112	\$ 957,112	\$ 1,322,716	\$ 365,604	

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
ABALONE COVE SEWER ASSESSMENT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Taxes	\$ 59,600	\$ 59,600	\$ 59,419	\$ (181)	
Investment Income	1,500	1,500	3,044	1,544	
Total Revenues	<u>61,100</u>	<u>61,100</u>	<u>62,463</u>	<u>1,363</u>	
EXPENDITURES					
Public Works	<u>173,500</u>	<u>187,024</u>	<u>111,069</u>	<u>75,955</u>	
Excess (Deficiency) of Revenues Over (Under) Expenditures	(112,400)	(125,924)	(48,606)	77,318	
OTHER FINANCING SOURCES					
Transfers In	<u>70,000</u>	<u>70,000</u>	<u>70,000</u>	<u>-</u>	
NET CHANGE IN FUND BALANCE	(42,400)	(55,924)	21,394	77,318	
Fund Balance - Beginning of Year	<u>59,543</u>	<u>59,543</u>	<u>59,543</u>	<u>-</u>	
FUND BALANCE - END OF YEAR	<u>\$ 17,143</u>	<u>\$ 3,619</u>	<u>\$ 80,937</u>	<u>\$ 77,318</u>	

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
DONOR-RESTRICTED CONTRIBUTIONS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Investment Income	\$ 10,600	\$ 10,600	\$ 43,167	\$ 32,567	
Other Revenue	36,300	36,300	73,200	36,900	
Total Revenues	<u>46,900</u>	<u>46,900</u>	<u>116,367</u>	<u>69,467</u>	
EXPENDITURES					
Parks and Recreation	18,000	18,000	10,945	7,055	
Total Expenditures	<u>18,000</u>	<u>18,000</u>	<u>10,945</u>	<u>7,055</u>	
NET CHANGE IN FUND BALANCE	28,900	28,900	105,422	76,522	
Fund Balance - Beginning of Year	<u>837,740</u>	<u>837,740</u>	<u>837,740</u>	<u>-</u>	
FUND BALANCE - END OF YEAR	<u>\$ 866,640</u>	<u>\$ 866,640</u>	<u>\$ 943,162</u>	<u>\$ 76,522</u>	

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
JOINT POWERS IMPROVEMENT AUTHORITY PORTUGUESE BEND
SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Investment Income	\$ 650	\$ 650	\$ 4,380	\$ 3,730	
EXPENDITURES					
Public Works	45,000	55,000	2,261	52,739	
Excess (Deficiency) of Revenues Over (Under) Expenditures	(44,350)	(54,350)	2,119	56,469	
OTHER FINANCING SOURCES					
Transfers In	15,000	15,000	15,000	-	
NET CHANGE IN FUND BALANCE	(29,350)	(39,350)	17,119	56,469	
Fund Balance - Beginning of Year	77,765	77,765	77,765	-	
FUND BALANCE - END OF YEAR	<u>\$ 48,415</u>	<u>\$ 38,415</u>	<u>\$ 94,884</u>	<u>\$ 56,469</u>	

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Actual	Variance with Final Budget Positive (Negative)
	Original	Final			
REVENUES					
Revenue from Other Agencies	\$ 150,000	\$ 150,000		\$ 47,307	\$ 102,693
EXPENDITURES					
Public Works	150,000	270,513		27,630	242,883
Total Expenditures	<u>150,000</u>	<u>270,513</u>		<u>27,630</u>	<u>242,883</u>
NET CHANGE IN FUND BALANCE		- (120,513)		19,677	140,190
Fund Balance - Beginning of Year	<u>8,174</u>	<u>8,174</u>		<u>8,174</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 8,174</u>	<u>\$ (112,339)</u>		<u>\$ 27,851</u>	<u>\$ 140,190</u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
QUIMBY SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Actual	Variance with Final Budget Positive (Negative)
	Original	Final			
REVENUES					
Investment Income	\$ 7,600	\$ 7,600		\$ 13,843	\$ 6,243
EXPENDITURES					
Public Works	-	427,935		201,611	226,324
Total Expenditures	-	427,935		201,611	226,324
NET CHANGE IN FUND BALANCE	7,600	(420,335)		(187,768)	220,081
Fund Balance - Beginning of Year	247,729	247,729		247,729	-
FUND BALANCE - END OF YEAR	<u>\$ 255,329</u>	<u>\$ (172,606)</u>		<u>\$ 59,961</u>	<u>\$ 220,081</u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
ENVIRONMENTAL EXCISE TAX SERVICE REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Actual	Variance with Final Budget Positive (Negative)
	Original	Final			
REVENUES					
Investment Income	\$ 1,300	\$ 1,300		\$ 4,349	\$ 3,049
Other Revenues	23,500	23,500		7,805	(15,695)
Total Revenues	24,800	24,800		12,154	(12,646)
NET CHANGE IN FUND BALANCE	24,800	24,800		12,154	(12,646)
Fund Balance - Beginning of Year	75,083	75,083		75,083	-
FUND BALANCE - END OF YEAR	\$ 99,883	\$ 99,883		\$ 87,237	\$ (12,646)

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
LOW-MODERATE INCOME CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Taxes	\$ 35,000	\$ 35,000	\$ 52,937	\$ 17,937	
Investment Income	4,000	4,000	18,802	14,802	
Total Revenues	<u>39,000</u>	<u>39,000</u>	<u>71,739</u>	<u>32,739</u>	
NET CHANGE IN FUND BALANCE	39,000	39,000	71,739	32,739	
Fund Balance - Beginning of Year	<u>372,279</u>	<u>372,279</u>	<u>372,279</u>	<u>-</u>	
FUND BALANCE - END OF YEAR	<u>\$ 411,279</u>	<u>\$ 411,279</u>	<u>\$ 444,018</u>	<u>\$ 32,739</u>	

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
AFFORDABLE HOUSING IN-LIEU CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Actual	Variance with Final Budget Positive (Negative)
	Original	Final			
REVENUES					
Investment Income	\$ 11,000	\$ 11,000		\$ 44,112	\$ 33,112
Other Revenues	-	-		10,399	10,399
Total Revenues	<u>11,000</u>	<u>11,000</u>		<u>54,511</u>	<u>43,511</u>
NET CHANGE IN FUND BALANCE	11,000	11,000		54,511	43,511
Fund Balance - Beginning of Year	<u>881,727</u>	<u>881,727</u>		<u>881,727</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 892,727</u></u>	<u><u>\$ 892,727</u></u>		<u><u>\$ 936,238</u></u>	<u><u>\$ 43,511</u></u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
HABITAT RESTORATION PERMANENT FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Actual	Variance with Final Budget Positive (Negative)
	Original	Final			
REVENUES					
Investment Income	\$ 3,800	\$ 3,800		\$ 9,404	\$ 5,604
Other Revenues	-	-		609	609
Total Revenues	<u>3,800</u>	<u>3,800</u>		<u>10,013</u>	<u>6,213</u>
EXPENDITURES					
Public Works	<u>179,000</u>	<u>179,000</u>		<u>188,526</u>	<u>(9,526)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(175,200)	(175,200)		(178,513)	(3,313)
OTHER FINANCING SOURCES					
Transfers In	<u>-</u>	<u>561</u>		<u>561</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(175,200)	(174,639)		(177,952)	(3,313)
Fund Balance - Beginning of Year	<u>149,316</u>	<u>149,316</u>		<u>149,316</u>	<u>-</u>
FUND BALANCE (DEFICIT) - END OF YEAR	<u><u>\$ (25,884)</u></u>	<u><u>\$ (25,323)</u></u>		<u><u>\$ (28,636)</u></u>	<u><u>\$ (3,313)</u></u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
SUBREGION ONE PERMANENT FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts					Variance with Final Budget Positive (Negative)
	Original	Final	Actual			
REVENUES						
Investment Income	\$ 9,400	\$ 9,400	\$ 37,749		\$ 28,349	
EXPENDITURES						
Public Works	30,000	45,900	37,749		8,151	
Excess (Deficiency) of Revenues Over (Under) Expenditures	(20,600)	(36,500)		-	36,500	
OTHER FINANCING SOURCES						
Transfers In	60,000	60,000	60,000		-	
NET CHANGE IN FUND BALANCE	39,400	23,500	60,000		36,500	
Fund Balance - Beginning of Year	738,289	738,289	738,289		-	
FUND BALANCE - END OF YEAR	\$ 777,689	\$ 761,789	\$ 798,289		\$ 36,500	

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
JOINT POWERS IMPROVEMENT AUTHORITY – ABALONE COVE PERMANENT FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Actual	Variance with Final Budget Positive (Negative)
	Original	Final			
REVENUES					
Investment Income	\$ 9,900	\$ 9,900		\$ 57,322	\$ 47,422
EXPENDITURES					
Public Works	10,000	22,000		15,433	6,567
NET CHANGE IN FUND BALANCE	(100)	(12,100)		41,889	53,989
Fund Balance - Beginning of Year	1,068,408	1,068,408		1,068,408	-
FUND BALANCE - END OF YEAR	<u>\$ 1,068,308</u>	<u>\$ 1,056,308</u>		<u>\$ 1,110,297</u>	<u>\$ 53,989</u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
CAPITAL IMPROVEMENTS CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Investment Income	\$ 502,000	\$ 502,000	\$ 1,827,199	\$ 1,325,199	
EXPENDITURES					
Capital Outlay:					
Infrastructure Administration	2,235,000	9,155,650	4,627,038	4,528,612	
Street Improvements	1,267,400	5,242,879	753,668	4,489,211	
Parks/Trails/Open Space					
Improvements	825,000	5,011,005	4,084,871	926,134	
Sewer Improvements	500,000	943,660	-	943,660	
Building Improvements	1,055,000	1,350,154	63,356	1,286,798	
Storm Water Quality Improvements	760,500	760,500	-	760,500	
Landslide Improvements	1,030,000	4,405,203	2,087,781	2,317,422	
Debt Service:					
Principal	-	-	745,478	(745,478)	
Interest	-	-	143,866	(143,866)	
Total Expenditures	<u>7,672,900</u>	<u>26,869,051</u>	<u>12,506,058</u>	<u>14,362,993</u>	
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,170,900)	(26,367,051)	(10,678,859)	15,688,192	
OTHER FINANCING SOURCES					
Transfers In	<u>5,310,500</u>	<u>5,310,500</u>	<u>4,975,559</u>	<u>(334,941)</u>	
NET CHANGE IN FUND BALANCE					
	(1,860,400)	(21,056,551)	(5,703,300)	15,353,251	
Fund Balance - Beginning of Year	<u>35,295,834</u>	<u>35,295,834</u>	<u>35,295,834</u>	<u>-</u>	
FUND BALANCE - END OF YEAR	<u>\$ 33,435,434</u>	<u>\$ 14,239,283</u>	<u>\$ 29,592,534</u>	<u>\$ 15,353,251</u>	



STATISTICAL SECTION



CITY OF RANCHO PALOS VERDES, CALIFORNIA
DESCRIPTION OF STATISTICAL SECTION CONTENTS
JUNE 30, 2024

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

<u>Contents</u>	<u>Pages</u>
Financial Trends These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	116
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.	126
Debt Capacity These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the city's ability to issue additional debt in the future. The City does not have general bond indebtedness or debt issued with pledged revenue.	133
Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	137
Operating Information These schedules contain services and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	142

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	2015	2016	2017	2018	2019
Governmental activities					
Net investment in capital assets	\$ 119,450	\$ 118,399	\$ 123,437	\$ 125,420	\$ 159,557
Restricted	11,647	21,120	19,387	17,300	16,170
Unrestricted	42,208	42,210	43,618	44,168	47,739
Total governmental activities net position	\$ 173,305	\$ 181,729	\$ 186,442	\$ 186,888	\$ 223,466
Business-type activities					
Net investment in capital assets	\$ 31,168	\$ 31,663	\$ 31,311	\$ 34,996	\$ -
Restricted	-	-	-	-	-
Unrestricted	5,334	5,598	4,600	(128)	-
Total business-type activities net position	\$ 36,502	\$ 37,261	\$ 35,911	\$ 34,868	\$ -
Primary government					
Net investment in capital assets	\$ 150,618	\$ 150,062	\$ 154,748	\$ 160,416	\$ 159,557
Restricted	11,647	21,120	19,387	17,300	16,170
Unrestricted	47,542	47,808	48,218	44,040	47,739
Total primary government net position	\$ 209,807	\$ 218,990	\$ 222,353	\$ 221,756	\$ 223,466

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NET POSITION BY COMPONENT (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	2020	2021	2022	2023	2024
Governmental activities					
Net investment in capital assets	\$ 156,763	\$ 153,568	\$ 147,501	\$ 146,587	\$ 147,523
Restricted	24,129	23,217	23,913	25,256	25,256
Unrestricted	38,568	42,974	52,845	63,808	65,747
Total governmental activities net position	<u>\$ 219,460</u>	<u>\$ 219,759</u>	<u>\$ 224,259</u>	<u>\$ 235,650</u>	<u>\$ 238,525</u>
Business-type activities					
Net investment in capital assets	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-
Unrestricted	-	-	-	-	-
Total business-type activities net position	<u>\$ -</u>				
Primary government					
Net investment in capital assets	\$ 156,763	\$ 153,568	\$ 147,501	\$ 146,587	\$ 147,523
Restricted	24,129	23,217	23,913	25,256	25,256
Unrestricted	38,568	42,974	52,845	63,808	65,747
Total primary government net position	<u>\$ 219,460</u>	<u>\$ 219,759</u>	<u>\$ 224,259</u>	<u>\$ 235,650</u>	<u>\$ 238,525</u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	2015	2016	2017	2018	2019
Expenses					
Governmental activities:					
Administration	\$ 7,048	\$ 8,062	\$ 6,746	\$ 7,258	\$ 6,563
Public safety	4,670	5,215	6,534	7,339	7,214
Public works	10,771	9,610	10,638	16,073	16,064
Parks and recreation	1,669	2,052	2,434	2,736	3,064
Community development	2,072	1,971	2,664	2,726	3,052
Non-departmental	191	134	2,400	1,166	1,134
Interest on long-term debt	-	-	-	-	-
Total governmental activities expenses	<u>26,421</u>	<u>27,044</u>	<u>31,416</u>	<u>37,298</u>	<u>37,091</u>
Business-type activities:					
Water Quality Flood Protection	1,422	646	1,400	1,071	811
Total primary government expenses	<u>\$ 27,843</u>	<u>\$ 27,690</u>	<u>\$ 32,816</u>	<u>\$ 38,369</u>	<u>\$ 37,902</u>
Program Revenues					
Governmental activities:					
Charges for services:					
Administration	\$ 108	\$ 318	\$ 1,081	\$ 1,032	\$ 1,065
Public safety	43	179	140	124	104
Public works	432	159	274	659	227
Parks and recreation	144	781	708	2,083	766
Community development	2,058	958	2,066	729	2,130
Non-departmental	96	-	-	-	-
Operating grants and contributions	2,274	2,332	4,196	4,481	4,608
Capital grants and contributions	1,230	1,111	818	769	1,137
Total governmental activities program revenues	<u>6,289</u>	<u>5,934</u>	<u>9,283</u>	<u>9,877</u>	<u>10,037</u>
Business-type activities:					
Charges for services:					
Water Quality Flood Protection	1,369	1,385	11	-	-
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	1,213	-	-	-	-
Total business-type activities program revenues	<u>2,582</u>	<u>1,385</u>	<u>11</u>	<u>-</u>	<u>-</u>
Total primary government program revenues	<u>\$ 8,871</u>	<u>\$ 7,319</u>	<u>\$ 9,294</u>	<u>\$ 9,877</u>	<u>\$ 10,037</u>
Net (expense)/revenue					
Governmental activities	\$ (20,132)	\$ (21,110)	\$ (22,133)	\$ (27,421)	\$ (27,054)
Business-type activities	1,159	738	(1,389)	(1,071)	(811)
Total primary government net expense	<u>\$ (18,973)</u>	<u>\$ (20,372)</u>	<u>\$ (23,522)</u>	<u>\$ (28,492)</u>	<u>\$ (27,865)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 12,452	\$ 13,764	\$ 13,302	\$ 13,762	\$ 14,350
Transient occupancy tax	4,812	5,197	5,601	5,615	5,645
Franchise taxes	2,045	2,045	1,985	1,838	2,150
Utility user taxes	1,973	1,866	1,775	403	1,917
Other taxes	1,564	1,179	365	2,520	429
Sales taxes	1,758	2,104	2,463	2,129	2,661
Investment income	122	214	434	838	1,313
Other	3,231	2,608	920	763	909
Transfers	(458)	-	-	-	34,258
Extraordinary item	-	-	-	-	-
Total governmental activities	<u>27,499</u>	<u>28,977</u>	<u>26,845</u>	<u>27,868</u>	<u>63,632</u>
Business-type activities:					
Investment income	10	21	35	29	-
User Fees	-	-	-	-	-
Other	-	-	-	-	200
Transfers	458	-	3	-	(34,258)
Total business-type activities	<u>468</u>	<u>21</u>	<u>38</u>	<u>29</u>	<u>(34,058)</u>
Total primary government	<u>\$ 27,967</u>	<u>\$ 28,998</u>	<u>\$ 26,883</u>	<u>\$ 27,897</u>	<u>\$ 29,574</u>
Change in Net Position					
Governmental activities	\$ 7,367	\$ 7,868	\$ 4,713	\$ 447	\$ 36,578
Business-type activities	1,627	759	(1,351)	(1,042)	(34,869)
Total primary government net expense	<u>\$ 8,994</u>	<u>\$ 8,627</u>	<u>\$ 3,362</u>	<u>\$ (595)</u>	<u>\$ 1,709</u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
CHANGES IN NET POSITION (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	2020	2021	2022	2023	2024
Expenses					
Governmental activities:					
Administration	\$ 8,013	\$ 8,524	\$ 9,136	\$ 5,032	\$ 14,421
Public safety	7,360	7,251	7,340	7,426	7,989
Public works	18,182	15,885	17,360	20,828	19,698
Parks and recreation	2,857	2,624	3,877	3,908	4,605
Community development	2,857	2,979	3,094	3,243	3,747
Non-departmental	1,192	-	-	-	-
Interest Expense	-	-	36	155	166
Total governmental activities expenses	<u>40,461</u>	<u>37,263</u>	<u>40,843</u>	<u>40,592</u>	<u>50,625</u>
Business-type activities:					
Water Quality Flood Protection	-	-	-	-	-
Total primary government expenses	<u>\$ 40,461</u>	<u>\$ 37,263</u>	<u>\$ 40,843</u>	<u>\$ 40,592</u>	<u>\$ 50,625</u>
Program Revenues					
Governmental activities:					
Charges for services:					
Administration	\$ 1,064	\$ 776	\$ 936	\$ 1,237	\$ 1,068
Public safety	111	245	232	174	151
Public works	309	215	216	252	252
Parks and recreation	579	460	739	858	839
Community development	1,793	1,931	3,171	3,345	2,982
Non-departmental	-	-	-	-	-
Operating grants and contributions	4,605	5,087	6,738	9,505	7,953
Capital grants and contributions	625	1,254	1,731	1,780	1,534
Total governmental activities program revenues	<u>9,086</u>	<u>9,968</u>	<u>13,763</u>	<u>17,150</u>	<u>14,779</u>
Business-type activities:					
Charges for services:					
Water Quality Flood Protection	-	-	-	-	-
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	-	-	-	-	-
Total business-type activities program revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government program revenues	<u>\$ 9,086</u>	<u>\$ 9,968</u>	<u>\$ 13,763</u>	<u>\$ 17,150</u>	<u>\$ 14,779</u>
Net (expense)/revenue					
Governmental activities	\$ (31,375)	\$ (27,295)	\$ (27,080)	\$ (23,442)	\$ (35,846)
Business-type activities	-	-	-	-	-
Total primary government net expense	<u>\$ (31,375)</u>	<u>\$ (27,295)</u>	<u>\$ (27,080)</u>	<u>\$ (23,442)</u>	<u>\$ (35,846)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 14,994	\$ 15,966	\$ 16,638	\$ 17,329	\$ 18,130
Transient occupancy tax	3,910	3,116	6,170	6,853	6,449
Franchise taxes	2,146	2,203	2,278	2,359	2,429
Utility user taxes	1,912	2,246	2,526	2,877	2,692
Other taxes	395	633	733	762	768
Sales taxes	2,163	1,919	2,782	2,962	2,835
Investment income	1,225	676	(430)	696	4,585
Other	626	835	883	996	804
Transfers	-	-	-	-	-
Extraordinary item	-	-	-	-	-
Total governmental activities	<u>27,371</u>	<u>27,594</u>	<u>31,580</u>	<u>34,833</u>	<u>38,691</u>
Business-type activities:					
Capital Contribution	-	-	-	-	30
User Fees	-	-	-	-	-
Other	-	-	-	-	-
Transfers	-	-	-	-	-
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30</u>
Total primary government	<u>\$ 27,371</u>	<u>\$ 27,594</u>	<u>\$ 31,580</u>	<u>\$ 34,833</u>	<u>\$ 38,721</u>
Change in Net Position					
Governmental activities	\$ (4,004)	\$ 299	\$ 4,500	\$ 11,391	\$ 2,845
Business-type activities	-	-	-	-	30
Total primary government net expense	<u>\$ (4,004)</u>	<u>\$ 299</u>	<u>\$ 4,500</u>	<u>\$ 11,391</u>	<u>\$ 2,875</u>

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CITY OF RANCHO PALOS VERDES, CALIFORNIA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

Fiscal Year	Property Tax	Transient Occupancy Tax	Sales Tax	Franchise Tax	Utility Users Tax	Other Taxes	Total
2015	\$ 12,452	\$ 4,812	\$ 1,758	\$ 2,044	\$ 1,973	\$ 1,564	\$ 24,603
2016	13,764	5,197	2,104	2,045	1,866	1,179	26,155
2017	13,302	5,601	2,463	1,985	1,775	365	25,491
2018	13,028	5,615	2,520	2,129	1,838	1,290	26,420
2019	13,567	5,645	2,661	2,150	1,917	1,376	27,316
2020	14,184	3,910	2,163	2,146	1,912	1,291	25,606
2021	15,082	3,116	1,919	2,203	2,246	1,308	25,874
2022	15,742	6,170	2,782	2,278	2,526	1,465	30,963
2023	16,356	6,853	2,962	2,359	2,877	1,650	33,057
2024	17,114	6,449	2,835	2,429	2,692	1,692	33,210

Source

City General Ledger

CITY OF RANCHO PALOS VERDES, CALIFORNIA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	2015	2016	2017	2018	2019
General Fund					
Non-Spendable	\$ 598	\$ 564	\$ 190	\$ 913	\$ 1,016
Restricted	-	-	-	-	-
Committed	-	802	964	715	341
Assigned	-	-	-	-	-
Unassigned	16,055	13,702	15,671	16,450	19,431
Total General Fund	<u><u>\$ 16,653</u></u>	<u><u>\$ 15,068</u></u>	<u><u>\$ 16,825</u></u>	<u><u>\$ 18,078</u></u>	<u><u>\$ 20,788</u></u>
All other Governmental Funds					
Non-Spendable					
Special Revenue Funds	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Projects Funds	-	-	-	-	-
Permanent Fund	1,855	1,866	1,877	1,889	1,902
Restricted					
Special Revenue Funds	8,362	9,757	11,702	12,825	10,437
Capital Projects Funds	-	3,000	4,660	1,438	2,946
Permanent Fund	1,492	1,312	1,148	1,148	885
Committed					
Special Revenue Funds	55	353	-	-	-
Capital Projects Funds	-	3,467	-	-	-
Assigned					
Special Revenue Funds	572	476	479	-	-
Capital Projects Funds	21,078	23,902	23,149	23,942	25,100
Unassigned					
Special Revenue Funds	(59)	-	-	-	(564)
Total all other Governmental Funds	<u><u>\$ 33,355</u></u>	<u><u>\$ 44,133</u></u>	<u><u>\$ 43,015</u></u>	<u><u>\$ 41,242</u></u>	<u><u>\$ 40,706</u></u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
FUND BALANCES OF GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	2020	2021	2022	2023	2024
General Fund					
Non-Spendable	\$ 249	\$ 1,142	\$ 1,462	\$ 1,164	\$ 1,804
Restricted	-	-	-	-	-
Committed	167	2,785	447	747	726
Assigned	-	-	-	-	-
Unassigned	21,333	21,872	29,454	32,184	35,478
Total General Fund	<u><u>\$ 21,749</u></u>	<u><u>\$ 25,799</u></u>	<u><u>\$ 31,363</u></u>	<u><u>\$ 34,095</u></u>	<u><u>\$ 38,008</u></u>
All other Governmental Funds					
Non-Spendable					
Special Revenue Funds	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Projects Funds	-	-	-	-	-
Permanent Fund	1,915	1,926	1,750	1,750	1,750
Restricted					
Special Revenue Funds	10,420	9,489	11,593	13,097	17,083
Capital Projects Funds	2,458	1,799	9,132	1,254	1,380
Permanent Fund	800	593	421	218	159
Committed					
Special Revenue Funds	-	-	-	-	-
Capital Projects Funds	-	-	4,455	4,368	2,036
Assigned					
Special Revenue Funds	-	-	-	-	-
Capital Projects Funds	23,965	25,752	25,710	30,928	27,557
Unassigned					
Special Revenue Funds	(215)	(219)	(121)	(12)	(29)
Total all other Governmental Funds	<u><u>\$ 39,343</u></u>	<u><u>\$ 39,340</u></u>	<u><u>\$ 52,940</u></u>	<u><u>\$ 51,603</u></u>	<u><u>\$ 49,936</u></u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	2015	2016	2017	2018	2019
Revenues					
Taxes	\$ 24,603	\$ 25,725	\$ 25,491	\$ 26,266	\$ 28,098
Licenses and permits	2,515	2,383	3,044	3,095	2,205
Revenues from other agencies	3,794	3,443	5,117	5,345	5,158
Charges for services	427	558	1,072	1,113	215
Fines and forfeitures	135	180	153	144	331
Use of money and property	653	750	415	714	1,656
Other Revenues	2,377	1,668	732	1,038	1,026
Total Revenues	<u>34,504</u>	<u>34,707</u>	<u>36,024</u>	<u>37,715</u>	<u>38,689</u>
Expenditures					
Administration	5,135	6,183	5,445	5,867	5,581
Public Safety	4,761	5,215	6,534	7,399	7,214
Public Works	8,042	7,961	9,084	11,068	13,546
Parks and Recreation	1,819	2,042	2,175	2,493	2,769
Community Development	2,870	2,619	2,664	2,736	3,052
Non-Departmental	190	238	2,400	1,167	1,134
Capital Outlay	8,697	1,344	7,106	7,504	3,291
Debt Service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	<u>31,514</u>	<u>25,602</u>	<u>35,408</u>	<u>38,234</u>	<u>36,587</u>
Excess of Revenues over (under) Expenditures	2,990	9,105	616	(519)	2,102
Other Financing Sources (uses)					
Transfers in	13,525	11,784	4,577	5,044	6,027
Transfers out	(13,188)	(11,784)	(4,577)	(5,044)	(5,954)
Lease Proceeds	-	0	0	-	-
Total Other Financing Sources (uses)	<u>337</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>73</u>
Extraordinary Gain (Loss)					
Net change in Fund Balances	\$ 3,327	\$ 9,105	\$ 616	\$ (519)	\$ 2,175
Cost of Assets Capitalized	8,490	2,398	8,228	8,228	5,496
Debt Services as a percentage of Non-Capital Expenditures	0.0%	0.0%	0.0%	0.0%	0.0%

CITY OF RANCHO PALOS VERDES, CALIFORNIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(AMOUNTS EXPRESSED IN THOUSANDS)

	2020	2021	2022	2023	2024
Revenues					
Taxes	\$ 26,416	\$ 26,758	\$ 31,859	\$ 33,141	\$ 33,302
Licenses and permits	1,917	2,007	3,338	4,532	4,026
Revenues from other agencies	5,442	5,883	8,672	11,019	9,078
Charges for services	203	193	229	244	268
Fines and forfeitures	365	675	518	396	331
Investment Income	1,446	828	(67)	1,452	5,383
Other Revenues	1,009	615	858	1,032	869
Total Revenues	<u>36,798</u>	<u>36,959</u>	<u>45,407</u>	<u>51,816</u>	<u>53,256</u>
Expenditures					
Administration	6,319	5,456	5,316	5,553	10,961
Public Safety	7,360	7,251	7,293	7,426	7,989
Public Works	12,260	9,681	10,498	14,600	13,807
Parks and Recreation	2,548	2,662	3,162	3,590	4,223
Community Development	2,857	2,624	3,094	3,243	3,747
Non-Departmental	1,204	1,814	2,094	2,206	2,186
Capital Outlay	4,653	3,424	2,777	13,288	6,939
Debt Service					
Principal	-	-	8	1,074	995
Interest	-	-	-	158	163
Total Expenditures	<u>37,201</u>	<u>32,912</u>	<u>34,242</u>	<u>51,139</u>	<u>51,010</u>
Excess of Revenues over (under) Expenditures	(403)	4,047	11,165	678	2,246
Other Financing Sources (uses)					
Transfers in	2,924	1,881	5,094	7,601	5,391
Transfers out	(2,924)	(1,881)	(5,094)	(7,601)	(5,391)
Lease Proceeds	-	-	8,000	717	-
Total Other Financing Sources (uses)	<u>-</u>	<u>-</u>	<u>8,000</u>	<u>717</u>	<u>-</u>
Extraordinary Gain (Loss)					
Net change in Fund Balances	\$ (403)	\$ 4,047	\$ 19,165	\$ 1,395	\$ 2,246
Cost of Assets Capitalized	4,058	3,202	1,673	13,613	7,107
Debt Services as a percentage of Non-Capital Expenditures	0.0%	0.0%	0.0%	3.3%	2.6%

CITY OF RANCHO PALOS VERDES, CALIFORNIA
ASSESSED VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

Fiscal Year End	Residential Property	Commercial Property	Industrial Property	Other Property	Unsecured Property
2015	\$ 9,492,704	\$ 486,378	\$ 3,509	\$ 679,241	\$ 45,906
2016	10,094,704	501,636	3,580	695,738	44,300
2017	10,770,321	531,536	3,634	506,899	24,986
2018	11,302,341	541,829	3,707	521,883	26,829
2019	11,924,464	580,286	3,781	551,820	25,824
2020	12,466,277	597,016	3,857	556,186	26,416
2021	12,995,604	612,892	3,934	615,222	26,419
2022	13,521,184	619,529	3,974	558,780	25,134
2023	14,387,208	632,817	4,054	548,070	26,982
2024	15,189,185	652,004	4,135	602,396	27,993

Source

Source: MuniServices, LLC / Avenu Insights & Analytics

Source: Parcel Quest - County Data

Unitary value of \$980,000 is excluded.

(1.) City Direct Tax Rate is represented by TRA 001-224.

(2.) Estimated Actual Value is derived from a series of calculations comparing median assessed values from 1940 to current median sale prices. Based on these calculations a factor was extrapolated and applied to current assessed values.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

Fiscal Year End	Less Tax-Exempt Property	Taxable Assessed Value	City Direct Tax Rate (1)	Estimated Actual Taxable Value (2)	Factor of Taxable Assessed Value	Assessed Value as a Percentage of Actual Value
2015	\$ 151,709	\$ 10,556,029	0.063728	\$ 13,571,675	1.28568	77.78%
2016	155,138	11,184,820	0.063728	15,366,477	1.37387	72.79%
2017	174,779	11,662,598	0.063728	17,011,415	1.45863	68.56%
2018	180,953	12,215,635	0.063728	15,669,728	1.28276	77.96%
2019	184,447	12,901,730	0.063728	17,984,167	1.39393	71.74%
2020	171,367	13,478,385	0.063728	17,927,678	1.33011	75.18%
2021	147,361	14,106,710	0.063728	18,817,832	1.33396	74.96%
2022	187,319	14,541,282	0.063728	20,946,674	1.44050	69.42%
2023	116,163	15,482,968	0.063728	28,045,089	1.81135	55.21%
2024	143,055	16,618,767	0.063728	25,397,809	1.52826	65.43%

Source

Source: MuniServices, LLC / Avenu Insights & Analytics

Source: County Assessor Data

Unitary value of \$980,000 is excluded.

(1.) City Direct Tax Rate is represented by TRA 001-224.

(2.) Estimated Actual Value is derived from a series of calculations comparing median assessed values from 1940 to current median sale prices
 Based on these calculations a factor was extrapolated and applied to current assessed values.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

	2014-15	2015-16	2016-17	2017-18	2018-19
CITY DIRECT RATE	0.063728	0.063728	0.063728	0.063728	0.063728
All other direct rates:					
LA COUNTY GENERAL	0.441223	0.441223	0.441223	0.441223	0.441223
LA COUNTY ACCUM CAP OUTLAY	0.000110	0.000110	0.000110	0.000110	0.000110
CONSOL. FIRE PRO.DIST OF LA CO.	0.169715	0.169715	0.169715	0.169715	0.169715
LA CO. FIRE-FFW	0.006910	0.006910	0.006910	0.006910	0.006910
LA CO.FL.CON.DR.IMP.DIST.MAINT.	0.002597	0.002597	0.002597	0.002597	0.002597
LA CO FLOOD CONTROL MAINT	0.014699	0.014699	0.014699	0.014699	0.014699
PALOS VERDES LIBRARY DIST MAINT	0.043470	0.043470	0.043470	0.043470	0.043470
LA CO WEST VECTOR CONTROL DIST.	0.000319	0.000319	0.000319	0.000319	0.000319
CO SANITATION DIST NO 5 OPERAT	0.017499	0.017499	0.017499	0.017499	0.017499
WTR REPLENISHMENT DIST OF SO CAL	0.000181	0.000181	0.000181	0.000181	0.000181
ERAF	0.000000	0.000000	0.000000	0.000000	0.000000
EDUCATIONAL AUG FD IMPOUND	0.000000	0.000000	0.000000	0.000000	0.000000
COUNTY SCHOOL SERVICES	0.001369	0.001369	0.001369	0.001369	0.001369
CHILDREN'S INSTIL TUITION FUND	0.002717	0.002717	0.002717	0.002717	0.002717
LA CITY COMM COLLEGE DIST	0.029214	0.029214	0.029214	0.029214	0.029214
LA COMM COLL CHILDREN'S CTR FD	0.000302	0.000302	0.000302	0.000302	0.000302
PALOS VERDES PENINSULA USD	0.196986	0.196986	0.196986	0.196986	0.196986
CO.SCH.SERV.FD-LOS ANGELES	0.008085	0.008085	0.008085	0.008085	0.008085
DEV.CTR.HDCPD MINOR-LA UNIF.	0.000876	0.000876	0.000876	0.000876	0.000876
TOTAL	1.000000	1.000000	1.000000	1.000000	1.000000
Debt Service Rates					
COUNTY	0.000000	0.000000	0.000000	0.000000	0.000000
PALOS VERDES PEN USD	0.023289	0.023433	0.023197	0.023093	0.023709
COMMNTY COLLEGE	0.040174	0.035755	0.035956	0.045990	0.046213
PALOS VERDES LIB	0.005854	0.005630	0.000000	0.000000	0.000000
FLOOD CONTROL	0.000000	0.000000	0.000000	0.000000	0.000000
METRO WATER DIST	0.003500	0.003500	0.003500	0.003500	0.003500
TOTAL	0.072817	0.068318	0.062653	0.072583	0.073422
TOTAL TAX RATE	1.072817	1.068318	1.062653	1.072583	1.073422

Source

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

City has no separate debt service rate, direct rate is 100% operating.

TRA 149 is represented for this report.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
PROPERTY TAX RATES (CONTINUED)
DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS

	2019-20	2020-21	2021-22	2022-23	2023-24
CITY DIRECT RATE	0.063728	0.056804	0.056804	0.056804	0.056804
All other direct rates:					
LA COUNTY GENERAL	0.441223	0.257974	0.257974	0.257974	0.257974
LA COUNTY ACCUM CAP OUTLAY	0.000110	0.000110	0.000110	0.000110	0.000110
CONSOL. FIRE PRO.DIST OF LA CO.	0.169715	0.169715	0.169715	0.169715	0.169715
LA CO. FIRE-FFW	0.006910	0.006910	0.006910	0.006910	0.006910
LA CO.FL.CON.DR.IMP.DIST.MAINT.	0.002597	0.001649	0.001649	0.001649	0.001649
LA CO FLOOD CONTROL MAINT	0.014699	0.009331	0.009331	0.009331	0.009331
PALOS VERDES LIBRARY DIST MAINT	0.043470	0.032481	0.032481	0.032481	0.032481
LA CO WEST VECTOR CONTROL DIST.	0.000319	0.000190	0.000190	0.000190	0.000190
CO SANITATION DIST NO 5 OPERAT	0.017499	0.011678	0.011678	0.011678	0.011678
WTR REPLENISHMENT DIST OF SO CAL	0.000181	0.000178	0.000178	0.000178	0.000178
ERAF	0.000000	0.072466	0.072466	0.072466	0.072466
EDUCATIONAL AUG FD IMPOUND	0.000000	0.140966	0.140966	0.140966	0.140966
COUNTY SCHOOL SERVICES	0.001369	0.001369	0.001369	0.001369	0.001369
CHILDREN'S INSTIL TUITION FUND	0.002717	0.002717	0.002717	0.002717	0.002717
LA CITY COMM COLLEGE DIST	0.029214	0.029214	0.029214	0.029214	0.029214
LA COMM COLL CHILDREN'S CTR FD	0.000302	0.000302	0.000302	0.000302	0.000302
PALOS VERDES PENINSULA USD	0.196986	0.196986	0.196986	0.196986	0.196986
CO.SCH.SERV.FD-LOS ANGELES	0.008085	0.008085	0.008085	0.008085	0.008085
DEV.CTR.HDCPD MINOR-LA UNIF.	0.000876	0.000876	0.000876	0.000876	0.000876
TOTAL	1.000000	1.000000	1.000000	1.000000	1.000000
Debt Service Rates					
COUNTY	0.000000	0.000000	0.000000	0.000000	0.000000
PALOS VERDES PEN USD	0.023589	0.023782	0.023978	0.022771	0.023829
COMMNTY COLLEGE	0.027175	0.040162	0.043759	0.024882	0.060231
PALOS VERDES LIB	0.000000	0.000000	0.000000	0.000000	0.000000
FLOOD CONTROL	0.000000	0.000000	0.000000	0.000000	0.000000
METRO WATER DIST	0.003500	0.003500	0.003500	0.003500	0.003500
TOTAL	0.054264	0.067444	0.071237	0.051153	0.087560
TOTAL TAX RATE	1.054264	1.067444	1.071237	1.051153	1.087560

Source

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

City has no separate debt service rate, direct rate is 100% operating.

TRA 149 is represented for this report.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
PRINCIPAL PROPERTY TAX PAYERS
LAST FISCAL YEAR AND TEN YEARS AGO
(AMOUNTS EXPRESSED IN THOUSANDS)

Taxpayer	2023-24			2014-15		
	Taxable Value (\$)	Rank	Percentage of Total City Taxable Value (%)	Taxable Value (\$)	Rank	Percentage of Total City Taxable Value (%)
Long Point Development LLC	505,938	1	3.04%	446,874	1	4.23%
GSIC II Palos Verdes Owner LP	134,189	2	0.81%			
Roic California LLC	74,115	3	0.45%			
P V Victoria Apartments LLC	58,170	4	0.35%	49,176	3	0.47%
6507 6510 Vista Catalina Apts	45,712	5	0.28%			
Western Riviera Investors Et Al	35,957	6	0.22%	30,943	7	0.29%
Salvation Army	34,422	7	0.21%			
California Water Service Co	34,325	8	0.21%	9,966	17	0.09%
Golden Cove Center LLC	33,671	9	0.20%	28,577	8	0.27%
Ocean View Drive Inc	30,093	10	0.18%			
Belmont Village RPV LP	28,407	11	0.17%	24,109	10	0.23%
VH Property Corp	23,314	12	0.14%			
Johnson Cory C Et Al Trs	22,616	13	0.14%			
WLP Westmont Plaza LLC	17,438	14	0.10%			
American Golf, Inc	14,508	15	0.09%	12,313	15	0.12%
Trout Patricia C	14,481	16	0.09%			
Parks John	12,381	17	0.07%			
AA Homes LLC	11,235	18	0.07%	7,595	22	0.07%
Peacock Flats LLC	10,924	19	0.07%			
Chang Jacqueline	10,509	20	0.06%			
VHPS LLC	10,319	21	0.06%	35,925	5	0.34%
Cox Cable Communications, Inc	9,890	22	0.06%			
RPVC LLC	9,767	23	0.06%			
Victoria Apartments	9,628	24	0.06%	8,174	18	0.08%
Green Sticks LP	9,434	25	0.06%			
PPC Villas RPV LLC				66,980	2	0.63%
Terraces Subsidiary LLC				37,011	4	0.35%
CPT Vista Catalina LLC				35,847	6	0.34%
Episcopal Communities Services				27,693	9	0.26%
Terranea Resort Spa				21,452	11	0.20%
Taylor Morrison Of California				18,300	12	0.17%
Johnson Eric C				16,659	13	0.16%
Tridiamond LLC				14,017	14	0.13%
Vanderlip Investment Co				10,663	16	0.10%
Thornecrest LLC				8,162	19	0.08%
Palos Verdes Terrace Ltd.				8,011	20	0.08%
Bruning Fred W				7,608	21	0.07%
Amdan Investment LLC Lessee				7,501	23	0.07%
Wang Lisa				7,326	24	0.07%
500 Silver Spur Rd LLC				6,726	25	0.06%
Total Top 25 Taxpayers	\$ 1,201,440		7.23%	\$ 947,607		8.98%
Total Taxable Value	\$ 16,618,767		100.00%	\$ 10,556,030		100.00%

Source

Source: MuniServices, LLC / Avenu Insights & Analytics

CITY OF RANCHO PALOS VERDES, CALIFORNIA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)

Fiscal Year	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2014-15	6,487	6,396	98.60%	0	6,396	98.60%
2015-16	6,813	6,716	98.58%	0	6,716	98.58%
2016-17	7,093	7,009	98.82%	0	7,009	98.82%
2017-18	7,481	7,389	98.77%	0	7,389	98.77%
2018-19	7,888	7,782	98.66%	0	7,782	98.66%
2019-20	8,290	8,017	96.71%	0	8,017	96.71%
2020-21	8,674	8,526	98.29%	0	8,526	98.29%
2021-22	8,931	8,790	98.42%	0	8,790	98.42%
2022-23	9,522	9,378	98.49%	0	9,378	98.49%
2023-24	10,054	9,881	98.28%	0	9,881	98.28%

Source

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

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CITY OF RANCHO PALOS VERDES, CALIFORNIA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ended June 30	Governmental Activities			Total Governmental Activities
	Loans Payable	Leases Payable	Subscriptions Payable	
2015				
2016				
2017				
2018				
2019				
2020				
2021		13,576		13,576
2022	8,000,000	5,599	508,308	8,513,907
2023	7,265,975	667,582	328,019	8,261,576
2024	6,520,497	592,116	152,087	7,264,700

**CITY OF RANCHO PALOS VERDES, CALIFORNIA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
CURRENT YEAR**

2023-24 Assessed Valuation: \$16,396,993,841

	Total Debt 6/30/2024	% Applicable (1)	City's Share of Debt 6/30/24
<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>			
Metropolitan Water District	\$ 18,210,000	0.424%	\$ 77,210
Los Angeles Community College District	5,155,845,000	1.443	74,398,843
Los Angeles Unified School District	10,723,385,000	0.171	18,336,988
Palos Verdes Unified School District	36,284,580	46.657	16,929,296
TOTAL GROSS OVERLAPPING TAX AND ASSESSMENT DEBT			\$ 109,742,337
Less: Los Angeles Unified School District General Obligation Bonds, Election of 2005, Series J (2010) Qualified School Construction Bonds: Amount accumulated in Interest and Sinking Fund and Set Asides for Repayment			512,105
TOTAL NET OVERLAPPING TAN AND ASSESSMENT DEBT			\$ 109,230,232
<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
Los Angeles County General Fund Obligations	\$ 2,479,229,730	0.818%	\$ 20,280,099
Los Angeles County Superintendent of Schools Certificates of Participation	2,857,300	0.818	\$23,373
Los Angeles Unified School District Certificates of Participation	471,590,000	0.171	\$806,419
City of Rancho Palos Verdes General Fund Obligations	6,520,497	100.00	6,520,497
Leases Payable	592,161	100.00	592,161
Subscriptions Payable	152,087	100.00	152,087
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$ 28,374,636
<u>OVERLAPPING TAX INCREMENT DEBT (Successor Agency):</u>	\$ 2,060,000	100.00%	\$ 2,060,000
TOTAL DIRECT DEBT			\$ 6,520,497
TOTAL GROSS OVERLAPPING DEBT			\$ 132,912,228
TOTAL NET OVERLAPPING DEBT			\$ 132,400,123
GROSS COMBINED TOTAL DEBT			\$ 139,432,725 (2)
NET COMBINED TOTAL DEBT			\$ 138,920,620

(1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

(2) Excludes tax and revenue anticipation notes, revenue, mortgage revenue and non-bonded capital lease obligations.

Ratios to 2023-24 Assessed Valuation

Total Gross Overlapping Tax and Assessment Debt	0.67%
Total Net Overlapping Tax and Assessment Debt	0.67%
Total Direct Debt (\$6,250,497)	0.04%
Gross Combined Total Debt	0.85%
Net Combined Total Debt	0.85%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$285,564,918):

Total Overlapping Tax Increment Debt	0.72%
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Source

Avenu Insights & Analytics
California Municipal Statistics, Inc.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)
FISCAL YEAR

	2015	2016	2017	2018	2019
Debt Limit	\$ 1,583,404	\$ 1,677,723	\$ 1,749,390	\$ 1,832,345	\$ 1,935,260
Total Net Debt applicable to limit	-	-	-	-	-
Legal Debt Margin	<u>\$ 1,583,404</u>	<u>\$ 1,677,723</u>	<u>\$ 1,749,390</u>	<u>\$ 1,832,345</u>	<u>\$ 1,935,260</u>
Total Net Debt applicable to the limit as a percentage of Debt Limit	0%	0%	0%	0%	0%

CITY OF RANCHO PALOS VERDES, CALIFORNIA
LEGAL DEBT MARGIN INFORMATION (CONTINUED)
LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)
FISCAL YEAR

	2020	2021	2022	2023	2024
Debt Limit	\$ 2,021,758	\$ 2,116,007	\$ 2,181,192	\$ 2,322,455	\$ 2,492,815
Total Net Debt applicable to limit	-	-	-	-	-
Legal Debt Margin	<u>\$ 2,021,758</u>	<u>\$ 2,116,007</u>	<u>\$ 2,181,192</u>	<u>\$ 2,322,455</u>	<u>\$ 2,492,815</u>
Total Net Debt applicable to the limit as a percentage of Debt Limit	0%	0%	0%	0%	0%
			Total Taxable Value	\$ 16,618,767	
Debt Limit (15% of total taxable value)			2,492,815		
Debt applicable to limit			-		
Legal Debt Margin			<u>\$ 2,492,815</u>		

Cities have a maximum G.O. debt limit of 15% of the assessed valuation of all property within their boundaries.

**CITY OF RANCHO PALOS VERDES, CALIFORNIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal Income (2)		Median Age	**Public School Enrollment
			Personal Income (2)	Per Capita Personal Income (2)		
2014-15	42,564	\$ 2,593,892,724	\$ 60,941	48.9	48.9	11,632
2015-16	43,041	2,461,988,241	57,201	49.6	49.6	11,499
2016-17	42,884	2,569,293,654	59,913	49.5	49.5	11,428
2017-18	42,723	2,722,513,349	63,725	49.3	49.3	11,346
2018-19	42,560	2,860,710,832	67,216	49.4	49.4	11,217
2019-20	41,731	2,917,361,629	69,909	49.7	49.7	11,009
2020-21	41,541	3,134,652,289	75,459	50.0	50.0	10,503
2021-22	41,468	3,594,201,164	86,674	49.7	49.7	10,432
2022-23	41,030	4,147,992,677	101,097	49.8	49.8	10,457
2023-24	40,919	4,631,881,855	113,196	49.8	49.8	10,393

Source

MuniServices, LLC / Avenu Insights & Analytics

- 1.) Population Projections are provided by the California Department of Finance Projections.
- 2.) Income Data is provided by the U.S. Census Bureau.
- 3.) Unemployment Data is provided by the EDD's Bureau of Labor Statistics Department.

**Student Enrollment reflects the total number of students enrolled in the Palos Verdes Peninsula Unified School District. Other school districts within the City are not included.

**CITY OF RANCHO PALOS VERDES, CALIFORNIA
DEMOGRAPHIC AND ECONOMIC STATISTICS (CONTINUED)
LAST TEN FISCAL YEARS**

Fiscal Year	County Unemployment Rate (%) (3)	City Unemployment Rate (%) (3)	County Population (1)	City Population (% of County)
2014-15	7.1%	3.4%	10,136,559	0.42%
2015-16	6.7%	3.2%	10,241,335	0.42%
2016-17	5.2%	2.5%	10,241,278	0.42%
2017-18	4.1%	3.4%	10,283,729	0.42%
2018-19	3.9%	3.3%	10,253,716	0.42%
2019-20	20.6%	13.2%	10,172,951	0.41%
2020-21	12.8%	8.2%	10,044,458	0.41%
2021-22	4.5%	3.0%	9,861,224	0.42%
2022-23	4.8%	3.9%	9,761,210	0.42%
2023-24	5.2%	4.2%	9,824,091	0.42%

Source

MuniServices, LLC / Avenu Insights & Analytics

- 1.) Population Projections are provided by the California Department of Finance Projections.
- 2.) Income Data is provided by the U.S. Census Bureau.
- 3.) Unemployment Data is provided by the EDD's Bureau of Labor Statistics Department.

**Student Enrollment reflects the total number of students enrolled in the Palos Verdes Peninsula Unified School District. Other school districts within the City are not included.

**CITY OF RANCHO PALOS VERDES, CALIFORNIA
PRINCIPAL SALES TAX PRODUCERS
LAST FISCAL YEAR AND NINE YEARS AGO**

Taxpayer	Business Type	Taxpayer	Business Type
7-Eleven Food Store & Service Stations	Service Stations	7-Eleven Food Stores	Food Markets
American Golf Corporation	Miscellaneous Retail	Admiral Risty Restaurant	Restaurants
Asaka USA Corporation	Light Industry	America's Tire	Auto Parts/Repair
Avenue Italy	Restaurants	Asaka Japanese Cuisine	Restaurants
Blue Crab Steak & Seafood Restaurant	Restaurants	Audio Visual Services Group	Light Industry
Centinela Feed & Pet Supplies	Florist/Nursery	Avenue Italy	Restaurants
Burattino Brick Oven Pizza	Bldg.Matls-Whsle	Carl's Jr. Restaurants	Restaurants
Colin Cowie Lifestyle	Auto Parts/Repair	Centinela Feed & Pet Supplies	Miscellaneous Retail
G & M Service Stations	Service Stations	Chevron Service Stations	Service Stations
Gravia Tomatillo Service Center	Service Stations	Coco's Restaurants	Restaurants
Jack In The Box Restaurants	Restaurants	El Pollo Loco	Restaurants
Green Hills Memorial Park	Miscellaneous Other	Good Night Mattress	Furniture/Appliance
Hightridge Car Wash	Auto Parts/Repair	Green Hills Memorial Park	Miscellaneous Other
Marshall's Stores	Apparel Stores	IHOP Restaurants	Restaurants
O'Reilly Auto Parts	Auto Parts/Repair	Jack In The Box Restaurants	Restaurants
PPI America	Heavy Industry	Los Verdes Country Club	Restaurants
Ralph's Grocery Company	Food Markets	Marie Callender's Restaurant	Restaurants
Smart & Final	Food Markets	Marshall's Stores	Apparel Stores
Swan Thai RPV	Restaurants	Mobil Service Stations	Service Stations
Terranea Resort	Restaurants	O'Reilly Auto Parts	Auto Parts/Repair
The Mortuary at Green Hills	Miscellaneous Other	Ralph's Grocery Company	Food Markets
Trader Joe's	Food Markets	Smart & Final	Food Markets
Trump National Golf Club	Miscellaneous Retail	Terranea Resort	Restaurants
Western Tobacco	Miscellaneous Retail	Trader Joe's	Food Markets
Southern California Discount Tire C	Restaurants	Trump National Golf Club	Miscellaneous Retail

Source

MuniServices, LLC / Avenu Insights & Analytics

CITY OF RANCHO PALOS VERDES, CALIFORNIA
PRINCIPAL EMPLOYERS
LAST FISCAL YEAR AND NINE YEARS AGO

Employer	2023-24			2014-15		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Palos Verdes Peninsula Unified School District	1,425	1	7.46%	1,421	1	7.36%
Terranea Resort Hotel	638	2	3.34%	873	2	4.52%
The Salvation Army College/Western Territorial HQ- USA	263	3	1.38%			
UCLA South Bay Campus (formerly Marymount College)	215	4	1.13%	270	3	1.40%
The Canterbury Retirement Community	164	5	0.86%	115	6	0.60%
Belmont Corp LTD (Belmont Village of Rancho)	161	6	0.84%	139	5	0.72%
Green Hills Memorial Park	123	7	0.64%	85	9	0.44%
Trump National Golf Club*	94	8	0.49%	190	4	0.98%
Ralphs Store #720	88	9	0.46%	95	8	0.49%
City of Rancho Palos Verdes	86	10	0.45%			
American Golf Corp (Los Verdes Golf Course)				70	10	0.36%
Keller Williams Realty						
Trader Joe's				96	7	0.50%
Total Top Employers	3,257		17.05%	3,354		17.38%
Total City Employment (1)	19,100			19,300		

Source

Source: MuniServices, LLC / Avenu Insights & Analytics
Source: City of Rancho Palos Verdes - FY2014-15 ACFR Publication
(1.) Total City Labor Force provided by EDD Labor Force Data.

Notes:

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

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CITY OF RANCHO PALOS VERDES, CALIFORNIA
FULL-TIME CITY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government	60	62	62	64	60	61	62	63	61	59
Part-Time Staff (1)	25	29	29	30	29	26	27	25	24	27
Total	85	91	91	94	89	87	89	88	85	86

Source

City Budget documents and Payroll records

(1) Full-Time Equivalent

CITY OF RANCHO PALOS VERDES, CALIFORNIA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2015	2016	2017	2018	2019
Administration					
Employee Resignations (5)	10	6	6	27	23
Workers Compensation Claims	3	2	8	2	1
Liability Claims (6)	11	28	6	3	-
Budget Adjustments	15	18	48	80	91
Business Licenses Issued	2,134	2,012	1,939	1,902	1,971
Web Site Page Views (1)	426,772 *	403,704	536,568	445,633	450,206
Public Safety					
Part I Crime Rates (per 10,000 population)	134	106	97	113	99
Public Works					
Solid Waste Diversion Rates (2)	3.15lbs/person/day	3.08lbs/person/day	2.46lbs/person/day	2.46lbs/person/day	5.6lbs/person/day
Pavement Rating	82	84	84	84	89
Parks and Recreation					
Park Events	639	810	829	1,281	1,122
Class Meetings at Parks	1,400	1,025	1,030	922	852
Docent Led Nature Hikes	103	94	108	113	104
Volunteer Events (3)	DNA	DNA	35	61	46
Volunteers (3)	DNA	DNA	764	1,806	1,095
Volunteer Hours (3)	DNA	DNA	2,486	5,919	3,569
Open Space Mgmt. Public Contacts (3)	DNA	DNA	23,101	33,306	29,973
Open Space Mgmt. Rules Enforced (3)	DNA	DNA	1,367	1,925	1,262
Open Space Mgmt. Maintenance / Projects (3) (4)	DNA	DNA	782	1,219	546
Community Development					
Building Permits Processed	1,558	1,758	1,665	1,985	2,186
Plan Checks	255	289	289	292	288
Municipal Code Violations Closed	358	505	432	457	338

Source

City Departments

DNA: Data not available

(1): The City launched a new website and with it, the methodology used to count total page views was modified.

(2): A new system of measuring AB939 compliance was implemented in 2008 with the passage of SB1016. This changed the previous diversion calculation method to the new disposal-based indicator - the per capita disposal rate. The per capita disposal target is based on the average of 50 percent of generation in 2003 through 2006, expressed in terms of per capita disposal.

(3) Began tracking this indicator in 2017.

(4) No longer tracked beginning 2020

(5) Includes both Part-Time and Full-Time employees

(6) No data available for 2019

**CITY OF RANCHO PALOS VERDES, CALIFORNIA
OPERATING INDICATORS BY FUNCTION (CONTINUED)
LAST TEN FISCAL YEARS**

Function	2020	2021	2022	2023	2024
Administration					
Employee Resignations (5)	30	34	44	27	26
Workers Compensation Claims	1	1	7	16	11
Liability Claims	1	18	20	19	72
Budget Adjustments	98	113	79	82	66
Business Licenses Issued	1,776	1,898	1,950	2,140	2,137
Web Site Page Views (1)	657,040	808,722	609,862	624,000	1,200,000
Public Safety					
Part I Crime Rates (per 10,000 population) (7)	109	96	108	101	102
Public Works					
Solid Waste Diversion Rates (2)	5.7lbs/person/day	5.7lbs/person/day	5.7lbs/person/day	6.2lbs/person/day	6.6lbs/person/day
Pavement Rating	89	89	87	86	85
Parks and Recreation					
Park Events	807	243	573	1,088	1,054
Class Meetings at Parks	520	375	566	1,678	1,628
Docent Led Nature Hikes	37	0	0	49	31
Volunteer Events (3)	37	3	31	32	33
Volunteers (3)	974	100	661	661	529
Volunteer Hours (3)	2,724	252	1,729	3,767	2,331
Open Space Mgmt. Public Contacts (3)	29,786	38,476	31,352	27,371	30,377
Open Space Mgmt. Rules Enforced (3)	1,876	2,113	4,687	887	1,320
Open Space Mgmt. Maintenance / Projects (3) (4)	-	-	-	0	0
Community Development					
Building Permits Processed	1,933	2,048	2,256	2,407	2,171
Plan Checks	256	268	358	373	188
Municipal Code Violations Closed	275	171	448	366	578

Source

City Departments

(1): The City launched a new website and with it, the methodology used to count total page views was modified.

(2): A new system of measuring AB939 compliance was implemented in 2008 with the passage of SB1016. This changed the previous diversion calculation method to the new disposal-based indicator - the per capita disposal rate. The per capita disposal target is based on the average of 50 percent of generation in 2003 through 2006, expressed in terms of per capital disposal.

(3) Began tracking this indicator in 2017.

(4) No longer tracked beginning 2020

(5) Includes both Part-Time and Full-Time employees

(6) No data available for 2019

(7) Three-year average crime rate

CITY OF RANCHO PALOS VERDES, CALIFORNIA
CAPITAL ASSET STATISTICS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Administration										
Computer Workstations	114	138	140	144	144	155	155	160	165	165
Public Works										
Street Miles	149	149	149	149	150.1	150.1	151.1	151.1	151.1	151.1
Traffic Signals	15	15	15	15	15	15	16	17	17	17
Parks and Recreation										
Parks	16	16	16	17	17	17	17	17	17	17
Community Development										
Vehicles Used for Inspections	4	4	2	2	4	4	4	4	5	5

Source

City Capital Asset Records

Public safety services are contracted with other agencies. The City does not own any public safety capital assets.