



CALIFORNIA
CITY OF RANCHO PALOS VERDES

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED
JUNE 30, 2021



CITY OF RANCHO PALOS VERDES, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED JUNE 30, 2021

THIS PAGE INTENTIONALLY LEFT BLANK

CITY OF RANCHO PALOS VERDES, CALIFORNIA
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2021

INTRODUCTORY SECTION

LETTER OF TRANSMITTAL	i
DIRECTORY OF OFFICIALS	viii
ORGANIZATION CHART	ix
GFOA CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING	x

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENTS' DISCUSSION AND ANALYSIS (REQUIRED SUPPLEMENTARY INFORMATION)	5
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	20
STATEMENT OF ACTIVITIES	21
FUND FINANCIAL STATEMENTS	
GOVERNMENTAL FUNDS	
BALANCE SHEET	22
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION	23
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES	24
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	25
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND	26
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – PROPOSITION C SPECIAL REVENUE FUND	28

CITY OF RANCHO PALOS VERDES, CALIFORNIA
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2021

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – STATE GRANTS SPECIAL REVENUE FUND	29
PROPRIETARY FUND	
STATEMENT OF NET POSITION	30
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION	31
STATEMENT OF CASH FLOWS	32
FIDUCIARY FUND	
STATEMENT OF FIDUCIARY NET POSITION	33
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION	34
NOTES TO FINANCIAL STATEMENTS	36
REQUIRED SUPPLEMENTARY INFORMATION	
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY	70
SCHEDULE OF PENSION CONTRIBUTIONS	71
SUPPLEMENTARY INFORMATION	
NONMAJOR GOVERNMENTAL FUNDS	
DESCRIPTION OF SPECIAL REVENUE FUNDS	72
COMBINING BALANCE SHEET	74
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES	80
SCHEDULES OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	
SPECIAL REVENUE FUNDS	
GAS TAX FUND	86
1972 ACT FUND	87
EL PRADO FUND	88

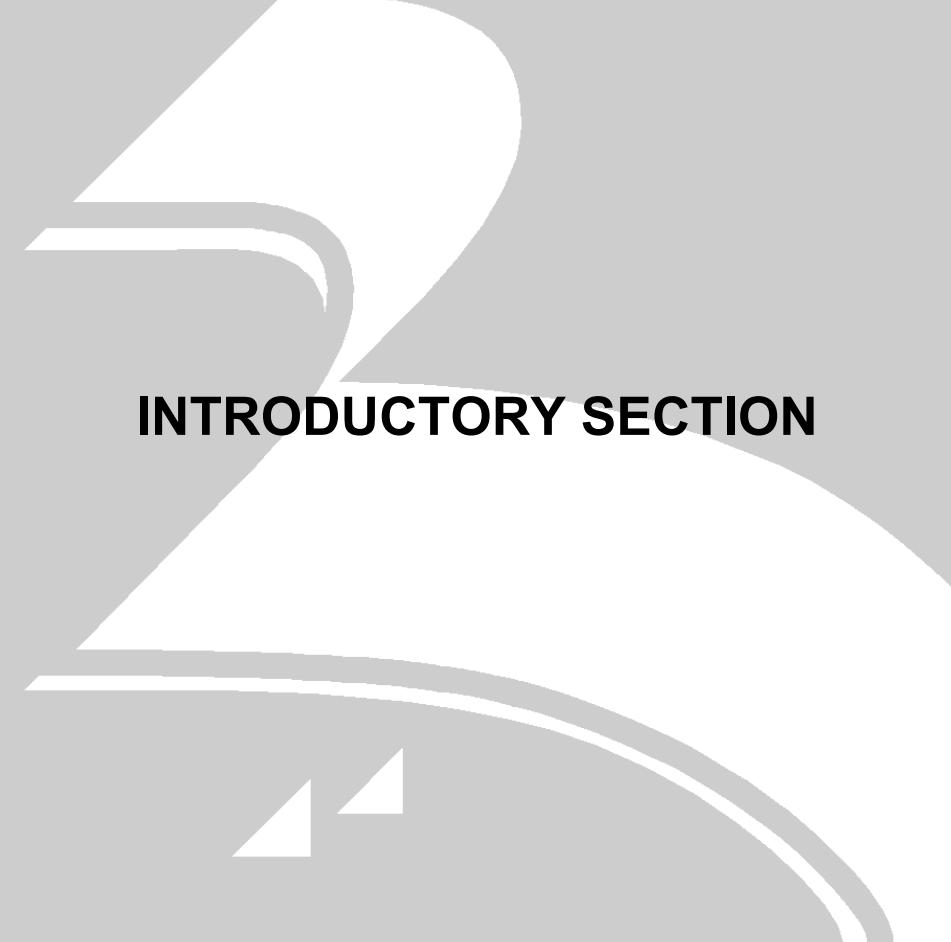
CITY OF RANCHO PALOS VERDES, CALIFORNIA
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2021

1911 ACT FUND	89
WASTE REDUCTION FUND	90
AIR QUALITY MANAGEMENT FUND	91
PROPOSITION A FUND	92
PUBLIC SAFETY GRANTS FUND	93
MEASURE R FUND	94
MEASURE A FUND	95
MEASURE M FUND	96
MEASURE W FUND	97
ABALONE COVE SEWER ASSESSMENT FUND	98
DONOR-RESTRICTED CONTRIBUTIONS FUND	99
JOINT POWERS IMPROVEMENT AUTHORITY PORTUGUESE BEND FUND	100
COMMUNITY DEVELOPMENT BLOCK GRANT FUND	101
QUIMBY FUND	102
ENVIRONMENTAL EXCISE TAX FUND	103
CAPITAL PROJECTS FUND	
LOW-MODERATE INCOME CAPITAL PROJECTS FUND	104
AFFORDABLE HOUSING IN-LIEU CAPITAL PROJECTS FUND	105
PERMANENT FUNDS	
HABITAT RESTORATION FUND	106
SUBREGION ONE PERMANENT FUND	107
JOINT POWERS IMPROVEMENT AUTHORITY – ABALONE COVE FUND	108
CAPITAL IMPROVEMENT MAJOR CAPITAL PROJECTS FUND	
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE	109

CITY OF RANCHO PALOS VERDES, CALIFORNIA
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2021

STATISTICAL SECTION (UNAUDITED)

DESCRIPTION OF STATISTICAL SECTION CONTENTS	110
FINANCIAL TRENDS	
NET POSITION BY COMPONENT	111
CHANGES IN NET POSITION	113
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE	116
FUND BALANCES OF GOVERNMENTAL FUNDS	117
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS	119
REVENUE CAPACITY	
ASSESSED VALUE OF TAXABLE PROPERTY	121
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY	122
PROPERTY TAX RATES – DIRECT AND OVERLAPPING GOVERNMENTS	123
PRINCIPAL PROPERTY TAX PAYERS	125
PROPERTY TAX LEVIES AND COLLECTIONS	126
DEBT CAPACITY	
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT	128
LEGAL DEBT MARGIN INFORMATION	129
DEMOGRAPHIC AND ECONOMIC INFORMATION	
DEMOGRAPHIC AND ECONOMIC STATISTICS	131
PRINCIPAL SALES TAX PRODUCERS	133
PRINCIPAL EMPLOYERS	134
OPERATING INFORMATION	
FULL-TIME CITY GOVERNMENT EMPLOYEES BY FUNCTION	136
OPERATING INDICATORS BY FUNCTION	137
CAPITAL ASSET STATISTICS BY FUNCTION	139



INTRODUCTORY SECTION





February 28, 2022

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

The Annual Comprehensive Financial Report (ACFR), formerly Comprehensive Annual Financial Report (CAFR), of the City of Rancho Palos Verdes for the fiscal year ended June 30, 2021, 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 the City's financial statements for the fiscal year ended June 30, 2021 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, 2021, 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 42,000. 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. 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 an overall \$3.4 million favorable budget variance in the General fund for the fiscal year ended June 30, 2021. With the economic slowdown caused by the COVID-19 pandemic, the City maintained a favorable revenue variance of \$1.1 million higher than budgeted despite of loss of Sales Taxes. However, in response to mitigate the financial impact of the pandemic, the City identified savings in various categories and ended the year \$1.9 million in expenditures below budget. Much of the positive expenditure variances were permanent savings resulting from conservative budget practices, savings from vacant positions, and the continued careful management of resources.

Financial Policies

The City Council has established Reserve policies for the General Fund of 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. At June 30, 2021, the reserve balance is approximately \$13 million or 50 percent of Fiscal Year 2020-2021 General Fund operating budget.

The City also maintains a \$5 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

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 being 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, which is half of the City's allocation. 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.

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). Previously, the financial model presented a five-year outlook. This model was expanded to ten-year beginning with FY 2021-22. The Model establishes the foundation for guiding policy and

making financial decisions, considering any forecasted challenges and opportunities before they arise. This Model allows for creation of baseline and alternative revenue and spending forecasts, including historic and projected annual periods for the next five years. The Model also allows for testing the impact of assumptions and proposed initiatives on projected budget gaps and fund balances.

In response of the financial impacts of the pandemic, the City continues to closely monitor the assumptions that were previously used in the long-term planning tools. In order to have a more accurate forecast, the Finance Department will actively update the planning tools with the most current information available. Accordingly, any substantial changes of the assumptions will be presented to the City Council.

MAJOR INITIATIVES

The City's staff, following specific directives of the City Council and the City Manager, has 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 are able to live and work in a thriving environment.

- Launched the Legislation Corner on the City website, sharing information on the bills the City Council is monitoring with community members.
- Prepared and disseminated position letters for the City on various bills and legislative issues, including more than 30 housing bills and numerous urgent letters regarding COVID-19 restrictions and funding.
- Negotiated ground lease amendments with telecommunications providers, resulting in increased rents paid to the City.
- Worked with the City's grant management consultant on successful applications for a \$999,900 Highway Safety Improvement Program (HSIP) grant to repair and replace guardrails on Palos Verdes Drive East; and a \$150,000 California Department of Housing and Community Development Local Early Action Planning (LEAP) grant to supplement the City's previously awarded SB 2 grant to develop a potential mixed-use overlay zoning district.
- Submitted requests for congressionally directed spending for the Portuguese Bend Landslide Remediation Project.
- Formed an official sister city partnership with Sakura City, Japan in an innovative virtual signing ceremony, and developed virtual cultural exchange programs.
- RPV named 4th Safest City in California by Safewise.
- Implemented the HOA Security Camera Grant Program, assisting 12 neighborhoods in acquiring security cameras.
- Directed enhanced additional enforcement patrols conducted by the Lomita Sheriff's Station.
- Provided residents with more than 75 community programs and public service announcements including the monthly Mayor's show, public safety reports, business updates and news from city hall, returning to schools, sports, and community events safely and comfortably.
- Produced a series of Recreation and Parks virtual tours and programming during

the COVID-19 pandemic connecting local and worldwide viewers to the City's sites. Such as, a virtual tour of Whale of a Day, Virtual Palos Verdes Interpretive Center tour, and Palos Verdes Peninsula School District grade school virtual tours.

- Completed improvements at 11 bus stops throughout the City; including the installation of bus stopping pads, shelters, benches, and waste receptacles
- Completed traffic signal installation at Hawthorne Boulevard and Via Rivera
- Modified operational procedures continue providing in-house structural plan-check, inspection and permitting services during the COVID-19 pandemic.
- Developed virtual counter hours to assist the residents, developers, and the business community during counter closures as a result of the COVID-19 pandemic.
- Developed a Temporary Special Use Permit to assist Rancho Palos Verdes businesses with the opportunity to provide limited outdoor operations during the COVID-19 pandemic.
- Completed land-use entitlements for the new Ladera Linda Community Center and Park Project.
- Adopted Code Amendments related to the City's Accessory Dwelling Unit Ordinance, Non-commercial Amateur Radio Antennas and Coastal Sage Scrub protection.
- Adopted a new CalPERS Pension Plan Guidelines addressing a long-term financial plan on the City's pension liability.
- Revised the City Council Policy Number 41 Reserve Policies to improve the City's future reserves.
- Adopted the updated Master Fee Schedule for City services.
- Successfully migrated to the new version of the City's financial software to further maximize the City's capabilities in financial processing, security, and reporting.
- Expanded the Financial Model during the FY 2021-22 budget process from five years outlook to ten years to provide a longer-term financial outlook.
- Received a designation from the California State Auditor's Office as a City with a low risk for financial distress for FY 2019-2020. The City scored 91.23 out of 100 points.
- Received a Certificate of Achievement for Excellence in Financial Reporting for its Annual Comprehensive Financial Report for FY 2019-2020, awarded by the Government Finance Officers Association (GFOA).

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, 2021, the City did not expend over \$750,000 on Federal financial assistance programs; and therefore, a Single Audit is not 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, 2020. This was the 27th 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 have not 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 2020-2021 ACFR.

In closing, I want to thank the City Council and City Manager for their continued leadership 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,



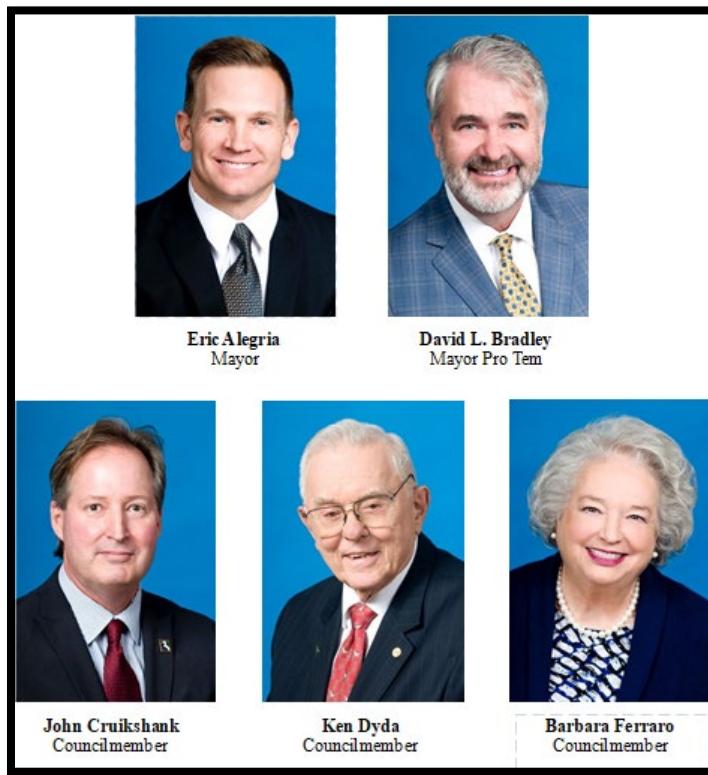
Trang Nguyen
Director of Finance

THIS PAGE INTENTIONALLY LEFT BLANK



Comprehensive Annual Financial Report FY 2020-2021

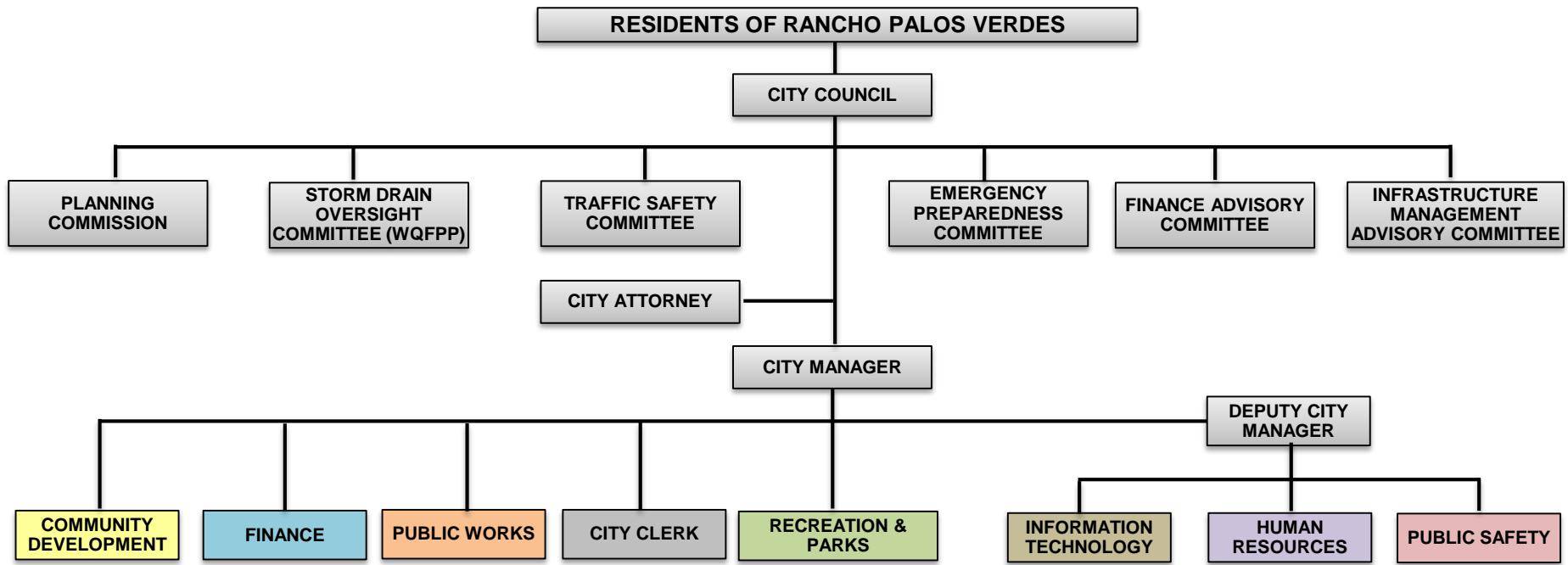
FY 2020-21 CITY OFFICIALS



CITY STAFF

City Manager Ara Mihranian, AICP

Deputy City Manager.....	Karina Banales
Director of Finance.....	Trang Nguyen
Director of Public Works.....	Ramzi Awwad
Director of Recreation and Parks.....	Cory Linder
Director of Community Development.....	Ken Rukavina





Government Finance Officers Association

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

Presented to

**City of Rancho Palos Verdes
California**

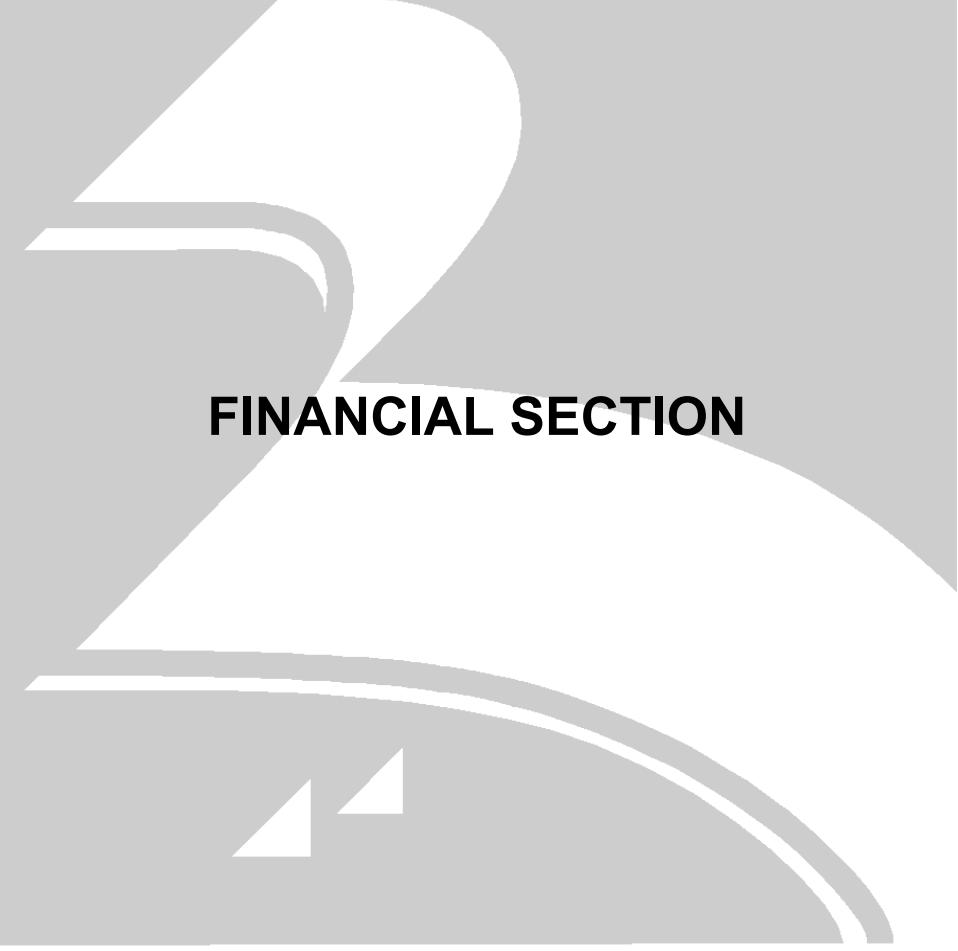
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2020

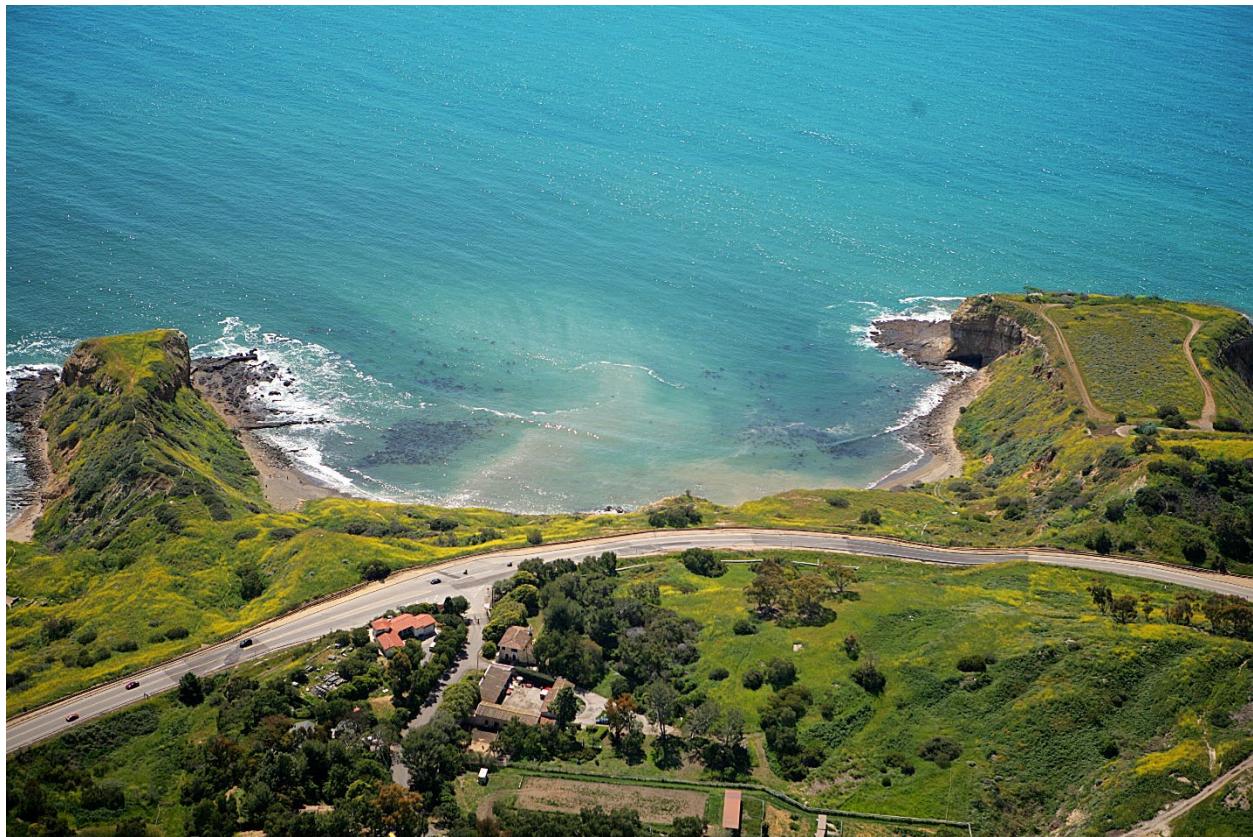
Christopher P. Monill

Executive Director/CEO

THIS PAGE INTENTIONALLY LEFT BLANK



FINANCIAL SECTION





INDEPENDENT AUDITORS' REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Rancho Palos Verdes (the City), as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the City's financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Rancho Palos Verdes, as of June 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund, proposition c 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.

Other Matters

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, identified as Required Supplementary Information, be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

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

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 28, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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 28, 2022

THIS PAGE INTENTIONALLY LEFT BLANK



MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR ENDED JUNE 30, 2021

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, 2021. 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-vii 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, 2021, by \$219.8 million (Net Position). Of this amount, \$43.0 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 \$0.3 million from the prior year from the Governmental activities primarily due to the increased in revenues since the COVID-19 pandemic.
- As of June 30, 2021, the City's Governmental Funds reported combined ending Fund Balances of \$65.1 million, an increase of \$4.0 million in comparison with the prior year. This increase is a combination of lower expenditures and slightly higher inflow of revenues.
- At the end of the current fiscal year, the General Fund reported an increase in fund balance in the amount of \$4.1 million. The increase is due primarily to higher inflow of revenues over expenditures.
- As of June 30, 2021, unassigned fund balance for the General Fund was \$21.9 million or 85% of the General Fund expenditures. Of this amount, \$21.4 million constitutes the City Council's General Fund Reserve (rainy day fund).
- 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 Fund expenditures including transfers was \$26.2 million. The General Fund unassigned fund balance represents 84% of this amount.



MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR ENDED JUNE 30, 2021

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 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.



MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR ENDED JUNE 30, 2021

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 27 individual Governmental Funds during the Fiscal Year ended June 30, 2021. 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, Proposition C Fund, State Grants Fund, and the Capital Improvements Fund are considered to be major funds. Data from the other 23 Governmental Funds are combined into a single, aggregated presentation. Individual fund data for each of these Other Governmental Funds is provided in the form of *combining statements* elsewhere in this report.



MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR ENDED JUNE 30, 2021

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 Fund

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 component unit 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 36-68 of this report.



**MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2021**

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 74-109 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 \$219.8 million at June 30, 2021. By far, the largest portion of the City's Net Position of \$153.6 million or 70% 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.



**MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2021**

Summary of Net Position

	Governmental Activities	
	2021	2020
Current and other assets	\$ 81,794,941	\$ 77,628,528
Capital assets	154,129,751	157,569,827
Total assets	<u>235,924,692</u>	<u>235,198,355</u>
 Deferred outflows of resources	 2,483,234	 2,661,430
Long-term liabilities outstanding	13,157,805	12,008,364
Other liabilities	5,282,098	5,714,365
Total liabilities	<u>18,439,903</u>	<u>17,722,729</u>
 Deferred inflows of resources	 208,614	 676,537
Net Investment in capital assets	153,568,014	156,763,391
Restricted	23,206,283	24,128,839
Unrestricted	42,985,112	38,568,289
Total net position	<u>\$ 219,759,409</u>	<u>\$ 219,460,519</u>



MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR ENDED JUNE 30, 2021

A portion of the City's Net Position of \$23.2 million or 11%, represents resources subject to external restrictions. The remaining balance of Unrestricted Net Position of \$43.0 million or 20 % 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 \$4.2 million. The increase is due primarily to higher inflow of revenues over expenditures.

As a result of the net pension liability increase, the long-term liabilities outstanding increased by \$1.1 million over the prior year. Additionally, other liabilities decreased by \$0.4 million over prior year.

Statement of Activities

	Governmental Activities	
	2021	2020
Program revenues:		
Charges for services	\$ 3,579,336	\$ 3,855,702
Operating contributions and grants	5,086,905	4,604,829
Capital contributions and grants	1,253,501	625,618
General revenues:		
Property taxes	15,966,164	14,993,467
Other taxes	10,116,608	10,526,313
Other	1,511,404	1,850,900
Total revenues	<u>37,513,918</u>	<u>36,456,829</u>
Administration	\$ 8,476,055	\$ 9,205,078
Public safety	7,250,780	7,360,045
Public works	15,885,356	18,182,315
Community development	2,623,915	2,857,235
Parks and recreation	2,978,922	2,857,317
Total expenses	<u>37,215,028</u>	<u>40,461,990</u>
(Decrease) / Increase in net position	<u>298,890</u>	<u>(4,005,161)</u>
Net position - beginning of fiscal year	219,460,519	223,465,680
Net position - end of fiscal year	<u>\$ 219,759,409</u>	<u>\$ 219,460,519</u>



MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR ENDED JUNE 30, 2021

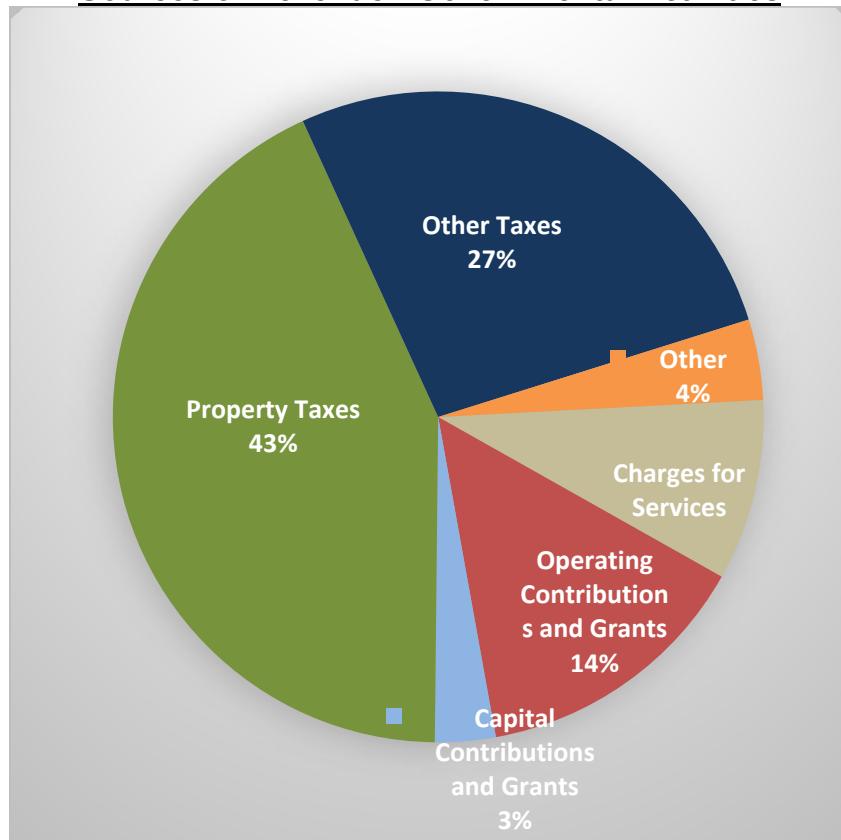
Governmental Activities

As illustrated in the chart above, the City's Net Position in Governmental Activities increased by \$0.3 million when compared to the prior year. The increase is mainly due to the recovery of the revenues since the COVID-19 pandemic and lower expenditures than anticipated due to staff vacancies and planned projects that were not completed June 30, 2021.

Overall, government-wide revenues for the fiscal year ended June 30, 2021, increased by \$1.1 million. Of the increased amount, \$0.8 million was from the program revenues in grants and \$0.2 million was from general revenues.

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

Sources of Revenue - Governmental Activities

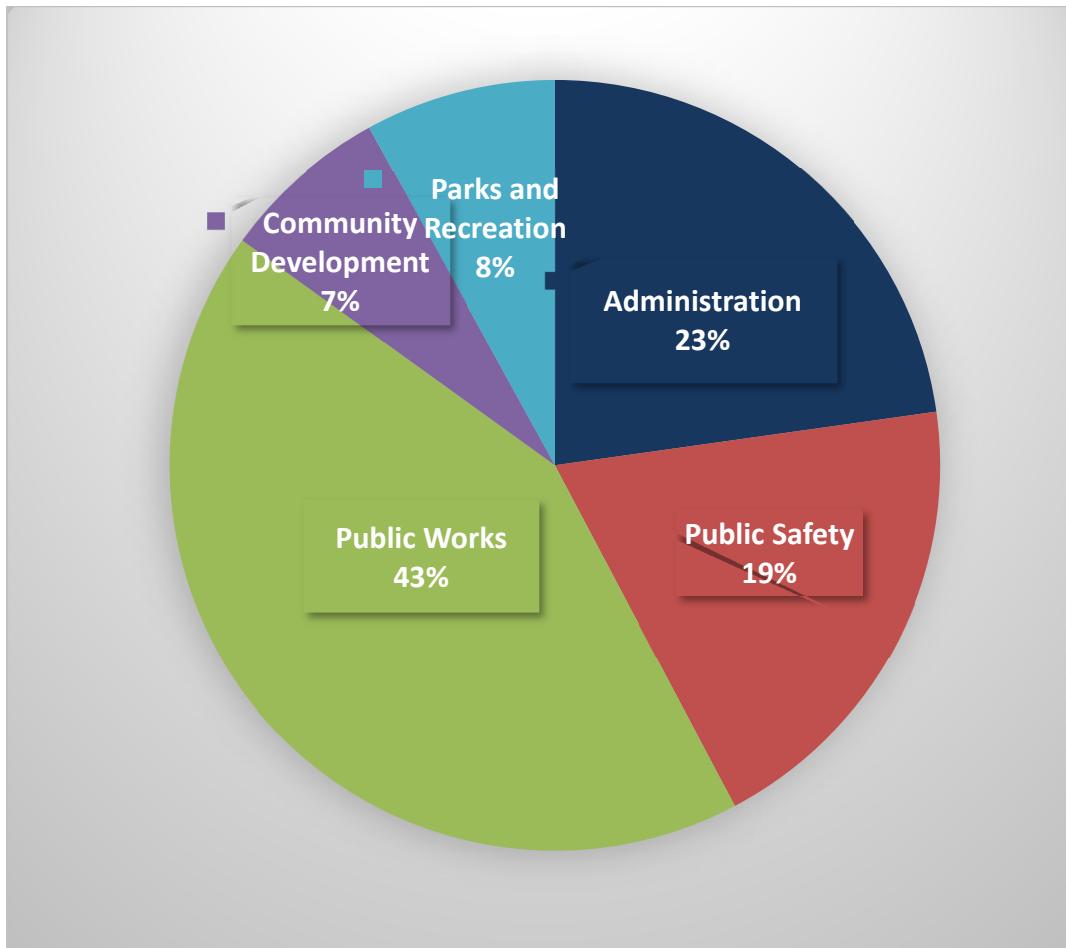




MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR ENDED JUNE 30, 2021

The government-wide expenses for the fiscal year ended June 30, 2021 decreased by \$3.2 million from the prior year. The majority of the decreased amount was from the ongoing capital and maintenance projects that were not completed by year-end. 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, 2021

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 \$65.1 million, an increase of \$4.0 million in comparison to the prior year. Approximately \$62.1 million or 95% 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 # 7 on pages 54-55 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 \$21.9 million, while total Fund Balance reached to \$25.8 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 84% of total General Fund uses, while total Fund Balance represents 98% of the same amount.

The fund balance of the City's General Fund increased by \$4.1 million from the prior year. The increase is due to the higher inflow of revenues, lower transfer to the Capital Infrastructure Program Fund based on actual revenues from transient occupancy taxes, delayed recruitments of vacant positions, planned projects that were not completed at year-end, and department wide savings. Additional details on General Fund are provided in the General Fund Highlights.

Compared to the prior year, the fund balance for the Proposition C Special Revenue Fund decreased by \$0.01 million. The reduction in the fund balance is a combination of slightly higher in revenues and higher expenditures related to traffic improvements.

The State Grants Fund has a deficit fund balance of \$0.2 million at June 30, 2021. This deficit will be eliminated once the City receives the reimbursement from the Proposition 84 Grant.

The Capital Improvements Fund Balance ended the year with an increase of \$1.0 million from the prior year. The majority of the increase is largely from the budgeted capital outlay projects that were not completed by year-end. These projects are primarily from the residential street rehabilitation program, maintenance of trail gates and nature preserve and the City's Altamira Canyon drainage project.



MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR ENDED JUNE 30, 2021

Financial Analysis of Proprietary Fund

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

The Net Position of the Internal Service Fund at the end of the fiscal year amounted to \$2.8 million, a decrease to the Net Position by \$0.08 million. The decreased amount is due the replacement of computers and hardware, and the purchase of a vehicle for the Recreation and Parks program.

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 \$30.1 million and \$24.4 million of expenditures. When including net transfers of \$1.6 million, there is a positive variance of just over \$4.1 million (revenues to expenditures).

Revenues experienced growth during FY 2020-2021 as the economy experienced a modest recovery from the downturn experienced due to the COVID-19 pandemic.

Revenue Highlights

Taxes

- The City's tax revenue is its largest revenue sources. Taxes include property tax, transient occupancy tax (TOT), and sales tax. Tax revenues came in at \$25.9 million, \$236,110, or 0.9% over the final budget of \$25.6 million. This increase in revenue was due primarily to property tax revenue that remained strong during the pandemic as demand for homes rose to record levels. Additionally, elevated demand for leisure activities lead to an increase in Golf Tax revenue.

Fines and Forfeitures

- Revenues came in at \$675,272, which is \$449,872 or 200% over the final budget of \$225,400. The two primary contributors to this increase in revenue were Parking Lot Fees and Traffic Tickets.



MANAGEMENT'S DISCUSSION AND ANALYSIS FISCAL YEAR ENDED JUNE 30, 2021

Licenses and Permits

- This category ended the year came in at \$2 million, \$188,254, or 10.4% over the final budget of \$1.8 million as a result of demand for Building & Safety, Planning & Zoning, and Geology Permits exceeded expectations.

Expenditure Highlights

Salaries & Benefits

- This category ended the year almost \$1 million or 9% under the final budget of \$10.1 million. This is due to several delayed and unfilled positions and the reduction in staffing needs due to the closure of parks and facilities.

Professional & Technical Services

- This category came in approximately \$101,300 or 3% under the final budget of \$3 million. This underrun is due to delayed services and planned services that were not utilized during the fiscal year.

CAPITAL ASSET AND DEBT ADMINISTRATION

The City's investment in Capital Assets for its Governmental activities as of June 30, 2021, amounts to \$153.4 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, park improvements, roadways, sewer, storm drains, vehicles, computer equipment, furniture, other equipment, and construction in progress.

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

- Depreciation of \$6.7 million was recorded for the City's Capital Assets.
- A total of \$3.1 million of construction in progress was added primarily from the residential and street improvements and beautification projects.



**MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2021**

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

	Activities	
	2021	2020
Capital assets not being depreciated		
Land	\$ 43,543,382	\$ 43,528,625
Construction in progress	2,742,642	4,635,208
Total capital assets not being depreciated	46,286,024	48,163,833
Capital assets being depreciated, net		
Buildings	6,660,834	6,927,004
Vehicles	101,128	103,678
Computer equipment	1	24,580
Equipment - water quality	-	-
Furniture, fixtures and equipment	126,933	151,276
Infrastructure		
Roadway system	52,709,738	52,132,630
Sewer system	4,030,329	4,484,110
Storm drain system	8,157,424	8,425,905
Storm drain system - water quality	31,120,549	31,953,125
Park system	4,936,791	5,203,686
Total capital assets being depreciated, net	107,843,727	109,405,994
Capital Assets, net	\$ 154,129,751	\$ 157,569,827

Additional information on the City's Capital Assets can be found in Note #4 on pages 50-51 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 \$523,087 for Employee Compensated Absences.



**MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2021**

City of Rancho Palos Verdes Outstanding Debt

	Governmental	
	2021	2020
Employee compensated absences	523,087	403,201
Total	\$ 523,087	\$ 403,201

At the fiscal year ended June 30, 2021, the City's total outstanding debt increased by \$0.001 million or 28%.

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 \$2,116,007,000.

ECONOMIC FACTORS AND NEXT YEAR BUDGETS AND RATES

The City historically follows a very fiscally conservative budgeting and forecasting model and continues this practice even as the State and local economy have experienced some improvement over the past fiscal year. The City maintains a healthy financial outlook and supports the General Fund operations with only recurring tax revenue. Roughly 50% of the City's revenue came from property tax during FY 2020-2021. Property tax is expected to remain at 50% of general fund revenue during FY 2021-2022. This stable revenue base provides the City with a steady and predictable revenue inflow year over year.

During FY 2021, total property values within the City grew by 3.28%, or \$464 million, bringing the total net taxable property value for the City to \$14.6 billion. This increase is slightly less than the 3.62% increase seen across Los Angeles County as a whole. The median sale price of a detached single family residential home in Rancho Palos Verdes from January through August 2021 was \$1,650,000. This represents a \$248,750 (17.75%) increase in median sale price from \$1,401,250 in 2020.

The economic downturn that has been felt across the state due to the pandemic has begun to show signs of recovery, however economic activity has not yet returned back to normal levels in all sectors. Despite the impact to revenue, the City-wide annual budget continues to showcase the City's commitment to fiscal prudence, predicated on



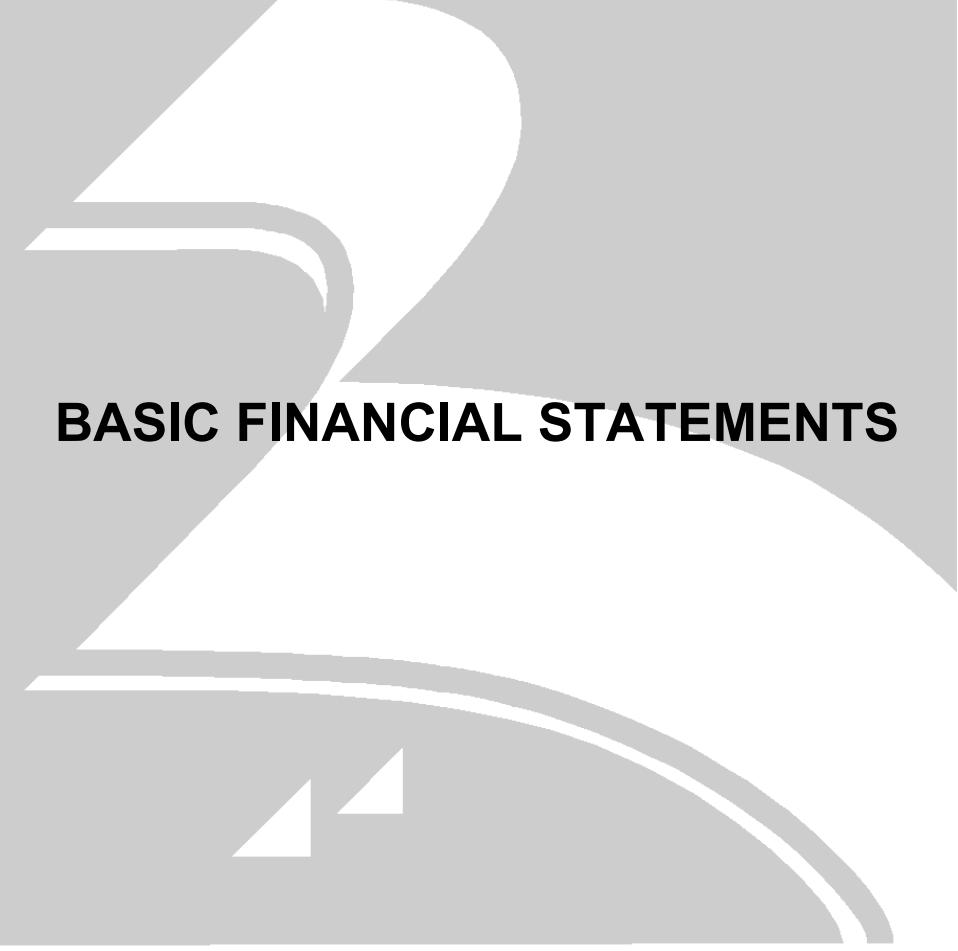
**MANAGEMENT'S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2021**

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.

THIS PAGE INTENTIONALLY LEFT BLANK



BASIC FINANCIAL STATEMENTS



CITY OF RANCHO PALOS VERDES, CALIFORNIA
STATEMENT OF NET POSITION
JUNE 30, 2021

	<u>Governmental Activities</u>
ASSETS	
CURRENT ASSETS	
Cash and Investments	\$ 68,494,018
Receivables:	
Taxes	1,877,238
Interest	31,067
Other	1,661,759
Inventory	48,692
Prepaid Items	1,093,025
Total Current Assets	<u>73,205,799</u>
NONCURRENT ASSETS	
Notes Receivable	8,589,142
Receivable from Successor Agency	10,528,468
Allowance for Successor Agency Receivable	(10,528,468)
Capital Assets:	
Nondepreciable	46,286,024
Depreciable, Net	<u>107,843,727</u>
Total Noncurrent Assets	<u>162,718,893</u>
Total Assets	235,924,692
DEFERRED OUTFLOWS OF RESOURCES	
Deferred Outflows Related to Pensions	2,483,234
LIABILITIES	
CURRENT LIABILITIES	
Accounts Payable and Accrued Liabilities	3,753,036
Retentions Payable	135,295
Unearned Revenue	360,540
Deposits Payable	742,301
Current Portion of Noncurrent Liabilities	290,926
Total Current Liabilities	<u>5,282,098</u>
NONCURRENT LIABILITIES	
Due Beyond One Year	232,161
Net Pension Liability	<u>12,925,644</u>
Total Noncurrent Liabilities	<u>13,157,805</u>
Total Liabilities	18,439,903
DEFERRED INFLOWS OF RESOURCES	
Deferred Inflows Related to Pensions	208,614
NET POSITION	
Net Investment in Capital Assets	153,568,014
Restricted for:	
Housing and Community Development	9,777,137
Transportation	5,302,457
Public Works	4,133,538
Parks and Recreation	1,973,629
Public Safety	104,205
Nonexpendable Endowment Principal	1,926,193
Unrestricted	<u>42,974,236</u>
Total Net Position	<u>\$ 219,759,409</u>

See accompanying Notes to Financial Statements.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

Functions/Programs	Expenses	Program Revenues			Governmental Activities	Net Revenue (Expense) and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions		
Governmental Activities:						
Administration	\$ 8,476,055	\$ 776,026	\$ -	\$ -	\$ (7,700,029)	
Public Safety	7,250,780	245,406	157,785	-	-	(6,847,589)
Public Works	15,885,356	214,785	4,929,120	1,253,501	-	(9,487,950)
Parks and Recreation	2,978,922	412,219	-	-	-	(2,566,703)
Community Development	2,623,915	1,930,900	-	-	-	(693,015)
Total Primary Government	<u>\$ 37,215,028</u>	<u>\$ 3,579,336</u>	<u>\$ 5,086,905</u>	<u>\$ 1,253,501</u>		<u>(27,295,286)</u>
General Revenues:						
Taxes:						
Property Taxes					15,966,164	
Transient Occupancy Tax					3,115,435	
Franchise Tax					2,203,130	
Utility User Tax					2,245,825	
Other Taxes					632,886	
Unrestricted Intergovernmental						
Revenue - Shared Sales Tax					1,919,332	
Investment Income					676,392	
Unrestricted Grants, Contributions, and Other Revenues					835,012	
Total General Revenues					<u>27,594,176</u>	
CHANGE IN NET POSITION					298,890	
Net Position - Beginning of Year					<u>219,460,519</u>	
NET POSITION - END OF YEAR					<u>\$ 219,759,409</u>	

See accompanying Notes to Financial Statements.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

ASSETS	Special Revenue			Capital Projects		Other Governmental Funds	Total Governmental Funds
	Proposition C		State Grants	Capital Improvements			
	General						
Cash and Investments	\$ 25,523,475	\$ 1,204,882	\$ -	\$ 26,461,299	\$ 12,696,843	\$ 65,886,499	
Receivables:							
Taxes	1,855,414	-	-	-	-	21,824	1,877,238
Interest	11,708	539	-	11,618	6,039		29,904
Notes	-	-	-	-	-		-
Other	297,786	26,000	410,906	-	927,067		1,661,759
Due from Other Funds	292,434	-	-	-	-		292,434
Inventory	48,692	-	-	-	-		48,692
Prepaid Items	1,093,025	-	-	-	-		1,093,025
Receivable from Successor Agency	10,528,468	-	-	-	-		10,528,468
Allowance for Successor Agency							
Receivable	(10,528,468)	-	-	-	-		(10,528,468)
Total Assets	<u>\$ 29,122,534</u>	<u>\$ 1,231,421</u>	<u>\$ 410,906</u>	<u>\$ 26,472,917</u>	<u>\$ 13,651,773</u>	<u>\$ 70,889,551</u>	
LIABILITIES AND FUND BALANCES							
LIABILITIES							
Accounts Payable and Accrued							
Liabilities	\$ 2,215,664	\$ 663,894	\$ -	\$ 29,420	\$ 844,058	\$ 3,753,036	
Due to Other Funds	-	-	201,279	-	91,155		292,434
Retentions Payable	5,256	2,428	18,014	52,447	57,150		135,295
Unearned Revenue	360,540	-	-	-	-		360,540
Deposits Payable	742,301	-	-	-	-		742,301
Total Liabilities	<u>3,323,761</u>	<u>666,322</u>	<u>219,293</u>	<u>81,867</u>	<u>992,363</u>	<u>5,283,606</u>	
DEFERRED INFLOWS OF RESOURCES							
Unavailable Revenue	-	-	410,906	-	56,410		467,316
FUND BALANCES (DEFICITS)							
Nonspendable:							
Endowment Principal	-	-	-	-	1,926,193		1,926,193
Prepaid Items	1,093,025	-	-	-	-		1,093,025
Inventory	48,692	-	-	-	-		48,692
Restricted	-	565,099	-	639,282	10,676,807		11,881,188
Committed	2,784,879	-	-	-	-		2,784,879
Assigned	-	-	-	25,751,768	-		25,751,768
Unassigned	21,872,177	-	(219,293)	-	-		21,652,884
Total Fund Balances (Deficits)	<u>25,798,773</u>	<u>565,099</u>	<u>(219,293)</u>	<u>26,391,050</u>	<u>12,603,000</u>	<u>65,138,629</u>	
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 29,122,534</u>	<u>\$ 1,231,421</u>	<u>\$ 410,906</u>	<u>\$ 26,472,917</u>	<u>\$ 13,651,773</u>	<u>\$ 70,889,551</u>	

See accompanying Notes to Financial Statements.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2021

Fund Balances - Total Governmental Funds	\$ 65,138,629
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.	153,979,361
Receivables not available to pay for current period expenditures are reported as unavailable revenue in the financial statements.	467,316
Long-term notes receivable are not current available resources and, therefore, do not affect the governmental fund balance.	8,589,142
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.	(523,087)
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	(12,925,644)
Deferred Outflows of Resources Related to Pensions	2,483,234
Deferred Inflows of Resources Related to Pensions	(208,614)
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.	<u>2,759,072</u>
Net Position of Governmental Activities	<u>\$ 219,759,409</u>

See accompanying Notes to Financial Statements.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	General	Special Revenue		Capital Projects		Other Governmental Funds	Total Governmental Funds
		Proposition C	State Grants	Capital Improvements			
REVENUES							
Taxes	\$ 25,873,410	\$ -	\$ -	\$ -	\$ 884,661	\$ 26,758,071	
Licenses and Permits	2,007,454	-	-	-	-	-	2,007,454
Revenue from Other Agencies	515,258	710,280	44,849	-	4,612,129	5,882,516	
Charges for Services	5,360	-	-	-	187,231	192,591	
Fines and Forfeitures	675,272	-	-	-	-	675,272	
Use of Money and Property	504,653	8,186	-	214,382	100,875	828,096	
Other Revenues	531,416	26,000	-	757	56,695	614,868	
Total Revenues	30,112,823	744,466	44,849	215,139	5,841,591	36,958,868	
EXPENDITURES							
Current:							
Administration	5,455,667	-	-	-	-	5,455,667	
Public Safety	7,250,780	-	-	-	-	7,250,780	
Public Works	4,646,168	652,922	37,586	-	4,344,469	9,681,145	
Parks and Recreation	2,650,848	-	-	-	10,830	2,661,678	
Community Development	2,623,915	-	-	-	-	2,623,915	
Non-Departmental	1,814,562	-	-	-	-	1,814,562	
Capital Outlay	-	106,156	11,621	889,716	2,416,810	3,424,303	
Total Expenditures	24,441,940	759,078	49,207	889,716	6,772,109	32,912,050	
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,670,883	(14,612)	(4,358)	(674,577)	(930,518)	4,046,818	
OTHER FINANCING SOURCES (USES)							
Transfers In	130,000	-	-	1,720,819	30,000	1,880,819	
Transfers Out	(1,750,819)	-	-	-	(130,000)	(1,880,819)	
Total Other Financing Sources (Uses)	(1,620,819)	-	-	1,720,819	(100,000)	-	
NET CHANGE IN FUND BALANCES							
Fund Balances - Beginning of Year	21,748,709	579,711	(214,935)	25,344,808	13,633,518	61,091,811	
FUND BALANCES - END OF YEAR	\$ 25,798,773	\$ 565,099	\$ (219,293)	\$ 26,391,050	\$ 12,603,000	\$ 65,138,629	

See accompanying Notes to 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, 2021

Fund Balances - Total Governmental Funds \$ 4,046,818

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	3,202,078
Depreciation Expense	(6,562,281)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	414,684
--	---------

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.	119,001
---	---------

Compensated absences expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	(119,886)
---	-----------

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.	(717,844)
--	-----------

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.	(83,680)
--	----------

Change in Net Position of Governmental Activities	<u>\$ 298,890</u>
---	-------------------

CITY OF RANCHO PALOS VERDES, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED JUNE 30, 2021

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Taxes	\$ 25,637,300	\$ 25,637,300	\$ 25,873,410	\$ 236,110	
Licenses and Permits	1,819,200	1,819,200	2,007,454	188,254	
Revenue from Other Agencies	-	-	515,258	515,258	
Charges for Services	13,500	13,500	5,360	(8,140)	
Fines and Forfeitures	225,400	225,400	675,272	449,872	
Use of Money and Property	601,300	601,300	504,653	(96,647)	
Other Revenues	673,200	673,200	531,416	(141,784)	
Total Revenues	28,969,900	28,969,900	30,112,823	1,142,923	
EXPENDITURES					
Administration:					
City Council	102,900	102,900	84,681	18,219	
City Manager	770,300	718,200	628,592	89,608	
Legal Services	1,000,000	930,000	886,407	43,593	
Community Outreach	68,300	92,189	82,978	9,211	
City Clerk	541,000	499,000	401,918	97,082	
RPV TV	229,700	224,700	184,775	39,925	
Personnel	316,000	343,200	309,885	33,315	
Finance	1,565,100	1,497,472	1,458,001	39,471	
Information Technology - Data	1,081,800	1,076,325	979,005	97,320	
Information Technology - Voice	110,000	110,000	117,369	(7,369)	
Emergency Operations	-	-	322,056	(322,056)	
Total Administration	5,785,100	5,593,986	5,455,667	138,319	
Public Safety:					
Sheriff	7,091,900	7,063,900	6,970,901	92,999	
Special Programs	290,800	329,300	263,050	66,250	
Emergency Preparedness	158,400	158,400	16,829	141,571	
Total Public Safety	7,541,100	7,551,600	7,250,780	300,820	
Public Works:					
Public Works Administration	2,095,500	2,091,155	1,934,346	156,809	
Traffic Management	906,300	955,580	582,166	373,414	
Storm Water Quality	506,000	506,000	472,168	33,832	
Building Maintenance	529,000	544,000	477,391	66,609	
Park/Trail/Open Space Maintenance	1,036,800	1,048,150	924,774	123,376	
Street Landscape Maintenance	181,000	181,000	232,493	(51,493)	
Sewer Maintenance	35,000	35,000	22,830	12,170	
Total Public Works	5,289,600	5,360,885	4,646,168	714,717	

See accompanying Notes to 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, 2021

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
EXPENDITURES (CONTINUED)				
Parks and Recreation:				
Recreation Administration	\$ 1,185,700	\$ 1,030,155	\$ 991,454	\$ 38,701
Recreation Facilities	1,150,700	1,207,129	1,019,258	187,871
Special Events	221,600	174,912	146,120	28,792
PVIC	550,400	502,127	427,698	74,429
REACH	71,700	61,600	43,008	18,592
Support Services	21,000	23,000	23,310	(310)
Total Parks and Recreation	3,201,100	2,998,923	2,650,848	348,075
Community Development:				
Planning Services	1,444,200	1,399,422	1,145,825	253,597
Building and Safety	787,200	640,200	598,490	41,710
Code Enforcement	295,600	252,200	208,263	43,937
View Restoration/Preservation	359,300	368,000	385,703	(17,703)
NCCP	50,000	50,000	47,284	2,716
Geology	100,000	148,000	144,068	3,932
Animal Control	109,000	109,000	94,282	14,718
Total Community Development	3,145,300	2,966,822	2,623,915	342,907
Non-Departmental	1,829,100	1,907,871	1,814,562	93,309
Total Expenditures	26,791,300	26,380,087	24,441,940	1,938,147
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,178,600	2,589,813	5,670,883	3,081,070
OTHER FINANCING SOURCES (USES)				
Transfers In	230,000	230,000	130,000	(100,000)
Transfers Out	(1,964,000)	(2,170,500)	(1,750,819)	419,681
Total Other Financing Sources (Uses)	(1,734,000)	(1,940,500)	(1,620,819)	319,681
NET CHANGE IN FUND BALANCE				
Fund Balance - Beginning of Year	444,600	649,313	4,050,064	3,400,751
FUND BALANCE - END OF YEAR	\$ 22,193,309	\$ 22,398,022	\$ 25,798,773	\$ 3,400,751

See accompanying Notes to Financial Statements.

**CITY OF RANCHO PALOS VERDES, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
PROPOSITION C SPECIAL REVENUE FUND
JUNE 30, 2021**

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Revenue from Other Agencies	\$ 696,200	\$ 696,200	\$ 710,280	\$ 14,080	
Use of Money and Property	6,200	6,200	8,186	1,986	
Other Revenues	-	-	26,000	26,000	
Total Revenues	702,400	702,400	744,466	42,066	
EXPENDITURES					
Public Works	650,000	653,827	652,922	905	
Capital Outlay	295,000	275,800	106,156	169,644	
Total Expenditures	945,000	929,627	759,078	170,549	
NET CHANGE IN FUND BALANCE	(242,600)	(227,227)	(14,612)	212,615	
Fund Balance - Beginning of Year	579,711	579,711	579,711	-	
FUND BALANCE - END OF YEAR	\$ 337,111	\$ 352,484	\$ 565,099	\$ 212,615	

See accompanying Notes to 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
JUNE 30, 2021

	Budgeted Amounts			Actual	Variance with Final Budget Positive (Negative)
	Original	Final			
REVENUES					
Revenue from Other Agencies	\$ -	\$ -		\$ 44,849	\$ 44,849
EXPENDITURES					
Public Works	-	37,586		37,586	-
Capital Outlay	-	175,518		11,621	163,897
Total Expenditures	-	213,104		49,207	163,897
NET CHANGE IN FUND BALANCE					
Fund Deficit - Beginning of Year	(214,935)	(214,935)		(214,935)	-
FUND BALANCE (DEFICIT) - END OF YEAR					
	<u>\$ (214,935)</u>	<u>\$ (428,039)</u>		<u>\$ (219,293)</u>	<u>\$ 208,746</u>

See accompanying Notes to Financial Statements.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2021

	Equipment Replacement Internal Service Fund
ASSETS	
CURRENT ASSETS	
Cash and Investments	\$ 2,607,519
Receivables:	
Interest	<u>1,163</u>
Total Current Assets	2,608,682
NONCURRENT ASSETS	
Capital Assets, Being Depreciated:	
Property and Equipment	2,515,203
Accumulated Depreciation	<u>(2,364,813)</u>
Total Noncurrent Assets	<u>150,390</u>
Total Assets	<u>2,759,072</u>
NET POSITION	
Investment In Capital Assets	150,390
Unrestricted	<u>2,608,682</u>
Total Net Position	<u>\$ 2,759,072</u>

See accompanying Notes to Financial Statements.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021

	Equipment Replacement Internal Service Fund
OPERATING REVENUES	
Charges for Services	\$ 93,600
OPERATING EXPENSES	
Materials and Supplies	69,911
Depreciation	<u>128,734</u>
Total Operating Expenses	<u>198,645</u>
OPERATING LOSS	(105,045)
NONOPERATING REVENUES	
Investment Income	<u>21,365</u>
CHANGE IN NET POSITION	(83,680)
Net Position - Beginning of Year	<u>2,842,752</u>
NET POSITION - END OF YEAR	<u>\$ 2,759,072</u>

See accompanying Notes to Financial Statements.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021

	Equipment Replacement Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from Interfund Services Provided	\$ 93,600
Payments to Suppliers	<u>(80,815)</u>
Net Cash Provided by Operating Activities	<u>12,785</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition and Construction of Capital Assets	(48,861)
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Received on Investments	<u>24,912</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	
Cash and Cash Equivalents - Beginning of Year	<u>2,618,683</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	
	<u><u>\$ 2,607,519</u></u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES	
Operating Loss	\$ (105,045)
Adjustments to Reconcile Operating Loss to Net Cash	
Provided by Operating Activities:	
Depreciation	128,734
Changes in Operating Assets and Liabilities:	
Decrease in Accounts Payable and Accrued Liabilities	<u>(10,904)</u>
Net Cash Provided By Operating Activities	<u><u>\$ 12,785</u></u>

See accompanying Notes to Financial Statements.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2021

	Successor Agency Private-Purpose Trust Fund
ASSETS	
Cash and Investments	\$ 166,633
Receivables:	
Interest Receivable	167
Total Assets	<u>166,800</u>
LIABILITIES	
CURRENT LIABILITIES	
Current Portion of Noncurrent Liabilities	<u>515,586</u>
Total Current Liabilities	<u>515,586</u>
NONCURRENT LIABILITIES	
Due Beyond One Year	<u>13,212,882</u>
Total Noncurrent Liabilities	<u>13,212,882</u>
Total Liabilities	<u>13,728,468</u>
Net Position (Deficit) Held in Trust	<u>\$ (13,561,668)</u>

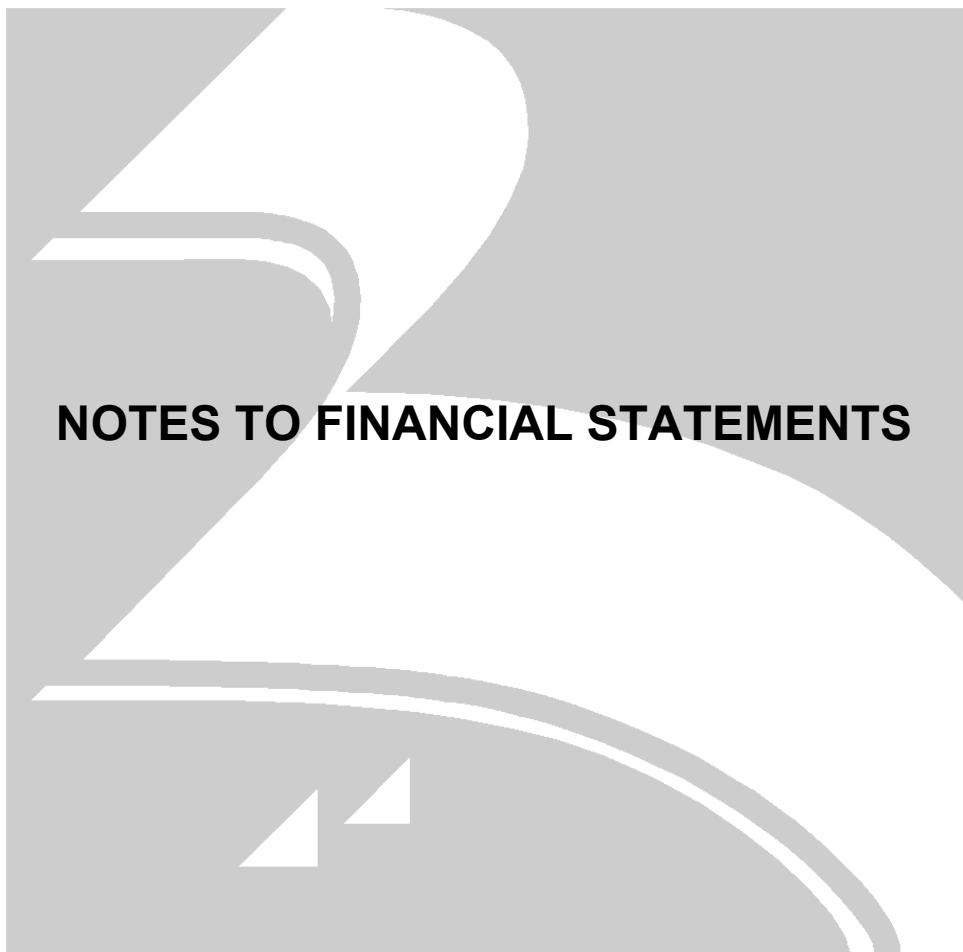
See accompanying Notes to Financial Statements.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2021

	Successor Agency Private-Purpose Trust Fund
ADDITIONS	
Taxes	\$ 640,150
Use of Money and Property	1,484
Total Additions	<u>641,634</u>
DEDUCTIONS	
Administration	364,401
Debt Interest and Fiscal Charges	338,336
Total Deductions	<u>702,737</u>
CHANGE IN NET POSITION	(61,103)
Net Position (Deficit) - Beginning of Year	<u>(13,500,565)</u>
NET POSITION (DEFICIT) - END OF YEAR	<u>\$ (13,561,668)</u>

See accompanying Notes to Financial Statements.

THIS PAGE INTENTIONALLY LEFT BLANK





CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

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 FINANCIAL STATEMENTS
JUNE 30, 2021**

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 does not meet the criteria for reporting as a component unit, as it is not fiscally dependent on the City. In addition, the business of the Successor Agency must be approved by an independently appointed Oversight Board and the California Department of Finance. Therefore, the balances and transactions of the Successor Agency are reported as a separate Fiduciary Fund (private purpose trust fund), and are not included in the government-wide statements.

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, CA 90274.

**CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

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 FINANCIAL STATEMENTS
JUNE 30, 2021**

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 Proposition C Special Revenue Fund is used to account for sales taxes received from the County of Los Angeles and used to support public transit and related services.

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

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Basis of Accounting/Measurement Focus (Continued)

Governmental Fund Financial Statements (Continued)

The City reports the following major governmental funds (continued):

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

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 FINANCIAL STATEMENTS
JUNE 30, 2021**

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, 2021, based on calculations by City Management, the proceeds of taxes in the amount of \$25.8 million did not exceed appropriation limit of \$32.4 million.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

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 and equipment with an initial individual cost of more than \$5,000; and improvements and infrastructure assets with construction costs of more than \$100,000. 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
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

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.

**CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 9. The CJPIA is a public entity risk pool. The City records amounts deposited with CJPIA as insurance expenditures in the General Fund.

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 appropriate resources and thus, an equivalent portion of fund balance is reported as nonspendable. The City had a total of \$1,093,025 of prepaid items as of June 30, 2021.

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.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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 position that applies to a future period 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 the net differences between projected and actual earnings on plan investments. These amounts are amortized over five years.

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 position that applies to a future period 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 related to pensions for changes of assumptions, and 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 FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Pensions

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.

NOTE 2 CASH AND INVESTMENTS

Cash and investments as of June 30, 2021, are classified in the accompanying financial statements as follows:

	<u>Government-Wide Statement of Net Position</u>	<u>Fiduciary Fund Statement of Fiduciary Net Position</u>	<u>Total</u>
Total Cash and Investments	<u>\$ 68,494,018</u>	<u>\$ 166,633</u>	<u>\$ 68,660,651</u>

Cash and investments as of June 30, 2021 consist of the following:

Petty Cash	\$ 5,000
Deposits with Financial Institutions	2,422,330
Certificates of Deposit	20,780,597
Money Market Mutual Funds	66,570
U.S. Treasury Obligations	5,000,000
Local Agency Investment Fund (LAIF)	<u>40,386,154</u>
Total	<u>\$ 68,660,651</u>

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

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

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	3 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

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect 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 need 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	\$ 3,000,000	\$ 3,750,000	\$ 9,280,597	\$ 4,750,000	\$ 20,780,597	
Money Market Mutual Funds	66,570	-	-	-	66,570	
U.S. Treasury Obligations	1,000,000	-	1,000,000	3,000,000	5,000,000	
Local Agency Investment Fund (LAIF)	40,386,154	-	-	-	40,386,154	
Total	<u>\$ 44,452,724</u>	<u>\$ 3,750,000</u>	<u>\$ 10,280,597</u>	<u>\$ 7,750,000</u>	<u>\$ 66,233,321</u>	

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The certificates of deposit, and LAIF are not rated. The money market funds are rated AAA.

**CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

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 market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

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.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

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 is 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 \$292,430 due to the General Fund (\$201,279 from the State Grants Special Revenue Fund and \$91,151 from Other Governmental Funds) is the result of loans to cover temporary deficit cash balances.

Interfund Transfers

Interfund transfers for the year ended June 30, 2021, consisted of the following:

Transfer To	Transfer From		
	General Fund	Other Governmental Funds	Totals
General Fund	\$ -	\$ 130,000	\$ 130,000
Capital Improvement Projects	1,720,819	-	1,720,819
Other Governmental Funds	30,000	-	30,000
Total	<u>\$ 1,750,819</u>	<u>\$ 130,000</u>	<u>\$ 1,880,819</u>

Transfers are used to: (1) move revenues from the fund that statute or budget requires for collection to the fund that statute or budget requires for expenditure; (2) use 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 that was originally transferred from the General Fund to another fund, yet not used.

**CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 3 INTERFUND TRANSACTIONS (CONTINUED)

Interfund Transfers (Continued)

The General Fund transferred a total of \$1,750,819 to other funds. Of this amount, \$1,720,819 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 \$30,000 was transferred to the following Other Governmental Funds: \$20,000 to the Improvement Authority Portuguese Bend to subsidize annual maintenance of landslide mitigation facilities; and, \$10,000 to the Subregion 1 Fund to subsidize landscape maintenance. The General Fund received \$130,000 from the following Other Governmental Funds: \$130,000 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.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 4 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 infrastructures, whereby depreciation expense and accumulated depreciation has been recorded. The following tables present the capital assets activity for the year ended June 30, 2021.

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital Assets not Being Depreciated:				
Land	\$ 43,528,625	\$ 14,757	\$ -	\$ 43,543,382
Construction in Progress	4,635,208	3,147,282	(5,039,848)	2,742,642
Total Capital Assets not Being Depreciated	48,163,833	3,162,039	(5,039,848)	46,286,024
Capital Assets Being Depreciated:				
Building and Improvements	14,281,198	-	-	14,281,198
Vehicles	551,328	40,771	-	592,099
Computer Equipment	989,151	-	-	989,151
Equipment - Water Quality	11,813	-	-	11,813
Furniture, Fixtures, and Equipment	976,224	48,129	-	1,024,353
Infrastructure:				
Roadway System	121,898,315	4,989,499	-	126,887,814
Sewer System	25,965,995	-	-	25,965,995
Storm Drain System	13,682,822	-	-	13,682,822
Storm Drain System - Water Quality	36,851,640	-	-	36,851,640
Parks System	7,953,213	50,349	-	8,003,562
Total Capital Assets Being Depreciated	223,161,699	5,128,748	-	228,290,447
Less Accumulated Depreciation for:				
Buildings and Improvements	(7,354,194)	(266,170)	-	(7,620,364)
Vehicles	(447,650)	(43,321)	-	(490,971)
Computer Equipment	(964,571)	(24,579)	-	(989,150)
Equipment - Water Quality	(11,813)	-	-	(11,813)
Furniture, Fixtures, and Equipment	(824,948)	(72,472)	-	(897,420)
Infrastructure:				
Roadway System	(69,765,685)	(4,412,391)	-	(74,178,076)
Sewer System	(21,481,885)	(453,781)	-	(21,935,666)
Storm Drain System	(5,256,917)	(268,481)	-	(5,525,398)
Storm Drain System - Water Quality	(4,898,515)	(832,576)	-	(5,731,091)
Parks System	(2,749,527)	(317,244)	-	(3,066,771)
Total Accumulated Depreciation	(113,755,705)	(6,691,015)	-	(120,446,720)
Total Capital Assets Being Depreciated, Net	109,405,994	(1,562,267)	-	107,843,727
Governmental Activities				
Capital Assets, Net	<u>\$ 157,569,827</u>	<u>\$ 1,599,772</u>	<u>\$ (5,039,848)</u>	<u>\$ 154,129,751</u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 4 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)	\$ 277,808
Public Works (Depreciation of Roadways, Sewers, and Storm Drains)	5,967,229
Parks and Recreation (Depreciation of Parks System)	317,244
Capital Assets Held by the City's Internal Service	
Funds are Charged to Various Functions Based on their Usage of the Assets	<u>128,734</u>
Total Depreciation Expense - Governmental Activities	<u><u>\$ 6,691,015</u></u>

NOTE 5 NOTES RECEIVABLE

	Notes Receivable
Affordable Housing	\$ 8,329,351
Community Development Block Grant	259,791
Subtotal	<u>8,589,142</u>
Receivable from Successor Agency	10,528,468
Allowance from Successor Agency receivable	<u>(10,528,468)</u>
Total Notes Receivable	<u><u>\$ 8,589,142</u></u>

The receivable from the Successor Agency is discussed further in Note 14.

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 note receivable from AMCAL including accrued unpaid interest of \$2,058,807 at June 30, 2021 was \$8,329,351.

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 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 FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 5 NOTES RECEIVABLE (CONTINUED)

Affordable Housing (Continued)

As part of redevelopment dissolution, these two long-term notes receivable were transferred to the housing successor (the City), which elected to retain the housing assets and function of 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, 2021 is \$259,791.

NOTE 6 LONG-TERM LIABILITIES

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021	Amount Due in One Year
Employee Compensated Absences	\$ 403,201	\$ 344,135	\$ (224,248)	\$ 523,087	\$ 290,926

Employee Compensated Absences

There is no fixed payment schedule for employee compensated absences. Based on historical trends, \$290,926 is estimated to be the amount that will be used and/or paid out during the fiscal year ended June 30, 2021.

NOTE 7 CLASSIFICATIONS OF NET POSITION AND FUND BALANCE

Government-Wide Financial Statements

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

Net Investment in Capital Assets – 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.

**CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 7 CLASSIFICATIONS OF NET POSITION AND FUND BALANCE (CONTINUED)

Fund Financial Statements

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.

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.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 7 CLASSIFICATIONS OF NET POSITION AND FUND BALANCE (CONTINUED)

The City's governmental fund balances were classified as follows at June 30, 2021:

	General Fund	Proposition C Special Revenue Fund	State Grants Special Revenue Fund	Capital Improvement Fund	Other Governmental Funds
Nonspendable:					
In Form (Inventory and Prepaid Items)	\$ 1,141,717	\$ -	\$ -	\$ -	\$ -
Legally (Endowment Principal)	-	-	-	-	1,926,193
Restricted:					
Public Works	-	-	-	639,282	3,139,124
Housing and Community Development	-	-	-	-	1,184,217
Transportation	-	565,099	-	-	4,328,264
Parks and Recreation	-	-	-	-	1,920,997
Public Safety	-	-	-	-	104,205
Committed:					
Public Works	2,516,647	-	-	-	-
City Administration	38,122	-	-	-	-
Housing and Community Development	211,240	-	-	-	-
Recreation and Parks	18,870	-	-	-	-
Assigned:					
Public Works	-	-	-	25,751,768	-
Unassigned:					
Unrestricted Fund Balance	21,449,377	-	(219,293)	-	-
Continued Appropriations	422,800	-	-	-	-
Governmental Fund Balance					
Totals	\$ 25,798,773	\$ 565,099	\$ (219,293)	\$ 26,391,050	\$ 12,603,000

Nonspendable Fund Balance

General Fund assets include \$48,692 of inventory held for resale at the Point Vicente Interpretive Center gift shop, and \$1,093,025 of prepayments for expenditures related to the fiscal year ended June 30, 2021.

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 (discussed further in Note 14).

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 ended June 30, 2006, the City's Natural Communities Conservation Plan requires a nonspendable endowment in the Habitat Restoration Permanent 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. The balance of \$176,193 represents 15 years of annual \$10,000 contributions plus interest earnings.

**CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 7 CLASSIFICATIONS OF NET POSITION AND FUND BALANCE (CONTINUED)

Restricted Fund Balance

The restricted balances of the City's Other Governmental Funds are constrained to use for specific purposes by other governmental agencies, property owners, and grantors.

The \$639,282 balance of the Capital Improvement Fund is restricted for ongoing improvements for streets, building, parks, trails and open space, and Portuguese Bend's dewatering wells project.

Committed Fund Balance

The \$2,784,879 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.

Assigned Fund Balance

The \$25,751,768 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 balance of at least fifty percent of annual operating expenditures. This reserve serves as a Rainy Day Fund with a balance of \$21,449,377 at June 30, 2021.

City Council approved to carry forward \$422,800 of FY 2020-2021 General Fund appropriations to FY 2021-2022.

NOTE 8 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.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 PENSION AND RETIREMENT HEALTH SAVINGS PLANS (CONTINUED)

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 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, 2021, 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	12.361%	8.794%	7.732%
Payment of Unfunded Liability	\$ 807,431	\$ 15,360	\$ 12,410

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 contributions requirements are classified as plan member contributions.

**CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 8 PENSION AND RETIREMENT HEALTH SAVINGS PLANS (CONTINUED)

**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, 2021, in the amount of \$12,925,644.

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, 2020, 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, 2019, rolled forward to June 30, 2020, 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, 2019 and 2020 measurement dates was as follows:

Proportion - June 30, 2019	0.29762%
Proportion - June 30, 2020	<u>0.30643%</u>
Change - Increase (Decrease)	<u><u>0.00881%</u></u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 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, 2021, the City recognized pension expense of \$2,151,002. At June 30, 2021, 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	\$ 1,433,161	\$ -
Differences Between Expected and Actual Experience	666,096	-
Change of Assumptions	-	(92,191)
Change in Employer's Proportion and Differences Between the Employer's Contributions and the Employer's Proportionate Share of Contributions	-	(116,423)
Net Differences Between Projected and Actual Earnings on Plan Investments	383,977	-
Total	<u>\$ 2,483,234</u>	<u>\$ (208,614)</u>

The amount of \$1,433,161 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, 2022. 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 Ended June 30,</u>	
2021	\$ 52,548
2022	333,686
2023	271,059
2024	184,166
2025	-
Thereafter	-
Total	<u>\$ 841,459</u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 PENSION AND RETIREMENT HEALTH SAVINGS PLANS (CONTINUED)

Actuarial Assumptions

The total pension liability for the June 30, 2020 measurement period was determined by an actuarial valuation as of June 30, 2019, with update procedures used to roll forward the total pension liability to June 30, 2020. The total pension liability was based on the following assumptions:

Valuation Date	June 30, 2019
Measurement Date	June 30, 2020
Actuarial Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	(1)
Mortality Rate Table	(2)
Post Retirement 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 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates includes 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS website.

(3) The less of contract COLA or 2.50% until Purchasing Power Protection Allowance Floor on purchasing power applies, 2.50% thereafter.

Long-Term Expected Rate of Return

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

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 FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 8 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:

Asset Class (a)	Assumed Asset Allocation	Real Return Years 1 - 10 (b)	Real Return Years 11+ (c)
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00	1.00%	2.62%
Inflation Sensitive	1.00	0.77%	1.81%
Private Equity	8.00	6.30%	7.23%
Real Assets	13.00	3.75%	4.93%
Infrastructure and Forestland	0.00	0.00%	0.00%
Liquidity	1.00	0.00%	-0.92%
Total	<u><u>100.00%</u></u>		

- (a) In the CalPERS CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.
- (b) An expected inflation of 2.0% used for this period
- (c) An expected inflation of 2.92% used for this period

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current 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% (6.15%)	Current Discount Rate (7.15%)	Discount Rate +1% (8.15%)
\$ 19,483,632	\$ 12,925,644	\$ 7,506,984

**CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 8 PENSION AND RETIREMENT HEALTH SAVINGS PLANS (CONTINUED)

Pension Plan Fiduciary Net Position

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

Payable to the Pension Plan

At June 30, 2021, the City had no outstanding amount of contributions to the pension plan required for the year ended June 30, 2021.

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, 2021, the City contributed a total of \$83,816 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 9 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 (Authority). The Authority is composed of 123 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the board of directors. The Board operates through a nine-member Executive Committee.

**CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

**NOTE 9 LIABILITY, WORKERS' COMPENSATION, AND PURCHASED INSURANCE
(CONTINUED)**

Primary Self-Insurance Programs of the CJPIA

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

Primary Liability Program

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

The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Subsidence losses 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 \$750,000 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 \$750,000 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 2020-2021, the Authority's pooled retention is \$1 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$1 million. Coverage from \$1 million to \$5 million is purchased through reinsurance policies, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

**CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

**NOTE 9 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 Authority. 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 Authority 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 \$17,795,005. 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 \$16,970,905. 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 2020-2021.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 10 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 California Joint Powers Insurance Authority (CJPIA, see Note 9) 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.

NOTE 11 PROPERTY TAXES

Under California law, property taxes are assessed and collected by the counties up to one percent of assessed value, plus 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

NOTE 12 UNAVAILABLE REVENUES

The unavailable revenues in the fund financial statements of the City of Rancho Palos Verdes as of June 30, 2021 are presented in the following table.

Revenue Measurable but Not Available (beyond 60 days):	
Other Governmental Funds	\$ 467,316
Total Unavailable Revenues	<u>\$ 467,316</u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 13 OTHER REQUIRED FUND DISCLOSURES

The following department's budget had expenditures in excess of the budget for the year ended June 30, 2021, as follows:

Program	Budget	Expenditures	Excess
Other Governmental Funds:			
Prop A Special Revenue Fund:			
Public Works	\$ 1,307,441	\$ 1,338,031	\$ 30,590
Subregion One Permanent Fund:			
Public Works	41,600	42,115	515

The State Grants Special Revenue Fund has a deficit fund balance of \$219,293 at June 30, 2021. This deficit will be eliminated by recognition of revenue not available as of year-end and through transfers from other funds. The Successor Agency Private-Purpose Trust Fund has a deficit fiduciary net position at June 30, 2021 of \$13,561,668 which will be reduced by collection of future tax revenues.

NOTE 14 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.

Debt Summary

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021	Amounts Due in One Year
Due to City:					
Portuguese Bend	\$ 7,166,465	\$ 109,045	\$ (194,238)	\$ 7,081,272	\$ 109,045
Abalone Cove	3,490,244	61,541	(104,589)	3,447,196	61,541
Due to County:					
Tax Increment Bond	3,510,000	-	(310,000)	3,200,000	345,000
Totals	<u>\$ 14,166,709</u>	<u>\$ 170,586</u>	<u>\$ (608,827)</u>	<u>\$ 13,728,468</u>	<u>\$ 515,586</u>

**CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 14 SUCCESSOR AGENCY (CONTINUED)

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 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 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, 2021, using the simple interest rate of 3%, the loan balance is \$10,528,468.

	<u>Principal</u>	<u>Interest</u>	<u>Balance</u>
Portuguese Bend	\$ 3,634,840	\$ 3,446,432	\$ 7,081,272
Abalone Cove	2,051,377	1,395,819	3,447,196
Allowance from Successor Agency Receivable	(5,686,217)	(4,842,251)	(10,528,468)
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 \$10,528,468 has been completely offset with an allowance for uncollectable amounts on the City's financial statements.

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.

**CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021**

NOTE 14 SUCCESSOR AGENCY (CONTINUED)

Tax Increment Bond and Deferred Interest Payable (Continued)

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 was 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%.

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.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2021

NOTE 14 SUCCESSOR AGENCY (CONTINUED)

Tax Increment Bond and Deferred Interest Payable (Continued)

The bond was issued as a conduit through the 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.

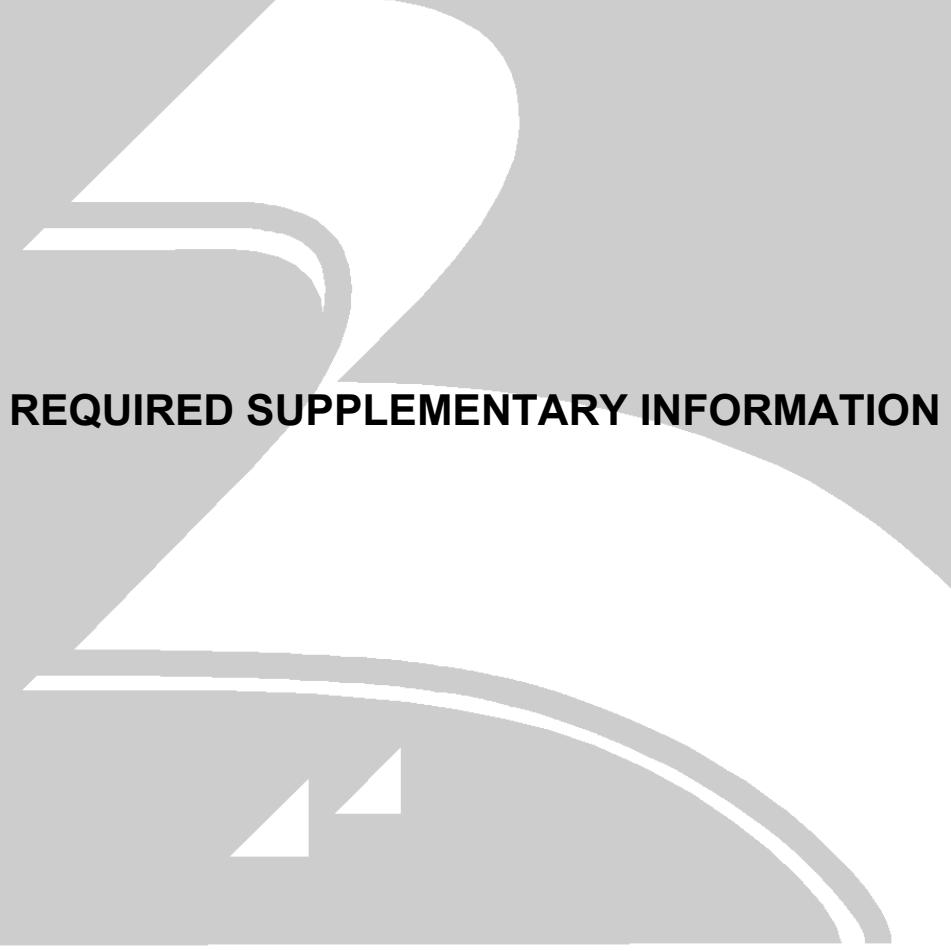
Additionally, both the accrued interest and deferred interest on the \$10,000,000 Loan previously owed the County was retroactively recalculated from the Loan origination date at a rate of approximately 5% compared to 7.7654% per the original Agreement. The recalculated deferred interest was \$3,111,400. 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>
2021	\$ 345,000	\$ 151,375	\$ 496,375
2022	380,000	133,250	513,250
2023	415,000	113,375	528,375
2024	450,000	91,750	541,750
2025	495,000	68,125	563,125
2026 - 2028	1,115,000	56,875	1,171,875
Totals	<u>\$ 3,200,000</u>	<u>\$ 614,750</u>	<u>\$ 3,814,750</u>

THIS PAGE INTENTIONALLY LEFT BLANK



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, 2021

	Miscellaneous						
Fiscal Year Ended	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Measurement Period	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Plan's Proportion of the Net Pension Liability	0.30643%	0.29762%	0.28980%	0.28221%	0.27708%	0.28237%	0.09183%
Plan's Proportionate Share of the Net Pension Liability	\$ 12,925,644	\$ 11,918,073	\$ 10,921,840	\$ 11,124,689	\$ 9,625,397	\$ 7,637,567	\$ 5,714,320
Plan's Covered Payroll	\$ 6,454,856	\$ 6,697,322	\$ 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	200.25%	177.95%	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	73.77%	75.26%	75.26%	73.31%	74.06%	78.40%	76.48%
Plan's Proportionate Share of Aggregate Employer Contributions	\$ 1,624,308	\$ 1,440,684	\$ 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.

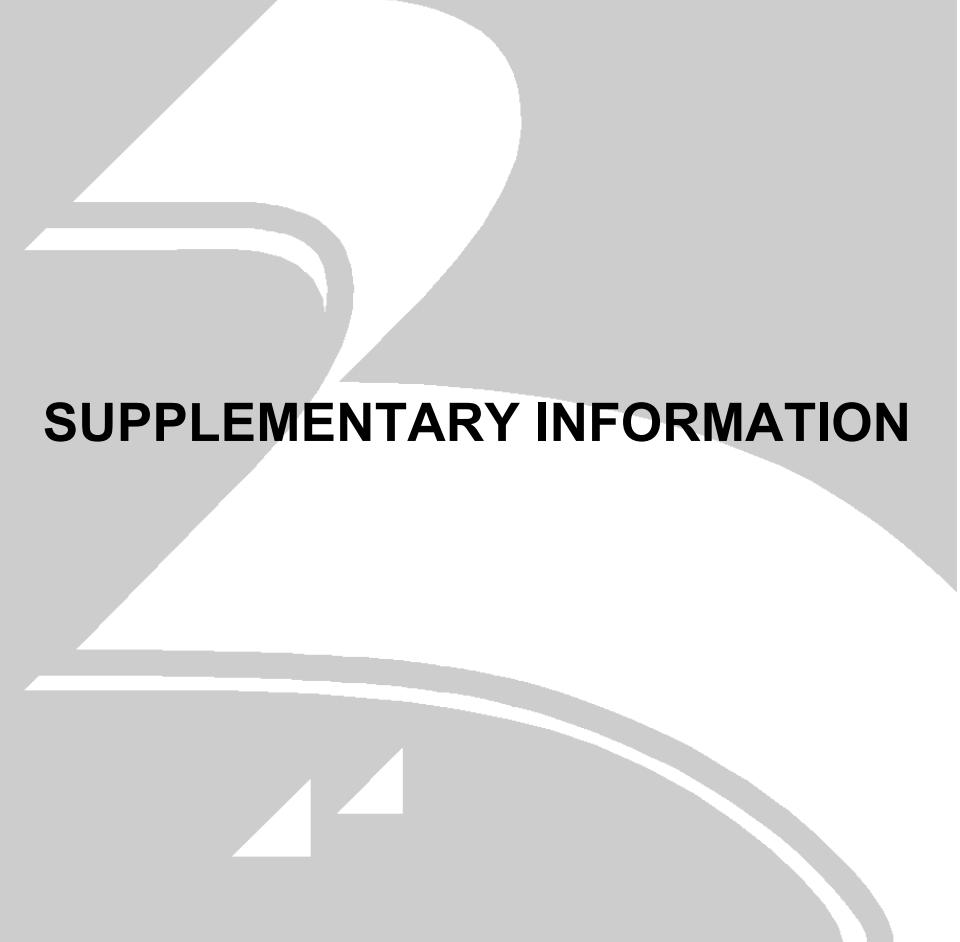
* Fiscal year 2015 was the first year of implementation, therefore only seven years are shown.

CITY OF RANCHO PALOS VERDES, CALIFORNIA
SCHEDULE OF PENSION CONTRIBUTIONS
LAST TEN FISCAL YEARS *
YEAR ENDED JUNE 30, 2021

Fiscal Year Ended	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually Required Contribution (Actuarially Determined)	\$ 1,433,161	\$ 1,265,361	\$ 1,153,245	\$ 990,670	\$ 910,177	\$ 830,645	\$ 725,496
Contributions in Relation to the Actuarially Determined Contributions	(1,433,161)	(1,265,361)	(1,153,245)	(990,670)	(910,177)	(830,645)	(725,496)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 6,513,032	\$ 6,454,856	\$ 6,697,322	\$ 6,360,881	\$ 6,124,374	\$ 5,997,450	\$ 5,673,471
Contributions as a Percentage of Covered Payroll	22.00%	19.60%	17.22%	15.57%	14.86%	13.85%	12.79%
Notes to Schedule:							
Valuation Date	6/30/2018	6/30/2017	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 (1)						
Amortization Method	Market Value						
Asset Valuation Method							15 Year Smoothed Market Method
Inflation	2.500%	2.625%	2.75%	2.75%	2.75%	2.75%	2.75%
Salary Increases	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	7.00% (3)	7.25% (3)	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(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.

* Fiscal year 2015 was the first year of implementation, therefore only seven years are shown.



SUPPLEMENTARY INFORMATION



CITY OF RANCHO PALOS VERDES, CALIFORNIA
DESCRIPTION OF SPECIAL REVENUE FUNDS
JUNE 30, 2021

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.

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 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, 2021

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, 2021

Special Revenue Funds

	Gas Tax	1972 Act	El Prado	1911 Act	Waste Reduction
ASSETS					
Cash and Investments	\$ 683,458	\$ 29,112	\$ 39,435	\$ 1,683,826	\$ 429,496
Receivables:					
Taxes	-	-	84	21,740	-
Interest	265	13	18	771	187
Notes	-	-	-	-	-
Other	<u>140,978</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,401</u>
Total Assets	<u>\$ 824,701</u>	<u>\$ 29,125</u>	<u>\$ 39,537</u>	<u>\$ 1,706,337</u>	<u>\$ 444,084</u>
LIABILITIES					
Accounts Payable and Accrued Liabilities	\$ 166,924	\$ -	\$ -	\$ 291,898	\$ 7,000
Due to Other Funds	-	-	-	-	-
Retentions Payable	43,016	-	-	13,776	-
Total Liabilities	<u>209,940</u>	<u>-</u>	<u>-</u>	<u>305,674</u>	<u>7,000</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	-	-	-
FUND BALANCES					
Nonspendable:					
Endowment Principal	-	-	-	-	-
Restricted	<u>614,761</u>	<u>29,125</u>	<u>39,537</u>	<u>1,400,663</u>	<u>437,084</u>
Total Fund Balances	<u>614,761</u>	<u>29,125</u>	<u>39,537</u>	<u>1,400,663</u>	<u>437,084</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 824,701</u>	<u>\$ 29,125</u>	<u>\$ 39,537</u>	<u>\$ 1,706,337</u>	<u>\$ 444,084</u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
COMBINING BALANCE SHEET (CONTINUED)
OTHER GOVERNMENTAL FUNDS
JUNE 30, 2021

Special Revenue Funds (Continued)

	Air Quality Management	Proposition A	Public Safety Grants	Measure R	Measure A
ASSETS					
Cash and Investments	\$ 143,452	\$ 1,556,569	\$ 104,149	\$ 1,417,767	\$ 61,436
Receivables:					
Taxes	-	-	-	-	-
Interest	65	666	56	616	-
Notes	-	-	-	-	-
Other	<u>13,856</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,632</u>
Total Assets	<u>\$ 157,373</u>	<u>\$ 1,557,235</u>	<u>\$ 104,205</u>	<u>\$ 1,418,383</u>	<u>\$ 114,068</u>
LIABILITIES					
Accounts Payable and Accrued Liabilities	\$ 4,750	\$ 7,897	\$ -	\$ 36,765	\$ -
Due to Other Funds	-	-	-	-	-
Retentions Payable	-	-	-	<u>358</u>	-
Total Liabilities	<u>4,750</u>	<u>7,897</u>	<u>-</u>	<u>37,123</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	-	-	-	-	52,632
FUND BALANCES					
Nonspendable:					
Endowment Principal	-	-	-	-	-
Restricted	<u>152,623</u>	<u>1,549,338</u>	<u>104,205</u>	<u>1,381,260</u>	<u>61,436</u>
Total Fund Balances	<u>152,623</u>	<u>1,549,338</u>	<u>104,205</u>	<u>1,381,260</u>	<u>61,436</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 157,373</u>	<u>\$ 1,557,235</u>	<u>\$ 104,205</u>	<u>\$ 1,418,383</u>	<u>\$ 114,068</u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
COMBINING BALANCE SHEET (CONTINUED)
OTHER GOVERNMENTAL FUNDS
JUNE 30, 2021

Special Revenue Funds (Continued)							Joint Powers Improvement Authority Portuguese Bend
			Abalone Cove Sewer Assessment		Donor Restricted Contributions		
	Measure M	Measure W					
ASSETS							
Cash and Investments	\$ 364,658	\$ -	\$ 249,079	\$ 779,404	\$ 60,026		
Receivables:							
Taxes	-	-	-	-	-	-	
Interest	148	-	113	349	55		
Notes	-	-	-	-	-	-	
Other	-	679,381	2,131	-	-	-	
Total Assets	\$ 364,806	\$ 679,381	\$ 251,323	\$ 779,753	\$ 60,081		
LIABILITIES							
Accounts Payable and Accrued Liabilities	\$ 73,328	\$ 96,799	\$ 33,202	\$ 1,212	\$ 639		
Due to Other Funds	-	91,155	-	-	-	-	
Retentions Payable	-	-	-	-	-	-	
Total Liabilities	73,328	187,954	33,202	1,212	639		
DEFERRED INFLOWS OF RESOURCES							
Unavailable Revenue	-	-	-	-	-	-	
FUND BALANCES							
Nonspendable:							
Endowment Principal	-	-	-	-	-	-	
Restricted	291,478	491,427	218,121	778,541	59,442		
Total Fund Balances	291,478	491,427	218,121	778,541	59,442		
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 364,806	\$ 679,381	\$ 251,323	\$ 779,753	\$ 60,081		

CITY OF RANCHO PALOS VERDES, CALIFORNIA
COMBINING BALANCE SHEET (CONTINUED)
OTHER GOVERNMENTAL FUNDS
JUNE 30, 2021

Special Revenue Funds (Continued)

	Community Development Block Grant (CDBG)	Quimby	Environmental Excise Tax	Bikeways	Total Special Revenue Funds
ASSETS					
Cash and Investments	\$ 22,908	\$ 1,164,489	\$ 221,381	\$ -	\$ 9,010,645
Receivables:					
Taxes	- -	519	101	- -	21,824 3,942
Interest	- -	- -	- -	- -	- -
Notes	<u>23,688</u>	<u>- -</u>	<u>- -</u>	<u>- -</u>	<u>927,067</u>
Other					
Total Assets	<u><u>\$ 46,596</u></u>	<u><u>\$ 1,165,008</u></u>	<u><u>\$ 221,482</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 9,963,478</u></u>
LIABILITIES					
Accounts Payable and Accrued Liabilities	\$ 18,143	\$ 83,988	\$ 12,124	\$ -	\$ 834,669
Due to Other Funds	- -	- -	- -	- -	91,155 57,150
Retentions Payable	<u>18,143</u>	<u>83,988</u>	<u>12,124</u>	<u>- -</u>	<u>982,974</u>
Total Liabilities					
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue		3,778			56,410
FUND BALANCES					
Nonspendable:					
Endowment Principal	- 24,675	1,081,020	209,358	- -	8,924,094
Restricted	<u>24,675</u>	<u>1,081,020</u>	<u>209,358</u>	<u>- -</u>	<u>8,924,094</u>
Total Fund Balances					
Total Liabilities, Deferred Inflows, and Fund Balances	<u><u>\$ 46,596</u></u>	<u><u>\$ 1,165,008</u></u>	<u><u>\$ 221,482</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 9,963,478</u></u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
COMBINING BALANCE SHEET (CONTINUED)
OTHER GOVERNMENTAL FUNDS
JUNE 30, 2021

Capital Projects Funds			
	Low-Moderate Income Housing	Affordable Housing In-lieu	Total Capital Projects Funds
ASSETS			
Cash and Investments	\$ 283,731	\$ 875,319	\$ 1,159,050
Receivables:			
Taxes	-	-	-
Interest	100	392	492
Notes	-	-	-
Other	-	-	-
Total Assets	<u>\$ 283,831</u>	<u>\$ 875,711</u>	<u>\$ 1,159,542</u>
LIABILITIES			
Accounts Payable and Accrued Liabilities	\$ -	\$ -	\$ -
Due to Other Funds	-	-	-
Retentions Payable	-	-	-
Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	-	-	-
FUND BALANCES			
Nonspendable:			
Endowment Principal	-	-	-
Restricted	<u>283,831</u>	<u>875,711</u>	<u>1,159,542</u>
Total Fund Balances	<u>283,831</u>	<u>875,711</u>	<u>1,159,542</u>
Total Liabilities, Deferred Inflows, and Fund Balances	<u>\$ 283,831</u>	<u>\$ 875,711</u>	<u>\$ 1,159,542</u>

CITY OF RANCHO PALOS VERDES, CALIFORNIA
COMBINING BALANCE SHEET (CONTINUED)
OTHER GOVERNMENTAL FUNDS
JUNE 30, 2021

	Permanent Funds					Total Other Governmental Funds	
	Habitat Restoration	Subregion One Maintenance	Joint Powers Improvement Authority Abalone Cove	Total Permanent Funds			
ASSETS							
Cash and Investments	\$ 667,670	\$ 751,549	\$ 1,107,929	\$ 2,527,148	\$ 12,696,843		
Receivables:							
Taxes	-	-	-	-	-	21,824	
Interest	302	338	965	1,605	6,039		
Notes	-	-	-	-	-	-	
Other	-	-	-	-	-	927,067	
Total Assets	\$ 667,972	\$ 751,887	\$ 1,108,894	\$ 2,528,753	\$ 13,651,773		
LIABILITIES							
Accounts Payable and Accrued Liabilities	\$ -	\$ 6,472	\$ 2,917	\$ 9,389	\$ 844,058		
Due to Other Funds	-	-	-	-	91,155		
Retentions Payable	-	-	-	-	57,150		
Total Liabilities	-	6,472	2,917	9,389	992,363		
DEFERRED INFLOWS OF RESOURCES							
Unavailable Revenue	-	-	-	-	-	56,410	
FUND BALANCES							
Nonspendable:							
Endowment Principal	176,193	750,000	1,000,000	1,926,193	1,926,193		
Restricted	491,779	(4,585)	105,977	593,171	10,676,807		
Total Fund Balances	667,972	745,415	1,105,977	2,519,364	12,603,000		
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 667,972	\$ 751,887	\$ 1,108,894	\$ 2,528,753	\$ 13,651,773		

CITY OF RANCHO PALOS VERDES, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
OTHER GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

Special Revenue Funds						
	Gas Tax	1972 Act	El Prado	1911 Act	Waste Reduction	
REVENUES						
Taxes	\$ -	\$ -	\$ 2,971	\$ 769,945	\$ -	
Revenue from Other Agencies	1,682,325	-	-	-	15,952	
Charges for Services	-	-	-	-	187,231	
Use of Money and Property	5,547	240	311	12,911	3,607	
Other Revenues	-	-	-	-	-	
Total Revenues	1,687,872	240	3,282	782,856	206,790	
EXPENDITURES						
Current:						
Public Works	976,917	-	-	460,560	224,460	
Parks and Recreation	-	-	-	-	-	
Capital Outlay	1,622,430	-	-	368,410	-	
Total Expenditures	2,599,347	-	-	828,970	224,460	
Excess (Deficiency) of Revenues Over (Under) Expenditures	(911,475)	240	3,282	(46,114)	(17,670)	
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	-	-	-	
Transfers Out	-	-	-	-	-	
Total Other Financing Sources (Uses)	-	-	-	-	-	
NET CHANGE IN FUND BALANCES	(911,475)	240	3,282	(46,114)	(17,670)	
Fund Balances - Beginning of Year	1,526,236	28,885	36,255	1,446,777	454,754	
FUND BALANCES - END OF YEAR	\$ 614,761	\$ 29,125	\$ 39,537	\$ 1,400,663	\$ 437,084	

CITY OF RANCHO PALOS VERDES, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
OTHER GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

Special Revenue Funds (Continued)					
	Air Quality Management	Proposition A	Public Safety Grants	Measure R	Measure A
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue from Other Agencies	54,492	856,312	156,727	533,448	-
Charges for Services	-	-	-	-	-
Use of Money and Property	1,208	13,626	1,058	11,186	152
Other Revenues	-	-	-	-	-
Total Revenues	55,700	869,938	157,785	544,634	152
EXPENDITURES					
Current:					
Public Works	55,839	912,061	-	427,415	-
Parks and Recreation	-	-	-	-	-
Capital Outlay	-	425,970	-	-	-
Total Expenditures	55,839	1,338,031	-	427,415	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(139)	(468,093)	157,785	117,219	152
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	-	-	-
Transfers Out	-	-	(130,000)	-	-
Total Other Financing Sources (Uses)	-	-	(130,000)	-	-
NET CHANGE IN FUND BALANCES	(139)	(468,093)	27,785	117,219	152
Fund Balances - Beginning of Year	152,762	2,017,431	76,420	1,264,041	61,284
FUND BALANCES - END OF YEAR	\$ 152,623	\$ 1,549,338	\$ 104,205	\$ 1,381,260	\$ 61,436

CITY OF RANCHO PALOS VERDES, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
OTHER GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	Special Revenue Funds (Continued)					Joint Powers Improvement Authority Portuguese Bend
			Abalone Cove Sewer Assessment	Donor Restricted Contributions		
	Measure M	Measure W				
REVENUES						
Taxes	\$ -	\$ -	\$ 51,980	\$ -	\$ -	-
Revenue from Other Agencies	604,417	679,381	-	-	-	-
Charges for Services	-	-	-	-	-	-
Use of Money and Property	2,242	-	2,045	6,495	-	425
Other Revenues	-	-	-	16,700	-	-
Total Revenues	606,659	679,381	54,025	23,195	-	425
EXPENDITURES						
Current:						
Public Works	414,190	187,954	94,903	15,778	45,051	
Parks and Recreation	-	-	-	10,830	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	414,190	187,954	94,903	26,608	-	45,051
Excess (Deficiency) of Revenues Over (Under) Expenditures	192,469	491,427	(40,878)	(3,413)	-	(44,626)
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	-	-	-	20,000
Transfers Out	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-	-	20,000
NET CHANGE IN FUND BALANCES	192,469	491,427	(40,878)	(3,413)	-	(24,626)
Fund Balances - Beginning of Year	99,009	-	258,999	781,954	-	84,068
FUND BALANCES - END OF YEAR	\$ 291,478	\$ 491,427	\$ 218,121	\$ 778,541	\$ 59,442	

CITY OF RANCHO PALOS VERDES, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
OTHER GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

Special Revenue Funds (Continued)						
	Community Development Block Grant (CDBG)	Quimby	Environmental Excise Tax	Bikeways	Total Special Revenue Funds	
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 824,896	
Revenue from Other Agencies	28,564	-	-	511	4,612,129	
Charges for Services	-	-	-	-	187,231	
Use of Money and Property	-	9,861	2,275	-	73,189	
Other Revenues	-	23,652	3,902	-	44,254	
Total Revenues	<u>28,564</u>	<u>33,513</u>	<u>6,177</u>	<u>511</u>	<u>5,741,699</u>	
EXPENDITURES						
Current:						
Public Works	29,906	130,863	143,634	511	4,120,042	
Parks and Recreation	-	-	-	-	10,830	
Capital Outlay	-	-	-	-	2,416,810	
Total Expenditures	<u>29,906</u>	<u>130,863</u>	<u>143,634</u>	<u>511</u>	<u>6,547,682</u>	
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,342)</u>	<u>(97,350)</u>	<u>(137,457)</u>	<u>-</u>	<u>(805,983)</u>	
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	-	-	20,000	
Transfers Out	-	-	-	-	(130,000)	
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(110,000)</u>	
NET CHANGE IN FUND BALANCES	<u>(1,342)</u>	<u>(97,350)</u>	<u>(137,457)</u>	<u>-</u>	<u>(915,983)</u>	
Fund Balances - Beginning of Year	<u>26,017</u>	<u>1,178,370</u>	<u>346,815</u>	<u>-</u>	<u>9,840,077</u>	
FUND BALANCES - END OF YEAR	<u><u>\$ 24,675</u></u>	<u><u>\$ 1,081,020</u></u>	<u><u>\$ 209,358</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 8,924,094</u></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, 2021

Capital Projects Funds			
	Low-Moderate Income Housing	Affordable Housing In-lieu	Total Capital Projects Funds
REVENUES			
Taxes	\$ 59,765	\$ -	\$ 59,765
Revenue from Other Agencies	-	-	-
Charges for Services	-	-	-
Use of Money and Property	1,845	7,142	8,987
Other Revenues	-	12,441	12,441
Total Revenues	<u>61,610</u>	<u>19,583</u>	<u>81,193</u>
EXPENDITURES			
Current:			
Public Works	-	-	-
Parks and Recreation	-	-	-
Capital Outlay	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>61,610</u>	<u>19,583</u>	<u>81,193</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	-
Transfers Out	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	<u>61,610</u>	<u>19,583</u>	<u>81,193</u>
Fund Balances - Beginning of Year	<u>222,221</u>	<u>856,128</u>	<u>1,078,349</u>
FUND BALANCES - END OF YEAR	<u>\$ 283,831</u>	<u>\$ 875,711</u>	<u>\$ 1,159,542</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, 2021

	Permanent Funds					Total Other Governmental Funds
	Habitat Restoration	Subregion One Maintenance	Joint Powers Improvement Authority Abalone Cove	Total Permanent Funds		
	\$	\$	\$	\$		
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 884,661
Revenue from Other Agencies	- -	- -	- -	- -	- -	4,612,129
Charges for Services	- -	- -	- -	- -	- -	187,231
Use of Money and Property	6,092	6,298	6,309	18,699	18,699	100,875
Other Revenues	- -	- -	- -	- -	- -	56,695
Total Revenues	6,092	6,298	6,309	18,699	18,699	5,841,591
EXPENDITURES						
Current:						
Public Works	153,618	42,115	28,694	224,427	4,344,469	
Parks and Recreation	- -	- -	- -	- -	10,830	
Capital Outlay	- -	- -	- -	- -	2,416,810	
Total Expenditures	153,618	42,115	28,694	224,427	6,772,109	
Excess (Deficiency) of Revenues Over (Under) Expenditures	(147,526)	(35,817)	(22,385)	(205,728)	(930,518)	
OTHER FINANCING SOURCES (USES)						
Transfers In	- -	10,000	- -	10,000	30,000	
Transfers Out	- -	- -	- -	- -	(130,000)	
Total Other Financing Sources (Uses)	- -	10,000	- -	10,000	(100,000)	
NET CHANGE IN FUND BALANCES	(147,526)	(25,817)	(22,385)	(195,728)	(1,030,518)	
Fund Balances - Beginning of Year	815,498	771,232	1,128,362	2,715,092	13,633,518	
FUND BALANCES - END OF YEAR	\$ 667,972	\$ 745,415	\$ 1,105,977	\$ 2,519,364	\$ 12,603,000	

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, 2021

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Revenue from Other Agencies	\$ 1,418,000	\$ 1,418,000	\$ 1,682,325	\$ 264,325	
Use of Money and Property	5,400	5,400	5,547	147	
Other Revenues	38,600	38,600	-	(38,600)	
Total Revenues	1,462,000	1,462,000	1,687,872	225,872	
EXPENDITURES					
Public Works:					
Street Pavement Maintenance	235,000	235,000	197,753	37,247	
Street Landscape Maintenance	842,000	1,024,729	739,823	284,906	
Traffic Signal Maintenance	-	-	23,903	(23,903)	
Portuguese Bend Road Maintenance	70,000	70,000	15,438	54,562	
Capital Outlay	-	1,692,729	1,622,430	70,299	
Total Expenditures	1,147,000	3,022,458	2,599,347	423,111	
NET CHANGE IN FUND BALANCE	315,000	(1,560,458)	(911,475)	648,983	
Fund Balance - Beginning of Year	1,526,236	1,526,236	1,526,236	-	
FUND BALANCE - END OF YEAR	\$ 1,841,236	\$ (34,222)	\$ 614,761	\$ 648,983	

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, 2021

	Budgeted Amounts			Actual	Variance with Final Budget Positive (Negative)
	Original	Final			
	\$	\$	\$		
REVENUES					
Use of Money and Property	\$ -	\$ -	\$ 240	\$ 240	
NET CHANGE IN FUND BALANCE				240	240
Fund Balance - Beginning of Year	28,885	28,885	28,885		-
FUND BALANCE - END OF YEAR	\$ 28,885	\$ 28,885	\$ 29,125		\$ 240

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, 2021

	Budgeted Amounts					Variance with Final Budget Positive (Negative)
	Original		Final	Actual		
	\$		\$	\$		
REVENUES						
Taxes	\$ 2,300		\$ 2,300	\$ 2,971		\$ 671
Use of Money and Property	200		200	311		111
Total Revenues	<u>2,500</u>		<u>2,500</u>	<u>3,282</u>		<u>782</u>
EXPENDITURES						
Public Works	<u>800</u>		<u>800</u>	<u>-</u>		<u>800</u>
NET CHANGE IN FUND BALANCE	1,700		1,700	3,282		1,582
Fund Balance - Beginning of Year	<u>36,255</u>		<u>36,255</u>	<u>36,255</u>		<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 37,955</u>		<u>\$ 37,955</u>	<u>\$ 39,537</u>		<u>\$ 1,582</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, 2021

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Taxes	\$ 606,800	\$ 606,800	\$ 769,945	\$ 163,145	
Use of Money and Property	21,400	21,400	12,911	(8,489)	
Total Revenues	628,200	628,200	782,856	154,656	
EXPENDITURES					
Public Works	462,200	913,440	460,560	452,880	
Capital Outlay	-	408,540	368,410	40,130	
Total Expenditures	462,200	1,321,979	828,970	493,009	
NET CHANGE IN FUND BALANCE	166,000	(693,779)	(46,114)	647,665	
Fund Balance - Beginning of Year	1,446,777	1,446,777	1,446,777	-	
FUND BALANCE - END OF YEAR	<u>\$ 1,612,777</u>	<u>\$ 752,998</u>	<u>\$ 1,400,663</u>	<u>\$ 647,665</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, 2021

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Revenue from Other Agencies	\$ 22,100	\$ 22,100	\$ 15,952	\$ (6,148)	
Charges for Services	104,300	104,300	187,231	82,931	
Use of Money and Property	4,600	4,600	3,607	(993)	
Total Revenues	<u>131,000</u>	<u>131,000</u>	<u>206,790</u>	<u>75,790</u>	
EXPENDITURES					
Public Works	<u>287,500</u>	<u>287,500</u>	<u>224,460</u>	<u>63,040</u>	
NET CHANGE IN FUND BALANCE	(156,500)	(156,500)	(17,670)	138,830	
Fund Balance - Beginning of Year	<u>454,754</u>	<u>454,754</u>	<u>454,754</u>	<u>-</u>	
FUND BALANCE - END OF YEAR	<u>\$ 298,254</u>	<u>\$ 298,254</u>	<u>\$ 437,084</u>	<u>\$ 138,830</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, 2021

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Revenue from Other Agencies	\$ 50,000	\$ 50,000	\$ 54,492	\$ 4,492	
Use of Money and Property	5,000	5,000	1,208	(3,792)	
Total Revenues	55,000	55,000	55,700	700	
EXPENDITURES					
Public Works	57,000	57,000	55,839	1,161	
NET CHANGE IN FUND BALANCE	(2,000)	(2,000)	(139)	1,861	
Fund Balance - Beginning of Year	152,762	152,762	152,762	-	
FUND BALANCE - END OF YEAR	<u>\$ 150,762</u>	<u>\$ 150,762</u>	<u>\$ 152,623</u>	<u>\$ 1,861</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, 2021

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Revenue from Other Agencies	\$ 839,400	\$ 839,400	\$ 856,312	\$ 16,912	
Use of Money and Property	10,000	10,000	13,626	3,626	
Total Revenues	849,400	849,400	869,938	20,538	
EXPENDITURES					
Public Works	776,600	881,471	912,061	(30,590)	
Capital Outlay	-	425,970	425,970	-	
Total Expenditures	776,600	1,307,441	1,338,031	(30,590)	
NET CHANGE IN FUND BALANCE	72,800	(458,041)	(468,093)	(10,052)	
Fund Balance - Beginning of Year	2,017,431	2,017,431	2,017,431	-	
FUND BALANCE - END OF YEAR	<u>\$ 2,090,231</u>	<u>\$ 1,559,390</u>	<u>\$ 1,549,338</u>	<u>\$ (10,052)</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, 2021

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Revenue from Other Agencies	\$ 150,000	\$ 150,000	\$ 156,727	\$ 6,727	
Use of Money and Property	7,700	7,700	1,058	(6,642)	
Total Revenues	157,700	157,700	157,785	85	
OTHER FINANCING USES					
Transfers Out	(130,000)	(130,000)	(130,000)		-
NET CHANGE IN FUND BALANCE	27,700	27,700	27,785		85
Fund Balance - Beginning of Year	76,420	76,420	76,420		-
FUND BALANCE - END OF YEAR	<u>\$ 104,120</u>	<u>\$ 104,120</u>	<u>\$ 104,205</u>		<u>85</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, 2021

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Revenue from Other Agencies	\$ 522,200	\$ 522,200	\$ 533,448	\$ 11,248	
Use of Money and Property	23,200	23,200	11,186	(12,014)	
Total Revenues	545,400	545,400	544,634	(766)	
EXPENDITURES					
Public Works	250,000	822,338	427,415	394,923	
NET CHANGE IN FUND BALANCE	295,400	(276,938)	117,219	394,157	
Fund Balance - Beginning of Year	1,264,041	1,264,041	1,264,041	-	
FUND BALANCE - END OF YEAR	<u>\$ 1,559,441</u>	<u>\$ 987,103</u>	<u>\$ 1,381,260</u>	<u>\$ 394,157</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, 2021

	Budgeted Amounts			Actual	Variance with Final Budget Positive (Negative)
	Original	Final			
REVENUES					
Revenue from Other Agencies	\$ 90,000	\$ 90,000		\$ -	\$ (90,000)
Use of Money and Property	1,000	1,000		152	(848)
Total Revenues	91,000	91,000		152	(90,848)
OTHER FINANCING USES					
Transfers Out	(100,000)	(100,000)		-	100,000
NET CHANGE IN FUND BALANCE					
	(9,000)	(9,000)		152	9,152
Fund Balance - Beginning of Year	61,284	61,284		61,284	-
FUND BALANCE - END OF YEAR					
	\$ 52,284	\$ 52,284		\$ 61,436	\$ 9,152

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, 2021

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Revenue from Other Agencies	\$ 529,500	\$ 529,500	\$ 604,417	\$ 74,917	
Use of Money and Property	500	500	2,242	1,742	
Total Revenues	530,000	530,000	606,659	76,659	
EXPENDITURES					
Public Works	536,000	536,000	414,190	121,810	
NET CHANGE IN FUND BALANCE	(6,000)	(6,000)	192,469	198,469	
Fund Balance - Beginning of Year	99,009	99,009	99,009	-	
FUND BALANCE - END OF YEAR	<u>\$ 93,009</u>	<u>\$ 93,009</u>	<u>\$ 291,478</u>	<u>\$ 198,469</u>	

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, 2021

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Revenue from Other Agencies	\$ -	\$ 690,000	\$ 679,381	\$ (10,619)	
Use of Money and Property	\$ -	\$ -	\$ -	\$ -	
Total Revenues	\$ -	\$ 690,000	\$ 679,381	\$ (10,619)	
EXPENDITURES					
Public Works	\$ -	\$ 213,537	\$ 187,954	\$ 25,583	
NET CHANGE IN FUND BALANCE					
	\$ -	\$ 476,463	\$ 491,427	\$ 14,964	
Fund Balance - Beginning of Year	\$ -	\$ -	\$ -	\$ -	
FUND BALANCE - END OF YEAR					
	\$ -	\$ 476,463	\$ 491,427	\$ 14,964	

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, 2021

	Budgeted Amounts			Variance with		Positive (Negative)	
	Original		Final	Final Budget			
	\$			\$			
REVENUES							
Taxes	\$ 50,000		\$ 50,000	\$ 51,980	\$ 1,980		
Use of Money and Property	2,000		2,000	2,045	45		
Total Revenues	52,000		52,000	54,025	2,025		
EXPENDITURES							
Public Works	146,000		151,715	94,903	56,812		
NET CHANGE IN FUND BALANCE	(94,000)		(99,715)	(40,878)	58,837		
Fund Balance - Beginning of Year	258,999		258,999	258,999	-		
FUND BALANCE - END OF YEAR	<u>\$ 164,999</u>		<u>\$ 159,284</u>	<u>\$ 218,121</u>	<u>\$ 58,837</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, 2021

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Use of Money and Property	\$ 25,000	\$ 25,000	\$ 6,495	\$ (18,505)	
Other Revenue	-	-	16,700	16,700	
Total Revenues	25,000	25,000	23,195	(1,805)	
EXPENDITURES					
Public Works	25,000	25,422	15,778	9,644	
Parks and Recreation	-	13,000	10,830	2,170	
Total Expenditures	25,000	38,422	26,608	11,814	
NET CHANGE IN FUND BALANCE	-	(13,422)	(3,413)	10,009	
Fund Balance - Beginning of Year	781,954	781,954	781,954	-	
FUND BALANCE - END OF YEAR	\$ 781,954	\$ 768,532	\$ 778,541	\$ 10,009	

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, 2021

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Use of Money and Property	\$ 2,600	\$ 2,600	\$ 425	\$ (2,175)	
EXPENDITURES					
Public Works	90,000	90,000	45,051	44,949	
Excess (Deficiency) of Revenues Over (Under) Expenditures	(87,400)	(87,400)	(44,626)	42,774	
OTHER FINANCING SOURCES					
Transfers In	20,000	20,000	20,000	-	
NET CHANGE IN FUND BALANCE					
Fund Balance - Beginning of Year	(67,400)	(67,400)	(24,626)	42,774	
FUND BALANCE - END OF YEAR	<u>\$ 84,068</u>	<u>\$ 84,068</u>	<u>\$ 84,068</u>	<u>-</u>	
	<u><u>\$ 16,668</u></u>	<u><u>\$ 16,668</u></u>	<u><u>\$ 59,442</u></u>	<u><u>\$ 42,774</u></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, 2021

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Revenue from Other Agencies	\$ 217,700	\$ 217,700	\$ 28,564	\$ (189,136)	
EXPENDITURES					
Public Works	150,600	169,834	29,906	139,928	
NET CHANGE IN FUND BALANCE	67,100	47,866	(1,342)	(49,208)	
Fund Balance - Beginning of Year	26,017	26,017	26,017	-	
FUND BALANCE - END OF YEAR	<u>\$ 93,117</u>	<u>\$ 73,883</u>	<u>\$ 24,675</u>	<u>\$ (49,208)</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, 2021

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Use of Money and Property	\$ 25,000	\$ 25,000	\$ 9,861	\$ (15,139)	
Other Revenues	-	-	23,652	23,652	
Total Revenues	25,000	25,000	33,513	8,513	
EXPENDITURES					
Public Works	-	318,278	130,863	187,415	
NET CHANGE IN FUND BALANCE	25,000	(293,278)	(97,350)	195,928	
Fund Balance - Beginning of Year	1,178,370	1,178,370	1,178,370	-	
FUND BALANCE - END OF YEAR	\$ 1,203,370	\$ 885,092	\$ 1,081,020	\$ 195,928	

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, 2021

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Use of Money and Property	\$ 10,000	\$ 10,000	\$ 2,275	\$ (7,725)	
Other Revenues	-	-	3,902	3,902	
Total Revenues	10,000	10,000	6,177	(3,823)	
EXPENDITURES					
Public Works	210,000	210,000	143,634	66,366	
NET CHANGE IN FUND BALANCE	(200,000)	(200,000)	(137,457)	62,543	
Fund Balance - Beginning of Year	346,815	346,815	346,815	-	
FUND BALANCE - END OF YEAR	\$ 146,815	\$ 146,815	\$ 209,358	\$ 62,543	

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, 2021

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Taxes	\$ 43,200	\$ 43,200	\$ 59,765	\$ 16,565	
Use of Money and Property	3,000	3,000	1,845	(1,155)	
Total Revenues	<u>46,200</u>	<u>46,200</u>	<u>61,610</u>	<u>15,410</u>	
NET CHANGE IN FUND BALANCE	46,200	46,200	61,610	15,410	
Fund Balance - Beginning of Year	<u>222,221</u>	<u>222,221</u>	<u>222,221</u>	<u>-</u>	
FUND BALANCE - END OF YEAR	<u>\$ 268,421</u>	<u>\$ 268,421</u>	<u>\$ 283,831</u>	<u>\$ 15,410</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, 2021

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Use of Money and Property	\$ 15,000	\$ 15,000	\$ 7,142	\$ (7,858)	
Other Revenues	-	-	12,441	12,441	
Total Revenues	<u>15,000</u>	<u>15,000</u>	<u>19,583</u>	<u>4,583</u>	
NET CHANGE IN FUND BALANCE	15,000	15,000	19,583	4,583	
Fund Balance - Beginning of Year	<u>856,128</u>	<u>856,128</u>	<u>856,128</u>	<u>-</u>	
FUND BALANCE - END OF YEAR	<u>\$ 871,128</u>	<u>\$ 871,128</u>	<u>\$ 875,711</u>	<u>\$ 4,583</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, 2021

	Budgeted Amounts			Variance with Final Budget	
	Original	Final	Actual	Positive (Negative)	
REVENUES					
Use of Money and Property	\$ 12,400	\$ 12,400	\$ 6,092	\$ (6,308)	
Other Revenues	-	-	-	-	
Total Revenues	12,400	12,400	6,092	(6,308)	
EXPENDITURES					
Public Works	184,900	184,900	153,618	31,282	
NET CHANGE IN FUND BALANCE	(172,500)	(172,500)	(147,526)	24,974	
Fund Balance - Beginning of Year	815,498	815,498	815,498	-	
FUND BALANCE - END OF YEAR	\$ 642,998	\$ 642,998	\$ 667,972	\$ 24,974	

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, 2021

	Budgeted Amounts					Variance with Final Budget Positive (Negative)
	Original	Final	Actual			
REVENUES						
Use of Money and Property	\$ 14,000	\$ 14,000	\$ 6,298		\$ (7,702)	
EXPENDITURES						
Public Works	<u>41,600</u>	<u>41,600</u>	<u>42,115</u>		<u>(515)</u>	
Excess (Deficiency) of Revenues Over (Under) Expenditures	(27,600)	(27,600)	(35,817)		(8,217)	
OTHER FINANCING SOURCES						
Transfers In	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>		<u>-</u>	
NET CHANGE IN FUND BALANCE	(17,600)	(17,600)	(25,817)		(8,217)	
Fund Balance - Beginning of Year	<u>771,232</u>	<u>771,232</u>	<u>771,232</u>		<u>-</u>	
FUND BALANCE - END OF YEAR	<u>\$ 753,632</u>	<u>\$ 753,632</u>	<u>\$ 745,415</u>		<u>\$ (8,217)</u>	

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, 2021

	Budgeted Amounts					Variance with Final Budget Positive (Negative)
	Original	Final	Actual			
REVENUES						
Use of Money and Property	\$ 2,600	\$ 2,600	\$ 6,309			\$ 3,709
EXPENDITURES						
Public Works	<u>56,000</u>	<u>56,000</u>	<u>28,694</u>			<u>27,306</u>
NET CHANGE IN FUND BALANCE	<u>(53,400)</u>	<u>(53,400)</u>	<u>(22,385)</u>			<u>31,015</u>
Fund Balance - Beginning of Year	<u>1,128,362</u>	<u>1,128,362</u>	<u>1,128,362</u>			<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,074,962</u>	<u>\$ 1,074,962</u>	<u>\$ 1,105,977</u>			<u>31,015</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, 2021

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Use of Money and Property	\$ 460,000	\$ 460,000	\$ 214,382	\$ (245,618)
Other Revenues	-	-	757	757
Total Revenues	460,000	460,000	215,139	(244,861)
EXPENDITURES				
Capital Outlay:				
Infrastructure Administration	-	-	-	-
Street Improvements	50,000	506,926	311,557	195,369
Parks/Trails/Open Space				
Improvements	300,000	466,946	357,036	109,910
Sewer Improvements	-	356,652	102,076	254,576
Building Improvements	301,000	348,364	33,301	315,063
Storm Water Quality Improvements	-	118,474	46,709	71,765
Landslide Improvements	1,200,000	1,328,582	39,037	1,289,545
Total Expenditures	1,851,000	3,125,944	889,716	2,236,228
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,391,000)	(2,665,944)	(674,577)	1,991,367
OTHER FINANCING SOURCES (USES)				
Transfers In	1,934,000	1,934,000	1,720,819	(213,181)
NET CHANGE IN FUND BALANCE	543,000	(731,944)	1,046,242	1,778,186
Fund Balance - Beginning of Year	25,344,808	25,344,808	25,344,808	-
FUND BALANCE - END OF YEAR	\$ 25,887,808	\$ 24,612,864	\$ 26,391,050	\$ 1,778,186



STATISTICAL SECTION



CITY OF RANCHO PALOS VERDES, CALIFORNIA
DESCRIPTION OF STATISTICAL SECTION CONTENTS
JUNE 30, 2021

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

<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.	111
Revenue Capacity These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.	121
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.	128
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.	131
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.	136

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual 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)

	2012	2013	2014	2015	2016
Governmental Activities:					
Net Investment In Capital Assets	\$ 114,488	\$ 113,284	\$ 114,427	\$ 119,450	\$ 118,399
Restricted	1,750	1,835	11,792	11,647	21,120
Unrestricted	<u>67,112</u>	<u>46,687</u>	<u>46,679</u>	<u>42,208</u>	<u>42,210</u>
Total Governmental Activities					
Net Position	<u><u>\$ 183,351</u></u>	<u><u>\$ 161,806</u></u>	<u><u>\$ 172,898</u></u>	<u><u>\$ 173,305</u></u>	<u><u>\$ 181,729</u></u>
Business-Type Activities:					
Net Investment In Capital Assets	\$ 13,356	\$ 18,319	\$ 29,557	\$ 31,168	\$ 31,663
Restricted	-	-	-	-	-
Unrestricted	<u>3,532</u>	<u>9,727</u>	<u>5,317</u>	<u>5,334</u>	<u>5,598</u>
Total Business-Type Activities					
Net Position	<u><u>\$ 16,888</u></u>	<u><u>\$ 28,046</u></u>	<u><u>\$ 34,874</u></u>	<u><u>\$ 36,502</u></u>	<u><u>\$ 37,261</u></u>
Primary Government:					
Net Investment In Capital Assets	\$ 127,845	\$ 131,603	\$ 143,984	\$ 150,618	\$ 150,062
Restricted	1,750	1,835	11,792	11,647	21,120
Unrestricted	<u>70,644</u>	<u>56,414</u>	<u>51,996</u>	<u>47,542</u>	<u>47,808</u>
Total Primary Government					
Net Position	<u><u>\$ 200,238</u></u>	<u><u>\$ 189,852</u></u>	<u><u>\$ 207,772</u></u>	<u><u>\$ 209,807</u></u>	<u><u>\$ 218,990</u></u>

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

	2017	2018	2019	2020	2021
Governmental Activities:					
Net Investment In Capital Assets	\$ 123,437	\$ 125,420	\$ 159,557	\$ 156,763	\$ 153,418
Restricted	19,387	17,300	16,170	24,129	23,217
Unrestricted	43,618	44,168	47,739	38,568	43,125
Total Governmental Activities					
Net Position	<u>\$ 186,442</u>	<u>\$ 186,888</u>	<u>\$ 223,466</u>	<u>\$ 219,460</u>	<u>\$ 219,760</u>
Business-Type Activities:					
Net Investment In Capital Assets	\$ 31,311	\$ 34,996	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-
Unrestricted	4,600	(128)	-	-	-
Total Business-Type Activities					
Net Position	<u>\$ 35,911</u>	<u>\$ 34,868</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Primary Government:					
Net Investment In Capital Assets	\$ 154,748	\$ 160,416	\$ 159,557	\$ 156,763	\$ 153,568
Restricted	19,387	17,300	16,170	24,129	23,217
Unrestricted	48,218	44,040	47,739	38,568	42,974
Total Primary Government					
Net Position	<u>\$ 222,353</u>	<u>\$ 221,756</u>	<u>\$ 223,466</u>	<u>\$ 219,460</u>	<u>\$ 219,759</u>

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

	2012	2013	2014	2015	2016
EXPENSES					
Governmental Activities:					
Administration	\$ 5,906	\$ 5,534	\$ 7,530	\$ 7,048	\$ 8,062
Public Safety	4,178	4,348	4,429	4,670	5,215
Public Works	11,202	10,874	9,377	10,771	9,610
Community Development	2,432	2,526	1,927	2,072	1,971
Parks and Recreation	1,490	1,696	1,369	1,669	2,052
Non-Departmental	-	-	35	191	134
Interest on Long-Term Debt	109	-	-	-	-
Total Governmental Activities Expenses	<u>25,318</u>	<u>24,978</u>	<u>24,667</u>	<u>26,421</u>	<u>27,044</u>
Business-Type Activities:					
Water Quality Flood Protection	560	594	659	1,422	646
Total Primary Government Expenses	<u>\$ 25,878</u>	<u>\$ 25,572</u>	<u>\$ 25,326</u>	<u>\$ 27,843</u>	<u>\$ 27,690</u>
PROGRAM REVENUES					
Governmental Activities:					
Charges for Services:					
Administration	\$ 747	\$ 779	\$ 120	\$ 108	\$ 318
Public Safety	194	150	42	43	179
Public Works	684	543	169	432	159
Parks and Recreation	503	476	18	144	781
Community Development	1,644	1,854	1,772	2,058	958
Non-Departmental	-	-	-	-	96
Operating Grants and Contributions	3,628	4,133	2,506	2,274	2,332
Capital Grants and Contributions	139	139	2,912	1,230	1,111
Total Governmental Activities Program Revenues	<u>7,538</u>	<u>8,074</u>	<u>7,539</u>	<u>6,289</u>	<u>5,934</u>
Business-Type Activities:					
Charges for Services:					
Water Quality Flood Protection	1,319	1,313	1,361	1,369	1,385
Operating Grants and Contributions	-	2,137	-	-	-
Capital Grants and Contributions	-	-	6,115	1,213	-
Total Business-Type Activities Program Revenues	<u>1,319</u>	<u>3,450</u>	<u>7,476</u>	<u>2,582</u>	<u>1,385</u>
Total Primary Government Program Revenues	<u>\$ 8,857</u>	<u>\$ 11,524</u>	<u>\$ 15,015</u>	<u>\$ 8,871</u>	<u>\$ 7,319</u>
Net (Expense) Revenue:					
Governmental Activities	\$ (17,780)	\$ (16,904)	\$ (17,128)	\$ (20,132)	\$ (21,110)
Business-Type Activities	759	2,856	6,817	1,159	738
Total Primary Government Net Expense	<u>\$ (17,022)</u>	<u>\$ (14,048)</u>	<u>\$ (10,311)</u>	<u>\$ (18,973)</u>	<u>\$ (20,372)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION					
IN NET POSITION					
Governmental Activities:					
Taxes:					
Property Taxes	\$ 11,480	\$ 11,284	\$ 11,991	\$ 12,452	\$ 13,764
Transient Occupancy Tax	3,349	3,790	4,250	4,812	5,197
Franchise Taxes	1,881	1,907	1,998	2,045	2,045
Utility User Taxes	2,333	2,481	2,510	1,973	1,866
Other Taxes	674	778	1,589	1,564	1,179
Intergovernmental Revenue - Shared Sales Tax	1,449	1,588	1,642	1,758	2,104
Investment Income	604	184	94	122	214
Other	52	929	4,146	3,231	2,608
Transfers	-	(8,293)	-	(458)	-
Extraordinary Item	23,348	(19,289)	-	-	-
Total Governmental Activities	<u>45,170</u>	<u>(4,641)</u>	<u>28,220</u>	<u>27,499</u>	<u>28,977</u>
Business-Type Activities:					
Investment Income	11	10	11	10	21
Other	-	-	-	-	-
Transfers	-	8,293	-	458	-
Total Business-Type Activities	<u>11</u>	<u>8,303</u>	<u>11</u>	<u>468</u>	<u>21</u>
Total Primary Government	<u>\$ 45,181</u>	<u>\$ 3,662</u>	<u>\$ 28,231</u>	<u>\$ 27,967</u>	<u>\$ 28,998</u>
CHANGE IN NET POSITION					
Governmental Activities	\$ 27,390	\$ (21,545)	\$ 11,092	\$ 7,367	\$ 7,868
Business-Type Activities	770	11,159	6,828	1,627	759
Total Primary Government Net Expense	<u>\$ 28,159</u>	<u>\$ (10,386)</u>	<u>\$ 17,920</u>	<u>\$ 8,994</u>	<u>\$ 8,627</u>

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

	2017	2018	2019	2020	2021
EXPENSES					
Governmental Activities:					
Administration	\$ 6,746	\$ 7,258	\$ 6,563	\$ 8,013	\$ 8,476
Public Safety	6,534	7,339	7,214	7,360	7,251
Public Works	10,638	16,073	16,064	18,182	15,885
Community Development	2,664	2,726	3,052	2,857	2,979
Parks and Recreation	2,434	2,736	3,064	2,857	2,624
Non-Departmental	2,400	1,166	1,134	1,192	-
Interest on Long-Term Debt	-	-	-	-	-
Total Governmental Activities Expenses	<u>31,416</u>	<u>37,298</u>	<u>37,091</u>	<u>40,461</u>	<u>37,215</u>
Business-Type Activities:					
Water Quality Flood Protection	1,400	1,071	811	-	-
Total Primary Government Expenses	<u>\$ 32,816</u>	<u>\$ 38,369</u>	<u>\$ 37,902</u>	<u>\$ 40,461</u>	<u>\$ 37,215</u>
PROGRAM REVENUES					
Governmental Activities:					
Charges for Services:					
Administration	\$ 1,081	\$ 1,032	\$ 1,065	\$ 1,064	\$ 776
Public Safety	140	124	104	111	245
Public Works	274	659	227	309	215
Parks and Recreation	708	2,083	766	579	412
Community Development	2,066	729	2,130	1,793	1,931
Non-Departmental	-	-	-	-	-
Operating Grants and Contributions	4,196	4,481	4,608	4,605	5,087
Capital Grants and Contributions	818	769	1,137	625	1,254
Total Governmental Activities Program Revenues	<u>9,283</u>	<u>9,877</u>	<u>10,037</u>	<u>9,086</u>	<u>9,920</u>
Business-Type Activities:					
Charges for Services:					
Water Quality Flood Protection	11	-	-	-	-
Operating Grants and Contributions	-	-	-	-	-
Capital Grants and Contributions	-	-	-	-	-
Total Business-Type Activities Program Revenues	<u>11</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Primary Government Program Revenues	<u>\$ 9,294</u>	<u>\$ 9,877</u>	<u>\$ 10,037</u>	<u>\$ 9,086</u>	<u>\$ 9,920</u>
Net (Expense) Revenue:					
Governmental Activities	\$ (22,133)	\$ (27,421)	\$ (27,054)	\$ (31,375)	\$ (27,295)
Business-Type Activities	(1,389)	(1,071)	(811)	-	-
Total Primary Government Net Expense	<u>\$ (23,522)</u>	<u>\$ (28,492)</u>	<u>\$ (27,865)</u>	<u>\$ (31,375)</u>	<u>\$ (27,295)</u>
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION					
Governmental Activities:					
Taxes:					
Property Taxes	\$ 13,302	\$ 13,762	\$ 14,350	\$ 14,994	\$ 15,966
Transient Occupancy Tax	5,601	5,615	5,645	3,910	3,116
Franchise Taxes	1,985	1,838	2,150	2,146	2,203
Utility User Taxes	1,775	403	1,917	1,912	2,246
Other Taxes	365	2,520	429	395	633
Intergovernmental Revenue - Shared Sales Tax	2,463	2,129	2,661	2,163	1,919
Investment Income	434	838	1,313	1,225	676
Other	920	763	909	626	835
Transfers	-	-	34,258	-	-
Extraordinary Item	-	-	-	-	-
Total Governmental Activities	<u>26,845</u>	<u>27,868</u>	<u>63,632</u>	<u>27,371</u>	<u>27,594</u>
Business-Type Activities:					
Investment Income	35	29	-	-	-
Other	-	-	200	-	-
Transfers	3	-	(34,258)	-	-
Total Business-Type Activities	<u>38</u>	<u>29</u>	<u>(34,058)</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ 26,883</u>	<u>\$ 27,897</u>	<u>\$ 29,574</u>	<u>\$ 27,371</u>	<u>\$ 27,594</u>
CHANGE IN NET POSITION					
Governmental Activities	\$ 4,713	\$ 447	\$ 36,578	\$ (4,004)	\$ 299
Business-Type Activities	(1,351)	(1,042)	(34,869)	-	-
Total Primary Government Net Expense	<u>\$ 3,362</u>	<u>\$ (595)</u>	<u>\$ 1,709</u>	<u>\$ (4,004)</u>	<u>\$ 299</u>

THIS PAGE INTENTIONALLY LEFT BLANK

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
2012	11,480	3,349	1,452	1,881	2,333	1,372	21,867
2013	11,284	3,790	1,589	1,907	2,481	1,492	22,543
2014	11,991	4,250	1,642	1,998	2,510	1,590	23,981
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

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)

	2012	2013	2014	2015	2016
GENERAL FUND					
Non-Spendable	\$ 7,493	\$ 138	\$ 144	\$ 598	\$ 564
Restricted	-	-	-	-	-
Committed	-	-	-	-	802
Assigned	-	-	-	-	-
Unassigned	12,464	14,370	15,474	16,055	13,702
Total General Fund	<u><u>\$ 19,957</u></u>	<u><u>\$ 14,508</u></u>	<u><u>\$ 15,618</u></u>	<u><u>\$ 16,653</u></u>	<u><u>\$ 15,068</u></u>
ALL OTHER GOVERNMENTAL FUNDS					
Non-Spendable:	\$ 3,066	\$ -	\$ -	\$ -	\$ -
Special Revenue Funds	-	-	-	-	-
Capital Projects Funds	1,750	1,835	1,845	1,855	1,866
Permanent Fund	-	-	-	-	-
Restricted:	8,187	7,849	8,445	8,362	9,757
Special Revenue Funds	-	-	-	-	3,000
Capital Projects Funds	226	280	1,502	1,492	1,312
Committed:	-	36	58	55	353
Special Revenue Funds	-	-	-	-	3,467
Capital Projects Funds	15,407	13,084	18,535	21,078	23,902
Assigned:	(108)	(198)	(116)	(59)	-
Special Revenue Funds	-	-	-	-	-
Total All Other Governmental Funds	<u><u>\$ 28,528</u></u>	<u><u>\$ 22,885</u></u>	<u><u>\$ 31,063</u></u>	<u><u>\$ 33,355</u></u>	<u><u>\$ 44,133</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)

	2017	2018	2019	2020	2021
GENERAL FUND					
Non-Spendable	\$ 190	\$ 913	\$ 1,016	\$ 249	\$ 1,142
Restricted	-	-	-	-	-
Committed	964	715	341	167	2,785
Assigned	-	-	-	-	-
Unassigned	15,671	16,450	19,431	21,333	21,872
Total General Fund	<u><u>\$ 16,825</u></u>	<u><u>\$ 18,078</u></u>	<u><u>\$ 20,788</u></u>	<u><u>\$ 21,749</u></u>	<u><u>\$ 25,799</u></u>
ALL OTHER GOVERNMENTAL FUNDS					
Non-Spendable:					
Special Revenue Funds	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Projects Funds	-	-	-	-	-
Permanent Fund	1,877	1,889	1,902	1,915	1,926
Restricted:					
Special Revenue Funds	11,702	12,825	10,437	10,420	9,489
Capital Projects Funds	4,660	1,438	2,946	2,458	1,799
Permanent Fund	1,148	1,148	885	800	593
Committed:					
Special Revenue Funds	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-
Assigned:					
Special Revenue Funds	479	-	-	-	-
Capital Projects Funds	23,149	23,942	25,100	23,965	25,752
Unassigned:					
Special Revenue Funds	-	-	(564)	(215)	(219)
Total All Other Governmental Funds	<u><u>\$ 43,015</u></u>	<u><u>\$ 41,242</u></u>	<u><u>\$ 40,706</u></u>	<u><u>\$ 39,343</u></u>	<u><u>\$ 39,340</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)

	2012	2013	2014	2015	2016
REVENUES					
Taxes	\$ 21,867	\$ 22,543	\$ 23,981	\$ 24,603	\$ 25,725
Licenses and Permits	1,806	2,027	1,951	2,515	2,383
Revenues from Other Agencies	3,421	3,395	5,301	3,794	3,443
Charges for Services	149	141	323	427	558
Fines and Forfeitures	159	117	128	135	180
Use of Money and Property	1,350	1,383	846	653	750
Donation	-	445	-	-	-
Other Revenues	259	741	3,068	2,377	1,668
Total Revenues	<u>29,011</u>	<u>30,791</u>	<u>35,598</u>	<u>34,504</u>	<u>34,707</u>
EXPENDITURES					
Administration	5,726	5,401	5,792	5,135	6,183
Public Safety	4,178	4,348	4,492	4,761	5,215
Public Works	7,616	7,240	7,611	8,042	7,961
Parks and Recreation	1,479	1,557	1,573	1,819	2,042
Community Development	2,484	2,591	2,640	2,870	2,619
Non-Departmental	-	-	35	190	238
Capital Outlay	3,155	2,721	4,113	8,697	1,344
Debt Service:					
Principal	464	-	-	-	-
Interest	498	-	-	-	-
Total Expenditures	<u>25,599</u>	<u>23,857</u>	<u>26,256</u>	<u>31,514</u>	<u>25,602</u>
Excess of Revenues Over (Under) Expenditures	3,412	6,934	9,342	2,990	9,105
OTHER FINANCING SOURCES (USES)					
Transfers In	8,226	7,954	10,424	13,525	11,784
Transfers Out	(7,856)	(16,247)	(10,479)	(13,188)	(11,784)
Total Other Financing Sources (Uses)	<u>371</u>	<u>(8,293)</u>	<u>(55)</u>	<u>337</u>	<u>-</u>
EXTRAORDINARY GAIN (LOSS)					
	18,240	(6,743)	-	-	-
NET CHANGE IN FUND BALANCES					
	<u>\$ 22,023</u>	<u>\$ (8,102)</u>	<u>\$ 9,287</u>	<u>\$ 3,327</u>	<u>\$ 9,105</u>
Cost of Assets Capitalized	2,865	2,022	4,820	8,490	2,398
Debt Services as a percentage of Non-Capital Expenditures	4.2%	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)

	2017	2018	2019	2020	2021
REVENUES					
Taxes	\$ 25,491	\$ 26,266	\$ 28,098	\$ 26,416	\$ 26,758
Licenses and Permits	3,044	3,095	2,205	1,917	2,007
Revenues from Other Agencies	5,117	5,345	5,158	5,442	5,883
Charges for Services	1,072	1,113	215	203	193
Fines and Forfeitures	153	144	331	365	675
Use of Money and Property	415	714	1,656	1,446	828
Donation	-	-	-	-	-
Other Revenues	732	1,038	1,026	1,009	615
Total Revenues	36,024	37,715	38,689	36,798	36,959
EXPENDITURES					
Administration	5,445	5,867	5,581	6,319	5,456
Public Safety	6,534	7,399	7,214	7,360	7,251
Public Works	9,084	11,068	13,546	12,260	9,681
Parks and Recreation	2,175	2,493	2,769	2,548	2,662
Community Development	2,664	2,736	3,052	2,857	2,624
Non-Departmental	2,400	1,167	1,134	1,204	1,814
Capital Outlay	7,106	7,504	3,291	4,653	3,424
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	35,408	38,234	36,587	37,201	32,912
Excess of Revenues Over (Under) Expenditures	616	(519)	2,102	(403)	4,047
OTHER FINANCING SOURCES (USES)					
Transfers In	4,577	5,044	6,027	2,924	1,881
Transfers Out	(4,577)	(5,044)	(5,954)	(2,924)	(1,881)
Total Other Financing Sources (Uses)	-	-	73	-	-
EXTRAORDINARY GAIN (LOSS)					
NET CHANGE IN FUND BALANCES	\$ 616	\$ (519)	\$ 2,175	\$ (403)	\$ 4,047
Cost of Assets Capitalized	8,228	8,228	5,496	4,058	3,202
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
ASSESSED VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(IN THOUSANDS OF DOLLARS)

Fiscal Year End	Residential Property	Commercial Property	Industrial Property	Other Property	Unsecured Property
2012	8,596,777	390,497	3,358	564,763	70,284
2013	8,843,139	402,533	3,425	581,160	48,147
2014	9,190,789	475,510	3,493	660,569	46,962
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

Source

2010-2013 & 2006-2007 County Assessor data, Avenu Insights & Analytics
 Unitary value of \$980,000 is excluded.

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

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 (3)	Assessed Value as a Percentage of Actual Value
2012	157,307	9,468,372	0.06373	\$ 10,683,820	1.12837	88.62%
2013	174,167	9,704,237	0.06373	\$ 11,390,239	1.17374	85.20%
2014	153,434	10,223,889	0.06373	\$ 13,967,877	1.36620	73.20%
2015	151,709	10,556,029	0.06373	\$ 13,571,675	1.28568	77.78%
2016	155,138	11,184,820	0.06373	\$ 15,366,477	1.37387	72.79%
2017	174,779	11,662,598	0.06373	\$ 17,011,415	1.45863	68.56%
2018	180,953	12,215,635	0.06373	\$ 15,669,728	1.28276	77.96%
2019	184,447	12,901,730	0.06373	\$ 17,984,167	1.39393	71.74%
2020	171,367	13,478,385	0.06373	\$ 17,927,678	1.33011	75.18%
2021	147,361	14,106,710	0.06373	\$ 18,817,832	1.33396	74.96%

Source

2010-2013 & 2006-2007 County Assessor data, Avenu Insights & Analytics
 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.

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

	2011-12	2012-13	2013-14	2014-15	2015-16
City Direct Rate	0.06373	0.06373	0.06373	0.06373	0.06373
All Other Direct Rates:					
LA COUNTY GENERAL	0.44122	0.44122	0.44122	0.44122	0.44122
LA COUNTY ACCUM CAP OUTLAY	0.00011	0.00011	0.00011	0.00011	0.00011
CONSOL. FIRE PRO.DIST OF LA CO.	0.16972	0.16972	0.16972	0.16972	0.16972
LA CO. FIRE-FFW	0.00691	0.00691	0.00691	0.00691	0.00691
LA CO.FL.CON.DR.IMP.DIST.MAINT.	0.00260	0.00260	0.00260	0.00260	0.00260
LA CO FLOOD CONTROL MAINT	0.01470	0.01470	0.01470	0.01470	0.01470
PALOS VERDES LIBRARY DIST MAINT	0.04347	0.04347	0.04347	0.04347	0.04347
LA CO WEST VECTOR CONTROL DIST.	0.00032	0.00032	0.00032	0.00032	0.00032
CO SANITATION DIST NO 5 OPERAT	0.01750	0.01750	0.01750	0.01750	0.01750
WTR REPLENISHMENT DIST OF SO CAL	0.00018	0.00018	0.00018	0.00018	0.00018
ERAF	0.00000	0.00000	0.00000	0.00000	0.00000
EDUCATIONAL AUG FD IMPOUND	0.00000	0.00000	0.00000	0.00000	0.00000
COUNTY SCHOOL SERVICES	0.00137	0.00137	0.00137	0.00137	0.00137
CHILDREN'S INSTL TUITION FUND	0.00272	0.00272	0.00272	0.00272	0.00272
LA CITY COMM COLLEGE DIST	0.02921	0.02921	0.02921	0.02921	0.02921
LA COMM COLL CHILDREN'S CTR FD	0.00030	0.00030	0.00030	0.00030	0.00030
PALOS VERDES PENINSULA USD	0.19699	0.19699	0.19699	0.19699	0.19699
CO.SCH.SERV.FD-LOS ANGELES	0.00808	0.00808	0.00808	0.00808	0.00808
DEV.CTR.HDCPD MINOR-LA UNIF.	0.00088	0.00088	0.00088	0.00088	0.00088
Total	1.00000	1.00000	1.00000	1.00000	1.00000
Debt Service Rates:					
COUNTY	0.00000	0.00000	0.00000	0.00000	0.00000
PALOS VERDES PEN USD	0.02251	0.02410	0.02311	0.02329	0.02343
COMMNTY COLLEGE	0.03530	0.04875	0.04454	0.04017	0.03576
PALOS VERDES LIB	0.00636	0.00644	0.00612	0.00585	0.00563
FLOOD CONTROL	0.00000	0.00000	0.00000	0.00000	0.00000
METRO WATER DIST	0.00370	0.00350	0.00350	0.00350	0.00350
Total	0.06787	0.08279	0.07727	0.07282	0.06832
Total Tax Rate	1.06787	1.08279	1.07727	1.07282	1.06832

Source

2010-2015 County Assessor data, 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**

	2016-17	2017-18	2018-19	2019-20	2020-21
City Direct Rate	0.06373	0.06373	0.06373	0.06373	0.05680
All Other Direct Rates:					
LA COUNTY GENERAL	0.44122	0.44122	0.44122	0.44122	0.25797
LA COUNTY ACCUM CAP OUTLAY	0.00011	0.00011	0.00011	0.00011	0.00011
CONSOL. FIRE PRO.DIST OF LA CO.	0.16972	0.16972	0.16972	0.16972	0.16972
LA CO. FIRE-FFW	0.00691	0.00691	0.00691	0.00691	0.00691
LA CO.FL.CON.DR.IMP.DIST.MAINT.	0.00260	0.00260	0.00260	0.00260	0.00165
LA CO FLOOD CONTROL MAINT	0.01470	0.01470	0.01470	0.01470	0.00933
PALOS VERDES LIBRARY DIST MAINT	0.04347	0.04347	0.04347	0.04347	0.03248
LA CO WEST VECTOR CONTROL DIST.	0.00032	0.00032	0.00032	0.00032	0.00019
CO SANITATION DIST NO 5 OPERAT	0.01750	0.01750	0.01750	0.01750	0.01168
WTR REPLENISHMENT DIST OF SO CAL	0.00018	0.00018	0.00018	0.00018	0.00018
ERAF	0.00000	0.00000	0.00000	0.00000	0.07247
EDUCATIONAL AUG FD IMPOUND	0.00000	0.00000	0.00000	0.00000	0.14097
COUNTY SCHOOL SERVICES	0.00137	0.00137	0.00137	0.00137	0.00137
CHILDREN'S INSTL TUITION FUND	0.00272	0.00272	0.00272	0.00272	0.00272
LA CITY COMM COLLEGE DIST	0.02921	0.02921	0.02921	0.02921	0.02921
LA COMM COLL CHILDREN'S CTR FD	0.00030	0.00030	0.00030	0.00030	0.00030
PALOS VERDES PENINSULA USD	0.19699	0.19699	0.19699	0.19699	0.19699
CO.SCH.SERV.FD-LOS ANGELES	0.00809	0.00808	0.00808	0.00808	0.00808
DEV.CTR.HDCPD MINOR-LA UNIF.	0.00088	0.00088	0.00088	0.00088	0.00088
Total	1.00000	1.00000	1.00000	1.00000	1.00000
Debt Service Rates:					
COUNTY	0.00000	0.00000	0.00000	0.00000	0.00000
PALOS VERDES PEN USD	0.02320	0.02309	0.02371	0.02359	0.02378
COMMNTY COLLEGE	0.03596	0.04599	0.04621	0.02718	0.04016
PALOS VERDES LIB	0.00000	0.00000	0.00000	0.00000	0.00000
FLOOD CONTROL	0.00000	0.00000	0.00000	0.00000	0.00000
METRO WATER DIST	0.00350	0.00350	0.00350	0.00350	0.00350
Total	0.06265	0.07258	0.07342	0.05426	0.06744
Total Tax Rate	1.06265	1.07258	1.07342	1.05426	1.06744

Source

2010-2015 County Assessor data, 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 NINE YEARS AGO

Taxpayer	2020-21		2011-12			
	Taxable Value (\$)	Rank	Percentage of Total City Taxable Value (%)	Taxable Value (\$)	Rank	Percentage of Total City Taxable Value (%)
Long Point Development LLC	480,831,013	1	3.41%	331,377,907	1	3.50%
GS Palos Verdes LLC	114,814,489	2	0.81%			
Roic California LLC	70,506,658	3	0.50%			
P V Victoria Apartments LLC	55,351,405	4	0.39%	47,055,126	4	0.50%
California Water Service Co	44,327,492	5	0.31%	9,259,904	14	0.10%
Vista Catalina Apts	43,452,773	6	0.31%			
Western Riviera Investors Et Al	34,176,694	7	0.24%	28,966,800	6	0.31%
Golden Cove Center LLC	32,032,080	8	0.23%	26,607,901	7	0.28%
Episcopal Communities And Services For S	31,074,786	9	0.22%			
Ocean View Drive Inc	28,628,010	10	0.20%			
VH Property Corp	28,081,760	11	0.20%	54,605,177	3	0.58%
Belmont Village RPV LP	27,023,631	12	0.19%	22,399,961	11	0.24%
Johnson Cory C Et Al Trs	18,990,737	13	0.13%			
WLP Westmont Plaza LLC	16,589,257	14	0.12%			
American Golf Inc	13,801,188	15	0.10%			
Water On Three Sides LP	12,512,919	16	0.09%			
Chang Jacqueline	9,997,245	17	0.07%			
Victoria Apartments	9,159,828	18	0.06%	7,821,788	16	0.08%
Thornecrest LLC	9,148,621	19	0.06%			
Palos Verdes Terrace Ltd	8,974,647	20	0.06%	7,662,361	17	0.08%
Wei Lai Development LLC	8,801,026	21	0.06%			
XCX Bear LLC	8,555,237	22	0.06%			
Bruning Fred W Co Tr	8,527,641	23	0.06%			
Maleenont Voravat	8,251,932	24	0.06%			
AA Homes LLC	8,228,808	25	0.06%			
PPC Villas RPV LLC				64,189,287	2	0.68%
Terraces Rancho Palos Verdes L				35,413,270	5	0.37%
Terranea Resort				24,459,679	8	0.26%
BVF Li Madison LLC				23,069,957	9	0.24%
Cox Com Inc. Orange				22,735,148	10	0.24%
Johnson Eric C				15,951,715	12	0.17%
Tridiamond LLC				13,411,749	13	0.14%
Kariger Brian P				8,392,935	15	0.09%
Saitta Christopher L				6,599,181	18	0.07%
Amdan Investment LLC Lessee				6,550,000	19	0.07%
Gerts Igor Anna				6,463,000	20	0.07%
Labarba James G				6,133,098	21	0.06%
Imbach Scott A Diane Y				6,022,988	22	0.06%
Clow Leland E Ilene F				5,880,699	23	0.06%
Hsu Tong H				5,866,730	24	0.06%
Kip Holding Inc.				5,602,022	25	0.06%
Total Top 25 Taxpayers	<u>\$ 1,131,839,877</u>		<u>8.02%</u>	<u>\$ 792,498,383</u>		<u>8.37%</u>
Total Taxable Value	<u>\$ 14,106,710,194</u>		100.00%	<u>\$ 9,468,372,445</u>		100.00%

Source

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
2012	5,777	5,656	97.91%	0	5,656	97.91%
2013	5,951	5,844	98.20%	0	5,844	98.20%
2014	6,287	6,193	98.50%	0	6,193	98.50%
2015	6,487	6,396	98.60%	0	6,396	98.60%
2016	6,813	6,716	98.58%	0	6,716	98.58%
2017	7,093	7,009	98.82%	0	7,009	98.82%
2018	7,481	7,389	98.77%	0	7,389	98.77%
2019	7,888	7,782	98.66%	0	7,782	98.66%
2020	8,290	8,017	96.71%	0	8,017	96.71%
2021	8,674	8,526	98.29%	0	8,526	98.29%

Source

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

* Includes 1% secured apportionment only

THIS PAGE INTENTIONALLY LEFT BLANK

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

2020-21 Assessed Valuation: \$14,174,092,132

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	Total Debt 6/30/2021	% Applicable (1)	City's Share of Debt 6/30/21
Metropolitan Water District			
Los Angeles Community College District	\$26,830,000	0.434%	\$ 116,442
Los Angeles Unified School District	4,409,250,000	1.471%	64,860,068
Palos Verdes Unified School District	10,864,555,000	0.174%	18,904,326
City of Rancho Palos Verdes	50,379,648	47.043%	23,700,098
		100%	-
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT			107,580,933
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			
TOTAL NET OVERLAPPING TAN AND ASSESSMENT DEBT			153,571
			\$ 107,427,362
<u>OVERLAPPING GENERAL FUND DEBT:</u>			
Los Angeles County General Fund Obligations	\$2,618,507,256	0.829%	\$ 21,707,425
Los Angeles County Superintendent of Schools Certificates of Participation	4,565,373	0.829%	37,847
Los Angeles County Sanitation District No. 5 Authority	4,100,179	9.962%	408,460
Los Angeles County South Bay Cities Sanitation District Authority	698,865	4.066%	28,416
Los Angeles Unified School District Certificates of Participation	130,970,000	0.174%	227,888
TOTAL GROSS OVERLAPPING GENERAL FUND DEBT			22,410,036
TOTAL DIRECT DEBT			0
TOTAL GROSS OVERLAPPING DEBT			129,990,970
TOTAL NET OVERLAPPING DEBT			\$ 129,837,399
GROSS COMBINED TOTAL DEBT			\$ 129,990,970
NET COMBINED TOTAL DEBT			\$ 129,837,399

(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 2020-21 Assessed Valuation:

Direct Debt	0.00%
Total Gross Direct and Overlapping Tax and Assessment Debt	0.76%
Total Net Direct and Overlapping Tax and Assessment Debt	0.76%
Gross Combined Total Debt	0.92%
Net Combined Total Debt	0.92%

Source

2020-21 Avenu Insights & Analytics

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

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Debt Limit	\$ 1,420,256	\$ 1,382,850	\$ 1,533,583	\$ 1,583,404	\$ 1,677,723
Total Net Debt Applicable to Limit	-	-	-	-	-
Legal Debt Margin	<u>\$ 1,420,256</u>	<u>\$ 1,382,850</u>	<u>\$ 1,533,583</u>	<u>\$ 1,583,404</u>	<u>\$ 1,677,723</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0%	0%	0%	0%	0%

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

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
LEGAL DEBT MARGIN INFORMATION (CONTINUED)
LAST TEN FISCAL YEARS
(AMOUNTS EXPRESSED IN THOUSANDS)
FISCAL YEAR

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Debt Limit	\$ 1,749,390	\$ 1,832,345	\$ 1,935,260	\$ 2,021,758	\$ 2,116,007
Total Net Debt Applicable to Limit	-	-	-	-	-
Legal Debt Margin	<u>\$ 1,749,390</u>	<u>\$ 1,832,345</u>	<u>\$ 1,935,260</u>	<u>\$ 2,021,758</u>	<u>\$ 2,116,007</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0%	0%	0%	0%	0%
			Total Taxable Value	\$ 14,106,710	
			Debt Limit (15% of Total Taxable Value)	2,116,007	
			Debt Applicable to Limit	-	
			Legal Debt Margin	<u>\$ 2,116,007</u>	

Cities have a maximum G.O. debt limit of 15% of

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 CALENDAR YEARS**

Fiscal Year	Population (1)	Personal Income (2)	Per Capita Personal Income (2)	Median Age	**Public School Enrollment
2011-12	41,897	2,561,016,971	61,127	47.6	11,840
2012-13	42,114	2,618,143,152	62,168	47.8	11,873
2013-14	42,358	2,564,205,491	60,537	47.6	11,700
2014-15	42,564	2,593,892,724	60,941	48.9	11,632
2015-16	43,041	2,461,988,241	57,201	49.6	11,499
2016-17	42,884	2,569,293,654	59,913	49.5	11,428
2017-18	42,723	2,722,513,349	63,725	49.3	11,346
2018-19	42,560	2,860,710,832	67,216	49.4	11,217
2019-20	41,731	2,917,361,629	69,909	49.7	11,009
2020-21	41,541	3,134,652,289	75,459	50.0	10,503

Source

MuniServices, LLC / Avenu Insights & Analytics

The California Department of Finance demographics estimates now incorporate 2010 Census counts as the benchmark.

(1) Population Projections are provided by the California Department of Finance Projections.

(2) Income Data is provided by the U.S. Census Bureau, 2010 American Community Survey.

** Student Enrollment reflects the total number of students enrolled in the Palos Verdes 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 CALENDAR YEARS**

Fiscal Year	County Unemployment Rate (%) (3)	City Unemployment Rate (%) (3)	County Population (1)	City Population (% of County)
2011-12	11.1%	3.8%	9,884,632	0.42%
2012-13	11.0%	3.7%	9,958,091	0.42%
2013-14	7.6%	2.5%	10,041,797	0.42%
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%

Source

Avenu Insights & Analytics

The California Department of Finance demographics estimates now incorporate 2010 Census counts as the benchmark.

(1) Population Projections are provided by the California Department of Finance Projections.

(3) Unemployment Data is provided by the EDD's Bureau of Labor Statistics Department.

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

2020-21		2011-12	
Taxpayer	Business Type	Taxpayer	Business Type
7-Eleven Food Stores	Service Stations	7-Eleven Food Stores	Service Stations
Asaka Japanese Cuisine	Restaurants	American Golf Corporation	Miscellaneous Retail
Avenue Italy	Restaurants	America's Tire	Auto Parts/Repair
Blue Crab Steak & Seafood Restaurant	Restaurants	Asaka Japanese Cuisine	Restaurants
Carl's Jr.	Restaurants	Carl's Jr. Restaurants	Restaurants
Centinela Feed & Pet Supplies	Florist/Nursery	Centinela Feed & Pet Supplies	Florist/Nursery
Classic Tobacco	Miscellaneous Retail	Chevron Service Stations	Service Stations
Custom Container Storage & Rental	Bldg.Matls-Whsle	Coco's Bakery Restaurant	Restaurants
G & M Service Stations	Service Stations	CSK Auto	Auto Parts/Repair
Good Night Mattress & Bedroom	Furniture/Appliance	El Pollo Loco	Restaurants
Gravia Tomatillo Service Center	Service Stations	Good Night Mattress & Bedroom	Furniture/Appliance
Green Hills Memorial Park	Miscellaneous Other	Gravia Tomatillo Service Center	Service Stations
Highbridge Car Wash	Auto Parts/Repair	Green Hills Memorial Park	Miscellaneous Other
Jack In The Box Restaurants	Restaurants	Highbridge Car Wash	Auto Parts/Repair
Marshall's Stores	Apparel Stores	Marshall's Stores	Apparel Stores
O'Reilly Auto Parts	Auto Parts/Repair	Ralph's Grocery Company	Food Markets
Papa John's Pizza	Restaurants	Rolling Hills Plastics	Light Industry
Ralph's Grocery Company	Food Markets	Smart & Final	Food Markets
Smart & Final	Food Markets	Southern California Discount Tire	Auto Parts/Repair
Southern California Discount Tire	Auto Parts/Repair	Swank Audio Visuals	Office Equipment
Swan Thai RPV	Restaurants	Terranea Resort	Restaurants
Terranea Resort	Restaurants	The Admiral Risty	Restaurants
Trader Joe's	Food Markets	The Brixey	Heavy Industry
Trump National Golf Club	Miscellaneous Retail	Trader Joe's	Food Markets
Western Tobacco	Miscellaneous Retail	Trump National Golf Club	Miscellaneous Retail

Source

MuniServices, LLC / Avenu Insights & Analytics

CITY OF RANCHO PALOS VERDES, CALIFORNIA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND THREE YEARS AGO

Employer	2020-21			2017-18		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Palos Verdes Peninsula Unified School District	1,388	1	7.63%	1,430	1	7.15%
Terranea Resort Hotel*	608	2	3.34%	1,257	2	6.29%
Canterbury	165	3	0.91%	150	6	0.75%
Belmont Corp Ltd (Belmont Village of Rancho)	163	4	0.90%	180	3	0.90%
Trump National Golf Club*	135	5	0.74%	168	4	0.84%
Marymount College	118	6	0.65%	160	5	0.80%
Ralphs Store #720	109	7	0.60%	105	8	0.53%
City of Rancho Palos Verdes*	94	8	0.52%	137	7	0.69%
Green Hills Memorial Park	83	9	0.46%	75	9	0.38%
American Golf Corp (Los Verdes Golf Course)	64	10	0.35%	71	10	0.36%
Subtotal of Principal Employers	2,927		16.08%	3,733		18.67%
Total City Employment (1)	18,200			20,000		

Source

MuniServices, LLC / an Avenu Insights & Analytics Company
 Results based on direct correspondence with city's local businesses.
 (1) Total City Labor Force is provided by EDD Labor Force Data

* Count includes both full and part time employees

THIS PAGE INTENTIONALLY LEFT BLANK

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

Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government	52	53	54	60	62	62	64	60	61	62
Part-Time Staff (1)	17	16	22	25	29	29	30	29	26	27
Total	69	69	76	85	91	91	94	89	87	89

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	2012	2013	2014	2015	2016
Administration:					
Employee Resignations	8	7	14	10	6
Workers Compensation Claims	3	3	1	3	2
Liability Claims	11	14	9	11	28
Budget Adjustments	11	24	15	15	18
Business Licenses Issued	1,294	1,868	1,997	2,134	2,012
Web Site Page Views (1)	3.0mil	3.1mil	3.3mil	426,772 *	403,704
Public Safety:					
Part I Crime Rates (per 10,000 population)	131	149	107	134	106
Public Works:					
Solid Waste Diversion Rates (2)	4.2lbs/person/day	2.87lbs/person/day	2.84lbs/person/day	3.15lbs/person/day	3.08lbs/person/day
Pavement Rating	85	84	82	82	84
Parks and Recreation:					
Park Events	582	765	631	639	810
Class Meetings at Parks	1,587	1,202	1,233	1,400	1,025
Docent Led Nature Hikes	104	121	109	103	94
Community Development:					
Building Permits Processed	1,221	1,403	1,492	1,558	1,758
Plan Checks	161	268	264	255	289
Municipal Code Violations Closed	321	312	392	358	505

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% of generation in 2003 through 2006, expressed in terms of per capital disposal.

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

Function	2017	2018	2019	2020	2021
Administration:					
Employee Resignations (5)	6	27	23	30	34
Workers Compensation Claims	8	2	1	1	1
Liability Claims (6)	6	3		1	-
Budget Adjustments	48	80		98	113
Business Licenses Issued	1,939	1,902	1,971	1,776	1,898
Web Site Page Views (1)	536,568	445,633	450,206	657,040	808,722
Public Safety:					
Part I Crime Rates (per 10,000 population)	Not available at this time	113	99	109	112
Public Works:					
Solid Waste Diversion Rates (2) (4)	2.46lbs/person/day	2.46lbs/person/day	5.6lbs/person/day	5.7lbs/person/day	5.7lbs/person/day
Pavement Rating	84	84	89	89	89
Parks and Recreation:					
Park Events	829	1,281	1,122	807	243
Class Meetings at Parks	1,030	922	852	520	375
Docent Led Nature Hikes	108	113	104	37	0
Volunteer Events (3)	35	61	46	37	3
Volunteers (3)	764	1,806	1,095	974	100
Volunteer Hours (3)	2,486	5,919	3,569	2,724	252
Open Space Mgmt. Public Contacts (3)	23,101	33,306	29,973	29,786	38,476
Open Space Mgmt. Rules Enforced (3)	1,367	1,925	1,262	1,876	2,113
Open Space Mgmt. Maintenance / Projects (3)(4)	782	1,219	546	-	-
Community Development:					
Building Permits Processed	1,665	1,985	2,186	1,933	2,048
Plan Checks	289	292	288	256	268
Municipal Code Violations Closed	432	457	338	275	171

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% of generation in 2003 through 2006, expressed in terms of per capital disposal.
- (3) Began tracking this indicator in 2017.

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

Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Administration:										
Computer Workstations	88	93	98	114	138	140	144	144	155	155
Public Safety (1)										
Public Works:										
Street Miles	144	141	141	149	149	149	149	150	150	151
Traffic Signals	18	15	15	15	15	15	15	15	15	16
Parks and Recreation:										
Parks	15	15	16	16	16	16	17	17	17	17
Community Development:										
Vehicles Used for Inspections	5	5	4	4	4	2	2	4	4	4

Source

City Capital Asset Records

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