



Agenda

CITY OF MANHATTAN BEACH

Meeting of the Finance Subcommittee

January 6, 2022 – 2:00PM

***Zoom Meeting via Internet/Phone Conference**

1. Public Comments

2. Approval of Minutes from October 18, 2021 Finance Subcommittee Meeting

Recommended Action: Approve

3. Review of Results of Fiscal Year 2020-2021 Financial Audit

Recommended Action: Discuss, Receive and File

4. Month-End Financials for November 2021

Recommended Action: Receive and File

5. Investment Portfolio for November 2021

Recommended Action: Receive and File

6. Fiscal Year 2021-2022 Monthly Schedule of Transient Occupancy Tax and Lease Payments and Miscellaneous Accounts Receivables

Recommended Action: Receive and File

7. July 1, 2021 through September 30, 2021 Bad Debt Write Offs for Miscellaneous Accounts Receivables, Utility Billing and Ambulance Transports Referred to Collections

Recommended Action: Receive and File

Adjourn

Copies of staff reports or other written documentation relating to agenda items are on file in the office of the Finance Director and on the City website.

***Join Zoom Meeting**

<https://citymb-info.zoom.us/j/95664091248?pwd=Slk1Yk51V2Z6M0xMelc0UktQZGRNZz09>

Meeting ID: 956 6409 1248

Passcode: 245512

Dial by your location

+1 669 900 6833 US (San Jose), +1 253 215 8782 US (Tacoma)

Finance Subcommittee Meeting Draft Action Minutes

Meeting Date: October 18, 2021, 11:00 a.m. via Zoom
Recording Secretary: Helga Foushanes

In Attendance: Tim Lilligren, Treasurer
Richard Montgomery, City Council Member
Steve Napolitano, City Council Member
Bruce Moe, City Manager
Steve S. Charelian, Finance Director
Libby Bretthauer, Financial Services Manager
Julie Bondarchuk, Financial Controller
Emy-Rose Hanna, Revenue Services Supervisor

Called to Order: 11:00 a.m. by Tim Lilligren, Treasurer

Agenda Item #1 – Public Comments

None.

Agenda Item #2 - Approval of Minutes from July 16, 2021 Finance Subcommittee Meeting

The Finance Subcommittee approved the minutes of July 16, 2021.

Agenda Item #3 – Metlox and Water/Wastewater Certificate of Participation Refunding

Finance Director Charelian introduced the item. The City's Municipal Advisor, Mark Young, KNN Public Finance, presented a comparison between Public Sale and Direct Placement. The analysis showed that the Direct Placement overall savings are less than the savings of a Public Sale. The total net present value savings of Public Sale is approximately \$726,000 over the next 10 years versus \$619,000 from a Direct Placement. The estimated saving on the true interest rate is 1.47% for Direct versus 1.13% for Public Sale.

The Finance Subcommittee members recommended to proceed with the Public Sale for a net present value savings of approximately \$726,000. The bonds will price in November and sell /close in December 2021.

Agenda Item #4 – Annual Review of Investment Policy

The Finance Subcommittee unanimously approved the Investment Policy.

Agenda Item #5 – Month-End Financials for August 2021

The Finance Subcommittee received and filed the report.

Agenda Item #6 – Investment Portfolio for August 2021

The Finance Subcommittee received and filed the report.

Agenda Item #7 – FY 2021-2022 Monthly Schedule of Transient Occupancy Tax and Lease Payments and Miscellaneous Accounts Receivables

The Finance Subcommittee received and filed the report.

Agenda Item #8 – Bad Debt Write Offs for Miscellaneous Accounts Receivables, Utility Billing and Ambulance Transports Referred to collections

The Finance Subcommittee received and filed the report.

Adjournment

The meeting adjourned at 11:30 a.m.



Staff Report

City of Manhattan Beach

TO: Members of the Finance Subcommittee

FROM: Steve S. Charelian, Finance Director
Julie Bondarchuk, Financial Controller
Libby Bretthauer, Financial Services Manager

DATE: January 6, 2022

SUBJECT: Review of the Financial Audit Results for FY 2020-2021

RECOMMENDATION:

Staff recommends that the Finance Subcommittee discuss the FY 2020-2021 audit results, and receive and file this report.

FISCAL IMPLICATION:

There are no fiscal implications associated with the recommended action.

BACKGROUND:

At the end of each fiscal year, independent auditors, hired by the City Council, perform an audit of the City's financial statements. A report is then prepared and presented to the City Council with the results. Prior to that report, the auditors meet with the Finance Subcommittee to discuss the outcome.

DISCUSSION:

Effective December 15, 2021, the Governmental Accounting Standards Board (GASB) issued Statement No. 98 changing the name of the financial report to Annual Comprehensive Financial Report (ACFR). The name change was a result of increasing awareness that the previous acronym, when pronounced aloud, sounds the same as a derogatory term historically used in South Africa.

Due to the timing of the completion of the FY 2020-2021 audit, staff has attached the financial statements and footnotes from the draft ACFR. The final ACFR, Letter of Transmittal, Management Discussion and Analysis, and Statistical Section are in production, and will be included with the final report provided to the full City Council on January 18, 2021. Mr. Brian Gruber, partner with the audit firm of Lance, Soll and Lunghard, will also be present to answer questions.

Attachment: FY 2020-2021 ACFR Draft (Financial Statements with Footnotes)

CITY OF MANHATTAN BEACH, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021



Prepared by the Finance Department
Steve S. Charelian, Finance Director

CITY OF MANHATTAN BEACH
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

TABLE OF CONTENTS

	<u>Page Number</u>
INTRODUCTORY SECTION	
Letter of Transmittal	
Directory of City Officials	
Organization Chart	
Certificate of Achievement for Excellence in Financial Reporting.....	
FINANCIAL SECTION	
Independent Auditors' Report.....	
Management's Discussion and Analysis	
BASIC FINANCIAL STATEMENTS	
Government-Wide Financial Statements:	
Statement of Net Position	
Statement of Activities.....	
Governmental Funds - Fund Financial Statements:	
Balance Sheet.....	
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	
Statement of Revenues, Expenditures and Changes in Fund Balances.....	
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	
Proprietary Funds Financial Statements:	
Statement of Fund Net Position	
Statement of Revenues, Expenses and Changes in Fund Net Position.....	
Statement of Cash Flows	
Fiduciary Funds Financial Statements:	
Statement of Fiduciary Net Position.....	
Statement of Changes in Fiduciary Net Position	
Notes to Financial Statements.....	

CITY OF MANHATTAN BEACH
 ANNUAL COMPREHENSIVE FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

TABLE OF CONTENTS

	<u>Page Number</u>
REQUIRED SUPPLEMENTARY INFORMATION	
Budgetary Comparison Schedule – General Fund.....	
Budgetary Comparison Schedule – Proposition C	
Pension Plan:	
Miscellaneous Plan	
Schedule of Changes in Net Pension Liability and Related Ratios.....	
Schedule of Plan Contributions	
Safety Plan	
Schedule of Proportionate Share of Net Pension Liability	
Schedule of Plan Contributions	
Supplemental Retirement Plan	
Schedule of Changes in Net Pension Liability and Related Ratios.....	
Schedule of Employer Contributions	
Schedule of Investment Returns	
Single Highest Year Plan	
Schedule of Changes in Net Pension Liability and Related Ratios.....	
Schedule of Employer Contributions	
Schedule of Investment Returns	
Other Post-Employment Benefits	
Schedule of Changes in Net OPEB Liability and Related Ratios.....	
Schedule of Plan Contributions	
Notes to Required Supplementary Information	
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES	
Combining Balance Sheet - Nonmajor Governmental Funds	
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	
Budgetary Comparison Schedules - Special Revenue Funds:	
Street Lighting and Landscape	
Gas Tax.....	
Asset Forfeiture.....	
Public Safety Grants	
Proposition A.....	
AB 2766	
Measure R.....	
Measure M	

CITY OF MANHATTAN BEACH
 ANNUAL COMPREHENSIVE FINANCIAL REPORT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021

TABLE OF CONTENTS

Page
Number

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES (Continued)

Budgetary Comparison Schedules - Capital Projects Funds:

- Capital Improvement.....
- Underground Assessment District

Combining Statement of Fund Net Position - Nonmajor Enterprise Funds.....

Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Nonmajor Enterprise Funds.....

Combining Statement of Cash Flows - Nonmajor Enterprise Funds.....

Combining Statement of Fund Net Position - Internal Service Funds.....

Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Internal Service Funds.....

Combining Statement of Cash Flows - Internal Service Funds.....

STATISTICAL SECTION

Financial Trends

- Net Position by Component.....
- Changes in Net Position.....
- Program Revenues by Function/Program.....
- Fund Balances, Governmental Funds.....

Revenue Capacity

- Change in Fund Balances, Governmental Funds
- Taxes & Assessment Revenues by Source, Governmental Funds and Assessment
- Assessed Value and Estimated Actual Value of Taxable Property.....
- Direct and Overlapping Debt Property Tax Rates.....
- Principal Property Taxpayers Based on Net Values
- Property Tax Levies and Collections.....
- Taxable Sales by Category
- Direct and Overlapping Sales Tax Rates
- Principal Sales Tax Remitters

CITY OF MANHATTAN BEACH
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

TABLE OF CONTENTS

	<u>Page Number</u>
STATISTICAL SECTION (Continued)	
Debt Capacity	
Ratios of Outstanding Debt by Type	
Direct and Overlapping Governmental Activities Debt	
Legal Debt Margin Information	
Pledged-Revenue Coverage	
Demographic and Economic Information	
Demographic and Economic Statistics	
Principal Employers	
Full-time Authorized City Employees by Function/Program	
Schedule of Insurance in Force	
Operating Indicators by Function/Program	
Capital Asset Statistics by Function/Program	
Demographic Statistical Data	
Bond Disclosure Section	

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CITY OF MANHATTAN BEACH
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

CITY OF MANHATTAN BEACH
STATEMENT OF NET POSITION
JUNE 30, 2021

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and investments	\$ 68,179,671	\$ 59,100,356	\$ 127,280,027
Receivables:			
Accounts	2,016,729	1,637,074	3,653,803
Taxes	3,282,006	-	3,282,006
Accrued interest	387,814	-	387,814
Prepaid costs	2,070	-	2,070
Due from other governments	11,101,980	-	11,101,980
Due from OPEB Trust Fund	637,039	-	637,039
Inventories	106,757	153,571	260,328
Restricted assets:			
Cash and investments	1,820,529	-	1,820,529
Cash with fiscal agent	199,895	137,881	337,776
Total Current Assets	87,734,490	61,028,882	148,763,372
Capital assets not being depreciated	41,578,889	21,502,023	63,080,912
Capital assets, net of depreciation	80,258,279	46,404,496	126,662,775
Total Noncurrent Assets	121,837,168	67,906,519	189,743,687
Total Assets	209,571,658	128,935,401	338,507,059
Deferred Outflows of Resources:			
Deferred charge on refunding	337,970	-	337,970
Deferred pension related items	109,089,874	2,222,890	111,312,764
Deferred OPEB related items	9,510,450	314,741	9,825,191
Total Deferred Outflows of Resources	118,938,294	2,537,631	121,475,925
Liabilities:			
Accounts payable	4,727,789	5,783,282	10,511,071
Accrued liabilities	1,890,593	1,007,721	2,898,314
Accrued payroll	747,601	-	747,601
Accrued interest	474,352	143,729	618,081
Unearned revenue	910,823	-	910,823
Deposits payable	4,455,097	458,919	4,914,016
Long-term liabilities due within one year:			
Long term debt	3,964,578	775,422	4,740,000
Accrued employee benefits	656,945	15,510	672,455
Accrued workers comp/liability claims and judgments	11,075,400	-	11,075,400
Total Current Liabilities	28,903,178	8,184,583	37,087,761
Noncurrent liabilities:			
Long term liabilities due in more than one year			
Long term debt	97,375,089	9,121,475	106,496,564
Accrued employee benefits	4,182,481	98,746	4,281,227
Accrued workers comp/liability claims and judgments	6,978,014	-	6,978,014
Net pension liability - PERS	88,332,605	1,950,739	90,283,344
Total pension liability - City Plans	184,708	-	184,708
Net OPEB liability	7,986,780	264,317	8,251,097
Total Noncurrent Liabilities	205,039,677	11,435,277	216,474,954
Total Liabilities	233,942,855	19,619,860	253,562,715
Deferred Inflows of Resources:			
Deferred pension related items	3,145,795	6,592	3,152,387
Deferred OPEB related items	254,881	8,435	263,316
Total Deferred Inflows of Resources	3,400,676	15,027	3,415,703
Net Position:			
Net investment in capital assets	110,223,781	59,896,315	170,120,096
Restricted for:			
Public safety	545,260	-	545,260
Recreation	434,597	-	434,597
Public works	4,457,737	-	4,457,737
Capital projects	5,597,283	-	5,597,283
Pension benefits	1,820,529	-	1,820,529
Business improvement districts	-	420,300	420,300
Unrestricted	(31,912,766)	51,521,530	19,608,764
Total Net Position	\$ 91,166,421	\$ 111,838,145	\$ 203,004,566

CITY OF MANHATTAN BEACH

STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

	Expenses	Program Revenues		
		Charges for Services	Operating Contributions and Grants	Capital Contributions and Grants
Functions/Programs				
Primary Government:				
Governmental Activities:				
General government	\$ 17,133,923	\$ 9,555,217	\$ 218,005	\$ -
Public safety	49,746,507	3,426,705	176,632	-
Culture and recreation	7,966,453	2,104,003	-	-
Public works	26,157,349	5,878,020	418,643	7,465,878
Interest on long-term debt	678,619	-	-	-
Total Governmental Activities	101,682,851	20,963,945	813,280	7,465,878
Business-Type Activities:				
Water	13,820,298	15,705,887	-	-
Stormwater	1,451,533	308,133	-	-
Wastewater	1,845,203	3,592,183	-	-
Parking	3,115,964	3,241,098	-	-
County Parking Lot	909,951	1,404,059	-	-
State Pier and Parking Lot	531,464	813,273	-	-
Total Business-Type Activities	21,674,413	25,064,633	-	-
Total Primary Government	\$ 123,357,264	\$ 46,028,578	\$ 813,280	\$ 7,465,878

General Revenues:

Taxes:

Property taxes, levied for general purpose

Transient occupancy taxes

Sales taxes

Franchise taxes

Business licenses taxes

Real estate transfer taxes

Parcel Taxes

Use of money and property

Other

Special items

Transfers

Total General Revenues, Special Items and Transfers

Change in Net Position

Net Position at Beginning of Year

Restatement of Net Position

Net Position at End of Year

Net (Expenses) Revenues and Changes in Net Position
Primary Government

Governmental Activities	Business-Type Activities	Total
\$ (7,360,701)	\$ -	\$ (7,360,701)
(46,143,170)	-	(46,143,170)
(5,862,450)	-	(5,862,450)
(12,394,808)	-	(12,394,808)
(678,619)	-	(678,619)
(72,439,748)	-	(72,439,748)
-	1,885,589	1,885,589
-	(1,143,400)	(1,143,400)
-	1,746,980	1,746,980
-	125,134	125,134
-	494,108	494,108
-	281,809	281,809
-	3,390,220	3,390,220
(72,439,748)	3,390,220	(69,049,528)
37,610,752	-	37,610,752
2,802,514	-	2,802,514
10,088,430	-	10,088,430
1,189,086	-	1,189,086
3,755,555	-	3,755,555
1,842,571	-	1,842,571
-	-	-
2,481,570	(21,070)	2,460,500
1,440,844	55,826	1,496,670
(148,434)	148,434	-
421,631	(421,631)	-
61,484,519	(238,441)	61,246,078
(10,955,229)	3,151,779	(7,803,450)
105,834,753	108,735,487	214,570,240
(3,713,103)	(49,121)	(3,762,224)
\$ 91,166,421	\$ 111,838,145	\$ 203,004,566

CITY OF MANHATTAN BEACH

**BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021**

	General	Special Revenue Fund Proposition C	Other Governmental Funds	Total Governmental Funds
Assets:				
Pooled cash and investments	\$ 29,385,640	\$ -	\$ 17,600,243	\$ 46,985,883
Receivables:				
Accounts	1,689,290	-	320,266	2,009,556
Taxes	3,208,234	-	73,772	3,282,006
Notes and loans	-	-	-	-
Accrued interest	387,814	-	-	387,814
Prepaid costs	1,978	-	-	1,978
Due from other funds	352,401	-	-	352,401
Due from other governments	5,071,571	5,776,607	253,802	11,101,980
Due from OPEB Trust Fund	637,039	-	-	637,039
Inventories	4,285	-	-	4,285
Restricted assets:				
Cash and investments	1,820,529	-	-	1,820,529
Cash and investments with fiscal agents	84,089	-	115,806	199,895
Total Assets	\$ 42,642,870	\$ 5,776,607	\$ 18,363,889	\$ 66,783,366
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 2,307,448	\$ 1,224,764	\$ 988,206	\$ 4,520,418
Accrued payables	1,240,170	110,020	540,356	1,890,546
Accrued payroll	747,601	-	-	747,601
Interest payable	81,550	-	115,806	197,356
Unearned revenues	886,733	-	24,090	910,823
Deposits payable	4,453,356	-	1,741	4,455,097
Due to other funds	-	352,401	-	352,401
Total Liabilities	9,716,858	1,687,185	1,670,199	13,074,242
Deferred Inflows of Resources:				
Unavailable revenues	315,111	3,393,298	161,880	3,870,289
Total Deferred Inflows of Resources	315,111	3,393,298	161,880	3,870,289
Fund Balances:				
Nonspendable:				
Inventory	4,285	-	-	4,285
Prepaid costs	1,978	-	-	1,978
Notes and loans	555,299	-	-	555,299
Restricted for:				
Public safety	-	-	545,260	545,260
Recreation	-	-	434,597	434,597
Public works	-	-	4,457,737	4,457,737
Capital projects	-	696,124	4,901,159	5,597,283
Pension benefits	1,820,529	-	-	1,820,529
Committed to:				
Capital projects	-	-	6,193,057	6,193,057
Assigned to:				
Assigned to City retirement plans	92,390	-	-	92,390
Unassigned	30,136,420	-	-	30,136,420
Total Fund Balances	32,610,901	696,124	16,531,810	49,838,835
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 42,642,870	\$ 5,776,607	\$ 18,363,889	\$ 66,783,366

CITY OF MANHATTAN BEACH

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
JUNE 30, 2021**

Fund balances of governmental funds		\$ 49,838,835
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets net of depreciation have not been included as financial resources		
Capital assets	\$ 182,644,882	
Accumulated depreciation	<u>(64,783,469)</u>	117,861,413
Deferred outflows of resources reported for OPEB for government-wide statements are amortized:		
Differences between expected and actual experiences	8,925	
Change of assumptions	8,877,472	
Difference between projected and actual return on assets	<u>83,293</u>	8,969,690
For bond refundings, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred charge on refunding in the Statement of Net Position.		
		337,970
Governmental funds report all pension contributions as expenditures. However, the net pension liability has a measurement date of June 30, 2020, and pension contributions subsequent to the measurement date are reclassified as deferred outflows of resources.		
		94,762,817
Deferred outflows of resources reported for the pension plan for government-wide statements are amortized:		
Differences between expected and actual experiences	5,596,668	
Net difference between projected and actual earnings	1,996,199	
Adjustment due to difference in proportions	<u>2,636,404</u>	10,229,271
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Pension Obligation Bonds	(85,879,300)	
COPS Payable	(11,365,000)	
Compensated Absences	(4,839,426)	
Unamortized bond premiums/discounts	<u>(586,357)</u>	(102,670,083)
Governmental funds report all OPEB contributions as expenditures, however, in the statement of net position, the excess of the OPEB plan liability over the OPEB actuarial liability is reported as a net OPEB liability.		
		(7,532,657)
Deferred inflows of resources reported for OPEB for government-wide statements are amortized:		
Differences between expected and actual experiences	(199,463)	
Difference between projected and actual return on assets	<u>(35,243)</u>	(240,388)
Governmental funds report all pension contributions as expenditures, however, in the statement of net position, the excess of the plan proportionate share of the total pension liability over the proportionate share of the plan fiduciary net position is reported as a net pension liability.		
		(85,477,929)
Deferred inflows of resources reported for the pension plan for government-wide statements are amortized:		
Changes in assumptions	(285,278)	
Difference in proportionate share	<u>(2,850,244)</u>	(3,135,522)
Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.		
		3,870,286
Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position.		
		<u>4,618,840</u>
Net Position of Governmental Activities		<u>\$ 91,166,421</u>

CITY OF MANHATTAN BEACH

STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	General	Special Revenue Fund Proposition C	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes and assessments	\$ 53,773,931	\$ 599,499	\$ 3,147,833	\$ 57,521,263
Licenses and permits	3,518,426	-	12,719	3,531,145
Intergovernmental	5,216,868	2,561,038	3,446,074	11,223,980
Charges for services	10,322,102	-	465,075	10,787,177
Use of money and property	2,479,805	(17,090)	271,478	2,734,193
Fines and forfeitures	1,443,177	-	73,936	1,517,113
Miscellaneous Revenues	1,300,483	-	104,116	1,404,599
Total Revenues	78,054,792	3,143,447	7,521,231	88,719,470
Expenditures:				
Current:				
General government	24,214,335	-	-	24,214,335
Public safety	109,351,264	-	358,637	109,709,901
Culture and recreation	9,863,555	-	1,150,205	11,013,760
Public works	12,869,660	7,227,886	7,916,649	28,014,195
Capital outlay:				
General government	14,080	-	-	14,080
Public safety	-	-	68,766	68,766
Culture and recreation	-	-	130,187	130,187
Public works	264	31,821	4,253,945	4,286,030
Debt service:				
Principal retirement	310,000	-	530,000	840,000
Interest and fiscal charges	167,750	-	239,562	407,312
Trustee Fees	1,600	-	1,800	3,400
Total Expenditures	156,792,508	7,259,707	14,649,751	178,701,966
Excess (Deficiency) of Revenues Over (Under) Expenditures	(78,737,716)	(4,116,260)	(7,128,520)	(89,982,496)
Other Financing Sources (Uses):				
Transfers in	939,111	-	1,136,302	2,075,413
Transfers out	(1,653,782)	-	-	(1,653,782)
Issuance of long-term debt	85,377,203	-	502,097	85,879,300
Total Other Financing Sources (Uses)	84,662,532	-	1,638,399	86,300,931
Net Change in Fund Balances	5,924,816	(4,116,260)	(5,490,121)	(3,681,565)
Fund Balances:				
Beginning of Year	26,686,085	4,812,384	22,021,931	53,520,400
End of Year	\$ 32,610,901	\$ 696,124	\$ 16,531,810	\$ 49,838,835

CITY OF MANHATTAN BEACH

**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**

Net change in fund balances - total governmental funds \$ (3,681,565)

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

Governmental funds report capital outlays as expenditures. However, in the statement as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Cost of assets capitalized	\$ 3,745,857	
Depreciation expense	(3,162,366)	
Disposal of capital assets	<u>(79,668)</u>	503,823

The issuance of long-term debt (e.g. bonds, leases) provides current resources to governmental funds, while the repayment of long term debt principal consumes the current financial resources of governmental funds. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the Statement of Activities

Proceeds from debt issued	(85,879,300)	
Contributions made to pay net pension liability	85,398,064	
Repayment of bond principal:		
Police & Fire Facility 2013 Refunding Certificates of Participation	530,000	
Marine Avenue Park 2016 Refunding Certificates of Participation	310,000	
Amortization of bond premiums - Police Fire Facility bonds refunding	26,361	
Amortization of bond premiums - Marine Avenue Park 2016 refunding	25,798	
Amortization of deferred charges on refunding	<u>(32,196)</u>	378,727

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. (544,624)

Pension obligation expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (5,078,618)

OPEB 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. (1,420,390)

Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity. 1,698,710

Special items transferred from the proprietary funds (148,434)

Internal service funds are used by management to charge the costs of certain activities, such as equipment management and self-insurance, to individual funds. The net revenues (expenses) of the internal service funds is reported with governmental activities. (2,396,736)

Change in Net Position of Governmental Activities \$ (10,955,229)

CITY OF MANHATTAN BEACH

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 JUNE 30, 2021

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Water</u>	<u>Wastewater</u>	<u>Parking</u>
Assets:			
Current:			
Cash and investments	\$ 38,205,412	\$ 15,616,093	\$ 1,353,500
Receivables:			
Accounts	1,036,974	275,448	11,681
Prepaid costs	-	-	-
Inventories	153,571	-	-
Restricted:			
Cash with fiscal agent	14,410	7,090	116,381
Total Current Assets	<u>39,410,367</u>	<u>15,898,631</u>	<u>1,481,562</u>
Noncurrent:			
Capital assets - net of accumulated depreciation	<u>35,492,850</u>	<u>10,039,024</u>	<u>18,582,909</u>
Total Noncurrent Assets	<u>35,492,850</u>	<u>10,039,024</u>	<u>18,582,909</u>
Total Assets	<u>74,903,217</u>	<u>25,937,655</u>	<u>20,064,471</u>
Deferred Outflows of Resources:			
Deferred pension related items	1,294,914	528,739	179,538
Deferred OPEB related items	<u>127,326</u>	<u>98,714</u>	<u>35,764</u>
Total Deferred Outflows of Resources	<u>1,422,240</u>	<u>627,453</u>	<u>215,302</u>
Liabilities:			
Current:			
Accounts payable	3,987,320	593,022	223,979
Accrued payables	907,180	36,441	29,662
Accrued interest	17,806	8,490	116,853
Deposits payable	1,310	-	410
Accrued compensated absences	15,510	-	-
Workers' compensation claims	-	-	-
Accrued claims and judgments	-	-	-
Bonds payable	<u>185,450</u>	<u>88,208</u>	<u>495,282</u>
Total Current Liabilities	<u>5,114,576</u>	<u>726,161</u>	<u>866,186</u>
Noncurrent:			
Net pension liability	1,195,413	412,014	158,416
Net OPEB liability	106,926	82,899	30,034
Accrued compensated absences	98,746	-	-
Workers' compensation claims	-	-	-
Accrued claims and judgments	-	-	-
Bonds payable	<u>1,754,880</u>	<u>778,954</u>	<u>6,407,211</u>
Total Noncurrent Liabilities	<u>3,155,965</u>	<u>1,273,867</u>	<u>6,595,661</u>
Total Liabilities	<u>8,270,541</u>	<u>2,000,028</u>	<u>7,461,847</u>
Deferred Inflows of Resources:			
Deferred pension related items	4,041	1,392	535
Deferred OPEB related items	<u>3,413</u>	<u>2,645</u>	<u>959</u>
Total Deferred Inflows of Resources	<u>7,454</u>	<u>4,037</u>	<u>1,494</u>
Net Position:			
Net investment in capital assets	34,648,308	9,623,519	11,832,752
Restricted for business improvement district	-	-	420,300
Unrestricted	<u>33,399,154</u>	<u>14,937,524</u>	<u>563,380</u>
Total Net Position	<u>\$ 68,047,462</u>	<u>\$ 24,561,043</u>	<u>\$ 12,816,432</u>

CITY OF MANHATTAN BEACH

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 JUNE 30, 2021

	Business-Type Activities - Enterprise Funds		Governmental Activities - Internal Services Funds
	Other Enterprise Funds	Totals	
Assets:			
Current:			
Cash and investments	\$ 3,925,351	\$ 59,100,356	\$ 21,193,788
Receivables:			
Accounts	312,971	1,637,074	7,173
Prepaid costs	-	-	92
Inventories	-	153,571	102,472
Restricted:			
Cash with fiscal agent	-	137,881	-
Total Current Assets	<u>4,238,322</u>	<u>61,028,882</u>	<u>21,303,525</u>
Noncurrent:			
Capital assets - net of accumulated depreciation	<u>3,791,736</u>	<u>67,906,519</u>	<u>3,975,755</u>
Total Noncurrent Assets	<u>3,791,736</u>	<u>67,906,519</u>	<u>3,975,755</u>
Total Assets	<u>8,030,058</u>	<u>128,935,401</u>	<u>25,279,280</u>
Deferred Outflows of Resources:			
Deferred pension related items	219,699	2,222,890	4,097,786
Deferred OPEB related items	<u>52,937</u>	<u>314,741</u>	<u>540,760</u>
Total Deferred Outflows of Resources	<u>272,636</u>	<u>2,537,631</u>	<u>4,638,546</u>
Liabilities:			
Current:			
Accounts payable	978,961	5,783,282	207,371
Accrued payables	34,438	1,007,721	44
Accrued interest	580	143,729	10,874
Deposits payable	457,199	458,919	-
Accrued compensated absences	-	15,510	-
Workers' compensation claims	-	-	9,257,732
Accrued claims and judgments	-	-	1,817,668
Bonds payable	<u>6,482</u>	<u>775,422</u>	<u>121,676</u>
Total Current Liabilities	<u>1,477,660</u>	<u>8,184,583</u>	<u>11,415,365</u>
Noncurrent:			
Net pension liability	184,896	1,950,739	3,039,384
Net OPEB liability	44,458	264,317	454,123
Accrued compensated absences	-	98,746	-
Workers' compensation claims	-	-	6,453,809
Accrued claims and judgments	-	-	524,205
Bonds payable	<u>180,430</u>	<u>9,121,475</u>	<u>3,387,334</u>
Total Noncurrent Liabilities	<u>409,784</u>	<u>11,435,277</u>	<u>13,858,855</u>
Total Liabilities	<u>1,887,444</u>	<u>19,619,860</u>	<u>25,274,220</u>
Deferred Inflows of Resources:			
Deferred pension related items	624	6,592	10,273
Deferred OPEB related items	<u>1,418</u>	<u>8,435</u>	<u>14,493</u>
Total Deferred Inflows of Resources	<u>2,042</u>	<u>15,027</u>	<u>24,766</u>
Net Position:			
Net investment in capital assets	3,791,736	59,896,315	3,975,755
Restricted for business improvement district	-	420,300	-
Unrestricted	<u>2,621,472</u>	<u>51,521,530</u>	<u>643,085</u>
Total Net Position	<u>\$ 6,413,208</u>	<u>\$ 111,838,145</u>	<u>\$ 4,618,840</u>

CITY OF MANHATTAN BEACH

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Water</u>	<u>Wastewater</u>	<u>Parking</u>
Operating Revenues:			
Sales and service charges	\$ 15,705,887	\$ 3,592,183	\$ 3,241,098
Interdepartmental charges	-	-	-
Miscellaneous	624	12,718	20,811
Total Operating Revenues	<u>15,706,511</u>	<u>3,604,901</u>	<u>3,261,909</u>
Operating Expenses:			
Salaries	794,546	305,125	105,405
Employee benefits	455,817	173,615	97,377
Contract and professional services	7,791,811	72,913	673,016
Materials and services	2,157,722	135,100	1,102,103
Utilities	262,203	75,458	109,668
Administrative service charges	1,698,316	783,615	541,980
Internal services	-	-	17,759
Leases and rents	-	-	-
Claims expense	-	-	-
Depreciation expense	635,244	287,526	252,195
Total Operating Expenses	<u>13,795,659</u>	<u>1,833,352</u>	<u>2,899,503</u>
Operating Income (Loss)	<u>1,910,852</u>	<u>1,771,549</u>	<u>362,406</u>
Nonoperating Revenues (Expenses):			
Parcel Taxes	-	-	-
Interest revenue	(31,157)	46,938	(24,668)
Interest expense	(24,639)	(11,851)	(216,461)
Gain (loss) on disposal of capital assets	-	-	-
Total Nonoperating Revenues (Expenses)	<u>(55,796)</u>	<u>35,087</u>	<u>(241,129)</u>
Income (Loss) Before Transfers	1,855,056	1,806,636	121,277
Transfers in	-	-	-
Transfers out	-	-	(71,020)
Changes in Net Position	<u>1,855,056</u>	<u>1,806,636</u>	<u>50,257</u>
Special items	-	-	-
Net Position:			
Beginning of Fiscal Year, as originally reported	66,241,527	22,754,407	12,766,175
Restatements	(49,121)	-	-
Beginning of Fiscal Year, as restated	<u>66,192,406</u>	<u>22,754,407</u>	<u>12,766,175</u>
End of Fiscal Year	<u>\$ 68,047,462</u>	<u>\$ 24,561,043</u>	<u>\$ 12,816,432</u>

CITY OF MANHATTAN BEACH

STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021

	Business-Type Activities - Enterprise Funds		Governmental Activities- Internal Service Funds
	Other Enterprise Funds	Totals	
Operating Revenues:			
Sales and service charges	\$ 2,525,465	\$ 25,064,633	\$ -
Interdepartmental charges	-	-	11,727,194
Miscellaneous	21,673	55,826	95,935
Total Operating Revenues	2,547,138	25,120,459	11,823,129
Operating Expenses:			
Salaries	130,328	1,335,404	2,364,888
Employee benefits	81,106	807,915	1,333,643
Contract and professional services	1,194,879	9,732,619	1,513,980
Materials and services	205,595	3,600,520	2,008,744
Utilities	82,722	530,051	112,279
Administrative service charges	276,240	3,300,151	-
Internal services	-	17,759	-
Leases and rents	772,232	772,232	-
Claims expense	-	-	5,987,812
Depreciation expense	149,266	1,324,231	923,890
Total Operating Expenses	2,892,368	21,420,882	14,245,236
Operating Income (Loss)	(345,230)	3,699,577	(2,422,107)
Nonoperating Revenues (Expenses):			
Parcel Taxes	-	-	-
Interest revenue	(12,183)	(21,070)	-
Interest expense	(580)	(253,531)	(10,874)
Gain (loss) on disposal of capital assets	-	-	36,245
Total Nonoperating Revenues (Expenses)	(12,763)	(274,601)	25,371
Income (Loss) Before Transfers	(357,993)	3,424,976	(2,396,736)
Transfers in	1,317,480	1,317,480	-
Transfers out	(1,668,091)	(1,739,111)	-
Changes in Net Position	(708,604)	3,003,345	(2,396,736)
Special items	148,434	148,434	-
Net Position:			
Beginning of Fiscal Year, as originally reported	6,973,378	108,735,487	7,015,576
Restatements	-	(49,121)	-
Beginning of Fiscal Year, as restated	6,973,378	108,686,366	7,015,576
End of Fiscal Year	\$ 6,413,208	\$ 111,838,145	\$ 4,618,840

CITY OF MANHATTAN BEACH

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021Business-Type Activities - Enterprise Funds

	<u>Water</u>	<u>Wastewater</u>	<u>Parking</u>
Cash Flows from Operating Activities:			
Cash received from customers and users	\$ 15,572,139	\$ 3,569,193	\$ 3,257,666
Cash received from interfund service provided	-	-	-
Cash paid to suppliers for goods and services	(10,952,003)	(527,904)	(2,358,256)
Cash paid to employees for services	(1,277,125)	(862,694)	(417,762)
Net Cash Provided (Used) by Operating Activities	<u>3,343,011</u>	<u>2,178,595</u>	<u>481,648</u>
Cash Flows from Non-Capital Financing Activities:			
Cash transfers out	-	-	-
Cash transfers in	-	-	(71,020)
Proceeds from Pension Obligation Bond Issuance	1,095,778	451,664	152,336
Taxes	-	-	-
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>1,095,778</u>	<u>451,664</u>	<u>81,316</u>
Cash Flows from Capital and Related Financing Activities:			
Acquisition and construction of capital assets	(11,793,599)	(1,075,415)	(107,667)
Principal paid on capital debt	(140,752)	(64,481)	(446,176)
Interest paid on capital debt	(33,083)	(21,037)	(270,687)
Cash from sale of property	-	-	-
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(11,967,384)</u>	<u>(1,160,933)</u>	<u>(824,530)</u>
Cash Flows from Investing Activities:			
Interest received	(31,157)	46,938	(24,668)
Net Cash Provided (Used) by Investing Activities	<u>(31,157)</u>	<u>46,938</u>	<u>(24,668)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	<u>(7,559,752)</u>	<u>1,516,264</u>	<u>(286,234)</u>
Cash and Cash Equivalents at Beginning of Year	45,779,574	14,106,919	1,756,115
Cash and Cash Equivalents at End of Year	<u>\$ 38,219,822</u>	<u>\$ 15,623,183</u>	<u>\$ 1,469,881</u>
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ 1,910,852	\$ 1,771,549	\$ 362,406
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:			
Net position restatement for Net Pension/OPEB Liability	-	-	-
Depreciation	635,244	287,526	252,195
(Increase) decrease in accounts receivable	(134,322)	(35,708)	(4,243)
(Increase) decrease in prepaid expense	-	-	-
(Increase) decrease in inventory	54,790	-	-
Increase (decrease) in accounts payable	903,259	539,182	86,270
Increase (decrease) in accrued payables	903,270	36,441	(114,429)
Increase (decrease) in deposits payable	(50)	-	-
Increase (decrease) in net pension liability	77,865	35,974	47,065
Increase (decrease) in net OPEB liability	(66,479)	(17,100)	20,165
Increase (decrease) in deferred pension related items	(1,110,490)	(465,180)	(159,615)
Increase (decrease) in deferred OPEB related items	151,372	25,911	(8,166)
Increase (decrease) in workers' compensation claims	-	-	-
Increase (decrease) in claims and judgments	-	-	-
Increase (decrease) in compensated absences	17,700	-	-
Total Adjustments	<u>1,432,159</u>	<u>407,046</u>	<u>119,242</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 3,343,011</u>	<u>\$ 2,178,595</u>	<u>\$ 481,648</u>
Non-Cash Investing, Capital, and Financing Activities:			
Bond premium amortization	\$ 9,689	\$ 4,767	\$ 23,824

CITY OF MANHATTAN BEACH

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2021

	Business-Type Activities - Enterprise Funds		Governmental Activities- Internal Service Funds
	Other Enterprise Funds	Totals	
Cash Flows from Operating Activities:			
Cash received from customers and users	\$ 2,983,297	\$ 25,382,295	\$ 88,772
Cash received from interfund service provided	-	-	11,727,194
Cash paid to suppliers for goods and services	(3,492,241)	(17,330,404)	(9,311,744)
Cash paid to employees for services	(370,528)	(2,928,109)	(6,839,200)
Net Cash Provided (Used) by Operating Activities	(879,472)	5,123,782	(4,334,978)
Cash Flows from Non-Capital Financing Activities:			
Cash transfers out	(1,668,091)	(1,668,091)	-
Cash transfers in	1,317,480	1,246,460	-
Proceeds from Pension Obligation Bond Issuance	186,912	1,886,690	3,509,010
Taxes	-	-	-
Net Cash Provided (Used) by Non-Capital Financing Activities	(163,699)	1,465,059	3,509,010
Cash Flows from Capital and Related Financing Activities:			
Acquisition and construction of capital assets	-	(12,976,681)	(291,172)
Principal paid on capital debt	-	(651,409)	-
Interest paid on capital debt	-	(324,757)	-
Cash from sale of property	-	-	36,245
Net Cash Provided (Used) by Capital and Related Financing Activities	-	(13,952,847)	(254,927)
Cash Flows from Investing Activities:			
Interest received	(12,183)	(21,070)	-
Net Cash Provided (Used) by Investing Activities	(12,183)	(21,070)	-
Net Increase (Decrease) in Cash and Cash Equivalents	(1,055,354)	(7,385,076)	(1,080,895)
Cash and Cash Equivalents at Beginning of Year	4,980,705	66,623,313	22,274,683
Cash and Cash Equivalents at End of Year	\$ 3,925,351	\$ 59,238,237	\$ 21,193,788
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:			
Operating income (loss)	\$ (345,230)	\$ 3,699,577	\$ (2,422,107)
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:			
Net position restatement for Net Pension/OPEB Liability	148,434	148,434	-
Depreciation	149,266	1,324,231	923,890
(Increase) decrease in accounts receivable	298,234	123,961	(7,163)
(Increase) decrease in prepaid expense	-	-	24,451
(Increase) decrease in inventory	-	54,790	(46,407)
Increase (decrease) in accounts payable	(94,971)	1,433,740	(98,382)
Increase (decrease) in accrued payables	(865,602)	(40,320)	(68,926)
Increase (decrease) in deposits payable	137,925	137,875	-
Increase (decrease) in net pension liability	(168,223)	(7,319)	503,387
Increase (decrease) in net OPEB liability	2,229	(61,185)	12,503
Increase (decrease) in deferred pension related items	(166,634)	(1,901,919)	(3,668,798)
Increase (decrease) in deferred OPEB related items	25,100	194,217	80,486
Increase (decrease) in workers' compensation claims	-	-	806,468
Increase (decrease) in claims and judgments	-	-	(374,380)
Increase (decrease) in compensated absences	-	17,700	-
Total Adjustments	(534,242)	1,424,205	(1,912,871)
Net Cash Provided (Used) by Operating Activities	\$ (879,472)	\$ 5,123,782	\$ (4,334,978)
Non-Cash Investing, Capital, and Financing Activities:			
Bond premium amortization	\$ -	\$ 38,280	\$ -

CITY OF MANHATTAN BEACH

STATEMENT OF FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 JUNE 30, 2021

	<u>Custodial Fund</u>
	<u>Special Assessment Redemption</u>
Assets:	
Pooled cash and investments	\$ 1,760,200
Receivables:	
Special assessments	46,040
Restricted assets:	
Cash and investments with fiscal agents	<u>1,118,238</u>
Total Assets	<u>2,924,478</u>
Liabilities:	
Accounts payable	3,755
Accrued interest	151,290
Long-term liabilities:	
Due in one year	1,205,000
Due in more than one year	<u>16,965,000</u>
Total Liabilities	<u>18,325,045</u>
Net Position:	
Restricted for other governments	<u>(15,400,567)</u>
Total Net Position	<u><u>\$ (15,400,567)</u></u>

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CITY OF MANHATTAN BEACH

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 YEAR ENDED JUNE 30, 2021

	<u>Custodial Fund Special Assessment Redemption</u>
Additions:	
Special assessments	\$ 1,672,545
Interest income	72
Total Additions	<u>1,672,617</u>
Deductions:	
Professional services	7,355
Interest expenses	497,092
Total Deductions	<u>504,447</u>
Changes in Net Position	<u>1,168,170</u>
Net Position	
Beginning of the Year	-
Restatements	(16,568,737)
End of the Year	<u><u>\$ (15,400,567)</u></u>

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Note 1: Organization and Summary of Significant Accounting Policies

a. Description of the Reporting Entity

The City of Manhattan Beach, California (the City), was incorporated on December 12, 1912, under the laws of the State of California and enjoys all the rights and privileges applicable to a general law city. It is governed by an elected five-member council. As required by accounting principles generally accepted in the United States of America, these financial statements present the City of Manhattan Beach (the primary government) and its component unit, the Manhattan Beach Capital Improvements Corporation. The component unit is included in the reporting entity because of the significance of its operational or financial relationships with the City of Manhattan Beach. It is governed by the City Council of the City of Manhattan Beach and its activities exclusively benefit the City, therefore it is presented as a blended component unit. Separate financial statements are not prepared for the Manhattan Beach Capital Improvements Corporation.

Blended Component Unit

Manhattan Beach Capital Improvements Corporation - The Manhattan Beach Capital Improvements Corporation (the Corporation) is a nonprofit public benefits corporation, organized under the laws of the State of California in September 1996, pursuant to the Nonprofit Public Benefit Corporation Laws (Title I, Division 2, Part 2, Section 5110). The sole purpose of the Corporation is to issue debt for capital improvements. Certificates of participation are debt issued by the Corporation providing the holder an interest, i.e. the right to participate in the lease payments paid by the City to the Corporation. In September of 1996, this entity issued \$4,615,000 of debt in the form of Certificates of Participation (the "1996 Certificates") to fund specific projects related to the City's water and wastewater infrastructure. This debt is accounted for in the proprietary fund types within the Water and Wastewater Funds. In April of 2002, this entity issued \$9,535,000 of debt to pay the cost of refinancing existing ground lease commitments with the Beach Cities' Health District for the newly constructed Marine Avenue Sports Fields. This debt was structured as a variable rate demand Certificate of Participation. In January 2003, this entity issued \$13,350,000 of fixed rate Certificates of Participation (the "2003 Certificates") for the construction of a two-level downtown subterranean parking structure and outdoor plaza. This endeavor is commonly known as the Metlox Public Improvement project. The parking lot portion of the project was completed in January 2004, and the public plaza portion of the project was completed in November 2005. In November 2004, this entity issued fixed rate Certificates of Participation (the "2004 Certificates") in the amount of \$12,980,000 to contribute toward the full funding of the construction of a new Police and Fire facility and adjoining City Hall plaza. This major project was completed in December 2007. Capital construction costs for the project were \$38,404,048. In July 2012, the entity issued \$12,975,000 of Certificates of Participation, Series 2012 (the "2012 Certificates"), to refund the outstanding balance of the 1996 Certificates of Participation and the outstanding balance of the 2003 Certificates of Participation. In February 2013, the entity issued \$10,510,000 of Certificates of Participation, Series 2013 (the "2013 Certificates"), to refund the outstanding balance of the 2004 Certificates of Participation. In November 2017, the entity issued \$5,905,000 Certificates of Participation (Marine field Refunding) Series 2017 to refund the Variable Rate Demand Refunding Certificates of Participation (Marine Sports Field Capital Lease Refinancing) Series 2002. There are no separately issued financial statements for this entity.

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

b. Accounting and Reporting Policies

The City adopted GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*, which established accounting and financial reporting standards for financial statements of state and local governments.

c. Description of Funds

The accounts of the City are organized and operated on the basis of funds, each of which is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances and changes therein. These funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

In accordance with the City's municipal code and budget, several different types of funds are used to record the City's financial transactions. For financial reporting purposes, such funds have been categorized and are presented as follows:

Governmental Fund Types

General Fund - to account for all unrestricted resources except those required to be accounted for in another fund.

Special Revenue Funds - to account for the proceeds of specific revenue sources (other than for major capital projects) that are restricted by law or administrative action to expenditures for specified purposes.

Capital Projects Funds - to account for financial resources segregated for the acquisition or construction of major capital facilities, other than those financed by Enterprise or Internal Service Funds. In recent years, the Underground Assessment District Fund was added to this category.

Proprietary Fund Types

Enterprise Funds - to account for operations where it is the stated intent that costs of providing services to the general public on a continuing basis be financed or recovered primarily through user charges, or where determination of net income is deemed appropriate.

Internal Service Funds - to account for insurance reserve, information systems, building maintenance and operations, and fleet management services provided to the departments of the City on a continuing basis, which are financed or recovered primarily by charges to the user departments.

Fiduciary Fund Types

Custodial Funds - to account for special assessment collections for debt service for the underground assessment bonds that the City remits to the fiscal agent.

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

d. Basis of Accounting/Measurement Funds

Government-Wide Financial Statements

The City government-wide financial statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position. These statements present summaries of Governmental Activities and Business-Type Activities for the City. Fiduciary Activities of the City are not included in these statements.

These statements are presented on an “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all of the City’s assets, deferred inflows and outflows of resources, and liabilities, including capital assets and infrastructure as well as 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 the benefit 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. The types of program revenues 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. Grants and contributions include revenues restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenue are reported instead as general revenue.

Government-wide financial statements do not provide information by fund; they simply distinguish between governmental and business-type activities. The City’s Statement of Net Position includes current and noncurrent assets and liabilities, as well as deferred inflows and outflows of resources.

Financial Statement Classification

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 into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of capital assets reduce this category.

Restricted Net Position - This category presents 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 net position of the City, not restricted for any project or other purpose.

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

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenue, Expenditures and Change in Fund Balances for all major governmental funds and aggregated nonmajor funds. An accompanying schedule is presented to reconcile and explain the differences in fund balance as presented in these statements to the net position presented in the government-wide financial statements. The City has presented all major funds that met the qualifications of GASB Statement No. 34.

All governmental funds are accounted for by using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included in the governmental fund balance sheet. Related operating statements of these funds present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance.

The modified accrual basis of accounting is used by all governmental funds as the basis for recognizing revenues. Under the modified accrual basis of accounting, revenues are susceptible to accrual and consequently recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be readily determined, and "available" means that the transaction amount is collectible within the current period or soon thereafter (generally 60 days after year-end) to be used to pay liabilities of the current period. Revenues considered susceptible to accrual include property taxes and sales taxes collected after year-end, earned and uncollected investment interest income, uncollected rents and leases and unbilled service receivables. Revenues from such items as license and permit fees, fines and forfeitures and general service charges are not susceptible to accrual because they are generally not measurable until received in cash.

The government reports unearned revenue on its balance sheet for grant monies received before the City has a legal claim to them, such as grant funds received prior to incurring qualified expenses. In subsequent periods, the unearned revenue is removed once revenue recognition criteria are met and the City has established legal claim to the resources.

Governmental fund expenditures are recorded when the related fund liability is incurred. Principal and interest on long-term debt are recorded as fund liabilities when they are due or when amounts have been accumulated in the debt service fund for payments to be made early in the following year.

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

Proprietary Funds Financial Statements

Proprietary funds financial statements include a Statement of Fund Net Position, a Statement of Revenues, Expenses and Change in Fund Net Position, and a Statement of Cash Flows. All proprietary fund types are accounted for on a flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. With this measurement focus, all assets, deferred outflows/inflows of resources and liabilities (current and long-term) resulting from the operations of these funds are included in the Statement of Net Position. Accordingly, the proprietary fund Statement of Net Position presents assets, deferred inflows/outflows of resources and liabilities classified into their respective current and long-term categories.

The City's internal service funds are 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 funds 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.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's proprietary funds are charges to customers for services. Operating expenses include the cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

There is no look-back adjustment on the statement of fund net position and the statement of revenues, expenses and changes in fund net position for the enterprise funds' participation in the internal services funds because these transactions are paid in cash, therefore there is no internal balance related to what can be considered a quasi-external transaction.

Fiduciary Funds

Fiduciary Fund Financial Statements include a Statement of Fiduciary Net Position and a Statement of Change in Fiduciary Net Position. The fiduciary funds are used to report assets held in a trustee or custodial capacity for others and, therefore, are not available to support City programs. Since these assets are being held for the benefit of a third party, these funds are not incorporated into the government-wide statements. Fiduciary funds are accounted for on a flow of economic resources measurement focus and use the accrual basis of accounting,

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

Major Funds

Governmental Accounting Standards Board Statement 34 (GASB 34) requires the City to report all major funds in the basic financial statements. In accordance with GASB 34, the following funds are classified as major governmental funds:

General Fund – used to account for all unrestricted resources except those required to be accounted for in another fund. This fund accounts for general citywide operations.

Proposition C Fund – used to account for proceeds from the half-cent sales taxes generated by the approval of Proposition C by Los Angeles County Voters. These funds, which are administered by the Los Angeles County Metropolitan Transportation Authority (MTA), are distributed based on population and must be used for transportation related projects,

The following funds are classified as major proprietary funds:

Water Fund - used to account for the operation of the City's water utility system. Revenues are generated from user fees, which are adjusted periodically to meet the costs of administration, operation, maintenance and capital improvements to the system. In fiscal year 1997, the City completed a comprehensive utility fee study and issued certificates of participation for the purpose of upgrading the City's water and wastewater systems.

Wastewater Fund - used to account for the maintenance and improvements of the City's sewer system. Revenues are derived from a user charge placed on the water bills. In fiscal year 1997, the City completed a comprehensive utility fee study and issued certificates of participation for the purpose of upgrading the City's water and wastewater system.

Parking Fund - used to account for the general operations and maintenance of City parking lots and spaces. Revenues are generated from the use of these properties.

e. Property Tax Calculator

Property tax revenue is recognized on the modified accrual basis, that is, in the fiscal year for which the taxes have been levied providing they become available. Available means due or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter (not to exceed 60 days) to be used to pay liabilities of the current period. The County of Los Angeles collects property taxes for the City. Tax liens attach annually as of 12:01 AM on the first day in January prior to the fiscal year for which the taxes are levied. Taxes are levied on both real and personal property, as it exists on that date. The tax levy covers the fiscal period July 1 to June 30. All secured personal property taxes and one-half of the taxes on real property are due November 1; the second installment is due February 1. All taxes are delinquent, if unpaid, by December 10 and April 10, respectively. Unsecured personal property taxes become due on March 1 of each year and are delinquent, if unpaid, on August 31.

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

f. Cash and Investments

Cash and Cash Equivalents

For purpose of the Statement of Cash Flows, the City considers cash and cash equivalents as short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. The City follows the practice of pooling cash and investments of all funds except for funds in its 125 medical flex plan; its Section 115 Trust, and its outstanding Water and Wastewater; Marine Avenue Sports Field; and Metlox, Police & Fire Facility bonded debt, which are held by outside trustees.

Investments

Investments are shown at fair value, in accordance with GASB Statements No. 31 and No. 72. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

For purposes of the Statement of Cash Flows, the proprietary fund types consider all cash and investments to be cash equivalents, as these funds participate in the citywide cash and investment pool.

g. Restricted Cash and Investments

Certain proceeds of debt issues, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

Additionally, the City established the PARS Post-Employment Benefits Trust as a tax-exempt trust within the meaning of Section 115 of the IRS Code and relevant statutory provisions of the State of California for the purpose of pre-funding pension obligation and/or OPEB obligation. The City's adoption and operation of the Trust has no effect on any of the current or former employee's entitlement to post-employment benefits. The balances and activities of the Trust are irrevocably dedicated to funding future post-employment benefit obligations. The assets will benefit the City through reduced future cash flow demands on the City's General fund resources and continue to be assets of the City. These amounts are reflected as restricted cash and investments in the General fund.

h. Capital Assets

Capital assets, which include land, machinery and equipment, buildings and improvements, intangibles, and infrastructure (roads, bridges, curbs and gutters, streets, walk-streets and sidewalks, parks and recreation improvements), are reported in the government-wide financial statements. Capital assets and infrastructure are defined by the City as assets with an initial, individual cost of more than \$5,000 and \$100,000 respectively (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2021

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

Capital assets are reported net of accumulated depreciation on the Statement of Net Position. Depreciation is provided for on the straight-line method over the estimated useful lives of the assets as follows:

Asset	Years
Equipment	5 - 20
Vehicles	3 - 20
Buildings/Improvements	40 - 100
Water and Sewer Systems	30 - 50
Other Infrastructure	15 - 100

Major outlays for capital assets and improvements are capitalized as projects are constructed.

i. Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Financial Position reports 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 so will not be recognized as an outflow of resources (expense/expenditure) until then. The government reports deferred outflows of resources for pension contributions made after the actuarial measurement date which will be recognized in the following year, for the net difference between projected and actual earnings on pension and OPEB plan investments, the difference between expected and actual experience, the changes of assumptions, adjustments due to the difference in proportions, and the difference in proportionate share. The government also reports deferred outflows for deferred charges on debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the Statement of Financial Position and the Governmental Fund Balance Sheet report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The government has one item, which arises only under the modified accrual basis of accounting that qualifies for reporting in this category. The item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from grant revenues. These amounts are deferred and recognized as an inflow of resources in the period when they become available. In addition, the government has deferred inflows of resources relating to the net pension and OPEB obligation reported in the government-wide statement of net position and the proprietary funds. These deferred inflows of resources are the result of changes in assumptions, differences between expected and actual experiences, adjustments due to the difference in proportions and difference in proportionate share.

j. Net Pension Liability

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2021

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

about the fiduciary net position of the Plan and additions to/deductions from the Plan's fiduciary net position have been determined on the same basis as they are reported by the CalPERS Financial Office. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

Generally accepted accounting principles require that the reported results must pertain to liability and asset information within certain defined timeframes. For the pension plan administered under the California Public Employee's Retirement System (CalPERS), the following timeframes are used:

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

k. Net Other Post-employment Benefits (OPEB) Liability

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City's plan (OPEB Plan) and additions to/deductions from the OPEB Plan's fiduciary net position have been determined on the same basis. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value.

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

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

l. Interfund Transfers

As a general rule, interfund transactions have been eliminated from the government-wide financial statements. Exceptions to this rule are payments in lieu or charges for current service between the City's enterprise activity and the City's governmental funds. Elimination of these transactions would distort the direct costs and program revenues for the various functions. Certain eliminations have been made regarding interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column.

In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental, business-type, and fiduciary activities have not been eliminated.

m. Long-Term Obligations

In the government-wide and proprietary funds financial statements, long-term obligations are recorded as liabilities in the applicable governmental activities, business-type

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

activities or proprietary fund type Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the debt using the effective interest method.

In the governmental fund financial statements, long-term obligation, bond discounts and premiums are recognized as other financing sources or uses when incurred. Issuance costs are recorded as a current year expenditure.

The City has recorded all judgment and claim liabilities resulting from workers' compensation and liability insurance claims in the Insurance Reserve Fund, which is a component of the Internal Service Funds Group. The recorded liability is based upon an estimate of reported claims as provided by an analysis of a third-party administrator. Reported short-term and long-term estimated losses and reserves of \$11,075,400 and \$6,978,014 respectively, are recorded in the Insurance Reserve Fund.

Only the short-term liability is reflected as a current liability in all applicable governmental fund types; the remainder of the liability is reported as long-term debt in the Statement of Net Position.

n. Vacation and Sick Leave

The City's policy is to record the cost of vested vacation and sick leave as it is earned. Vacation is payable to employees at the time a vacation is taken or upon termination of employment. At termination, employees are eligible to convert 50% of unused sick time to service credit; however, sworn fire safety personnel, upon service retirement, may opt to cash out 50% of the value of unused sick leave.

Miscellaneous and sworn police employees may accrue compensated time off in lieu of payment for overtime hours. Overtime hours are banked at either time-and-a-half or straight-time hours depending upon the nature of the overtime worked. The dollar value of these hours is included as an employee benefits liability as shown in the balance sheet.

o. Allocation of Interest Income

The City pools all non-restricted cash for investment purchases and allocates interest income based on month-end cash balances. Interest earned by restricted Cash is posted to their respective accounts.

p. Other Accounting Policies

Inventories - Inventories of materials and supplies are carried at cost on a weighted-average basis. The City uses the consumption method of accounting for inventories.

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

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

q. Estimates

The accompanying financial statements require management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

r. Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

s. Fund Balance Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

t. Fund Balance Policy

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes.

- Non-spendable fund balance is the portion of fund balance that cannot be spent due to form. Examples include inventories, prepaid amounts, long-term loans, and notes receivable, unless the proceeds are restricted, committed or assigned. Also, amounts that must be maintained intact legally or contractually, such as the principal of a permanent fund are reported within the non-spendable category.
- Restricted fund balance is the portion of fund balance that is subject to externally enforceable limitations by law, enabling legislation or limitations imposed by creditors or grantors. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).
- The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The governing council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2021

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

- Assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The governing council (council) has by resolution authorized the finance director to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.
- Unassigned fund balance is the residual classification that includes all spendable amounts in the General Fund not contained in other classifications.

Note 2: Stewardship, Compliance and Accountability

Deficit Fund Balance and Net Position

At June 30, 2021, the Insurance Reserve Fund has a deficit net position of \$1,675,682 resulting from the accrual of non-current liabilities. The Building Maintenance and Operations Fund and the County Parking Lot Fund have deficit net position of \$426,550 and \$9,199 respectively. These deficits are the result of non-current liabilities and will be resolved by future revenues and contributions from other funds.

Note 3: Cash and Investments

As of June 30, 2021, cash and investments were reported in the accompanying financial statements as follows:

Governmental Funds	\$ 49,006,307
Internal Service Funds	21,193,788
Business-Type Activities	59,238,237
Fiduciary Funds	2,878,438
Total Cash and Investments	<u>\$ 132,316,770</u>

The City pools all cash and investments that is available for use for all funds, including fiduciary funds. Unrestricted and restricted cash and investments, as indicated in the government-wide statement of net position, do not include fiduciary cash and investments. These cash amounts are included in the Statement of Fiduciary Net Position – Fiduciary Funds. Each fund type's position in the pool is reported on the Combined Balance Sheet as cash and investments. The City has adopted an investment policy, which authorizes it to invest in various investments.

a. Deposits

At June 30, 2021, the carrying amount of the City's deposits after outstanding checks and deposits in transit was \$4,783,666 and the bank balance was \$5,589,707. The \$806,041 difference represents outstanding checks and other reconciling items.

The California Government Code requires California banks and savings and loan associations to secure a City's deposits by pledging government securities with a value of 110% of an entity's deposits. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of a

Note 3: Cash and Investments (Continued)

City's total deposits. The City's Treasurer may waive the collateral requirement for deposits that are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking.

The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local governmental agency.

Accordingly, all collateral held by California Agents of Depository are considered to be held for, and in the name of, the City.

b. Authorized Investments

Under provisions of the City's Investment Policy, and in accordance with Section 53601 of the California Government Code, the City may invest in the following types of investments:

- Securities of the U.S. Government, or its agencies
- Certificates of Deposit (or Time Deposits) placed with commercial banks and/or savings and loan associations
- Negotiable Certificates of Deposit
- Bankers Acceptances
- Commercial Papers
- Local Agency Investment Fund (State Pool) Demand Deposits
- Passbook Savings Account Demand Deposits
- Federally Insured Thrift and Loan
- Repurchase Agreements
- Medium-Term Corporate Notes
- Floaters or step-ups with market driven interest rate adjustments
- Mutual Funds of highest ratings

The City's investment policy does not allow the use of reverse-repurchase agreements and, accordingly, the City did not borrow through the use of reverse-repurchase agreements at any time during the year.

c. Investments Authorized by Debt Agreements

The above investments do not address investment of debt proceeds held by a bond trustee. Investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the Entity's investment policy.

Note 3: Cash and Investments (Continued)

d. Investments in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. The State Treasurer's Office audits the fund annually. The fair value of the position in the investment pool is the same as the value of the pool shares.

The City is required to disclose its methods and assumptions used to estimate the fair value of its holdings in LAIF. The City relied upon information provided by the State Treasurer in estimating the City's fair value position of its holdings in LAIF. The City had a contractual withdrawal value of \$61,000,000 whose pro-rata share of fair value was estimated by the State Treasurer to be \$61,005,061.

e. GASB Statement No. 31

The City adopted GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, as of July 1, 1997. GASB Statement No. 31 establishes fair value standards for investments in participating interest earning investment contracts, external investment pools, equity securities, option contracts, stock warrants and stock rights that have readily determinable fair values. Accordingly, the Entity reports its investments at fair value in the balance sheet.

All investment income, including changes in the fair value of investments, is recognized as revenue in the operating statement.

Methods and assumptions used to estimate fair value. The City maintains investment accounting records and adjusts those records to "fair value" on an annual basis for material amounts. The City's investment custodian provides market values on each investment instrument on a monthly basis for material amounts. The investments held by the City are widely traded in the financial markets and trading values are readily available from numerous published sources. Material unrealized gains and losses are recorded on an annual basis and the carrying value of its investments is considered fair value. For the year ended June 30, 2021, the fair value of investments exceeded book value the by \$1,891,551.

f. Credit Risk

The City's investment policy limits investments in medium-term notes (MTN's) to those rated in the top three rating categories by two of the three largest nationally recognized rating services at time of purchase. As of June 30, 2021, the City's investment in medium-term notes consisted of investments with Microsoft Corp., Berkshire Hathaway Inc., Coca Cola Co., United Parcel Service, Costco Wholesale Corp., Apple Inc., Oracle Corp, Toyota Motor Credit Corp., US Bank NA Cincinnati, Bank of New York Mellon Corp., and Walt Disney Company. All MTN's were rated "A" or higher by Moody's at time of purchase. Investment in government agencies issued by the Federal National Mortgage Association, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, and the Federal Farm Credit Banks were rated "Aaa" by Moody's and "AA+" by Standard & Poor's. Asset-Backed Securities were rated "Aaa" by Moody's and "AAA" by Standard & Poor's.

Note 3: Cash and Investments (Continued)

All securities were investment grade and were legal under state and city policies. Investments in U.S. government securities are not considered to have credit risk; therefore, their credit quality is not disclosed. As of June 30, 2021, the City's investments in external investment pools and money market mutual funds are unrated.

g. Custodial Credit Risk

The 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 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 to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The City does not have a policy for custodial credit risk.

As of June 30, 2021, none of the City's deposits or investments was exposed to custodial credit risk.

h. Concentration of Credit Risk

The City's investment policy imposes restrictions for certain types of investments with any one issuer for the following types of investments. With respect to concentration of credit risk, as of June 30, 2021, the City is in compliance with its investment policy's restrictions.

In accordance with GASB Statement No. 40, the city is exposed to credit risk if it has invested more than 5% of its total investments in any one issuer. The following issuers are above 5% of the total investments: Federal Home Loan Bank (8.12%), Federal Farm Credit (5.75%), and Fannie Mae (7.35%). These government-sponsored investments are backed by the federal government and are below the City's investment policy limit of 33.33% of total investments.

i. Interest Rate Risk

The City's investment policy limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City's investment policy states that no investment can mature more than five years from the date of purchase in line with state code requirements. The only exception to these maturity limits shall be the investment of the gross proceeds of tax-exempt bonds. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

j. Fair Value Measurement and Application

The City categorizes 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 significant other observable inputs; Level 3 inputs are significant unobservable inputs. Debt securities classified in Level 2 of the fair value hierarchy use a market approach to measure fair value. The City's pricing vendor, through rules based logic, utilizes valuation techniques that reflect market participants' assumptions and vary by asset class and per methodology, and maximizes the use of relevant observable data including quoted prices for similar assets, benchmark yield curves and market corroborated inputs.

CITY OF MANHATTAN BEACH

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

Note 3: Cash and Investments (Continued)

The City has the following recurring fair value measurements as of June 30, 2021:

Investment Type	Total	Uncategorized	Fair Value Level		
			1	2	3
Local Agency Investment Fund (LAIF)	\$ 61,005,061	\$ 61,005,061	\$ -	\$ -	\$ -
US Treasury and Agency Notes	47,285,880	-	17,262,680	30,023,200	-
Medium-Term Corporate Notes	15,475,382	-	-	15,475,382	-
Total Investments	\$ 123,766,323	\$ 61,005,061	\$ 17,262,680	\$ 45,498,582	\$ -

As of June 30, 2021, the City had the following investments and original maturities:

	Remaining Investment Maturities				Fair Value
	6 months or less	6 months to 1 year	1 to 3 years	More than 3 years	
<u>Pooled investments:</u>					
Local Government Fund	\$ 61,005,061	\$ -	\$ -	\$ -	\$ 61,005,061
US Treasury and agency notes	6,013,370	2,028,440	22,790,830	16,453,240	47,285,880
Medium-term notes	1,004,290	3,053,370	7,258,580	4,159,142	15,475,382
	\$ 68,022,721	\$ 5,081,810	\$ 30,049,410	\$ 20,612,382	123,766,323
<u>Investment with Fiscal Agents:</u>					
PARS pension					1,820,529
Utility undergrounding					1,118,238
Water/Wastewater, Metlox Refunding bonds					137,881
Marine certificates of participation					84,089
Police & Fire certificate of participation refunding bonds					115,806
					3,276,543
Demand deposits					4,783,666
Other deposits					487,810
Petty cash					2,428
					5,273,904
					\$ 132,316,770

Note 4: Interfund Transactions

Interfund Transfers

With City Council approval, resources may be transferred from one fund to another. Transfers between individual funds during the fiscal year ended June 30, 2021, are presented below:

Transfers Out	Transfers In			Total
	General Fund	Nonmajor Governmental Funds	Nonmajor Proprietary Funds	
General Fund	\$ -	\$ 1,136,302	\$ 517,480	\$ 1,653,782
Parking	71,020	-	-	71,020
Nonmajor Proprietary Funds	868,091	-	800,000	1,668,091
Total	\$ 939,111	\$ 1,136,302	\$ 1,317,480	\$ 3,392,893

The interfund transfers scheduled above resulted from a variety of City initiatives including the following:

- The General Fund transferred \$1,136,302 to Nonmajor Governmental funds and \$517,480 to Nonmajor proprietary funds to provide additional working capital.

CITY OF MANHATTAN BEACH

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

Note 4: Interfund Transactions (Continued)

Due To/From Other Funds

	Due To Other Funds	Due From Other Funds
		General Fund
Proposition C		\$ 352,401

The interfund short term loan from the general fund to the Proposition C fund was to cover negative cash balances.

Note 5: Capital Assets and Depreciation

In accordance with GASB Statement No. 34, the City has reported all capital assets including infrastructure in the Government-Wide Statement of Net Position. The City elected to use the basic approach as defined by GASB Statement No. 34 for all infrastructure reporting, whereby depreciation expense and accumulated depreciation have been recorded. The following table presents the capital assets activity for the year ended June 30, 2021:

	Ending Balance June 30, 2020	Adjustments	Beginning Balance July 1, 2020	Transfers	Increases additions	Decreases (deletions)	Ending Balance June 30, 2021
Governmental Activities							
Land	\$ 33,634,565	\$ -	\$ 33,634,565	\$ -	\$ -	\$ -	\$ 33,634,565
Construction-in-progress							
Buildings	859,146	-	859,146	(348,043)	38,611	-	549,714
Streets / Roadways	11,984,026	(3,713,103)	8,270,923	(4,561,922)	3,402,157	-	7,111,158
Recreation	220,503	-	220,503	-	142,617	(79,668)	283,452
Total Capital Assets, Not Being Depreciated	46,698,240	(3,713,103)	42,985,137	(4,909,965)	3,583,385	(79,668)	41,578,889
Buildings and structures	43,758,790	-	43,758,790	348,043	-	-	44,106,833
Machinery and equipment	5,751,886	-	5,751,886	-	135,378	-	5,887,264
Vehicles	12,480,349	-	12,480,349	-	291,172	(169,552)	12,601,969
Infrastructure							
Streets / Roadways	60,128,965	-	60,128,965	4,561,922	-	-	64,690,887
Parks & Recreation	22,688,011	-	22,688,011	-	-	-	22,688,011
Investment in Joint Venture (RCC)	3,665,904	-	3,665,904	-	27,094	-	3,692,998
Total Capital Assets, Being Depreciated	148,473,905	-	148,473,905	4,909,965	453,644	(169,552)	153,667,962
Less Accumulated Depreciation:							
Buildings and Structures	13,821,933	-	13,821,933	-	847,657	-	14,669,590
Machinery and Equipment	3,889,050	-	3,889,050	-	387,736	-	4,276,786
Vehicles	7,871,876	-	7,871,876	-	923,890	(169,552)	8,626,214
Infrastructure							
Streets / Roadways	35,061,812	-	35,061,812	-	1,356,391	-	36,418,203
Parks & Recreation	7,400,873	-	7,400,873	-	404,883	-	7,805,756
Investment in Joint Venture (RCC)	1,447,435	-	1,447,435	-	165,699	-	1,613,134
Total Accumulated Depreciation	69,492,979	-	69,492,979	-	4,086,256	(169,552)	73,409,683
Total Capital Assets, Being Depreciated, Net	78,980,926	-	78,980,926	4,909,965	(3,632,612)	-	80,258,279
Governmental Activities Capital Assets, Net	\$ 125,679,166	\$ (3,713,103)	\$ 121,966,063	\$ -	\$ (49,227)	\$ (79,668)	\$ 121,837,168

Adjustments were made to the beginning balance to properly classify capital assets.

CITY OF MANHATTAN BEACH

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021**

Note 5: Capital Assets and Depreciation (Continued)

	Ending Balance June 30, 2019	Adjustments	Beginning Balance July 1, 2019	Transfers	Increases additions	Decreases (deletions)	Ending Balance June 30, 2020
Business-Type Activities:							
Capital assets, not being depreciated:							
Land - Water	\$ 307,967	\$ -	\$ 307,967	\$ -	\$ -	\$ -	\$ 307,967
Land - Stormwater	857,650	-	857,650	-	-	-	857,650
Land - Parking	1,441,817	-	1,441,817	-	-	-	1,441,817
Construction-in-progress	6,800,159	(49,121)	6,751,038	(833,133)	12,976,684	-	18,894,589
Total Capital Assets, Not Being Depreciated	9,407,593	(49,121)	9,358,472	(833,133)	12,976,684	-	21,502,023
Capital assets, being depreciated:							
Buildings and structures - Parking	18,163,159	-	18,163,159	-	-	-	18,163,159
Machinery and equipment							
Parking	1,803,942	-	1,803,942	-	-	-	1,803,942
Water	34,369,244	-	34,369,244	-	-	-	34,369,244
Storm water	7,703,405	-	7,703,405	-	-	-	7,703,405
Wastewater	15,471,226	-	15,471,226	833,133	-	-	16,304,359
Total Capital Assets, Being Depreciated	77,510,976	-	77,510,976	833,133	-	-	78,344,109
Less Accumulated Depreciation:							
Buildings and structures - Parking	2,889,598	-	2,889,598	-	194,837	-	3,084,435
Machinery and equipment							
Parking	1,192,208	-	1,192,208	-	57,358	-	1,249,566
Water	14,622,524	-	14,622,524	-	635,244	-	15,257,768
Stormwater	4,620,050	-	4,620,050	-	149,266	-	4,769,316
Wastewater	7,291,002	-	7,291,002	-	287,526	-	7,578,528
Total Accumulated Depreciation	30,615,382	-	30,615,382	-	1,324,231	-	31,939,613
Total Capital Assets, Being Depreciated, Net	46,895,594	-	46,895,594	833,133	(1,324,231)	-	46,404,496
Business-Type Activities Capital Assets, Net	\$ 56,303,187	\$ (49,121)	\$ 56,254,066	\$ -	\$ 11,652,453	\$ -	\$ 67,906,519

Adjustments were made to the beginning balance to properly classify capital assets.

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

Governmental Activities:	
General government	\$ 114,228
Public safety	779,690
Public works	1,863,565
Parks and recreation	404,883
Internal service funds	923,890
Total Depreciation Expense - Governmental Activities	<u>\$ 4,086,256</u>
Business-Type Activities:	
Water	\$ 635,244
Wastewater	287,526
Parking	252,195
Stormwater	149,266
Total Depreciation Expense - Business-Type Activities	<u>\$ 1,324,231</u>

CITY OF MANHATTAN BEACH

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

Note 6: Long-Term Debt

The following is a summary of changes in long-term debt for the year ended June 30, 2021:

	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021	Due in One Year
Governmental Activities:					
Certificates of participation					
Marine Ave Park refunding COP Series 2016	\$ 5,040,000	\$ -	\$ 310,000	\$ 4,730,000	\$ 320,000
2013 Police and Fire Refunding COP	7,165,000	-	530,000	6,635,000	545,000
2021 Pension Obligation Bonds	-	89,388,310	-	89,388,310	3,099,578
Total Governmental	\$ 12,205,000	\$ 89,388,310	\$ 840,000	100,753,310	\$ 3,964,578
Unamortized premium				586,357	
				\$ 101,339,667	
Business-Type Activities:					
Certificates of participation					
2012 Metlox and Water/Wastewater Refunding COP	\$ 8,375,000	\$ -	\$ 680,000	\$ 7,695,000	\$ 710,000
2021 Pension Obligation Bonds	-	1,886,690	-	1,886,690	65,422
Total Business Type	\$ 8,375,000	\$ 1,886,690	\$ 680,000	9,581,690	\$ 775,422
Unamortized premium				315,207	
				\$ 9,896,897	

a. Marine Avenue Certificates of Participation Series 2016

On November 9, 2016, the City issued \$5,905,000 Certificate of Participation Series 2016 (Marine Field Refunding) Series 2016 to refund the outstanding balance of the Variable Rate Demand Refunding Certificates of Participation Series 2002. The Certificates represents the proportionate interest on the lease payments to be made by the City as rent for the use of certain real property located in the City and consisting of the police department and fire department headquarter facility. The Certificates bear interest at a rate of 3% to 4% with principal ranging from \$265,000 to 465,000 and maturing on January 2033. The balance at June 30, 2021, includes an unamortized bond premium of \$309,574 which will be amortized over the life of the issue.

Annual debt service requirements to maturity for the Marine Avenue Certificates of Participation Series 2016 are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2022	\$ 320,000	\$ 163,100	\$ 483,100
2023	335,000	150,300	485,300
2024	345,000	136,900	481,900
2025	360,000	123,100	483,100
2026	370,000	108,700	478,700
2027-2031	2,080,000	332,850	2,412,850
2032-2034	920,000	41,550	961,550
Total	\$ 4,730,000	\$ 1,056,500	\$ 5,786,500

In the event of a default, there is no remedy of acceleration of the total lease payments due over the term of the lease agreement and the trustee is not empowered to sell the leased premises and use the proceeds of such a sale to redeem the 2017 certificates or pay debt service thereon. The city will be liable only for lease payments on an annual basis, and the trustee will be required to seek a separate judgment each year for the year's defaulted lease payments.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021
Note 6: Long-Term Debt (Continued)**b. 2013 Police and Fire Facility Refunding Certificates of Participation**

In February 2013, the City issued \$10,510,000 of Certificates of Participation, Series 2013, to advance refund the 2004 Police and Fire Certificates of Participation (2004 COP). The payments under the lease agreement are due January and July of each year until maturity in January 2032 and include interest rates ranging from 2% to 4%. The proceeds were used to purchase U.S. Government securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. The balance at June 30, 2021, includes an unamortized bond premium of \$276,783 which will be amortized over the life of the issue.

The reacquisition price exceeded the net carrying amount of the old debt by \$595,473. This amount is being deferred as an outflow of resources and amortized over the remaining life of the refunded debt. The outstanding balance at June 30, 2021 is \$337,970.

Annual debts service requirements to maturity for the 2013 Police and Fire Certificates of Participation are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2022	\$ 545,000	\$ 231,613	\$ 776,613
2023	560,000	215,263	775,263
2024	575,000	198,463	773,463
2025	600,000	175,463	775,463
2026	620,000	151,463	771,463
2027-2031	3,485,000	397,456	3,882,456
2032-2034	250,000	8,438	258,438
Total	<u>\$ 6,635,000</u>	<u>\$ 1,378,159</u>	<u>\$ 8,013,159</u>

In the event of a default, there is no remedy of acceleration of the total lease payments due over the term of the lease agreement and the trustee is not empower to sell the leased premises and use the proceeds of such a sale to redeem the 2013 certificates or pay debt service thereon. The city will be liable only for lease payments on an annual basis, and the trustee will be required to seek a separate judgment each year for the year's defaulted lease payments.

c. 2012 Metlox and Water/Wastewater Refunding Certificates of Participation

In July 2012, the City of Manhattan Beach issued \$12,975,000 of fixed rate Certificates of Participation (COP) to refund the City's 2003 Metlox Public Improvements Certificates of Participation and the 1996 Water and Wastewater Improvement Project Certificates of Participation. The payments under the lease agreement are due January and July of each year with interest rates ranging from 2% to 4% and mature through January 2032. The COP includes an unamortized premium of \$315,207 at June 30, 2021, which will be amortized over the life of the issue.

CITY OF MANHATTAN BEACH

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

Note 6: Long-Term Debt (Continued)

Annual debt service requirements to maturity for the Metlox, Water and Wastewater Certificates of Participation are as follows:

Fiscal Year Ending June 30,	Water			Wastewater		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 147,454	\$ 28,820	\$ 176,274	\$ 72,546	\$ 14,180	\$ 86,726
2023	154,157	24,396	178,553	75,843	12,004	87,847
2024	157,508	18,230	175,738	77,492	8,970	86,462
2025	167,562	11,930	179,492	82,438	5,870	88,308
2026	174,264	5,228	179,492	85,736	2,572	88,308
2027-2028	-	-	-	-	-	-
Total	\$ 800,945	\$ 88,604	\$ 889,549	\$ 394,055	\$ 43,596	\$ 437,651

Fiscal Year Ending June 30,	Metlox			Total		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 490,000	\$ 232,763	\$ 722,763	\$ 710,000	\$ 275,763	\$ 985,763
2023	500,000	218,063	718,063	730,000	254,463	984,463
2024	530,000	198,063	728,063	765,000	225,263	990,263
2025	550,000	176,863	726,863	800,000	194,663	994,663
2026	570,000	154,863	724,863	830,000	162,663	992,663
2027-2031	3,160,000	479,188	3,639,188	3,160,000	479,188	3,639,188
2032-2033	700,000	24,500	724,500	700,000	24,500	724,500
Total	\$ 6,500,000	\$ 1,484,303	\$ 7,984,303	\$ 7,695,000	\$ 1,616,503	\$ 9,311,503

In the event of a default, there is no remedy of acceleration of the total lease payments due over the term of the lease agreement and the trustee is not empower to sell the leased premises and use the proceeds of such a sale to redeem the 2012 certificates or pay debt service thereon. The city will be liable only for lease payments on an annual basis, and the trustee will be required to seek a separate judgment each year for the year's defaulted lease payments.

d. 2021 Taxable Pension Obligation Bonds

In May 2021, the City of Manhattan Beach issued \$91,275,000 of Taxable Pension Obligation Bonds (POB). The bonds were issued to pay the City's unfunded accrued actuarial liability to the California Public Employees Retirement System with respect to the City's defined benefit retirement plans for City employees. The payments under the agreement are due January and July of each year with interest rates ranging from 0.12% to 2.79% and mature through January 2043.

CITY OF MANHATTAN BEACH

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

Note 6: Long-Term Debt (Continued)

Annual debt service requirements to maturity for the 2021 Taxable Pension Obligation Bonds are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2022	\$ 3,165,000	\$ 1,321,857	\$ 4,486,857
2023	3,450,000	2,072,521	5,522,521
2024	3,465,000	2,063,068	5,528,068
2025	3,495,000	2,043,872	5,538,872
2026	3,530,000	2,009,411	5,539,411
2027-2031	18,585,000	9,183,690	27,768,690
2032-2036	20,845,000	7,007,170	27,852,170
2037-2041	24,040,000	3,910,010	27,950,010
2041-2043	10,700,000	502,605	11,202,605
Total	<u>\$ 91,275,000</u>	<u>\$ 30,114,204</u>	<u>\$ 121,389,204</u>

The bonds are not secured by any property other than the funds that the City has actually deposited with the trustee. If the City is in bankruptcy, it may not be obligated to make any further deposits with the Trustee, it may not be obligated to make any further allocations to the Bonds, and it may not be obligated to turn over to the Trustee any moneys that have been allocated to the Bonds in the City treasury. As a result, the Bonds would likely be treated as unsecured obligations of the City in the bankruptcy case.

Note 7: Compensated Absences

At June 30, 2021, the total citywide accrued liability for compensated absences amounted to \$4,953,682. \$4,839,426 relates to general government services and \$114,256 to business-type activities. The governmental activities liability is generally liquidated by the General Fund and the business-type activities liabilities are liquidated by the corresponding proprietary funds. The following is a summary of changes in compensated absences liabilities for the year ended June 30, 2021:

	Balance June 30, 2020	Additions	Deletions	Balance June 30, 2021	Due in One Year
Governmental Activities:					
Compensated Absences	\$ 4,294,802	\$ 2,913,111	\$ 2,368,487	\$ 4,839,426	\$ 656,945
Business-Type Activities:					
Compensated Absences	96,556	73,619	55,919	114,256	15,510
Total Business Type	<u>\$ 4,391,358</u>	<u>\$ 2,986,730</u>	<u>\$ 2,424,406</u>	<u>\$ 4,953,682</u>	<u>\$ 672,455</u>

CITY OF MANHATTAN BEACH

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

Note 8: Non-City Obligation

Reported in the custodial fund are special assessment tax bonds related to various special assessment districts included within the City. In March 2018, the City refunded the outstanding bonds for Underground Assessment Districts 04-1, 04-3, 04-5, 05-2 and 05-6. These bonds were issued for the purpose of financing the construction of certain public improvements within the underground utility assessment districts. The amount refunded was \$6,245,000. The sources of the refunding were bond proceeds of \$4,995,000, balance in the capital improvement fund, current year assessments, and net reduction in bond reserve requirements. In December 2019, the City issued two separate limited obligation improvement bonds totaling \$9,390,000 under provisions of the Improvement Bond Act of 1915, for Underground Assessment Districts 19-12 and 19-14 and in March 2020, the City issued \$5,245,000 for Underground District 19-4. These bonds were issued for the purpose of financing the construction of certain public improvements within the underground utility assessment districts. The bonds are secured solely by the subject properties and the amounts held in respective reserve and bond funds. The bonds are not secured by the general taxing power of the City of Manhattan Beach and the City has not pledged credit for payment thereof. The debt outstanding as June 30, 2021, consists of the following:

Description	Original Amount	Outstanding 6/30/2021
Reassessment District No. 2018 Limited Obligation Refunding Bonds, Series 2018	\$ 4,995,000	\$ 3,535,000
Assessment District No. 19-12 Limited Obligation Improvement Bonds, 2019 Series A	4,605,000	4,605,000
Assessment District No. 19-14 Limited Obligation Improvement Bonds 2019, Series A	4,785,000	4,785,000
Assessment District No. 19-4 Limited Obligation Improvement Bonds, 2020 Series A	5,245,000	5,245,000
Total		<u>\$ 18,170,000</u>

Note 9: CalPERS Retirement Plans

	Miscellaneous Plan	Safety - Police Plan	Safety - Fire Plan	Total
Net pension liability	\$ (28,471,692)	\$ (42,238,332)	\$ (19,573,320)	\$ (90,283,344)
Deferred pension outflows	33,750,798	52,570,188	24,991,778	111,312,764
Deferred pension inflows	(96,247)	(2,092,515)	(963,625)	(3,152,387)

a. Miscellaneous Employee Pension Plan

Plan Description

The Miscellaneous Plan of the City of Manhattan Beach is an agent multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). A full description of the pension plan regarding number of employees covered, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information are listed in their respective June 30, 2018 Annual Actuarial Valuation Reports. Details of the benefits provided can be obtained in Appendix B of the actuarial valuation reports. This report and CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2021

Note 9: CalPERS Retirement Plans (Continued)

Benefit 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 plan provisions and benefits in effect at June 30, 2020 measurement date, are summarized as follows:

	Miscellaneous Plan	
	Tier I *	PEPRA
Hire date	Prior to or on December 31, 2012	On or after January 1, 2013
Benefit formula	2.0% @ 55	2.0% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age	minimum 50 yrs	minimum 52 yrs
Monthly benefits, as a % of eligible compensation	1.426% - 2.418% 50 yrs - 63+ yrs, respectively	1.000% - 2.500%, 52 yrs - 67+ yrs, respectively
Required employee contribution rates	6.737%	6.25% (2)
Required employer contribution rates (1)	9.672%	8.504%

* Closed to new entrants

(1) Blended rate.

(2) Blended rate. Miscellaneous employees contribute and additional 0.75% to the city

Benefit payments are calculated using the benefit formula above multiplied by the number of years of service and highest single year of compensation for Tier 1 or highest three year average of compensation for PEPRA.

At June 30, 2021, the following employees were covered by the benefit terms of the plan:

Description	Number of Participants	
	Miscellaneous Plan	
	Classic	PEPRA
Active members	104	125
Transferred members	114	16
Terminated members	451	10
Retired members and beneficiaries	238	3
Total	907	154

Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law (PERL) requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2021

Note 9: CalPERS Retirement Plans (Continued)

amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements are classified as plan member contributions.

For the year ended June 30, 2021, the employer contributions recognized as a reduction to the net pension liability for the Miscellaneous Plan was \$3,062,602.

Net Pension Liability

The City's net pension liability is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of the Miscellaneous Plans is measured as of June 30, 2020, using an annual actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown below.

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The June 30, 2019 valuation was rolled forward to determine the June 30, 2020, total pension liability, based on the following actuarial methods and 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%
Projected Salary Increases	Varies by Entry Age and Service
Mortality Rate Table (1)	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.50% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter

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

Changes of Assumptions

For the measurement date of June 30, 2020, there were no changes in assumptions.

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.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

Note 9: CalPERS Retirement Plans (Continued)

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

<u>Asset Class (1)</u>	<u>Assumed Asset Allocation</u>	<u>Real Return Years 1 - 10 (2)</u>	<u>Real Return Years 11+ (3)</u>
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100.00%		

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

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

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

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Subsequent Events

On November 15, 2021, the CalPERS Board of Administration selected a new asset allocation mix that will guide the fund's investment portfolio for the next years, while at the same time retaining the current target rate of return. The Board also approved adding 5 percent leverage to increase investment diversification. The new asset allocation takes effect July 1, 2022 and is expected to decrease employer contribution rates from less than 1 percent to a decrease of more than 2 percent depending on the plan type. Employees in the PEPRAs will likely see increases in their contribution rates. Contribution changes will take effect in fiscal year 2023-24.

CITY OF MANHATTAN BEACH

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2021

Note 9: CalPERS Retirement Plans (Continued)

Changes in the Net Pension Liability

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

	Total Pension Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net Pension Liability/(Assets) (c)=(a)-(b)
Balance at: 6/30/2019 (Valuation Date)	\$ 115,939,179	\$ 90,094,796	\$ 25,844,383
Changes Recognized for the Measurement Period:			
Service Cost	2,737,868	-	2,737,868
Interest on the Total Pension Liability	8,237,478	-	8,237,478
Difference between Expected and Actual Experience	261,490	-	261,490
Contribution from the Employer	-	3,088,142	(3,088,142)
Contributions from Employees	-	1,148,119	(1,148,119)
Net Investment Income	-	4,500,278	(4,500,278)
Benefit Payments including Refunds of Employee Contributions	(4,720,240)	(4,720,240)	-
Administrative Expense	-	(127,012)	127,012
Net Changes During 2019-20	6,516,596	3,889,287	2,627,309
Balance at: 6/30/2020 (Measurement Date)	\$ 122,455,775	\$ 93,984,083	\$ 28,471,692

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

The following presents the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 7.15 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15 percent) or 1 percentage-point higher (8.15 percent) than the current rate:

	Discount Rate - 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate +1% (8.15%)
Plan's Net Pension Liability/(Assets)	\$ 45,111,389	\$ 28,471,692	\$ 14,775,455

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2021

Note 9: CalPERS Retirement Plans (Continued)

Pension Plan Fiduciary Net Position

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

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

As of the start of the measurement period (July 1, 2020), the net pension liability was \$25,844,393. For the measurement period ending June 30, 2020 (the measurement date), the City incurred a pension expense/(income) of \$5,017,307 for the Plan.

Note that no adjustments have been made for contributions subsequent to the measurement date. Adequate treatment of any contributions made after the measurement date is the responsibility of the employer.

As of June 30, 2021, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

	Miscellaneous Pension Plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
City pension contributions subsequent to measurement date	\$ 31,985,066	\$ -
CalPERS deferrals		
Changes of assumptions	-	(96,247)
Difference between expected and actual experience	974,238	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	791,494	-
Total CalPERS deferrals	1,765,732	(96,247)
Total	\$ 33,750,798	\$ (96,247)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2021

Note 9: CalPERS Retirement Plans (Continued)

\$31,985,066 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 or deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Period ended June 30:	Net Deferred Outflows/(Inflows) of Resources
2021	\$ 180,965
2022	595,183
2023	512,144
2024	381,193
	\$ 1,669,485

Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

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

Net Difference between projected and actual earnings on pension plan investments	5 year straight-line amortization
All other amounts	Straight-line amortization over the expected average remaining service lifetime (EARSL) of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period

The EARSL for the Plan for the measurement period ending June 30, 2020 is 3.5 years, which was obtained by dividing the total service years of 2,781 (the sum of remaining service lifetimes of the active employees) by 796 (the total number of participants: active, inactive, and retired). Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members' probability of decrementing due to an event other than receiving a cash refund.

Note 9: CalPERS Retirement Plans (Continued)

b. Safety Police Pension Plan and Safety Fire Pension Plan

Plan Description

All qualified permanent and probationary safety employees are eligible to participate in the Safety Risk Pool Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS). The Plan consists of a safety risk pool, which are comprised of individual employer safety rate plans, respectively. Individual employers may sponsor more than one safety rate plan. Each individual employer rate plan generally has less than 100 active members.

Benefits Provided

The Plan was established to provide retirement, death and disability benefits to public agency rate plans with generally less than 100 active members. The benefit provisions for PERC employees are established by statute. A full description regarding the number of employees covered, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information for the respective rate plan is listed in the respective rate plan's June 30, 2018 Annual Valuation Report (funding valuation). Details of the benefits provided can be obtained in Appendix B of the funding valuation report. This report and CalPERS' audited financial statements are publicly available reports that can be found on CalPERS' website at <https://www.calpers.ca.gov/page/forms-publications>.

Below is a summary of the plan provisions and benefits in effect at June 30, 2020 measurement date, for which the City of Manhattan Beach has contracted:

	Safety Police Plan		Safety Fire Plan	
	Tier I *	PEPRA	Tier I *	PEPRA
Hire date	Prior to or on December 31, 2012	On or after January 1, 2013	Prior to or on December 31, 2012	On or after January 1, 2013
Benefit formula	3.0% @ 50	2.0% @ 57	3.0% @ 55	2.0% @ 57
Benefit vesting schedule	5 years of service	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	minimum 50 yrs	minimum 50 yrs	minimum 50 yrs	minimum 50 yrs
Monthly benefits, as a % of eligible compensation	3.000%, 50+ yrs	1.426% - 2.000%, respectively 50 yrs - 57+ yrs,	2.400% - 3.000%, respectively 50 yrs - 55+ yrs,	1.426% - 2.000%, respectively 50 yrs - 57+ yrs,
Required employee contribution rates	9.000% (1)	14.000%	9.000% (1)	14.000%
Required employer contribution rates	25.540%	13.884%	23.558%	13.884%
Management safety				
Employee	9.000%	14.000%	9.000%	14.000%
Employer	25.540%	13.884%	23.558%	13.884%

* Closed to new entrants

(1) Not including 3% cost share, which would increase rate to 12%.

(2) Not including cost share, which will lower rate to 17.416%.

(3) Not including cost share, which will lower rate to 19.346%.

(4) PEPRA contributes an additional 0.1075% to City to realize 50% cost sharing.

Benefit payments are calculated using the benefit formula above multiplied by the number of years of service and highest single year of compensation for Tier 1 or highest three year average of compensation for PEPRA.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

Note 9: CalPERS Retirement Plans (Continued)

Employees Covered

At June 30, 2021 measurement date, the following employees were covered by the benefit terms of the Plan:

Description	Number of members			
	Safety Police Plan		Safety Fire Plan	
	Classic	PEPRA	Classic	PEPRA
Active members	45	15	26	1
Transferred members	13	3	3	-
Terminated members	45	-	20	-
Retired members and beneficiaries	75	-	35	-
Total	178	11	84	1

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 the CalPERS' annual actuarial valuation process. For public agency cost-sharing plans covered by either the Miscellaneous or Safety risk pools, the Plan's actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2021, the employer contributions recognized as a reduction to the net pension liability was \$3,998,899 for the Safety Police Plan and \$1,998,954 for the Safety Fire Plan for a total of \$5,997,853 for the safety plans.

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

The City of Manhattan Beach reported net a pension liability at June 30, 2021, of \$42,238,332 for its proportionate shares of the Safety Police Plan and \$19,573,320 for its proportionate shares of the Safety Fire Plan for a total of \$61,811,652 for the safety plans.

The City's net pension liability for the safety plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2020, and the total pension liability for the 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.

CITY OF MANHATTAN BEACH

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

Note 9: CalPERS Retirement Plans (Continued)

The City's proportionate share of the net pension liability for the safety plan as of June 30, 2019 and 2020, was as follows:

	<u>Safety Fire Plan</u>	<u>Safety Police Plan</u>
Proportion - June 30, 2019	0.172741%	0.368523%
Proportion - June 30, 2020	0.168606%	0.364005%
Changes - Increase (Decrease)	-0.004135%	-0.004518%

For the year ended June 30, 2021, the City recognized pension expense of \$7,000,707 and \$3,728,747 for the Safety Police Plan and the Safety Fire Plan respectively. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Safety - Police</u>		<u>Safety - Fire</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
City pension contribution subsequent to measurement date	\$ 46,911,463	\$ -	\$ 21,877,490	\$ -
CalPERS Deferrals:				
Difference between expected and actual experience	3,275,369	-	1,517,812	-
Change in Assumptions	-	(140,697)	-	(65,199)
Net difference between projected and actual earnings on pension plan investments	918,017	-	425,411	-
Adjustment due to difference in proportions	1,465,339	-	1,171,065	-
Difference in proportionate share	-	(1,951,818)	-	(898,426)
Total CalPERS Deferrals	<u>5,658,725</u>	<u>(2,092,515)</u>	<u>3,114,288</u>	<u>(963,625)</u>
Total	<u>\$ 52,570,188</u>	<u>\$ (2,092,515)</u>	<u>\$ 24,991,778</u>	<u>\$ (963,625)</u>

\$46,911,463 and \$21,877,490 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 of resources related to pensions will be recognized as pension expense as follows:

Measurement Period Ended June 30,	<u>Net Deferred Outflows/ (Inflows) of Resources</u>	
	<u>Safety Police Plan</u>	<u>Safety Fire Plan</u>
2021	\$ 667,300	\$ 637,633
2022	1,330,886	823,104
2023	1,108,046	476,770
2024	459,978	213,156
	<u>\$ 3,566,210</u>	<u>\$ 2,150,663</u>

Note 9: CalPERS Retirement Plans (Continued)

Actuarial Methods and Assumptions

The collective 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 collective total pension liability was based on the following assumptions:

Actuarial Cost Method Actuarial Assumptions	Entry Age Normal Cost Method
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table (1)	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.00% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.5% thereafter

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

Changes of Assumptions

For the measurement date of June 30, 2020, there were no changes in assumptions.

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.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

Note 9: CalPERS Retirement Plans (Continued)

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

Asset Class (1)	Assume Asset Allocation	Real Return Years 1 - 10 (2)	Real Return Years 11+ (3)
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100.00%		

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

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

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

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Subsequent Events

On November 15, 2021, the CalPERS Board of Administration selected a new asset allocation mix that will guide the fund's investment portfolio for the next years, while at the same time retaining the current target rate of return. The Board also approved adding 5 percent leverage to increase investment diversification. The new asset allocation takes effect July 1, 2022 and is expected to decrease employer contribution rates from less than 1 percent to a decrease of more than 2 percent depending on the plan type. Employees in the PEPRAs plans will likely see increases in their contribution rates. Contribution changes will take effect in fiscal year 2023-24.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2021

Note 9: CalPERS Retirement Plans (Continued)

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

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

PERS Cost Sharing Plans	Discount Rate - 1% (6.15%)	Current Discount Rate (7.15%)	Discount Rate +1% (8.15%)
Safety police	\$ 62,394,637	\$ 42,238,332	\$ 25,698,175
Safety Fire	29,248,616	19,573,320	11,633,824

Pension Plan Fiduciary Net Position

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

Note 10: City Retirement Plans

	Supplemental Retirement Plan	Single Highest Year Plan	Total
Total pension liability	\$ 59,219	\$ 125,489	\$ 184,708

a. Supplemental Retirement Plan

General Information about the Pension Plan

Plan Description

The Supplemental Retirement Plan is a single employer defined benefit pension plan that covers Police, Fire and Management/Confidential employees who retired prior to January 1995. This plan is currently dormant and does not issue a separate annual financial report.

Benefits Provided

The plan provides the employee the difference between the benefit provided by the California Public Employees Retirement System (PERS) calculated under the life annuity option and the PERS benefit had the City adopted the Police Officers' Standards and Training (POST) widows and orphans salary continuation plan. The plan states, "The City shall pay each retiring officer, sergeant, lieutenant, firefighter and management employee upon retirement, a monthly amount which would make up the difference for that option of which the officer will receive from PERS under Government Code Section 21330 through 21335 and what only the officer would have received while alive had the City adopted the Police Officers' Standards and Training (POST) widows and orphans salary continuation plan. The payment shall be made to the officer only while the officer is alive and will cease upon death. Upon retirement, the right to their payment shall be regarded as a vested pension benefit to the same extent as the individual's retirement allowance." The benefit is payable for the life of the employee. The benefit is subject to a 2% annual cost-of-living increase. This plan is currently dormant.

Note 10: City Retirement Plans (Continued)

Employees Covered

Employees covered includes sworn law enforcement officers, fire and management/confidential employees who retired prior to January 1995. Therefore, the plan is dormant. The number of participants covered under the plan as of June 30, 2021, was as follows:

Retirees and beneficiaries receiving benefits	
Management/Confidential	<u><u>3</u></u>

Total Pension Liability

The total pension liability of \$59,219 for the plan is measured as of June 30, 2021 using an annual actuarial valuation dated June 30, 2021. The City is funding the plan on a pay as you go basis.

Actuarial Assumptions

A summary of principal assumptions and methods used to determine the pension liability is shown below.

Valuation Date	June 30, 2021
Measurement date	June 30, 2021
Actuarial cost method:	Entry age
Pre-retirement mortality rates	2017 CalPERS Retiree Mortality for Miscellaneous Employees
Asset valuation method	Fair Market Value
Inflation Rate	2.50% per year
Discount rate	2.16 % based on the Bond Buyer 20 Bond Index

The City incurred the accrued liabilities of active participants under the City's PERS plan as of January 1995. The City's remaining obligation is to fund the benefits for those participants who were then and are currently retired.

Change of Assumptions

In 2021, the accounting discount rate decreased from 2.20 percent to 2.16 percent and the inflation rate decreased from 2.75% to 2.50%.

Discount Rate

The discount rate used to measure the total pension liability was based on the Bond Buyer 20 Bond Index.

Note 10: City Retirement Plans (Continued)

Change in Total Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Assets) (c)=(a)-(b)
Balance at: 6/30/2020	\$ 106,234	\$ -	\$ 106,234
Changes Recognized for the Measurement Period:			
Interest on the Total Pension Liability	1,787	-	1,787
Difference between Expected and Actual Experience	(34,482)	-	(34,482)
Changes of Assumptions	62	-	62
Employer Contributions as Benefit Payments	-	14,382	(14,382)
Actual Benefits Payments from Employer	(14,382)	(14,382)	-
Net Changes During 2020-21	(47,015)	-	(47,015)
Balance at: 6/30/2021	\$ 59,219	\$ -	\$ 59,219

Sensitivity of the Total Pension Liability to Change in the Discount Rate

The following presents the total pension liability of the Plan, calculated using the discount rate of 2.16%, as well as what the Employer's total pension liability would be if it were calculated using a discount rate that is 1% lower (1.16%) or 1% higher (3.16%) than the current rate:

	1% Lower (1.16%)	Current Discount Rate (2.16%)	1% Higher (3.16%)
Total pension liability	\$ 61,475	\$ 59,219	\$ 57,135

Pension Expense

Pension expense for fiscal year 2020-21 of \$32,633 is equal to cash payments of \$14,382 less reduction in total pension liability of \$47,015.

b. Single Highest Year Plan

General Information about the Pension Plan

Plan Description

The Single Highest Year Plan is a single employer defined benefit pension plan of the City. This plan was adopted effective January 1, 1990, covering Management/Confidential Employees and Non-management/Confidential Sworn Police Employees on July 1, 1990, and is for employees who retired prior to May 1993. The plan is known as the City Funded Single Highest Year Plan. This plan is currently dormant and does not issue a separate annual financial report.

Note 10: City Retirement Plans (Continued)

Benefits Provided

The plan pays a retiring employee the difference between the pension payable from PERS and what the PERS pension would be if it were based on the single highest year only. "The payment shall be made to the member only while the member is alive and will cease upon death." Upon retirement, the right to their payment shall be regarded as a vested pension benefit to the same extent as the individual's PERS retirement. Benefits vest after five years of service. Retirees must qualify for PERS retirement to qualify for the Single Highest Year Plan. The benefit is payable for the life of the employee and is subject to a 2% annual cost of living increase.

Employees Covered

Employees covered include sworn law enforcement officers, fire, management or confidential and miscellaneous employees who retired prior to May 1993. Therefore, the plan is dormant. The number of participants covered under the plan as of June 30, 2021, was as follows:

Retirees receiving benefits:	
Police	<u><u>3</u></u>

Total Pension Liability

The total pension liability of \$125,489 for the plan is measured as of June 30, 2021 using an annual actuarial valuation dated June 30, 2021. The City is funding the plan on a pay as you go basis.

Actuarial Assumptions

A summary of principal assumptions and methods used to determine the pension liability is shown below.

Valuation Date	June 30, 2021
Measurement date	June 30, 2021
Actuarial cost method:	Entry age
Pre-retirement mortality rates	2017 CalPERS Retiree Mortality for Miscellaneous Employees
Asset valuation method	Fair Market Value
Inflation Rate	2.50% per year
Discount rate	2.16 % based on the Bond Buyer 20 Bond Index

The City incurred the accrued liabilities of active participants under the City's PERS plan as of May 1993. The City's remaining obligation is to fund the benefits for those participants who were then and are currently retired.

Change of Assumptions

In 2021, the accounting discount rate decreased from 2.20 percent to 2.16 percent and the inflation rate decreased from 2.75% to 2.50%.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2021

Note 10: City Retirement Plans (Continued)

Discount Rate

The discount rate used to measure the total pension liability was based on the Bond Buyer 20 Bond Index.

Change in Total Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Assets) (c)=(a)-(b)
Balance at: June 30, 2020	\$ 282,666	\$ -	\$ 282,666
Changes Recognized for the Measurement Period:			
Interest on the Total Pension Liability	5,975	-	5,975
Difference between Expected and Actual Experience	(138,309)	-	(138,309)
Changes of Assumptions	207	-	207
Employer Contributions as Benefits Payments	-	25,050	(25,050)
Actual Benefit Payment from Employer	(25,050)	(25,050)	-
Net Changes During 2020-21	<u>(157,177)</u>	<u>-</u>	<u>(157,177)</u>
Balance at: June 30, 2021	<u>\$ 125,489</u>	<u>\$ -</u>	<u>\$ 125,489</u>

Sensitivity of the Total Pension Liability to Change in the Discount Rate

The following presents the total pension liability of the Plan, calculated using the discount rate of 2.16%, as well as what the Employer's total pension liability would be if it were calculated using a discount rate that is 1% lower (1.16%) or 1% higher (3.16%) than the current rate:

	1% Lower (1.16%)	Current Discount Rate (2.16%)	1% Higher (3.16%)
Total pension liability	\$ 130,270	\$ 125,489	\$ 121,074

Pension Expense

Pension expense for fiscal year 2020-21 of \$132,127 is equal to cash payment of \$25,050 less reduction in total pension liability of \$157,177.

c. Payable to the Pension Plan

For the Supplemental Retirement Plan and the Single Highest Year Plan, the City's remaining obligation is to fund the benefits for those participants who are currently retired. The City has assigned \$92,390 of the General Fund's fund balance to pay future benefits.

Note 11: Post-Employment Benefits Plan

Plan Description - City of Manhattan Beach Retiree Medical Program

The City Retiree Medical Program is a Single Employer Plan that provides a fixed stipend to qualifying retirees and a contribution to all retirees enrolled in PERS medical plan. The City of Manhattan Beach contracts with PERS to participate in the Public Employee Medical and Hospital Care Act (PEMHCA). Under this contract, both active employees and retirees are provided access to health insurance.

Benefits Provided

The following is a description of the current retiree benefit plan under the employee Memoranda of Understanding (MOU):

	Firefighters	General Employees	Non-sworn Management	Police Officers
Benefit types provided	Contribution of HRA	Contribution of HRA	Contribution of HRA	Contribution of HRA
Duration of benefits	To age 65	To age 65	To age 65	To age 65
Required service	20 years	15 years	15 years	20 years in law enforcement ***
Minimum age	50	50	50	50
Dependent coverage	n/a *	n/a *	n/a *	n/a *
Contribution	\$400 per month **	\$250 per month **	\$400 per month for Department Heads \$250 per month for others	\$400 per month **

* Contribution to HRA does not vary by dependent content

** \$300 per month for firefighters retiring prior to August 1, 2008. \$300 for police hired before December 31, 2007.

*** 10 years with the City

Employees Covered

As of the June 30, 2020 actuarial measurement date, the following current and former employees were covered by the benefit terms under the PEMHCA Plan:

Inactive employees currently receiving benefits payment	111
Participating active employees	275
Total	<u>386</u>

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2021

Note 11: Post-Employment Benefit Plan (Continued)

Contributions

The plan is financed via actuarially determined contributions deposited into a trust fund managed by PERS. PERS has dual independent capacities as a provider of medical plans and as a trustee. In its capacity as a trustee, PERS will be referred to as CERBT (California Employees' Retirement Benefit Trust). City payments to employees and PERS will be reimbursed by payments from CERBT. For fiscal year 2020, the City paid \$327,095 for retiree medical benefits and was reimbursed \$327,095 from CERBT.

Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2020 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2020 based on the following actuarial methods and assumptions:

Valuation Date:	June 30, 2019
Actuarial Cost Method:	Entry Age
Actuarial Assumptions:	
Discount Rate	4.0% per year net of expenses
Inflation	2.75% per year
Salary Increase	2.75% per year
Healthcare Trend	4.00% per year
Mortality	2014 CalPERS mortality for active safety employees 2014 CalPERS mortality for active safety employees 2014 CalPERS active mortality for miscellaneous employees
Retirement Rates	Police: Hired prior to 1/1/13: 2009 CalPERS 3.0%@50 Rates for Sworn Police Hired > 12/31/12: 2009 CalPERS 3.0%@55 Rates for Sworn Police adjusted to reflect minimum retirement age 52 Firefighters: Hired prior to 1/1/13: 2009 CalPERS 3.0%@55 Rates for Sworn Firefighters Hired > 12/31/12: 2009 CalPERS 3.0%@55 Rates for Sworn Firefighters adjusted to reflect minimum retirement age 52 Miscellaneous: Hired prior to 1/1/13: 2009 CalPERS 2.0%@55 Rates for Miscellaneous Employees Hired > 12/31/12: 2009 CalPERS 2.0%@60 Rates for Miscellaneous Employees adjusted to reflect minimum retirement age 52
Service Requirement	Police: 100% at 5 Years of Service for statutory minimum benefits 100% at 10 Years of Service with City (20 years in law enforcement) Firefighters: 100% at 5 Years of Service for statutory minimum benefits 100% at 20 Years of Service with City General Employees 100% at 5 Years of Service for statutory minimum benefits 100% at 15 Years of Service with City Management 100% at 5 Years of Service for statutory minimum benefits 100% at 15 Years of Service with City

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021

Note 11: Post-Employment Benefit Plan (Continued)

Expected Long-Term Rate of Return

Asset Class Component	Percentage of Portfolio	Assumed Gross Return
All Equities	40%	7.795%
All Fixed Income	43%	4.500%
Real Estate Investment Trusts	8%	7.500%
All Commodities	4%	7.795%
Treasury Inflation Protected Securities (TIPS)	5%	3.250%

Discount Rate

The discount rate used to measure the total OPEB liability was 3.85%. The rate used for the plan is the real rate of return expected for the plan assets plus the long term inflation assumption.

Change of Assumptions

In 2020, the accounting discount rate decreased from 4.00 percent to 3.85 percent.

Changes in the Net OPEB Liability

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

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (c) = (a) - (b)
Balance at June 30, 2019 Measurement Date	\$ 18,150,178	\$ 10,688,269	\$ 7,461,909
Changes recognized for the measurement period:			
Service cost	860,600	-	860,600
Interest on total OPEB liability	726,498	579,074	147,424
Employer contributions*	-	458,552	(458,552)
Administrative expenses	-	(5,285)	5,285
Actual benefit payments from trust	(768,497)	(768,497)	-
Experience (gains)/losses	(67,563)	-	(67,563)
Changes in assumptions	301,994	-	301,994
Net changes	1,053,032	263,844	789,188
Balance at June 30, 2020 Measurement Date	\$ 19,203,210	\$ 10,952,113	\$ 8,251,097

* Includes \$458,552 due to implied rate subsidy

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2021

Note 11: Post-Employment Benefit Plan (Continued)

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

The following presents the net OPEB liability of the City if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2020:

	1% Decrease (2.85%)	Current Discount Rate (3.85%)	1% Increase (4.85%)
Net OPEB Liability	\$ 10,344,141	\$ 8,251,097	\$ 6,451,105

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

The following presents the net OPEB liability of the City if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2020:

	1% Decrease	Current Healthcare Cost Trend Rates	1% Increase
Net OPEB Liability	\$ 6,593,962	\$ 8,251,097	\$ 10,139,213

OPEB Plan Fiduciary Net Position

CERBT issues a publicly available financial report that includes financial statements and required supplementary information available on the CalPERS website under the California Employers' Retiree Benefit Trust (CERBT) Fund.

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

For the fiscal year ended June 30, 2021, the City recognized OPEB expense of \$1,479,085. As of June 30, 2021, the City reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 9,776	\$ (223,776)
Change in assumptions	9,724,177	-
Differences between projected and actual return on assets	91,238	(39,540)
Total	\$ 9,825,191	\$ (263,316)

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2021

Note 11: Post-Employment Benefit Plan (Continued)

The deferred outflows and deferred inflows of resources related to OPEB will be recognized as expense as follows:

Year ended June 30:	Deferred Outflows/(Inflows) of Resources
2022	\$ 1,182,862
2023	1,182,861
2024	1,179,410
2025	1,192,589
2026	1,171,506
Thereafter	3,652,647
	\$ 9,561,875

Note 12: Retirement Plan for Part-Time, Seasonal and Temporary Employees

On June 6, 1997, the City dissolved the City-administered retirement plan for part-time, seasonal and temporary employees and selected the Public Agency Retirement System (PARS) as the retirement program for this group.

The PARS plan is a defined contribution pension plan, which is administered by PARS. Benefits and funding requirements are determined by PARS' governing board. All members' earnings are subject to contribution from the employee and the employer. Historically, the contribution rate for both employee and employer has been 3.75% of payroll. In April 2011, the City exercised its option not to pick up 50% share of the required 7.50%. Consequently, for fiscal year ending June 30, 2021, 100% of contribution is derived from employee deduction.

Total payroll for employees covered by this plan for the year was \$1,177,547. The amount of employee contribution was \$88,316.

Note 13: Risk Management

The City is exposed to various risks of losses related to torts, theft, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The City adopted a self-insured workers' compensation program that is administered by City staff and a claims administrator.

The City is a member of the CSAC-Excess Insurance Authority, a public entity risk pool currently operating as a common risk management and insurance program for California 95% of counties, 68% of California cities, as well as numerous California educational organizations, special districts, housing authorities, fire districts, and other Joint Powers Authorities. The City pays an annual premium to the pool for its excess insurance coverage including property (earthquake, flood and all risk), workers' compensation and general liability. The City also purchased separate dedicated earthquake limits for the public safety facility and other key structures.

For workers' compensation, the City is self-insured for the first \$750,000 on each claim with excess coverage up to statutory limits. For general liability, the City is self-insured for the first \$500,000 on each claim with excess coverage up to a limit of \$25,000,000.

CITY OF MANHATTAN BEACH

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2021

Note 13: Risk Management (Continued)

The City is insured for property losses with a deductible of \$10,000 for all-risk (fire and theft) and earthquake loss with a deductible of 2% or minimum \$100,000, whichever is greater.

Claims expenditures and liabilities (general and worker's compensation) are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. This liability is the City's best estimate based on available information.

Reserves for open claims have been established in accordance with an analysis performed by a third-party claims' administrator. In addition, reserves for incurred but not reported claims have been estimated based on historical trend. Total reserves for both workers' compensation and general liability at June 30, 2021 are as follows:

	Estimated Claims Value at Fiscal Year End	Additional Reserves for Incurred But Not Report Claims	Total Claims Reserve
Workers' Compensation Claims	\$ 9,257,732	\$ 6,453,809	\$ 15,711,541
General Liability Claims	1,817,668	524,205	2,341,873
	<u>\$ 11,075,400</u>	<u>\$ 6,978,014</u>	<u>\$ 18,053,414</u>

The following is a summary of the changes in the claim liability over the past two fiscal years.

Fiscal Year	Beginning Balance	Increase	Decrease	Ending Balance
2019-2020				
Workers'comp	\$ 15,192,063	\$ 2,619,336	\$ (2,906,326)	\$ 14,905,073
General liabilities	2,004,259	1,853,274	(1,141,280)	2,716,253
Total	<u>\$ 17,196,322</u>	<u>\$ 4,472,610</u>	<u>\$ (4,047,606)</u>	<u>\$ 17,621,326</u>
2020-2021				
Workers'comp	\$ 14,905,073	\$ 4,735,255	\$ (3,928,787)	\$ 15,711,541
General liabilities	2,716,253	333,437	(707,817)	2,341,873
Total	<u>\$ 17,621,326</u>	<u>\$ 5,068,692</u>	<u>\$ (4,636,604)</u>	<u>\$ 18,053,414</u>

During the past three fiscal (claims) years, none of the above programs has had settlements or judgments that exceed pooled or insured coverage. There have been no significant reductions in pooled or insured coverages from coverage in the prior year.

The Excess Insurance Authority (EIA) has published its own annual comprehensive financial report for the year ended June 30, 2020, which can be obtained at the following link:

<https://www.prismrisk.gov/resources/prism-documents/financial-information/annual-comprehensive-financial-report-acfr/cafr-fy-ended-06-30-20>

CITY OF MANHATTAN BEACH

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2021

Note 14: Joint Ventures and Jointly Governed Organizations

a. Joint Venture

South Bay Regional Public Communications Authority

The City is a member of the South Bay Regional Public Communications Authority (SBRPCA), a joint powers authority of the cities of Manhattan Beach, Gardena and Hawthorne. SBRPCA was formed October 14, 1975, for the purpose of financing a public safety communications system for the member cities. The Governing Board is composed of an elected official of each member city. An executive committee is composed of the city managers of each member city. The City's participation percentage at June 30, 2020, was 22.7%.

Summarized audited financial information for SBRPCA at June 30, 2020*, is presented below:

Statement of Net Position

Assets	
Current assets	\$ 5,934,406
Noncurrent assets	9,165,625
Total Assets	<u>15,100,031</u>
Deferred Outflows of Resources	<u>2,403,064</u>
Liabilities	
Current liabilities	1,011,249
Noncurrent liabilities	10,544,711
Total Liabilities	<u>11,555,960</u>
Deferred Inflows of Resources	<u>1,276,748</u>
Net Position	<u>\$ 4,670,387</u>

Statement of Activities

Operating Revenues	\$ 13,362,094
Operating Expenses	<u>12,967,570</u>
Operating income before depreciation	<u>394,524</u>
Depreciation	<u>(730,208)</u>
Operating income/loss	<u>(335,684)</u>
Non-operating revenues (expenses):	
Interest earnings	102,602
Contributed Capital	<u>-</u>
Non operating revenues (expenses)	<u>102,602</u>
Change in net position	(233,082)
Net Position - June 30, 2019	<u>4,903,469</u>
Net Position - June 30, 2020	<u>\$ 4,670,387</u>

*Most current information available. SBRPCA has issued its own separate financial statements, which are available at 4440 W. Broadway, Hawthorne, California 90250.

NOTES TO FINANCIAL STATEMENTS (CONTINUED)
 JUNE 30, 2021

Note 14: Joint Ventures and Jointly Governed Organizations (Continued)

b. Jointly Governed Organization

Los Angeles Interagency Metropolitan Police Apprehension Crime Task Force

The City of Manhattan Beach is a member of Los Angeles Interagency Metropolitan Police Apprehension Crime Task Force (L.A. IMPACT), a joint powers authority of the police departments of cities and other institutions in Los Angeles County. The Organization was formed July 1, 1991, with the mission to promote coordinated law enforcement efforts and to address emerging criminal justice issues, mainly in the areas of drug trafficking enterprise and money laundering. The Executive Council consists of 14 police chiefs and other various police officers. All financial decisions were made by the Executive Council. The members received monetary distributions from the asset seizures based on their respective contribution to the effort.

Summarized audited financial information for L.A. IMPACT at June 30, 2020*, is presented below:

Statement of Net Position

Assets

Current assets	\$ 10,759,337
Noncurrent assets	1,458,455
Total Assets	<u>12,217,792</u>

Liabilities

Current liabilities	4,991,112
Noncurrent liabilities	92,392
Total liabilities	<u>5,083,504</u>

Net Position	<u>\$ 7,134,288</u>
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Statement of Activities

Program Revenues	\$ 2,944,331
Expenses	<u>(5,431,904)</u>

Excess of Revenues Over Expenses	<u>(2,487,573)</u>
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Non operating revenues (expenses)	
Investment earnings	133,002
Non operating revenues (expenses)	<u>133,002</u>

Change in net position	(2,354,571)
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Net Position - June 30, 2019	<u>9,488,859</u>
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Net Position - June 30, 2020	<u>\$ 7,134,288</u>
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*LA Impact has issued its own separate financial statements, which are available at 5700 S. Eastern Avenue, Commerce, California 90040.

CITY OF MANHATTAN BEACH

**NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2021**

Note 15: Commitments and Contingencies

Contingencies

There are certain claims and lawsuits pending against the City that seek monetary damages. Potential liabilities due to these claims are accounted for in the Insurance Reserve Fund.

Construction Commitments

The following material construction commitments existed as of June 30, 2021:

<u>Project Title</u>	<u>Contract Amount</u>	<u>Expenditure to date as of June 30, 2021</u>	<u>Remaining Commitments</u>
Peck Ground Level Reservoir Replacement	\$ 39,756,773	\$ 11,925,521	\$ 27,831,252
Sepuvada Bridge MTA Project	6,331,735	3,490,250	2,841,485
Sepuvada Bridge Measurs SBHP Seismic Retrofit	5,064,262	3,457,632	1,606,630
City Hall HAVAC Replacement/Repair	1,299,540	5,101	1,294,439
Annual Rehabilitation Gravity Sewer Mains	2,087,277	828,148	1,259,129
Manhattan Beach Automated Traffic Synchronization	1,283,417	90,771	1,192,646
Sepulvada Bridge Prop C Project	3,583,878	2,563,226	1,020,652
Aviation @ Artesia Right Turn Lane Street Improvement	1,146,219	280,812	865,407
Storm Drain Repairs	1,721,800	1,067,943	653,857
Paint Block 35 Elevated Tank	1,706,250	1,107,711	598,539
Water Meter Upgrade and Automation	3,953,748	3,364,425	589,323

Note 16: Net Position and Fund Balances Restatement

Beginning net position and fund balances have been restated by \$3,713,103 and \$49,121 in the Governmental Activities and the Water Fund respectively for capital assets reported as CIP projects in prior year that should have been expensed as repairs and maintenance. The errors were discovered by the City while implementing a new capital assets module.

Note 17: Special Items

The special items in the Refuse proprietary fund in the amount of \$148,434 represents net pension and OPEB liabilities and related outflows and inflows, which were absorbed by the governmental activities when the fund was closed during the fiscal year.

CITY OF MANHATTAN BEACH

BUDGETARY COMPARISON SCHEDULE
 GENERAL FUND
 YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 26,686,085	\$ 26,686,085	\$ 26,686,085	\$ -
Resources (Inflows):				
Taxes and assessments	53,162,541	53,162,541	53,773,931	611,390
Licenses and permits	3,244,323	3,244,323	3,518,426	274,103
Intergovernmental	790,850	1,020,850	5,216,868	4,196,018
Charges for services	8,995,185	9,029,185	10,322,102	1,292,917
Use of money and property	3,855,796	3,855,796	2,479,805	(1,375,991)
Fines and forfeitures	1,840,000	1,840,000	1,443,177	(396,823)
Miscellaneous	1,504,035	1,504,035	1,300,483	(203,552)
Transfers in	-	-	939,111	939,111
Issuance of long-term debt	-	-	85,377,203	85,377,203
Amounts Available for Appropriations	100,078,815	100,342,815	191,057,191	90,714,376
Charges to Appropriations (Outflow):				
Current:				
General government	13,746,726	24,524,753	24,214,335	310,418
Public safety	43,895,933	111,338,008	109,351,264	1,986,744
Culture and recreation	6,847,186	10,229,673	9,863,555	366,118
Public works	8,383,763	13,532,256	12,869,660	662,596
Capital outlay:				
General government	-	18,962	14,080	4,882
Public works	-	-	264	(264)
Debt service:				
Principal retirement	310,000	310,000	310,000	-
Interest and fiscal charges	167,750	167,750	167,750	-
Trustee Fees	1,600	1,600	1,600	-
Transfers out	12,230	12,230	1,653,782	(1,641,552)
Total Charges to Appropriations	73,365,188	160,135,232	158,446,290	1,688,942
Budgetary Fund Balance, June 30	\$ 26,713,627	\$ (59,792,417)	\$ 32,610,901	\$ 92,403,318

CITY OF MANHATTAN BEACH

**BUDGETARY COMPARISON SCHEDULE
PROPOSITION C
YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 4,812,384	\$ 4,812,384	\$ 4,812,384	\$ -
Resources (Inflows):				
Taxes	500,608	500,608	599,499	98,891
Intergovernmental	-	16,229,823	2,459,099	(13,770,724)
Use of money and property	80,000	80,000	(17,090)	(97,090)
Amounts Available for Appropriations	5,392,992	21,622,815	7,853,892	(13,768,923)
Charges to Appropriations (Outflow):				
Current:				
Public works	911,711	19,333,406	7,227,886	12,105,520
Capital outlay:				
Public works	-	1,173,119	31,821	1,141,298
Total Charges to Appropriations	911,711	20,506,525	7,259,707	13,246,818
Budgetary Fund Balance, June 30	\$ 4,481,281	\$ 1,116,290	\$ 594,185	\$ (522,105)

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CITY OF MANHATTAN BEACH

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

Measurement Period	2014	2015	2016	2017
TOTAL PENSION LIABILITY				
Service Cost	\$ 1,897,933	\$ 1,906,947	\$ 2,116,750	\$ 2,582,619
Interest	6,036,548	6,365,282	6,725,647	6,931,655
Difference Between expected and Actual Experience	-	(1,610,461)	(125,272)	(2,203,443)
Changes in Assumptions	-	(450,327)	-	5,953,464
Benefit Payments, Including Refunds of employee Contributions	(2,930,477)	(3,387,918)	(3,694,517)	(3,897,657)
Net Change in Total Pension Liability	5,004,004	2,823,523	5,022,608	9,366,638
Total Pension Liability - Beginning	81,003,568	86,007,572	88,831,095	93,853,703
Total Pension Liability - Ending (a)	\$ 86,007,572	\$ 88,831,095	\$ 93,853,703	\$ 103,220,341
PLAN FIDUCIARY NET POSITION				
Contribution - Employer	\$ 1,512,406	\$ 1,619,438	\$ 1,856,633	\$ 2,139,788
Contribution - Employee	911,689	986,936	1,110,014	1,142,808
Net Investment Income	10,722,182	1,618,145	357,760	8,057,534
Benefit Payments, Including Refunds of Employee Contributions	(2,930,477)	(3,387,918)	(3,694,517)	(3,897,657)
Net Plan to Plan Resource Movement	-	-	(388)	-
Administrative Expense	-	(82,036)	(44,409)	(106,973)
Other Miscellaneous Income/(Expense) (A)	-	-	-	-
Net Change in Fiduciary Net Position	10,215,800	754,565	(414,907)	7,335,500
Plan Fiduciary Net Position - Beginning	61,897,924	72,113,724	72,868,289	72,453,382
Plan Fiduciary Net Position - Ending (b)	\$ 72,113,724	\$ 72,868,289	\$ 72,453,382	\$ 79,788,882
Plan Net Pension Liability/(Assets) - Ending (a) - (b)	\$ 13,893,848	\$ 15,962,806	\$ 21,400,321	\$ 23,431,459
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.85%	82.03%	77.20%	77.30%
Covered Payroll	\$ 13,348,365	\$ 13,348,365	\$ 14,974,179	\$ 16,051,083
Plan Net Pension Liability/(Asset) as a Percentage of Covered Payroll	104.09%	119.59%	142.91%	145.98%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2014 was the first year of implementation, therefore only seven years are shown.

Notes to Schedule:

(A) During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75. Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

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

Changes of Assumptions:

In fiscal year 2016-17, the discount rate was changed from 7.65 percent (net of administrative expense) to 7.15 percent.

In fiscal year 2017-18, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate.

	2018	2019	2020
\$	2,639,954	\$ 2,657,779	\$ 2,737,868
	7,282,132	7,803,956	8,237,478
	(577,483)	1,833,076	261,490
	11,137	-	-
	(4,251,920)	(4,679,793)	(4,720,240)
	5,103,820	7,615,018	6,516,596
	103,220,341	108,324,161	115,939,179
\$	108,324,161	\$ 115,939,179	\$ 122,455,775
\$	2,257,840	\$ 2,699,124	\$ 3,088,142
	1,194,936	1,183,069	1,148,119
	6,733,944	5,590,075	4,500,278
	(4,251,920)	(4,679,793)	(4,720,240)
	(198)	-	-
	(124,333)	(60,918)	(127,012)
	(236,111)	199	-
	5,574,158	4,731,756	3,889,287
	79,788,882	85,363,040	90,094,796
\$	85,363,040	\$ 90,094,796	\$ 93,984,083
\$	22,961,121	\$ 25,844,383	\$ 28,471,692
	78.80%	77.71%	76.75%
\$	16,557,666	\$ 16,866,425	\$ 17,000,467
	138.67%	153.23%	167.48%

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CITY OF MANHATTAN BEACH

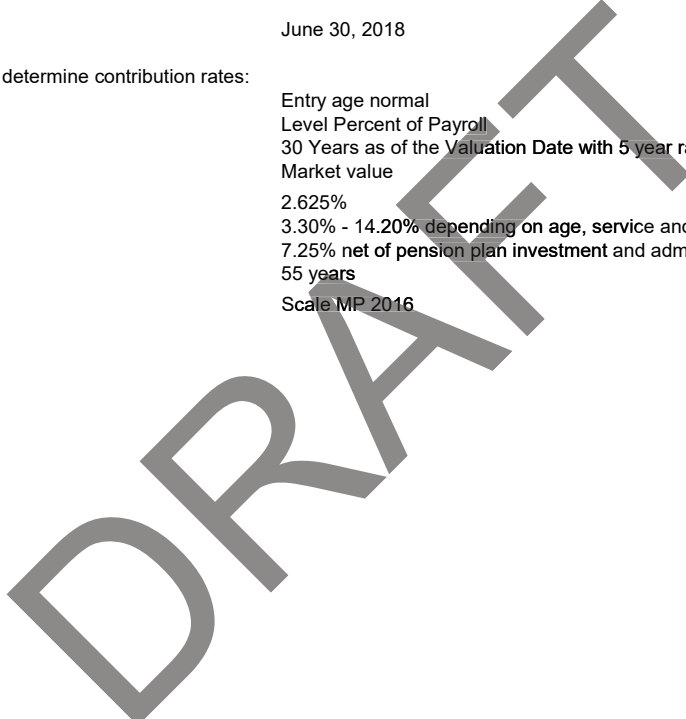
MISCELLANEOUS PLAN
 SCHEDULE OF PLAN CONTRIBUTIONS
 AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	2014	2015	2016	2017	2018
Actuarially Determined Contribution	\$ 1,526,186	\$ 1,648,896	\$ 1,881,560	\$ 2,137,977	\$ 2,241,242
Contribution in Relation to the Actuarially Determined Contribution	(1,526,186)	(1,648,896)	(1,881,560)	(2,137,977)	(2,241,242)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ 12,741,228	\$ 13,348,365	\$ 14,974,179	\$ 16,051,083	\$ 16,557,666
Contributions as a Percentage of Covered Payroll	11.98%	12.35%	12.57%	13.32%	13.54%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2014 was the first year of implementation, therefore only eight years are shown.

Note to Schedule:

Valuation Date:	June 30, 2018
Methods and assumptions used to determine contribution rates:	
Single and Agent Employers	Entry age normal
Amortization method	Level Percent of Payroll
	30 Years as of the Valuation Date with 5 year ramp up/down
Assets valuation method	Market value
Inflation	2.625%
Salary Increases	3.30% - 14.20% depending on age, service and type of employment
Investment rate of return	7.25% net of pension plan investment and administrative expense, including inflation
Retirement age	55 years
Mortality	Scale MP 2016



2019	2020	2021
\$ 2,659,903	\$ 3,062,602	\$ 3,438,131
(2,659,903)	(3,062,602)	(3,438,131)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 16,866,425	\$ 17,000,467	\$ 17,126,229
15.77%	18.01%	20.08%

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CITY OF MANHATTAN BEACH

**SAFETY PLAN
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

Measurement Date	2014	2015	2016	2017
Safety Plan				
Proportion of the Net Pension Liability	0.482924%	0.816657%	0.854514%	0.738007%
Proportionate Share of the Net Pension Liability	\$ 30,049,799	\$ 33,649,892	\$ 44,229,612	\$ 51,004,452
Covered Payroll	\$ 11,899,053	\$ 12,509,404	\$ 13,396,233	\$ 13,476,008
Proportionate Share of the Net Pension Liability as Percentage of Covered Payroll	252.54%	269.00%	330.16%	378.48%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.30%	78.30%	74.10%	73.30%

Notes to Schedule:

Benefit Changes:

The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2014 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes of Assumptions:

In fiscal year 2016-17, the discount rate was changed from 7.65 percent (net of administrative expense) to 7.15 percent.

In fiscal year 2017-18, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate.

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2014 was the first year of implementation, therefore only seven years are shown.

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2018	2019	2020
0.884355%	0.888476%	0.927775%
\$ 51,890,006	\$ 55,463,474	\$ 61,811,652
\$ 13,377,912	\$ 13,238,294	\$ 13,904,770
387.88%	418.96%	444.54%
75.30%	73.37%	73.12%

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CITY OF MANHATTAN BEACH

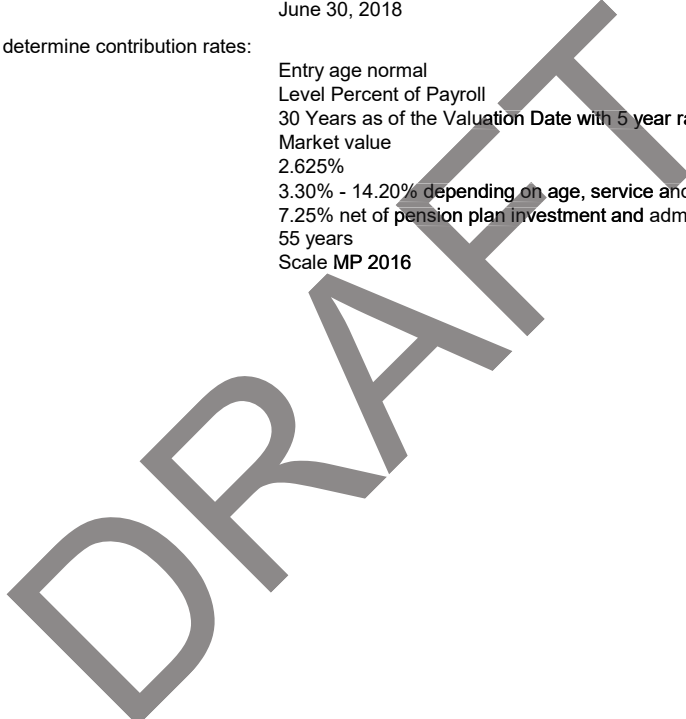
**SAFETY PLAN
SCHEDULE OF PLAN CONTRIBUTIONS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Safety Plan				
Actuarially Determined Contribution	\$ 3,200,572	\$ 3,437,160	\$ 4,000,319	\$ 4,035,127
Contribution in Relation to the Actuarially Determined Contribution	<u>(3,200,572)</u>	<u>(3,437,160)</u>	<u>(4,000,319)</u>	<u>(4,035,127)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 11,899,053	\$ 12,509,404	\$ 13,396,233	\$ 13,476,008
Contributions as a Percentage of Covered Payroll	26.90%	27.48%	29.86%	29.94%

(1) Historical information is required only for measurement for which GASB 68 is applicable. Fiscal Year 2014 was the first year of implementation, therefore only eight years are shown.

Note to Schedule:

Valuation Date:	June 30, 2018
Methods and assumptions used to determine contribution rates:	
Single and Agent Employers	Entry age normal
Amortization method	Level Percent of Payroll
	30 Years as of the Valuation Date with 5 year ramp up/down
Assets valuation method	Market value
Inflation	2.625%
Salary Increases	3.30% - 14.20% depending on age, service and type of employment
Investment rate of return	7.25% net of pension plan investment and administrative expense, including inflation
Retirement age	55 years
Mortality	Scale MP 2016



<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 4,413,119	\$ 5,071,642	\$ 5,997,853	\$ 6,572,770
<u>(4,413,119)</u>	<u>(5,071,642)</u>	<u>(5,997,853)</u>	<u>(6,572,770)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 13,377,912	\$ 13,238,294	\$ 13,904,770	\$ 13,731,032
32.99%	38.31%	43.14%	47.87%

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CITY OF MANHATTAN BEACH

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Total pension liability:				
Interest	\$ 4,535	\$ 3,868	\$ 4,465	\$ (552)
Benefit payments, including refunds of member contributions	(20,118)	(20,519)	(21,728)	(21,340)
Experience losses/(gains)	(6,296)	16,651	9,609	35,649
Changes in assumptions	-	-	-	-
Net change in total pension liability	(21,879)	-	(7,654)	13,757
Total pension liability, beginning of year	133,183	111,304	111,304	103,650
Total pension liability, end of year	111,304	111,304	103,650	117,407
Plan fiduciary net position:				
Net investment income	4,535	3,868	4,465	(552)
Contribution from employer	-	-	-	-
Benefit payments, including refunds of member contributions	(20,118)	(20,519)	(21,728)	(21,340)
Net change in plan fiduciary net position	(15,583)	(16,651)	(17,263)	(21,892)
Total fiduciary net position, beginning of year	118,255	102,672	86,021	68,758
Restatement	-	-	-	-
Total fiduciary net position, end of year	102,672	86,021	68,758	46,866
Total pension liability, end of fiscal year 2020	\$ 8,632	\$ 25,283	\$ 34,892	\$ 70,541
Plan fiduciary net position as a percentage of the total pension liability	92.24%	77.28%	66.34%	39.92%
The Supplement Retirement Plan is dormant.				
Covered payroll	N/A	N/A	N/A	N/A
Net pension liability as a percentage of covered payroll	N/A	N/A	N/A	N/A

The fiduciary net position has been restated since the assets held were not in a trust fund as defined by GASB Statement No. 68, but were pulled with the City's cash and investments.

Changes of Assumptions:

In fiscal year 2018-19, the discount rate was changed from 2.2% to 2.16%.

(1) GASB Statement No. 67, which requires ten years of history for this schedule, was implemented during fiscal year ended June 30, 2014. Additional years will be added as they become available in the future.

2018	2019	2020	2021
\$ 4,837	\$ 4,045	\$ 4,057	\$ 1,787
(21,690)	(22,125)	(22,327)	(14,382)
8,685	18,576	6,826	(34,482)
-	2,027	5,916	62
(8,168)	2,523	(5,528)	(47,015)
117,407	109,239	111,762	106,234
109,239	111,762	106,234	59,219
496	1,024	-	-
-	27,773	22,327	14,382
(21,690)	(22,125)	(22,327)	(14,382)
(21,194)	6,672	-	-
46,866	25,672	32,344	-
		(32,344)	-
25,672	32,344	-	-
\$ 83,567	\$ 79,418	\$ 106,234	\$ 59,219
23.50%	28.94%	0.00%	0.00%
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A

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CITY OF MANHATTAN BEACH

**PENSION PLAN - SUPPLEMENTAL RETIREMENT PLAN
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Employer contributions:				
Actuarial determined contributions	\$ -	\$ -	\$ -	\$ -
Actual contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deficiency/(Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The Supplement Retirement Plan is dormant.

Actual contributions as a percentage of actuarial determined contributions	N/A	N/A	N/A	N/A
Covered payroll	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A

(1) GASB Statement No. 67, which requires ten years of history for this schedule, was implemented during fiscal year ended June 30, 2014. Additional years will be added as they become available in the future.

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2018	2019	2020	2021
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -

N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A

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CITY OF MANHATTAN BEACH

PENSION PLAN - SUPPLEMENTAL RETIREMENT PLAN
SCHEDULE OF INVESTMENT RETURNS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Annual money-weighted rate of return, net of investment expense	4.40%	4.40%	3.60%	3.49%

(1) GASB Statement No. 67, which requires ten years of history for this schedule, was implemented during fiscal year ended June 30, 2014. Additional years will be added as they become available in the future.

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<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
4.12%	3.50%	2.20%	2.16%

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CITY OF MANHATTAN BEACH

**PENSION PLAN - SINGLE HIGHEST YEAR PLAN
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Total pension liability:				
Interest	\$ 12,194	\$ 9,588	\$13,610	\$ (1,639)
Benefit payments, including refunds of member contributions	(49,893)	(50,872)	(51,598)	(52,928)
Experience losses/(gains)	(20,492)	41,284	19,167	94,614
Changes in assumptions	-	-	-	-
Net change in total pension liability	(58,191)	-	(18,821)	40,047
Total pension liability, beginning of year	373,634	315,443	315,443	296,622
Total pension liability, end of year	315,443	315,443	296,622	336,669
Plan fiduciary net position:				
Net investment income	12,194	9,588	13,610	(1,639)
Contribution from employer	-	-	-	-
Benefit payments, including refunds of member contributions	(49,893)	(50,872)	(51,598)	(52,928)
Net change in plan fiduciary net position	(37,699)	(41,284)	(37,988)	(54,567)
Total fiduciary net position, beginning of year	315,899	278,200	236,916	198,928
Restatement	-	-	-	-
Total fiduciary net position, end of year	278,200	236,916	198,928	144,361
Total pension liability, end of fiscal year 2020	\$ 37,243	\$ 78,527	\$97,694	\$192,308

Plan fiduciary net position as a percentage of the total pension liability 88.19% 75.11% 67.06% 42.88%

The Single Highest Year Plan is dormant.

Covered payroll N/A N/A N/A N/A

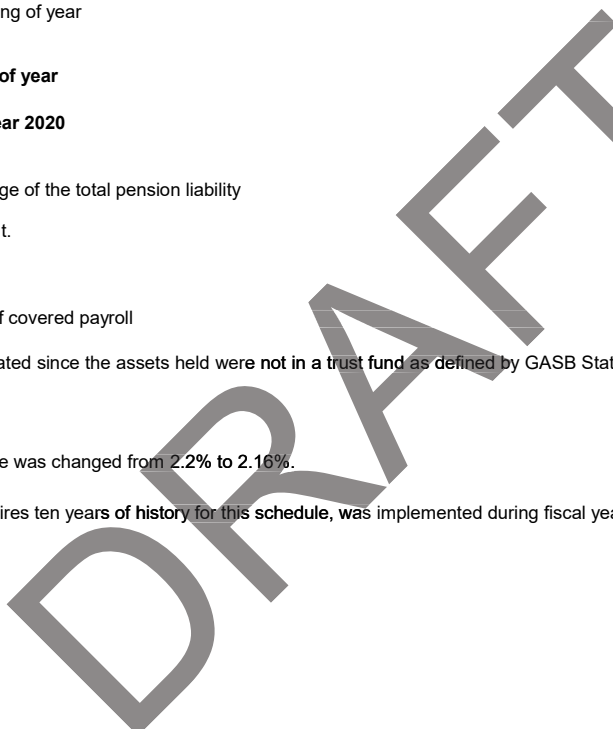
Net pension liability as a percentage of covered payroll N/A N/A N/A N/A

The fiduciary net position has been restated since the assets held were not in a trust fund as defined by GASB Statement No. 68, but were pulled with the City's cash and investments.

Changes of Assumptions:

In fiscal year 2019-20, the discount rate was changed from 2.2% to 2.16%.

(1) GASB Statement No. 67, which requires ten years of history for this schedule, was implemented during fiscal year ended June 30, 2014. Additional years will be added as they become available in the future.



2018	2019	2020	2021
\$ 13,871	\$ 10,663	\$ 8,785	\$ 5,975
(53,805)	(50,694)	(51,473)	(25,050)
(12,652)	41,951	17,838	(138,309)
-	6,053	15,460	207
(52,586)	7,973	(9,390)	(157,177)
336,669	284,083	292,056	282,666
284,083	292,056	282,666	125,489
1,616	4,689	-	-
-	72,227	51,473	25,050
(53,805)	(50,694)	(51,473)	(25,050)
(52,189)	26,222	-	-
144,361	92,172	118,394	-
		(118,394)	-
92,172	118,394	-	-
\$ 191,911	\$ 173,662	\$ 282,666	\$ 125,489
32.45%	40.54%	0.00%	0.00%
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A

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CITY OF MANHATTAN BEACH

**PENSION PLAN - SINGLE HIGHEST YEAR PLAN
 SCHEDULE OF EMPLOYER CONTRIBUTIONS
 AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)**

	2014	2015	2016	2017
Employer contributions:				
Actuarial determined contributions	\$ -	\$ -	\$ -	\$ -
Actual contributions	-	-	-	-
Deficiency/(Excess)	\$ -	\$ -	\$ -	\$ -

The Single Highest Year Plan is dormant.

Actual contributions as a percentage of actuarial determined contributions	N/A	N/A	N/A	N/A
Covered payroll	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A

(1) GASB Statement No. 67, which requires ten years of history for this schedule, was implemented during fiscal year ended June 30, 2014. Additional years will be added as they become available in the future.

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2018	2019	2020	2021
\$ -	\$ -	\$ -	\$ -
\$ -	\$ -	\$ -	\$ -

N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A

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CITY OF MANHATTAN BEACH

PENSION PLAN - SINGLE HIGHEST YEAR PLAN
SCHEDULE OF INVESTMENT RETURNS
AS OF JUNE 30, FOR THE LAST TEN FISCAL YEARS (1)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Annual money-weighted rate of return, net of investment expense	4.40%	4.40%	3.60%	3.49%

(1) GASB Statement No. 67, which requires ten years of history for this schedule, was implemented during fiscal year ended June 30, 2014. Additional years will be added as they become available in the future.

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<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
4.12%	3.50%	2.20%	2.16%

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CITY OF MANHATTAN BEACH, CALIFORNIA

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

Measurement Date	2017	2018	2019	2020
Total OPEB Liability				
Service cost	\$ 153,484	\$ 157,705	\$ 162,042	\$ 860,600
Interest on the total OPEB liability	373,003	389,029	405,961	726,498
Expected minus actual benefit payments	-	-	14,816	-
Experience gains/(losses)	-	-	(217,943)	(67,563)
Changes in assumptions	-	-	11,785,934	301,994
Benefit payments	(292,220)	(276,109)	(315,517)	(768,497)
Net change in total OPEB liability	234,267	270,625	11,835,293	1,053,032
Total OPEB liability - beginning	5,809,993	6,044,260	6,314,885	18,150,178
Total OPEB liability - ending (a)	6,044,260	6,314,885	18,150,178	19,203,210
Plan Fiduciary Net Position				
Employer contributions	-	-	-	458,552
Net investment income	696,310	637,587	658,010	579,074
Investment gains/(loss)	-	(17,259)	65,900	-
Benefit payments	(292,220)	(276,109)	(315,517)	(768,497)
Administrative expense	(5,052)	(18,413)	(2,217)	(5,285)
Net change in plan fiduciary net position	399,038	325,806	406,176	263,844
Plan fiduciary net position - beginning	9,557,249	9,956,287	10,282,093	10,688,269
Plan fiduciary net position - ending (b)	9,956,287	10,282,093	10,688,269	10,952,113
Net OPEB Liability (Asset) - ending (a) - (b)	\$ (3,912,027)	\$ (3,967,208)	\$ 7,461,909	\$ 8,251,097
Plan fiduciary net position as a percentage of the total OPEB liability	164.7%	162.8%	58.9%	57.0%
Covered employee payroll	\$ 27,942,810	\$ 28,350,135	\$ 28,955,206	\$ 30,039,928
Net OPEB liability as a percentage of covered employee payroll	-14.00%	-13.99%	25.77%	27.47%

Notes to Schedule:

(1) Historical information is required only for the measurement periods for which GASB 75 is applicable. Measurement year 2017 was the first year of implementation. Future years' information will be displayed up to 10 years as information becomes available.

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CITY OF MANHATTAN BEACH, CALIFORNIA

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

	2018	2019	2020	2021
Actuarially Determined Contribution	\$ -	\$ -	\$ -	\$ -
Contribution in Relation to the Actuarially Determined Contribution	-	-	-	-
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -
Covered employee payroll	\$ 28,350,135	\$ 28,955,206	\$ 30,039,928	\$ 31,108,248
Contributions as a percentage of covered employee payroll	0.00%	0.00%	0.00%	0.00%

Notes to Schedule:

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

Valuation Date:	June 30, 2019
Actuarial Cost Method:	Entry Age
Actuarial Assumptions:	
Discount Rate	4% per year net of expenses
Inflation	2.75% per year
Salary Increase	2.75% per year
Healthcare Trend	4.00% per year
Mortality	Police - 2014 CalPERS Mortality for Active Safety Employees Fire Fighters - 2014 CalPERS Mortality for Active Safety Employees Miscellaneous - 2014 CalPERS Active Mortality for Miscellaneous Employees
Retirement Rates	Police: Hired prior to 1/1/13: 2009 CalPERS 3.0%@50 Rates for Sworn Police Hired > 12/31/12: 2009 CalPERS 3.0%@55 Rates for Sworn Police adjusted to reflect minimum retirement age 52 Firefighters: Hired prior to 1/1/13: 2009 CalPERS 3.0%@55 Rates for Sworn Firefighters Hired > 12/31/12: 2009 CalPERS 3.0%@55 Rates for Sworn Firefighters adjusted to reflect minimum retirement age 52 Miscellaneous: Hired prior to 1/1/13: 2009 CalPERS 2.0%@55 Rates for Miscellaneous Employees Hired > 12/31/12: 2009 CalPERS 2.0%@60 Rates for Miscellaneous Employees adjusted to reflect minimum retirement age 52
Service Requirement	Police: 100% at 5 Years of Service for statutory minimum benefits 100% at 10 Years of Service with City (20 years in law enforcement) Firefighters: 100% at 5 Years of Service for statutory minimum benefits 100% at 20 Years of Service with City General Employees 100% at 5 Years of Service for statutory minimum benefits 100% at 15 Years of Service with City Management 100% at 5 Years of Service for statutory minimum benefits 100% at 15 Years of Service with City

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

**REQUIRED SUPPLEMENTARY
INFORMATION**

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Note 1: Budgetary Comparison Information

a. General Budget Policies

The operating budget serves as the annual financial plan for the City and serves as the policy document of the City Council for implementing Council goals and objectives. The budget provides the staff the resources necessary to accomplish City Council determined service levels.

The City Manager annually will prepare and present a proposed operating budget to the City Council no later than the second regular Council meeting in May of each year; and Council will adopt said budget no later than June 30 of each year. Funds may not be expended or encumbered for the following fiscal year until the budget has been adopted by the City Council.

The City's annual budget will be presented by department, with a logical breakdown of programs and proposed expenses. The budget document will also summarize expenditures at the personnel, operating and maintenance, and capital levels.

Where practical, the City's annual budget will include measures of workload, efficiency, and effectiveness.

b. Budgetary Control and Accountability

Budget control is maintained at the departmental level. The City Manager has the authority to approve appropriation transfers between programs or departments. In no case may total expenditures of a particular fund exceed that which is appropriated by the City Council without a budget amendment. Amendments to the budget are approved by the City Council with the exception of the appropriation and transfer of funds from employee leave reserves to a specific department's program budget to cover unplanned customary termination leave expenditures within a given year. Such amendments may be approved by the City Manager.

Budget accountability rests primarily with the operating departments of the City.

The Measure W Special Revenue fund did not adopt a budget for the fiscal year.

c. Basis of Budgeting

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America and are used as a management control device.

**COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS
AND SCHEDULES**

DRAFT

CITY OF MANHATTAN BEACH

JUNE 30, 2021

NONMAJOR FUNDS

Special Revenue Fund Description

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted by law to expenditures for specified purposes.

Street Lighting and Landscape Fund provides the power, maintenance and capital improvements for the lighting system within the City of Manhattan Beach. Money is received from a special assessment placed on each tax bill in the City, the amount of which is determined by the benefit received by the owner of each property.

Gas Tax Fund is used to account for the City's share of the state and county gasoline tax collection in accordance with the provisions of the State of California Streets and Highway Code. Revenues are disbursed by the state based on population and must be used toward the maintenance and repair of City streets that serve as state and county thoroughfares.

Asset Forfeiture Fund is used to account for funds received through federal and state agencies for drug seizures in which the City participated. These funds must be used to supplement, not supplant, the Police Department's normal operating budget. The amount of revenue will vary from year to year based on activity levels.

Public Safety Grants are used for monies received from the federal and state governments for the purposes of supplementing front-line law enforcement services.

Proposition A Fund is used to account for proceeds from the half-cent sales taxes generated by the approval of Proposition A by Los Angeles County voters. These funds, which are administered by the Los Angeles County Metropolitan Transportation Authority (MTA), are distributed based on population and must be used for transportation-related projects.

AB 2766 Fund is used to account for proceeds received from the additional vehicle registration fee imposed by the state and regulated by the Air Quality Management District (AQMD). These funds are distributed based on population and must be used for programs designed to reduce air pollution from motor vehicles.

Measure R Fund is a half cent sales tax approved by Los Angeles voters to be used for new and existing transportation projects, including local bus operations and local city sponsored transportation improvements. Local cities are allocated 15% of collections on a per capita basis. The City of Manhattan Beach began receiving Measure R funds in fiscal 2010-2011, and established a separate fund to capture revenues and expenditures. Eligible expenditures are streets and signals, bikeways, pedestrian improvements, and transit service improvements.

Measure M Fund is a half-cent sales tax approved by Los Angeles County voters to ease traffic congestion; expand rail and rapid transit system; repave local streets, repair potholes, and synchronize signals; make public transportation more accessible for seniors, students, and the disabled; and earthquake-retrofit bridges. The City of Manhattan Beach began receiving Measure M funds in fiscal 2020-2021 and established a separate fund to capture revenue and expenditures.

Measure W Fund is a special tax on paved property to pay for projects, infrastructure and programs to capture, treat and recycle rainwater.

CITY OF MANHATTAN BEACH

JUNE 30, 2021

NONMAJOR FUNDS

Capital Project Fund Description

Capital Projects Funds are used to account for financial resources segregated for the acquisition or construction of major capital facilities, other than those financed by Enterprise or Internal Service Funds.

Capital Improvement Fund accounts for financial resources segregated for the acquisition or construction of major capital facilities, other than those financed by Enterprise, Internal Service Funds, or other project specific funds.

Underground Assessment District Fund accounts for the resources to construct an underground utility in the future.

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CITY OF MANHATTAN BEACH

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Special Revenue Funds			
	Street Lighting and Landscape	Gas Tax	Asset Forfeiture	Public Safety Grants
Assets:				
Pooled cash and investments	\$ 159,343	\$ 1,902,266	\$ 167,152	\$ 404,653
Receivables:				
Accounts	7,751	-	-	-
Taxes	-	-	-	-
Due from other governments	-	133,324	16,519	-
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 167,094	\$ 2,035,590	\$ 183,671	\$ 404,653
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 97,095	\$ 49,929	\$ -	\$ 43,064
Accrued payables	-	154,612	-	-
Unearned revenues	-	24,090	-	-
Due to other funds	-	-	-	-
Total Liabilities	97,095	228,631	-	43,064
Deferred Inflows of Resources:				
Unavailable revenues	-	69,622	-	-
Total Deferred Inflows of Resources	-	69,622	-	-
Fund Balances:				
Restricted for:				
Public safety	-	-	183,671	361,589
Recreation	-	-	-	-
Public works	69,999	-	-	-
Capital Projects	-	1,737,337	-	-
Committed to:				
Capital Projects	-	-	-	-
Total Fund Balances	69,999	1,737,337	183,671	361,589
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 167,094	\$ 2,035,590	\$ 183,671	\$ 404,653

CITY OF MANHATTAN BEACH

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

(CONTINUED)

	Special Revenue Funds			
	Proposition A	AB 2766	Measure R	Measure M
Assets:				
Pooled cash and investments	\$ 169,545	\$ 140,942	\$ 2,030,621	\$ 1,166,797
Receivables:				
Accounts	268,750	-	1,515	-
Taxes	-	-	-	-
Due from other governments	-	11,704	-	90,771
Restricted assets:				
Cash and investments with fiscal agents	-	-	-	-
Total Assets	\$ 438,295	\$ 152,646	\$ 2,032,136	\$ 1,257,568
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 3,698	\$ -	\$ 52,792	\$ 96,661
Accrued payables	-	-	-	12,228
Unearned revenues	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	3,698	-	52,792	108,889
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	90,771
Total Deferred Inflows of Resources	-	-	-	90,771
Fund Balances:				
Restricted for:				
Public safety	-	-	-	-
Recreation	434,597	-	-	-
Public works	-	152,646	-	-
Capital Projects	-	-	1,979,344	1,057,908
Committed to:				
Capital Projects	-	-	-	-
Total Fund Balances	434,597	152,646	1,979,344	1,057,908
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 438,295	\$ 152,646	\$ 2,032,136	\$ 1,257,568

CITY OF MANHATTAN BEACH

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Special Revenue Funds	Capital Projects Funds		Total Nonmajor Governmental Funds
	Measure W	Capital Improvement	Underground Assessment District	
Assets:				
Pooled cash and investments	\$ 126,570	\$ 6,229,368	\$ 5,102,986	\$ 17,600,243
Receivables:				
Accounts	-	31,730	10,520	320,266
Taxes	-	73,772	-	73,772
Due from other governments	-	1,484	-	253,802
Restricted assets:				
Cash and investments with fiscal agents	-	115,806	-	115,806
Total Assets	\$ 126,570	\$ 6,452,160	\$ 5,113,506	\$ 18,363,889
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ 59,233	\$ 585,734	\$ 988,206
Accrued payables	-	82,580	290,936	540,356
Unearned revenues	-	-	-	24,090
Due to other funds	-	-	-	-
Total Liabilities	-	257,619	878,411	1,670,199
Deferred Inflows of Resources:				
Unavailable revenues	-	1,484	3	161,880
Total Deferred Inflows of Resources	-	1,484	3	161,880
Fund Balances:				
Restricted for:				
Public safety	-	-	-	545,260
Recreation	-	-	-	434,597
Public works	-	-	4,235,092	4,457,737
Capital Projects	126,570	-	-	4,901,159
Committed to:				
Capital Projects	-	6,193,057	-	6,193,057
Total Fund Balances	126,570	6,193,057	4,235,092	16,531,810
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 126,570	\$ 6,452,160	\$ 5,113,506	\$ 18,363,889

CITY OF MANHATTAN BEACH

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	Special Revenue Funds			
	Street Lighting and Landscape	Gas Tax	Asset Forfeiture	Public Safety Grants
Revenues:				
Taxes	\$ 371,010	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	2,701,929	52,825	156,727
Charges for services	-	-	-	-
Use of money and property	-	19,083	(3,016)	1,002
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	371,010	2,721,012	49,809	157,729
Expenditures:				
Current:				
Public safety	-	-	167,437	191,200
Culture and recreation	-	-	-	-
Public works	672,313	13,738	-	-
Capital outlay				
Community development	-	-	-	-
Culture and recreation	-	-	-	-
Public works	-	2,198,784	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Trustee fees	-	-	-	-
Total Expenditures	672,313	2,212,522	167,437	191,200
Excess (Deficiency) of Revenues Over (Under) Expenditures	(301,303)	508,490	(117,628)	(33,471)
Other Financing Sources (Uses):				
Transfers in	336,302	-	-	-
Issuance of long-term debt	-	-	-	-
Total Other Financing Sources (Uses)	336,302	-	-	-
Net Change in Fund Balances	34,999	508,490	(117,628)	(33,471)
Fund Balances:				
Beginning of Year	35,000	1,228,847	301,299	395,060
End of Year	\$ 69,999	\$ 1,737,337	\$ 183,671	\$ 361,589

CITY OF MANHATTAN BEACH

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

(CONTINUED)

	Special Revenue Funds			
	Proposition A	AB 2766	Measure R	Measure M
Revenues:				
Taxes	\$ 991,505	\$ -	\$ 450,247	\$ 510,147
Licenses and permits	-	-	-	-
Intergovernmental	-	77,529	38,000	-
Charges for services	1,427	-	-	-
Use of money and property	2,384	1,059	10,111	9,572
Fines and forfeitures	-	-	-	-
Miscellaneous	-	-	-	-
Total Revenues	995,316	78,588	498,358	519,719
Expenditures:				
Current:				
Public safety	-	-	-	-
Culture and recreation	1,150,205	-	-	-
Public works	-	672	13,738	24,177
Capital outlay				
Community development	-	-	-	-
Culture and recreation	-	-	-	-
Public works	-	-	104,383	334,889
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Trustee fees	-	-	-	-
Total Expenditures	1,150,205	672	118,121	359,066
Excess (Deficiency) of Revenues Over (Under) Expenditures	(154,889)	77,916	380,237	160,653
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Issuance of long-term debt	502,097	-	-	-
Total Other Financing Sources (Uses)	502,097	-	-	-
Net Change in Fund Balances	347,208	77,916	380,237	160,653
Fund Balances:				
Beginning of Year	87,389	74,730	1,599,107	897,255
End of Year	\$ 434,597	\$ 152,646	\$ 1,979,344	\$ 1,057,908

CITY OF MANHATTAN BEACH

COMBINING STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	Special Revenue Funds		Capital Projects Funds		Total Nonmajor Governmental Funds
	Measure W	Capital Improvement	Underground Assessment District		
Revenues:					
Taxes	\$ 404,547	\$ 420,377	\$ -	\$ -	\$ 3,147,833
Licenses and permits	-	12,719	-	-	12,719
Intergovernmental	-	419,064	-	-	3,446,074
Charges for services	-	463,648	-	-	465,075
Use of money and property	270	667	230,346	-	271,478
Fines and forfeitures	-	73,936	-	-	73,936
Miscellaneous	-	100,393	3,723	-	104,116
Total Revenues	404,817	1,490,804	234,069	-	7,521,231
Expenditures:					
Current:					
Public safety	-	-	-	-	358,637
Culture and recreation	-	-	-	-	1,150,205
Public works	-	219,808	6,972,203	-	7,916,649
Capital outlay					
Community development	-	68,766	-	-	68,766
Culture and recreation	-	130,187	-	-	130,187
Public works	278,247	1,337,642	-	-	4,253,945
Debt service:					
Principal retirement	-	530,000	-	-	530,000
Interest and fiscal charges	-	239,562	-	-	239,562
Trustee fees	-	1,800	-	-	1,800
Total Expenditures	278,247	2,527,765	6,972,203	-	14,649,751
Excess (Deficiency) of Revenues Over (Under) Expenditures	126,570	(1,036,961)	(6,738,134)	-	(7,128,520)
Other Financing Sources (Uses):					
Transfers in	-	800,000	-	-	1,136,302
Issuance of long-term debt	-	-	-	-	502,097
Total Other Financing Sources (Uses)	-	800,000	-	-	1,638,399
Net Change in Fund Balances	126,570	(236,961)	(6,738,134)	-	(5,490,121)
Fund Balances:					
Beginning of Year	-	6,430,018	10,973,226	-	22,021,931
End of Year	\$ 126,570	\$ 6,193,057	\$ 4,235,092	\$ -	\$ 16,531,810

CITY OF MANHATTAN BEACH

**BUDGETARY COMPARISON SCHEDULE
STREET LIGHTING AND LANDSCAPE
YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 35,000	\$ 35,000	\$ 35,000	\$ -
Resources (Inflows):				
Taxes	377,688	377,688	371,010	(6,678)
Transfers in	12,230	12,230	336,302	324,072
Amounts Available for Appropriations	424,918	424,918	742,312	317,394
Charges to Appropriations (Outflow):				
Current:				
Public works	575,720	618,270	672,313	(54,043)
Total Charges to Appropriations	575,720	618,270	672,313	(54,043)
Budgetary Fund Balance, June 30	\$ (150,802)	\$ (193,352)	\$ 69,999	\$ 263,351

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CITY OF MANHATTAN BEACH

**BUDGETARY COMPARISON SCHEDULE
GAS TAX
YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,228,847	\$ 1,228,847	\$ 1,228,847	\$ -
Resources (Inflows):				
Intergovernmental	1,490,414	4,056,209	2,701,929	(1,354,280)
Use of money and property	30,000	30,000	19,083	(10,917)
Amounts Available for Appropriations	2,749,261	5,315,056	3,949,859	(1,365,197)
Charges to Appropriations (Outflow):				
Current:				
Public works	7,979	7,979	13,738	(5,759)
Capital outlay:				
Public works	755,000	4,190,856	2,198,784	1,992,072
Total Charges to Appropriations	762,979	4,198,835	2,212,522	1,986,313
Budgetary Fund Balance, June 30	\$ 1,986,282	\$ 1,116,221	\$ 1,737,337	\$ 621,116

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CITY OF MANHATTAN BEACH

**BUDGETARY COMPARISON SCHEDULE
ASSET FORFEITURE
YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 301,299	\$ 301,299	\$ 301,299	\$ -
Resources (Inflows):				
Intergovernmental	-	-	52,825	52,825
Use of money and property	5,000	5,000	(3,016)	(8,016)
Amounts Available for Appropriations	306,299	306,299	351,108	44,809
Charges to Appropriations (Outflow):				
Current:				
Public safety	147,900	327,900	167,437	160,463
Total Charges to Appropriations	147,900	327,900	167,437	160,463
Budgetary Fund Balance, June 30	\$ 158,399	\$ (21,601)	\$ 183,671	\$ 205,272

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CITY OF MANHATTAN BEACH

**BUDGETARY COMPARISON SCHEDULE
PUBLIC SAFETY GRANTS
YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 395,060	\$ 395,060	\$ 395,060	\$ -
Resources (Inflows):				
Intergovernmental	139,000	139,000	156,727	17,727
Use of money and property	4,000	4,000	1,002	(2,998)
Amounts Available for Appropriations	538,060	538,060	552,789	14,729
Charges to Appropriations (Outflow):				
Current:				
Public safety	142,000	242,000	191,200	50,800
Total Charges to Appropriations	142,000	242,000	191,200	50,800
Budgetary Fund Balance, June 30	\$ 396,060	\$ 296,060	\$ 361,589	\$ 65,529

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CITY OF MANHATTAN BEACH

**BUDGETARY COMPARISON SCHEDULE
PROPOSITION A
YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 87,389	\$ 87,389	\$ 87,389	\$ -
Resources (Inflows):				
Taxes	647,861	916,611	991,505	74,894
Charges for services	7,700	7,700	1,427	(6,273)
Use of money and property	-	-	2,384	2,384
Miscellaneous	17,500	17,500	-	(17,500)
Refunding bonds issued	-	-	-	-
Amounts Available for Appropriations	760,450	1,029,200	1,584,802	555,602
Charges to Appropriations (Outflow):				
Current:				
Culture and recreation	941,812	1,433,752	1,150,205	283,547
Total Charges to Appropriations	941,812	1,433,752	1,150,205	283,547
Budgetary Fund Balance, June 30	\$ (181,362)	\$ (404,552)	\$ 434,597	\$ 839,149

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CITY OF MANHATTAN BEACH

BUDGETARY COMPARISON SCHEDULE

AB 2766

YEAR ENDED JUNE 30, 2021

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 74,730	\$ 74,730	\$ 74,730	\$ -
Resources (Inflows):				
Intergovernmental	46,000	46,000	77,529	31,529
Use of money and property	1,000	1,000	1,059	59
Amounts Available for Appropriations	121,730	121,730	153,318	31,588
Charges to Appropriations (Outflow):				
Current:				
Public works	673	673	672	1
Total Charges to Appropriations	673	673	672	1
Budgetary Fund Balance, June 30	\$ 121,057	\$ 121,057	\$ 152,646	\$ 31,589

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CITY OF MANHATTAN BEACH

**BUDGETARY COMPARISON SCHEDULE
MEASURE R
YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,599,107	\$ 1,599,107	\$ 1,599,107	\$ -
Resources (Inflows):				
Taxes	375,497	375,497	450,247	74,750
Intergovernmental	540,000	540,000	38,000	(502,000)
Use of money and property	28,000	28,000	10,111	(17,889)
Amounts Available for Appropriations	2,542,604	2,542,604	2,097,465	(445,139)
Charges to Appropriations (Outflow):				
Current:				
Public works	7,979	7,979	13,738	(5,759)
Capital outlay:				
Public works	1,260,000	1,920,000	104,383	1,815,617
Total Charges to Appropriations	1,267,979	1,927,979	118,121	1,809,858
Budgetary Fund Balance, June 30	\$ 1,274,625	\$ 614,625	\$ 1,979,344	\$ 1,364,719

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CITY OF MANHATTAN BEACH

**BUDGETARY COMPARISON SCHEDULE
MEASURE M
YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 897,255	\$ 897,255	\$ 897,255	\$ -
Resources (Inflows):				
Taxes	425,518	425,518	510,147	84,629
Intergovernmental	3,640,000	3,640,000	-	(3,640,000)
Use of money and property	-	-	9,572	9,572
Amounts Available for Appropriations	4,962,773	4,962,773	1,416,974	(3,545,799)
Charges to Appropriation (Outflow):				
Current:				
Public works	7,979	7,979	24,177	(16,198)
Capital outlay:				
Public works	4,280,000	4,757,017	334,889	4,422,128
Total Charges to Appropriations	4,287,979	4,764,996	359,066	4,405,930
Budgetary Fund Balance, June 30	\$ 674,794	\$ 197,777	\$ 1,057,908	\$ 860,131

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CITY OF MANHATTAN BEACH

**BUDGETARY COMPARISON SCHEDULE
CAPITAL IMPROVEMENT
YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 6,430,018	\$ 6,430,018	\$ 6,430,018	\$ -
Resources (Inflows):				
Taxes	635,144	635,144	420,377	(214,767)
Licenses and permits	10,902	10,902	12,719	1,817
Intergovernmental	100,000	862,129	419,064	(443,065)
Charges for services	650,750	650,750	463,648	(187,102)
Use of money and property	-	-	667	667
Fines and forfeitures	88,000	88,000	73,936	(14,064)
Miscellaneous	-	-	100,393	100,393
Transfers in	-	100,000	800,000	700,000
Amounts Available for Appropriations	7,914,814	8,776,943	8,720,822	(56,121)
Charges to Appropriations (Outflow):				
Current:				
Public works	127,670	127,670	219,808	(92,138)
Capital outlay:				
Public safety	-	360,134	68,766	291,368
Culture and recreation	-	1,091,335	130,187	961,148
Public works	650,000	6,707,002	1,337,642	5,369,360
Debt service:				
Principal retirement	530,000	530,000	530,000	-
Interest and fiscal charges	239,564	239,564	239,562	2
Trustee Fees	1,800	1,800	1,800	-
Total Charges to Appropriations	1,549,034	9,057,505	2,527,765	6,529,740
Budgetary Fund Balance, June 30	\$ 6,365,780	\$ (280,562)	\$ 6,193,057	\$ 6,473,619

CITY OF MANHATTAN BEACH

**BUDGETARY COMPARISON SCHEDULE
UNDERGROUND ASSESSMENT DISTRICT
YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 10,973,226	\$ 10,973,226	\$ 10,973,226	\$ -
Resources (Inflows):				
Use of money and property	-	-	230,346	230,346
Amounts Available for Appropriations	10,973,226	10,973,226	11,207,295	234,069
Charges to Appropriation (Outflow):				
Current:				
Public works	-	10,995,832	6,972,203	4,023,629
Total Charges to Appropriations	-	10,995,832	6,972,203	4,023,629
Budgetary Fund Balance, June 30	\$ 10,973,226	\$ (22,606)	\$ 4,235,092	\$ 4,257,698

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CITY OF MANHATTAN BEACH

JUNE 30, 2021

NONMAJOR ENTERPRISE FUNDS

The Enterprise Funds are used to account for City operations that are financed and operated in a manner similar to private business enterprises. The intent in using this type of fund is to see that the costs of providing these services to the general public on a continuing basis are financed or recovered primarily through user charges.

Stormwater Fund is used to account for the maintenance and improvement of the City's storm drains. Revenues are derived from a storm drain assessment to property owners, which are based on size and use of the parcel, and collected through the property tax rolls.

Refuse Fund is used to account for the provision of refuse collection, street sweeping and recycling services in the City. The City bills both residential and commercial properties. The fund was closed out to the General Fund in the current fiscal year.

County Parking Lot Fund is used to account for the operation and maintenance of parking lots that are owned by Los Angeles County but leased to the City. Proceeds from the meters and parking permits are divided 55% to the county, with an annual guaranteed minimum of \$130,000 and 45% to the City.

State Pier and Parking Lot Fund is used to account for the operation and maintenance of the Manhattan Beach Pier, comfort station and four adjacent parking lots. These properties are owned by the State of California but controlled by the City through an operating agreement.

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CITY OF MANHATTAN BEACH

**COMBINING STATEMENT OF NET POSITION
NON-MAJOR ENTERPRISE FUNDS
JUNE 30, 2021**

	Business-Type Activities - Enterprise Funds				Totals
	Stormwater	Refuse	County Parking Lot	State Pier and Parking Lot	
Assets:					
Current:					
Cash and investments	\$ 2,233,487	\$ -	\$ 702,560	\$ 989,304	\$ 3,925,351
Receivables:					
Accounts	312,971	-	-	-	312,971
Total Current Assets	2,546,458	-	702,560	989,304	4,238,322
Noncurrent:					
Capital assets - net of accumulated depreciation	3,791,736	-	-	-	3,791,736
Total Noncurrent Assets	3,791,736	-	-	-	3,791,736
Total Assets	6,338,194	-	702,560	989,304	8,030,058
Deferred Outflows of Resources:					
Deferred pension related items	125,582	-	47,059	47,058	219,699
Deferred OPEB related items	30,045	-	11,446	11,446	52,937
Total Deferred Outflows of Resources	155,627	-	58,505	58,504	272,636
Liabilities:					
Current:					
Accounts payable	262,833	-	680,831	35,297	978,961
Accrued payables	34,421	-	-	17	34,438
Accrued interest	332	-	124	124	580
Deposits payable	457,199	-	-	-	457,199
Bonds payable	3,714	-	1,384	1,384	6,482
Total Current Liabilities	758,499	-	682,339	36,822	1,477,660
Noncurrent:					
Net pension liability	101,075	-	41,911	41,910	184,896
Net OPEB liability	25,232	-	9,613	9,613	44,458
Bonds payable	103,384	-	38,524	38,522	180,430
Total Noncurrent Liabilities	229,691	-	90,048	90,045	409,784
Total Liabilities	988,190	-	772,387	126,867	1,887,444
Deferred Inflows of Resources:					
Deferred pension related items	342	-	141	141	624
Deferred OPEB related items	806	-	306	306	1,418
Total Deferred Inflows of Resources	1,148	-	447	447	2,042
Net Position:					
Investment in capital assets	3,791,736	-	-	-	3,791,736
Unrestricted	1,712,747	-	(11,769)	920,494	2,621,472
Total Net Position	\$ 5,504,483	\$ -	\$ (11,769)	\$ 920,494	\$ 6,413,208

CITY OF MANHATTAN BEACH

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
NON-MAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2021

	Business-Type Activities - Enterprise Funds				Totals
	Stormwater	Refuse	County Parking Lot	State Pier and Parking Lot	
Operating Revenues:					
Sales and service charges	\$ 308,133	\$ -	\$ 1,404,059	\$ 813,273	\$ 2,525,465
Miscellaneous	21,241	-	-	432	21,673
Total Operating Revenues	329,374	-	1,404,059	813,705	2,547,138
Operating Expenses:					
Salaries	74,897	-	27,716	27,715	130,328
Employee benefits	25,772	-	27,712	27,622	81,106
Contract and professional services	954,671	-	37,084	203,124	1,194,879
Materials and services	19,854	-	3,544	182,197	205,595
Utilities	32,029	-	4,183	46,510	82,722
Administrative service charges	194,712	-	37,356	44,172	276,240
Leases and rents	-	-	772,232	-	772,232
Depreciation expense	149,266	-	-	-	149,266
Total Operating Expenses	1,451,201	-	909,827	531,340	2,892,368
Operating Income (Loss)	(1,121,827)	-	494,232	282,365	(345,230)
Nonoperating Revenues (Expenses):					
Parcel Taxes	-	-	-	-	-
Interest revenue	(13,495)	-	-	1,312	(12,183)
Interest expense	(332)	-	(124)	(124)	(580)
Total Nonoperating Revenues (Expenses)	(13,827)	-	(124)	1,188	(12,763)
Income (Loss) Before Transfers	(1,135,654)	-	494,108	283,553	(357,993)
Transfers in	1,317,480	-	-	-	1,317,480
Transfers out	-	(1,178,926)	(489,165)	-	(1,668,091)
Changes in Net Position	181,826	(1,178,926)	4,943	283,553	(708,604)
Special items	-	148,434	-	-	148,434
Net Position:					
Beginning of Year	5,322,657	1,030,492	(16,712)	636,941	6,973,378
End of Fiscal Year	\$ 5,504,483	\$ -	\$ (11,769)	\$ 920,494	\$ 6,413,208

CITY OF MANHATTAN BEACH

COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
YEAR ENDED JUNE 30, 2021

	Business-Type Activities - Enterprise Funds				Totals
	Stormwater	Refuse	County Parking Lot	State Pier and Parking Lot	
Cash Flows from Operating Activities:					
Cash received from customers and users	\$ 161,620	\$ 603,913	\$ 1,404,059	\$ 813,705	\$ 2,983,297
Cash paid to suppliers for goods and services	(1,214,510)	(1,207,807)	(570,484)	(499,440)	(3,492,241)
Cash paid to employees for services	(213,182)	-	(78,674)	(78,672)	(370,528)
Net Cash Provided (Used) by Operating Activities	(1,266,072)	(603,894)	754,901	235,593	(879,472)
Cash Flows from Non-Capital Financing Activities:					
Cash transfers out	-	(1,178,926)	(489,165)	-	(1,668,091)
Cash transfers in	1,317,480	-	-	-	1,317,480
Proceeds from Pension Obligation Bond Issuance	107,098	-	39,908	39,906	186,912
Taxes	-	-	-	-	-
Net Cash Provided (Used) by Non-Capital Financing Activities	1,424,578	(1,178,926)	(449,257)	39,906	(163,699)
Cash Flows from Investing Activities:					
Interest received	(13,495)	-	-	1,312	(12,183)
Net Cash Provided (Used) by Investing Activities	(13,495)	-	-	1,312	(12,183)
Net Increase (Decrease) in Cash and Cash Equivalents	145,011	(1,782,820)	305,644	276,811	(1,055,354)
Cash and Cash Equivalents at Beginning of Year	2,088,476	1,782,820	396,916	712,493	4,980,705
Cash and Cash Equivalents at End of Year	\$ 2,233,487	\$ -	\$ 702,560	\$ 989,304	\$ 3,925,351
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:					
Operating income (loss)	\$ (1,121,827)	\$ -	\$ 494,232	\$ 282,365	\$ (345,230)
Adjustments to reconcile operating income (loss) net cash provided (used) by operating activities:					
Special items	-	148,434	-	-	148,434
Depreciation	149,266	-	-	-	149,266
(Increase) decrease in accounts receivable	(305,679)	603,913	-	-	298,234
Increase (decrease) in accounts payable	(23,940)	(331,492)	283,915	(23,454)	(94,971)
Increase (decrease) in accrued payables	10,696	(876,315)	-	17	(865,602)
Increase (decrease) in deposits payable	137,925	-	-	-	137,925
Increase (decrease) in net pension liability	(10,466)	(188,609)	15,426	15,426	(168,223)
Increase (decrease) in net OPEB liability	2,793	(17,096)	8,266	8,266	2,229
Increase (decrease) in deferred pension related items	(108,365)	25,964	(42,072)	(42,161)	(166,634)
Increase (decrease) in deferred OPEB related items	3,525	31,307	(4,866)	(4,866)	25,100
Total Adjustments	(144,245)	(603,894)	260,669	(46,772)	(534,242)
Net Cash Provided (Used) by Operating Activities	\$ (1,266,072)	\$ (603,894)	\$ 754,901	\$ 235,593	\$ (879,472)

Non-Cash Investing, Capital, and Financing Activities:

There was no non-cash investing, capital and financing activities during the fiscal year.

CITY OF MANHATTAN BEACH

JUNE 30, 2021

INTERNAL SERVICE FUNDS

Internal Service Funds have been established to finance, administer and account for the provision of goods and services to all funds and all departments on a cost-reimbursement basis.

Insurance Reserve Fund is used to account for the City's self-insured workers' compensation and general liability programs. The fund collects premiums from departments based on claims history.

Information Systems Fund is used to account for the operation, maintenance and replacement of the City's Information Systems including the citywide network and related hardware and software. Revenues are generated from charges to departments based on the number of PCs in use.

Fleet Management Fund is used to account for the operation, maintenance and replacement of City vehicles. Revenues are generated from vehicle rental charges to departments based upon the number, type and age of vehicles utilized.

Building Maintenance and Operations Fund is used to account for the operation and maintenance of certain City facilities. Revenues are generated by charges to user departments based on the number of personnel in the department.

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CITY OF MANHATTAN BEACH

**COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2021**

	Governmental Activities - Internal Service Funds				Totals
	Insurance Reserve	Information Systems	Fleet Management	Building Maintenance and Operations	
Assets:					
Current:					
Cash and investments	\$ 16,853,655	\$ 1,410,461	\$ 2,877,239	\$ 52,433	\$ 21,193,788
Receivables:					
Accounts	67	-	7,106	-	7,173
Prepaid costs	-	-	-	92	92
Inventories	-	-	-	102,472	102,472
Total Current Assets	<u>16,853,722</u>	<u>1,410,461</u>	<u>2,884,345</u>	<u>154,997</u>	<u>21,303,525</u>
Noncurrent:					
Capital assets - net of accumulated depreciation	-	-	3,975,755	-	3,975,755
Total Noncurrent Assets	-	-	<u>3,975,755</u>	-	<u>3,975,755</u>
Total Assets	<u>16,853,722</u>	<u>1,410,461</u>	<u>6,860,100</u>	<u>154,997</u>	<u>25,279,280</u>
Deferred Outflows of Resources:					
Deferred pension related items	663,321	2,036,461	592,071	805,933	4,097,786
Deferred OPEB related items	94,421	188,840	114,444	143,055	540,760
Total Deferred Outflows of Resources	<u>757,742</u>	<u>2,225,301</u>	<u>706,515</u>	<u>948,988</u>	<u>4,638,546</u>
Liabilities:					
Current:					
Accounts payable	20,010	78,834	56,030	52,497	207,371
Accrued liabilities	-	-	17	27	44
Accrued interest	1,745	5,445	1,558	2,126	10,874
Workers' compensation claims	9,257,732	-	-	-	9,257,732
Accrued claims and judgments	1,817,668	-	-	-	1,817,668
Bonds payable	19,529	60,930	17,430	23,787	121,676
Total Current Liabilities	<u>11,116,684</u>	<u>145,209</u>	<u>75,035</u>	<u>78,437</u>	<u>11,415,365</u>
Noncurrent:					
Bonds payable	543,656	1,696,247	485,239	662,192	3,387,334
Net pension liability	578,773	1,271,205	516,961	672,445	3,039,384
Net OPEB liability	79,293	158,586	96,108	120,136	454,123
Workers' compensation claims	6,453,809	-	-	-	6,453,809
Accrued claims and judgments	524,205	-	-	-	524,205
Total Noncurrent Liabilities	<u>8,179,736</u>	<u>3,126,038</u>	<u>1,098,308</u>	<u>1,454,773</u>	<u>13,858,855</u>
Total Liabilities	<u>19,296,420</u>	<u>3,271,247</u>	<u>1,173,343</u>	<u>1,533,210</u>	<u>25,274,220</u>
Deferred Inflows of Resources:					
Deferred pension related items	1,956	4,297	1,747	2,273	10,273
Deferred OPEB related items	2,531	5,061	3,067	3,834	14,493
Total Deferred Inflows of Resources	<u>4,487</u>	<u>9,358</u>	<u>4,814</u>	<u>6,107</u>	<u>24,766</u>
Net Position:					
Investment in capital assets	-	-	3,975,755	-	3,975,755
Unrestricted	(1,689,443)	355,157	2,412,703	(435,332)	643,085
Total Net Position	<u>\$ (1,689,443)</u>	<u>\$ 355,157</u>	<u>\$ 6,388,458</u>	<u>\$ (435,332)</u>	<u>\$ 4,618,840</u>

CITY OF MANHATTAN BEACH

COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2021

	Governmental Activities - Internal Service Funds				Totals
	Insurance Reserve	Information Systems	Fleet Management	Building Maintenance and Operations	
Operating Revenues:					
Interdepartmental service charges	\$ 7,153,980	\$ 2,814,348	\$ -	\$ 1,758,866	\$ 11,727,194
Miscellaneous	36,481	-	59,454	-	95,935
Total Operating Revenues	7,190,461	2,814,348	59,454	1,758,866	11,823,129
Operating Expenses:					
Salaries	366,276	1,249,178	318,608	430,826	2,364,888
Employee benefits	321,359	613,891	177,224	221,169	1,333,643
Contract for professional services	151,735	494,216	196,092	671,937	1,513,980
Materials and services	366,732	844,011	463,391	334,610	2,008,744
Utilities	122	1,011	-	111,146	112,279
Claims expense	5,987,812	-	-	-	5,987,812
Depreciation expense	-	-	923,890	-	923,890
Total Operating Expenses	7,194,036	3,202,307	2,079,205	1,769,688	14,245,236
Operating Income (Loss)	(3,575)	(387,959)	(2,019,751)	(10,822)	(2,422,107)
Nonoperating Revenues (Expenses):					
Interest expense	(1,745)	(5,445)	(1,558)	(2,126)	(10,874)
Gain (loss) on disposal of capital assets	-	-	36,245	-	36,245
Total Nonoperating Revenues (Expenses)	(1,745)	(5,445)	34,687	(2,126)	25,371
Income (Loss) Before Transfers	(5,320)	(393,404)	(1,985,064)	(12,948)	(2,396,736)
Changes in Net Position	(5,320)	(393,404)	(1,985,064)	(12,948)	(2,396,736)
Net Position:					
Beginning of Year	(1,684,123)	748,561	8,373,522	(422,384)	7,015,576
End of Fiscal Year	\$ (1,689,443)	\$ 355,157	\$ 6,388,458	\$ (435,332)	\$ 4,618,840

CITY OF MANHATTAN BEACH

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2021

	Governmental Activities - Internal Service Funds				Totals
	Insurance Reserve	Information Systems	Fleet Management	Building Maintenance and Operations	
Cash Flows from Operating Activities:					
Cash received from customers and users	\$ 36,424	\$ -	\$ 52,348	\$ -	\$ 88,772
Cash received from interfund service provided	7,153,980	2,814,348	-	1,758,866	11,727,194
Cash paid to suppliers for goods and services	(6,107,336)	(1,335,049)	(661,135)	(1,208,224)	(9,311,744)
Cash paid to employees for services	(1,119,478)	(3,497,168)	(938,888)	(1,283,666)	(6,839,200)
Net Cash Provided (Used) by Operating Activities	(36,410)	(2,017,869)	(1,547,675)	(733,024)	(4,334,978)
Cash Flows from Non-Capital Financing Activities:					
Proceeds from Pension Obligation Bond Issuance	563,185	1,757,177	502,669	685,979	3,509,010
Net Cash Provided (Used) by Non-Capital Financing Activities	563,185	1,757,177	502,669	685,979	3,509,010
Cash Flows from Capital and Related Financing Activities:					
Acquisition and construction of capital assets	-	-	(291,172)	-	(291,172)
Proceeds from sales of capital assets	-	-	36,245	-	36,245
Net Cash Provided (Used) by Capital and Related Financing Activities	-	-	(254,927)	-	(254,927)
Net Increase (Decrease) in Cash and Cash Equivalents	526,775	(260,692)	(1,299,933)	(47,045)	(1,080,895)
Cash and Cash Equivalents at Beginning of Year	16,326,880	1,671,153	4,177,172	99,478	22,274,683
Cash and Cash Equivalents at End of Year	\$ 16,853,655	\$ 1,410,461	\$ 2,877,239	\$ 52,433	\$ 21,193,788
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:					
Operating income (loss)	\$ (3,575)	\$ (387,959)	\$ (2,019,751)	\$ (10,822)	\$ (2,422,107)
Adjustments to Reconcile Operating Income (loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation	-	-	923,890	-	923,890
(Increase) decrease in accounts receivable	(57)	-	(7,106)	-	(7,163)
(Increase) decrease in prepaid expense	-	18,498	-	5,953	24,451
(Increase) decrease in inventory	-	-	-	(46,407)	(46,407)
Increase (decrease) in accounts payable	(33,023)	(14,309)	(973)	(50,077)	(98,382)
Increase (decrease) in accrued payables	(65,325)	-	(679)	(2,922)	(68,926)
Increase (decrease) in net pension liability	212,497	191,904	65,807	33,179	503,387
Increase (decrease) in net OPEB liability	43,032	(17,024)	(22,306)	8,801	12,503
Increase (decrease) in deferred pension related items	(602,199)	(1,862,895)	(507,962)	(695,742)	(3,668,798)
Increase (decrease) in deferred OPEB related items	(19,848)	53,916	21,405	25,013	80,486
Increase (decrease) in workers' compensation claims	806,468	-	-	-	806,468
Increase (decrease) in claims and judgments	(374,380)	-	-	-	(374,380)
Total Adjustments	(32,835)	(1,629,910)	472,076	(722,202)	(1,912,871)
Net Cash Provided (Used) by Operating Activities	\$ (36,410)	\$ (2,017,869)	\$ (1,547,675)	\$ (733,024)	\$ (4,334,978)

Non-Cash Investing, Capital, and Financing Activities:

There was no non-cash investing, capital and financing activities during the fiscal year.



Agenda Item #: _____

Staff Report

City of Manhattan Beach

TO: Members of the Finance Subcommittee

THROUGH: Steve S. Charelian, Finance Director

FROM: Libby Bretthauer, Financial Services Manager
Julie Bondarchuk, Financial Controller

DATE: January 6, 2022

SUBJECT: Month-End Financial Reports for November 2021

RECOMMENDATION:

Staff recommends that the Finance Subcommittee receive and file this report.

FISCAL IMPLICATION:

This is a financial status report presented as a basis for discussion of current financial performance. No budgetary changes are recommended at this time.

DISCUSSION:

Finance is pleased to provide you with month-end financial reports for the month ending November 30, 2021. This report date marks the fifth month of the 2021-2022 fiscal year.

The following reports are attached for fiscal year (FY) 2021-2022:

- FY 2021-2022 Statement of Revenues and Expenditures
 - Presents revenues and expenditures by fund and compares budget-to-actual performance.
- FY 2021-2022 Citywide Revenues
 - Presents revenues by fund and compares budget-to-actual performance.
- FY 2021-2022 General Fund Major Revenue Trends
 - Highlights significant General Fund revenue sources and recent trends.
- FY 2021-2022 Revenue Detail
 - Presents citywide revenue performance by line item detail to clarify the revenue components in each fund.
- FY 2021-2022 Citywide Expenditures
 - Presents expenditures by fund and compares budget-to-actual performance.
- FY 2021-2022 General Fund Expenditures by Department
 - Presents General Fund expenditures by department and compares budget-to-actual performance.

Attachments: November 2021 Month-End Financial Reports



City of Manhattan Beach
Fiscal Year 2021-2022 Statement of Revenues & Expenditures
As of November 30, 2021

% of Year
41.7%

Current Year Activity

	Fund No.	Adjusted			Adjusted			
		Budget Revenues	YTD Revenues	% Realized	Budget Expenditures	Year-to-Date Expenditures		% Utilized
					Expenditures	Encumbrances		
General Fund	100	\$82,376,365	\$19,224,562	23.3%	\$78,802,107	\$27,280,205	\$1,145,084	36.1%
Street Lighting & Landscaping Fund	201	389,689	6,462	1.7%	578,252	196,971	7,550	35.4%
Gas Tax Fund	205	1,395,158	677,198	48.5%	3,396,740	693,314	612,210	38.4%
Asset Forfeiture	210	28,824	3,725	12.9%	136,247	28,386	27,747	41.2%
Police Safety Grants	211	159,192	105,400	66.2%	194,408	26,890	13,368	20.7%
Prop A Fund	230	737,244	366,165	49.7%	943,975	239,028	11,894	26.6%
Prop C Fund	231	634,279	218,073	34.4%	5,827,757	1,516,528	4,363,603	100.9%
AB 2766 Fund	232	46,641	(574)	-1.2%	673	280	-	41.6%
Measure R	233	458,499	169,965	37.1%	409,172	35,684	123,487	38.9%
Measure M	234	2,309,690	309,061	13.4%	3,637,544	408,685	828,859	34.0%
Measure W	240	-	562	n/a	-	-	-	n/a
Capital Improvements Fund	401	2,919,601	797,321	27.3%	5,966,202	167,698	2,245,639	40.5%
Bond Construction Fund	402	8,470,000	8,725,894	103.0%	8,470,000	234,791	823,503	12.5%
Underground Assessment District Construction	403	42,110	(17,649)	-41.9%	3,378,665	945,496	991,119	57.3%
Water Fund	501	15,586,832	7,141,674	45.8%	45,058,168	7,643,196	26,373,972	75.5%
Stormwater Fund	502	779,889	(7,124)	-0.9%	2,571,890	629,428	414,599	40.6%
Wastewater Fund	503	3,604,073	1,478,207	41.0%	4,405,811	998,610	977,707	44.9%
Parking Fund	520	3,730,433	2,007,354	53.8%	3,185,194	772,716	262,336	32.5%
County Parking Lots Fund	521	1,263,000	622,747	49.3%	872,452	80,108	-	9.2%
State Pier & Parking Lot Fund	522	894,383	381,965	42.7%	2,236,962	197,793	45,936	10.9%
Insurance Reserve Fund	601	7,389,560	3,013,675	40.8%	7,207,853	6,892,318	178,280	98.1%
Information Systems Reserve Fund	605	3,039,108	1,266,300	41.7%	3,969,519	1,138,173	486,916	40.9%
Fleet Management Fund	610	2,363,382	900,946	38.1%	4,202,993	471,206	583,647	25.1%
Building Maintenance & Operation Fund	615	2,104,412	552,394	26.2%	2,202,368	540,219	150,158	31.3%
Special Assessment Debt Service	710	707,750	22,377	3.2%	708,900	663,025	-	93.5%
Special Assessment UAD 19-12 19-14 Fund	711	614,943	101,398	16.5%	606,707	494,823	-	81.6%
Special Assessment UAD 19-4 Fund	712	336,313	79,627	23.7%	336,163	278,073	-	82.7%
City Pension Fund	801	197,697	(511)	-0.3%	196,680	81,824	-	41.6%
PARS Investment Trust	804	100,000	(1,464)	-1.5%	-	-	-	-
		\$142,679,067	\$48,145,727	33.7%	\$189,503,403	\$52,655,470	\$40,667,614	27.8%



City of Manhattan Beach
Fiscal Year 2021-2022 Citywide Revenues
As of November 30, 2021

% of Year
41.7%

Current Year Activity

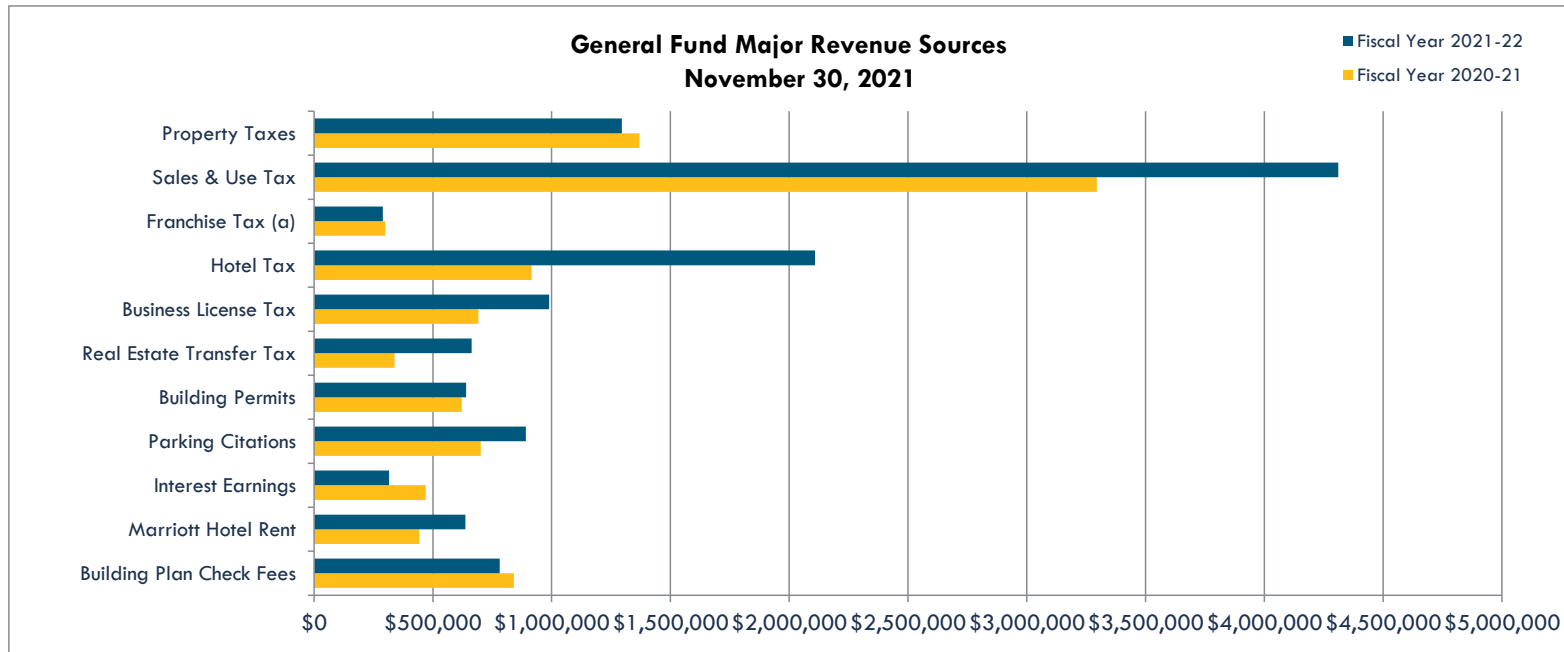
	Fund No.	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
General Fund	100	\$82,260,057	116,308	\$82,376,365	\$19,224,562	63,151,803	23%
Street Lighting & Landscaping Fund	201	389,689	-	389,689	6,462	383,227	1.7%
Gas Tax Fund	205	1,395,158	-	1,395,158	677,198	717,960	48.5%
Asset Forfeiture	210	28,824	-	28,824	3,725	25,099	12.9%
Police Safety Grants	211	159,192	-	159,192	105,400	53,792	66.2%
Prop A Fund	230	737,244	-	737,244	366,165	371,079	49.7%
Prop C Fund	231	634,279	-	634,279	218,073	416,206	34.4%
AB 2766 Fund	232	46,641	-	46,641	(574)	47,215	-1.2%
Measure R	233	458,499	-	458,499	169,965	288,534	37.1%
Measure M	234	2,309,690	-	2,309,690	309,061	2,000,629	13.4%
Measure W	240	-	-	-	562	(562)	100.0%
Capital Improvements Fund	401	2,919,601	-	2,919,601	797,321	2,122,280	27.3%
Bond Construction Fund	402	-	8,470,000	8,470,000	8,725,894	(255,894)	103.0%
Underground Assessment District Construction	403	42,110	-	42,110	(17,649)	59,759	-41.9%
Water Fund	501	15,586,832	-	15,586,832	7,141,674	8,445,158	45.8%
Stormwater Fund	502	779,889	-	779,889	(7,124)	787,013	-0.9%
Wastewater Fund	503	3,604,073	-	3,604,073	1,478,207	2,125,866	41.0%
Parking Fund	520	3,730,433	-	3,730,433	2,007,354	1,723,079	53.8%
County Parking Lots Fund	521	1,263,000	-	1,263,000	622,747	640,254	49.3%
State Pier & Parking Lot Fund	522	894,383	-	894,383	381,965	512,418	42.7%
Insurance Reserve Fund	601	7,389,560	-	7,389,560	3,013,675	4,375,885	40.8%
Information Systems Reserve Fund	605	3,039,108	-	3,039,108	1,266,300	1,772,808	41.7%
Fleet Management Fund	610	2,363,382	-	2,363,382	900,946	1,462,436	38.1%
Building Maintenance & Operation Fund	615	2,104,412	-	2,104,412	552,394	1,552,018	26.2%
Special Assessment Debt Service	710	707,750	-	707,750	22,377	685,373	3.2%
Special Assessment UAD 19-12 19-14 Fund	711	614,943	-	614,943	101,398	513,545	16.5%
Special Assessment UAD 19-4 Fund	712	336,313	-	336,313	79,627	256,686	23.7%
City Pension Fund	801	197,697	-	197,697	(511)	198,208	-0.3%
PARS Investment Trust	804	100,000	-	100,000	(1,464)	101,464	-1.5%
		\$134,092,759	\$8,586,308	\$142,679,067	\$48,145,727	\$94,533,340	33.7%



City of Manhattan Beach
Fiscal Year 2021-2022 General Fund Major Revenue Trends
November 30, 2021

Percent of Year
41.7%

Major Revenue Accounts	Fund No.	Year-To-Date Actuals						FY 2022	
		2017	2018	2019	2020	2021	2022	Adj Budget	Realized
Property Taxes	100	1,047,948	1,108,623	1,180,089	1,293,478	1,369,646	1,295,740	38,459,313	3.4%
Sales & Use Tax	100	3,629,106	3,778,091	3,801,368	4,041,448	3,294,389	4,311,560	9,260,000	46.6%
Franchise Tax (a)	100	344,576	324,281	326,909	316,483	299,254	289,135	1,135,000	25.5%
Hotel Tax	100	2,062,509	1,750,697	1,906,547	2,192,832	915,719	2,109,006	4,722,059	44.7%
Business License Tax	100	240,414	253,432	377,112	436,630	691,497	989,699	3,600,000	27.5%
Real Estate Transfer Tax	100	290,192	374,591	415,056	466,293	339,188	663,510	810,000	81.9%
Building Permits	100	663,117	794,408	722,003	702,786	621,607	639,924	1,532,712	41.8%
Parking Citations	100	1,223,163	1,052,148	934,035	863,258	701,140	891,113	1,955,000	45.6%
Interest Earnings	100	252,288	344,380	440,580	555,322	470,235	315,894	1,362,170	23.2%
Marriott Hotel Rent	100	836,639	698,053	806,420	987,326	443,005	636,865	(550,000)	-115.8%
Vehicle in Lieu	100	-	-	-	-	-	-	17,000	0.0%
Building Plan Check Fees	100	487,762	858,867	827,131	732,195	840,706	781,471	1,755,000	44.5%
Total Major Revenue Accounts		11,077,715	11,337,572	11,737,250	12,588,051	9,986,387	12,923,917	64,058,254	20.2%
Over/(Under) Prior Year			259,857	399,678	850,802	(2,601,664)	2,937,530		
Percent Change From Prior Year			2.3%	3.5%	7.2%	(20.7%)	29.4%		
Other Revenues		6,068,040	6,557,028	8,229,100	6,627,225	5,840,017	6,300,645	18,318,111	34.4%
Total General Fund Revenues		17,145,755	17,894,599	19,966,350	19,215,276	15,826,404	19,224,562	82,376,365	23.3%

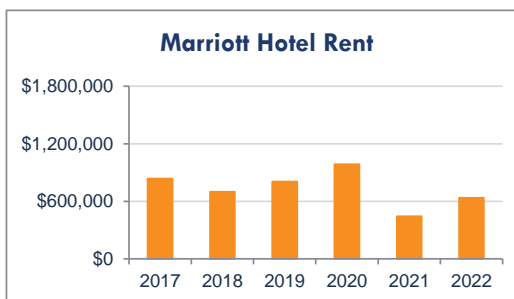
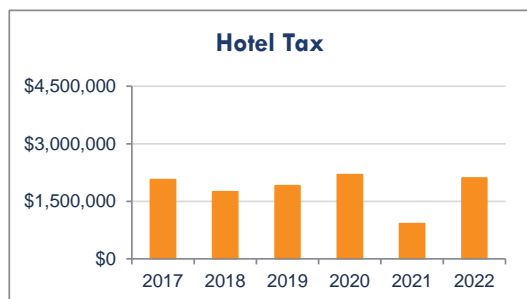
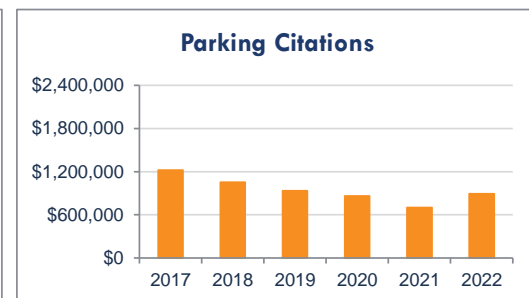
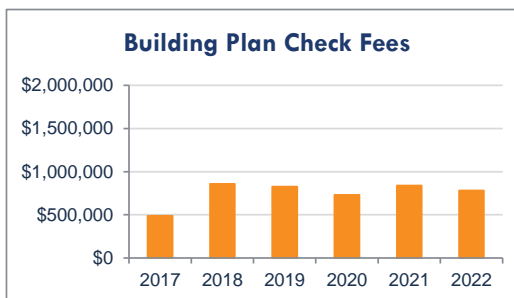
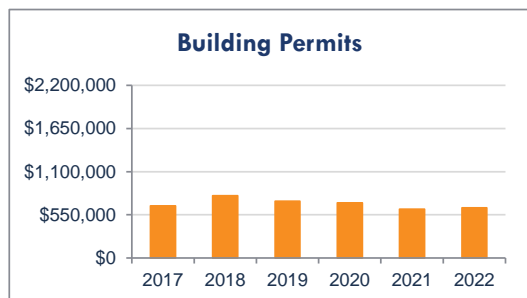
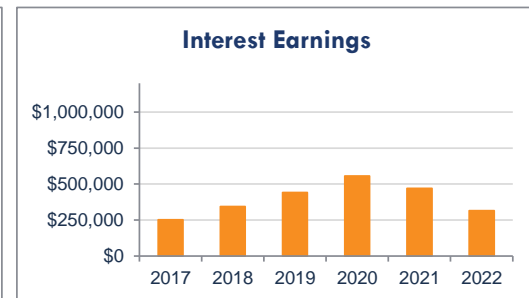
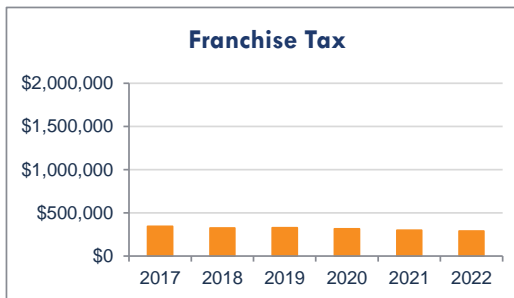
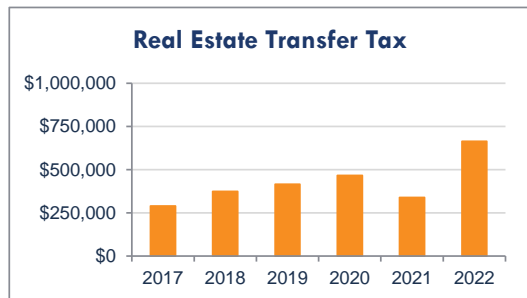
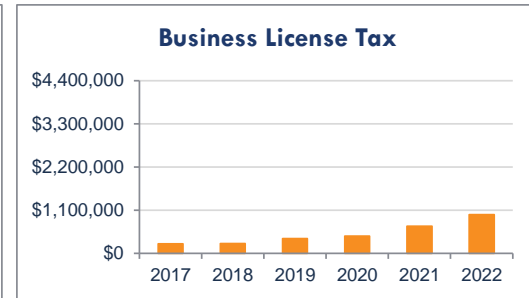
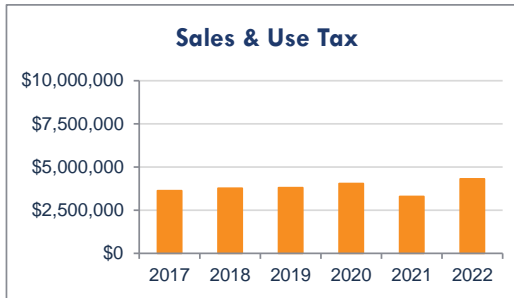
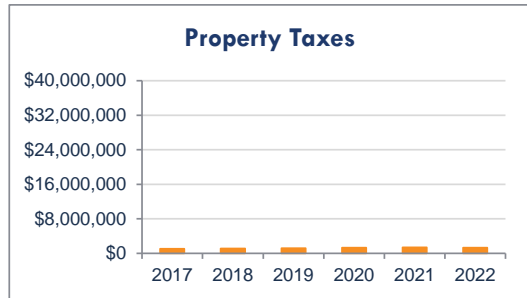


(a) The structure of payments for the some of the franchise fees has changed resulting in lower initial revenues at the beginning of the fiscal year as compared to prior years. This revenue will self adjust throughout the year to better align with prior full-year numbers.



City of Manhattan Beach Fiscal Year-To-Date General Fund Trends Through **November** Year-Over-Year

Percent of Year
41.7%





City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: **41.7%**

Current Year Activity

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
100	GENERAL FUND							
	41101	C.Yr Secured Property Tax	30,986,000	-	30,986,000	-	30,986,000	0.0%
	41102	C.Yr Unsecured Property Tax	1,021,039	-	1,021,039	913,582	107,457	89.5%
	41103	P.Yr Secured Prop Tax	-	-	-	206,892	(206,892)	-
	41104	P.Yr Unsecured Property Tax	35,000	-	35,000	-	35,000	0.0%
	41105	Supplemental Property Tax	800,000	-	800,000	120,018	679,982	15.0%
	41106	Property Tax Collection Admin	(428,989)	-	(428,989)	-	(428,989)	0.0%
	41107	Interest & Penalties	80,000	-	80,000	55,248	24,752	69.1%
	41108	Property Tax In Lieu of VLF	5,556,263	-	5,556,263	-	5,556,263	0.0%
	PROPERTY TAX Total		38,049,313	-	38,049,313	1,295,740	36,753,573	3.4%
	41201	Sales & Use Tax	9,260,000	-	9,260,000	4,311,560	4,948,440	46.6%
	41202	Prop Tax In Lieu of Sales Tax	-	-	-	-	-	-
	41203	PSAF Sales Tax	410,000	-	410,000	116,459	293,541	28.4%
	41211	Transient Occupancy Tax	4,025,000	-	4,025,000	2,108,406	1,916,594	52.4%
	41212	Vacation Rental TOT	-	-	-	600	(600)	-
	41213	Franchise Tax	1,135,000	-	1,135,000	289,135	845,865	25.5%
	41214	Real Estate Transfer Tax	810,000	-	810,000	663,510	146,490	81.9%
	41221	Business License Tax	3,600,000	-	3,600,000	989,699	2,610,301	27.5%
	41224	AB 1379 Dis Access & Educ	-	-	-	5,172	(5,172)	-
	OTHER TAXES & ASSESSMENTS Total		19,240,000	-	19,240,000	8,484,541	10,755,459	44.1%
	42101	Building Permits	1,532,712	-	1,532,712	639,924	892,788	41.8%
	42102	Building Permits Surcharge	153,271	-	153,271	60,855	92,416	39.7%
	42103	Other Construction Permits	350,000	-	350,000	282,806	67,194	80.8%
	42104	Energov Tech Fee Admin	101,963	-	101,963	-	101,963	0.0%
	42105	Right of Way Permits	725,000	-	725,000	287,439	437,561	39.6%
	42106	Outdoor Facilities Permits	2,000	-	2,000	-	2,000	0.0%
	42108	Entertainment Permits	4,240	-	4,240	3,516	724	82.9%
	42111	Licensing Permits	5,200	-	5,200	952	4,248	18.3%
	42201	Fire Code Permits - Annual	205,000	-	205,000	59,601	145,399	29.1%
	42202	Fire Permits - One Time	25,000	-	25,000	7,551	17,449	30.2%
	42203	Fire Construction Inspections	37,000	-	37,000	26,590	10,410	71.9%
	42204	Studio Tenant	2,200	-	2,200	1,175	1,025	53.4%
	42301	Police Alarm Permits	130,000	-	130,000	52,798	77,202	40.6%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: **41.7%**

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
100	42302	Animal License Fees	52,000	-	52,000	41,304	10,696	79.4%
	42401	Film Permits	35,000	-	35,000	16,648	18,352	47.6%
	LICENSES & PERMITS Total		3,360,586	-	3,360,586	1,481,159	1,879,427	44.1%
	43101	Vehicle Code Fines	95,000	-	95,000	9,204	85,796	9.7%
	43102	Parking Citations	1,875,000	-	1,875,000	891,113	983,887	47.5%
	43201	Fire Fines	-	-	-	-	-	-
	43301	Comm Dev Fines	30,000	-	30,000	7,543	22,457	25.1%
	43401	Municipal Code Fines	30,000	-	30,000	300	29,700	1.0%
	43402	Other Fines & Settlements	-	-	-	(800)	800	-
	43501	Public Works Fines	-	-	-	15,000	(15,000)	-
	FINES Total		2,030,000	-	2,030,000	922,359	1,107,641	45.4%
	44101	Interest Earnings	637,522	-	637,522	315,894	321,628	49.6%
	44102	Unrealized Invest Gain/Loss	-	-	-	(709,422)	709,422	-
	44103	Investment Amortization	-	-	-	2,424	(2,424)	-
	44104	Interfund Loan Interest	-	-	-	-	-	-
44201	Capitalized Interest Earnings	-	-	-	-	-	-	
44204	Installment Fund Earnings	-	-	-	0	(0)	-	
44205	Delivery Fund Earnings	-	-	-	-	-	-	
44301	Other Interest Income	-	-	-	-	-	-	
44302	Loan Principal	-	-	-	-	-	-	
44401	Metlox Lease Payments	475,000	-	475,000	100,417	374,583	21.1%	
44402	Tennis Club Bldg (Parkview)	312,789	-	312,789	135,963	176,826	43.5%	
44403	Tennis Club Minimum+% Rent	100,000	-	100,000	75,000	25,000	75.0%	
44404	1334 Office Building Rent	47,006	-	47,006	20,432	26,574	43.5%	
44405	Tennis Club Parking Lot Lease	36,000	-	36,000	14,837	21,163	41.2%	
44406	Minimum Hotel Rent Payments	400,000	-	400,000	166,667	233,333	41.7%	
44407	Hotel Rent	950,000	-	950,000	470,198	479,802	49.5%	
44408	Golf Course Rent	10,000	-	10,000	17,896	(7,896)	179.0%	
44409	Mall Parking Lot Lease	185,000	-	185,000	80,813	104,187	43.7%	
44410	Post Office Lease	53,800	-	53,800	26,500	27,300	49.3%	
44411	Library Parking Lot Lease	6,200	-	6,200	3,134	3,066	50.6%	
44412	Misc. Rents & Concessions	43,001	-	43,001	16,426	26,575	38.2%	
44421	Wireless Communication Lease	185,000	-	185,000	88,249	96,751	47.7%	
INTEREST & RENTS Total		3,441,318	-	3,441,318	825,427	2,615,891	24.0%	



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: 41.7%

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
100	45121	Veh Lic Fee Penalties & Int	17,000	-	17,000	-	17,000	0.0%
	45122	Homeowners Property Tax Relief	150,000	-	150,000	-	150,000	0.0%
	45123	State Mandated Cost Reimb	15,000	-	15,000	28,033	(13,033)	186.9%
	45131	STC Reimbursement	3,850	-	3,850	1,217	2,633	31.6%
	45132	P.O.S.T. Reimbursement	30,000	-	30,000	3,324	26,676	11.1%
	45201	State Grant Programs	171,771	-	171,771	5,000	166,771	2.9%
	45301	Federal Grant Programs	-	51,789	51,789	70,199	(18,410)	135.5%
	45303	Federal/State Emergency Aid	4,208,260	-	4,208,260	-	4,208,260	0.0%
	45401	Prop A Project Specific	-	-	-	-	-	-
	45502	BCHD Grant	30,000	-	30,000	-	30,000	0.0%
	45601	Miscellaneous Grants	131,008	14,519	145,527	-	145,527	0.0%
FROM OTHER AGENCIES Total			4,756,889	66,308	4,823,197	107,773	4,715,424	2.2%
	46101	Building Plan Check Fees	1,755,000	-	1,755,000	781,471	973,529	44.5%
	46102	Comm Dev Digital Document Fee	200,000	-	200,000	134,958	65,042	67.5%
	46103	Building Record Report Fees	150,000	-	150,000	68,941	81,059	46.0%
	46104	New Residential Unit Fee	4,900	-	4,900	3,500	1,400	71.4%
	46111	Planning Filing Fees	200,000	-	200,000	114,776	85,224	57.4%
	46112	Appeal Fees	500	-	500	-	500	0.0%
	46113	Com Dev Reimbursements	-	-	-	-	-	-
	46121	Traffic Engineering Services	20,500	-	20,500	39,227	(18,727)	191.4%
	46201	Police False Alarm Fees	70,000	-	70,000	10,727	59,274	15.3%
	46202	Police Service Fees	30,000	-	30,000	12,119	17,881	40.4%
	46203	Special Event Staffing Reimb	190,000	50,000	240,000	18,539	221,461	7.7%
	46204	DUI Cost Recovery	25,000	-	25,000	(8,433)	33,433	-33.7%
	46205	Booking Fee	10,000	-	10,000	-	10,000	0.0%
	46206	Boot Removal	4,000	-	4,000	-	4,000	0.0%
	46207	Vehicle Release Fee	60,000	-	60,000	52,181	7,819	87.0%
	46208	Animal Impound Fees	1,000	-	1,000	236	764	23.6%
	46301	Fire Reimbursements	250,000	-	250,000	-	250,000	0.0%
	46302	Ambulance Fees	835,000	-	835,000	434,382	400,618	52.0%
	46303	Fire Plan Check	75,000	-	75,000	33,260	41,740	44.3%
	46304	Fire Inspection Fees	30,000	-	30,000	-	30,000	0.0%
	46412	Residential City Cost Recovery	75,835	-	75,835	52,728	23,107	69.5%
	46415	Recycling	38,000	-	38,000	38,000	-	100.0%
	46416	Constr Debris Plan Review	75,000	-	75,000	12,852	62,148	17.1%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: 41.7%

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
100	46421	Inter-City Median Maintenance	7,000	-	7,000	-	7,000	0.0%
	46422	Street Sweeping	2,000	-	2,000	-	2,000	0.0%
	46451	Public Works Misc Fees	20,000	-	20,000	4,069	15,931	20.3%
	46452	Public Works Reimbursement	252,700	-	252,700	78,430	174,270	31.0%
	46461	Public Records Request	-	-	-	-	-	-
	46501	Facility & Parks Res *	372,000	-	372,000	209,942	162,058	56.4%
	46502	Special Activities Classes *	65,000	-	65,000	132,875	(67,875)	204.4%
	46503	Youth & Teen Programs *	450,000	-	450,000	277,520	172,480	61.7%
	46504	Tennis Operations *	426,000	-	426,000	479,488	(53,488)	112.6%
	46505	Arts/Education Classes *	104,703	-	104,703	48,494	56,209	46.3%
	46506	Sports Leagues & Tournaments *	132,500	-	132,500	105,124	27,376	79.3%
	46507	Sports Classes *	343,500	-	343,500	479,445	(135,945)	139.6%
	46508	Swimming Classes *	410,000	-	410,000	332,373	77,627	81.1%
	46509	Concerts in the Park	10,000	-	10,000	-	10,000	0.0%
	46510	Older Adult Activities *	67,475	-	67,475	10,334	57,141	15.3%
	46520	Recreation Reimbursements	-	-	-	-	-	-
	46601	Returned Check Fees	500	-	500	-	500	0.0%
	46602	Reproduction Fees	15,000	-	15,000	8,265	6,735	55.1%
SERVICES Total			6,778,113	50,000	6,828,113	3,965,821	2,862,292	58.1%
	47101	W Comp Salary Continuation	500,000	-	500,000	515,331	(15,331)	103.1%
	47104	Damage Claims	-	-	-	-	-	-
	47107	Damage Recovery-Traffic Signal	-	-	-	-	-	-
	47201	Cash Over/Short	-	-	-	-	-	-
	47202	Resubmittal of Returned Checks	-	-	-	-	-	-
	47203	Bad Debt Recovery	25,000	-	25,000	22,192	2,808	88.8%
	47204	Bad Debt Writeoff	-	-	-	(22)	22	-
	47301	Miscellaneous Revenues	25,000	-	25,000	985	24,015	3.9%
	47302	P-Card Incentive	40,000	-	40,000	9,028	30,972	22.6%
	47303	City Store Sales	30,000	-	30,000	14,463	15,537	48.2%
	47304	Property Transfer Fee	-	-	-	-	-	-
	47306	Sale of Property	2,500	-	2,500	5	2,495	0.2%
	47307	Contrs From Private Parties	-	-	-	-	-	-
	47401	Lease Purchase Proceeds	-	-	-	-	-	-



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: **41.7%**

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
100	47903	Reimb- Phone Charges	-	-	-	-	-	-
	MISCELLANEOUS REVENUE Total		622,500	-	622,500	561,982	60,518	90.3%
	49151	Operating Service Transfers	3,981,338	-	3,981,338	1,579,758	2,401,580	39.7%
	49999	Budgeted Transfers In	-	-	-	-	-	-
	INTERFUND CHARGES & TRANSFERS Total		3,981,338	-	3,981,338	1,579,758	2,401,580	39.7%
GENERAL FUND Total			82,260,057	116,308	82,376,365	19,224,562	63,151,803	23.3%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: 41.7%

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
201	STREET LIGHTING & LANDSCAPE FUND							
	41301	C.Yr Assessments	270,183	-	270,183	6,462	263,721	2.4%
	41302	P.Yr Assessments	-	-	-	-	-	-
	41303	C.Yr Streetscape Assessments	107,505	-	107,505	-	107,505	0.0%
	41304	P.Yr Streetscape Assessments	-	-	-	-	-	-
	OTHER TAXES & ASSESSMENTS Total		377,688	-	377,688	6,462	371,226	1.7%
	44101	Interest Earnings	-	-	-	-	-	-
	44102	Unrealized Invest Gain/Loss	-	-	-	-	-	-
	INTEREST & RENTS Total		-	-	-	-	-	-
	49201	Transfers In	12,001	-	12,001	-	12,001	0.0%
	49999	Budgeted Transfers In	-	-	-	-	-	-
	INTERFUND CHARGES & TRANSFERS Total		12,001	-	12,001	-	12,001	0.0%
	STREET LIGHTING & LANDSCAPE FUND Total		389,689	-	389,689	6,462	383,227	1.7%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: **41.7%**

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
205	STREETS & HIGHWAYS FUND							
	41301	C.Yr Assessments	-	-	-	-	-	-
	OTHER TAXES & ASSESSMENTS Total		-	-	-	-	-	-
	44101	Interest Earnings	14,792	-	14,792	8,549	6,243	57.8%
	44102	Unrealized Invest Gain/Loss	-	-	-	(25,791)	25,791	-
	INTEREST & RENTS Total		14,792	-	14,792	(17,242)	32,034	-116.6%
	45101	State Gas Tax 2105	183,484	-	183,484	70,440	113,044	38.4%
	45102	State Gas Tax 2106	106,925	-	106,925	42,623	64,302	39.9%
	45103	State Gas Tax 2107	232,682	-	232,682	71,196	161,486	30.6%
	45104	State Gas Tax 2103	227,224	-	227,224	116,734	110,490	51.4%
	45111	SB1 Road Maintenance Rehab	604,224	-	604,224	239,261	364,963	39.6%
	45112	SB1 Highway Users Loan	-	-	-	-	-	-
	45125	SB 821 TDA	25,827	-	25,827	46,033	(20,206)	178.2%
	45202	Aid to Cities/STP-Local	-	-	-	-	-	-
	45411	Measure R SB Highway	-	-	-	43,390	(43,390)	-
	45601	Miscellaneous Grants	-	-	-	64,764	(64,764)	-
	FROM OTHER AGENCIES Total		1,380,366	-	1,380,366	694,441	685,925	50.3%
	47307	Contrs From Private Parties	-	-	-	-	-	-
	MISCELLANEOUS REVENUE Total		-	-	-	-	-	-
	STREETS & HIGHWAYS FUND Total		1,395,158	-	1,395,158	677,198	717,960	48.5%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: **41.7%**

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
210	ASSET FORFEITURE FUND							
	44101	Interest Earnings	3,824	-	3,824	727	3,097	19.0%
	44102	Unrealized Invest Gain/Loss	-	-	-	(2,835)	2,835	-
	INTEREST & RENTS Total		3,824	-	3,824	(2,109)	5,933	-55.1%
	45801	Fed Forf - D.O.J Regional	-	-	-	-	-	-
	45802	Fed Forfeitures - D.O.J. Local	-	-	-	-	-	-
	45803	State Forfeitures - Regional	25,000	-	25,000	5,833	19,167	23.3%
	45804	State Forfeitures - Local	-	-	-	-	-	-
	45805	Fed Forf - Treas Regional	-	-	-	-	-	-
	45806	Fed Forfeitures - Treas Local	-	-	-	-	-	-
	FROM OTHER AGENCIES Total		25,000	-	25,000	5,833	19,167	23.3%
	47401	Lease Purchase Proceeds	-	-	-	-	-	-
	MISCELLANEOUS REVENUE Total		-	-	-	-	-	-
	ASSET FORFEITURE FUND Total		28,824	-	28,824	3,725	25,099	12.9%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: 41.7%

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
211	POLICE SAFETY GRANTS FUND							
	44101	Interest Earnings	4,192	-	4,192	1,646	2,546	39.3%
	44102	Unrealized Invest Gain/Loss	-	-	-	(5,185)	5,185	-
	INTEREST & RENTS Total		4,192	-	4,192	(3,540)	7,732	-84.4%
	45124	State Supp Law Enf Serv	155,000	-	155,000	108,939	46,061	70.3%
	FROM OTHER AGENCIES Total		155,000	-	155,000	108,939	46,061	70.3%
	POLICE SAFETY GRANTS FUND Total		159,192	-	159,192	105,400	53,792	66.2%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: **41.7%**

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
230	PROPOSITION A FUND							
	41204	Transit Sales Tax	711,856	-	711,856	364,816	347,040	51.2%
	OTHER TAXES & ASSESSMENTS Total		711,856	-	711,856	364,816	347,040	51.2%
	44101	Interest Earnings	188	-	188	2,055	(1,867)	1093.1%
	44102	Unrealized Invest Gain/Loss	-	-	-	(1,360)	1,360	-
	INTEREST & RENTS Total		188	-	188	695	(507)	369.5%
	46521	Dial-A-Ride Fares	6,500	-	6,500	592	5,908	9.1%
	46522	Bus Pass Subsidies	1,200	-	1,200	62	1,138	5.2%
	SERVICES Total		7,700	-	7,700	654	7,046	8.5%
	47301	Miscellaneous Revenues	17,500	-	17,500	-	17,500	0.0%
	47305	City Funds Exchange	-	-	-	-	-	-
	MISCELLANEOUS REVENUE Total		17,500	-	17,500	-	17,500	0.0%
PROPOSITION A FUND Total			737,244	-	737,244	366,165	371,079	49.7%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: **41.7%**

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
231	PROPOSITION C FUND							
	41204	Transit Sales Tax	590,465	-	590,465	245,837	344,628	41.6%
	OTHER TAXES & ASSESSMENTS Total		590,465	-	590,465	245,837	344,628	41.6%
	44101	Interest Earnings	43,814	-	43,814	2,806	41,008	6.4%
	44102	Unrealized Invest Gain/Loss	-	-	-	(40,900)	40,900	-
	INTEREST & RENTS Total		43,814	-	43,814	(38,094)	81,908	-86.9%
	45302	Safetec-Lu Earmark	-	-	-	-	-	-
	45411	Measure R SB Highway	-	-	-	10,329	(10,329)	-
	45412	MTA Call For Grants	-	-	-	-	-	-
	FROM OTHER AGENCIES Total		-	-	-	10,329	(10,329)	-
	PROPOSITION C FUND Total		634,279	-	634,279	218,073	416,206	34.4%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: 41.7%

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
232	AB 2766	AQMD FUND						
	44101	Interest Earnings	641	-	641	655	(14)	102.2%
	44102	Unrealized Invest Gain/Loss	-	-	-	(1,229)	1,229	-
		INTEREST & RENTS Total	641	-	641	(574)	1,215	-89.5%
	45201	State Grant Programs	-	-	-	-	-	-
	45501	AB 2766 Air Quality	46,000	-	46,000	-	46,000	0.0%
		FROM OTHER AGENCIES Total	46,000	-	46,000	-	46,000	0.0%
		AB 2766 AQMD FUND Total	46,641	-	46,641	(574)	47,215	-1.2%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: **41.7%**

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
233	MEASURE R FUND							
	41204	Transit Sales Tax	442,849	-	442,849	184,260	258,589	41.6%
	OTHER TAXES & ASSESSMENTS Total		442,849	-	442,849	184,260	258,589	41.6%
	44101	Interest Earnings	15,650	-	15,650	9,112	6,538	58.2%
	44102	Unrealized Invest Gain/Loss	-	-	-	(22,427)	22,427	-
	INTEREST & RENTS Total		15,650	-	15,650	(13,315)	28,965	-85.1%
	45601	Miscellaneous Grants	-	-	-	-	-	-
	FROM OTHER AGENCIES Total		-	-	-	-	-	-
	47307	Contrs From Private Parties	-	-	-	(980)	980	-
	MISCELLANEOUS REVENUE Total		-	-	-	(980)	980	-
MEASURE R FUND Total			458,499	-	458,499	169,965	288,534	37.1%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: **41.7%**

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
234	MEASURE M FUND							
	41204	Transit Sales Tax	501,896	-	501,896	208,325	293,571	41.5%
	OTHER TAXES & ASSESSMENTS Total		501,896	-	501,896	208,325	293,571	41.5%
	44101	Interest Earnings	7,794	-	7,794	4,891	2,903	62.8%
	44102	Unrealized Invest Gain/Loss	-	-	-	(13,356)	13,356	-
	INTEREST & RENTS Total		7,794	-	7,794	(8,465)	16,259	-108.6%
	45601	Miscellaneous Grants	1,800,000	-	1,800,000	109,201	1,690,799	6.1%
	FROM OTHER AGENCIES Total		1,800,000	-	1,800,000	109,201	1,690,799	6.1%
	MEASURE M FUND Total		2,309,690	-	2,309,690	309,061	2,000,629	13.4%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: **41.7%**

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
240	MEASURE W FUND							
	41109	Measure W Parcel Tax	-	-	-	-	-	-
	PROPERTY TAX Total		-	-	-	-	-	-
	44101	Interest Earnings	-	-	-	562	(562)	-
	INTEREST & RENTS Total		-	-	-	562	(562)	-
	MEASURE W FUND Total		-	-	-	562	(562)	-



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: **41.7%**

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
401	CAPITAL IMPROVEMENTS FUND							
	41211	Transient Occupancy Tax	697,059	-	697,059	372,072	324,987	53.4%
	OTHER TAXES & ASSESSMENTS Total		697,059	-	697,059	372,072	324,987	53.4%
	42107	Park Development/Quimby	10,902	-	10,902	3,634	7,268	33.3%
	LICENSES & PERMITS Total		10,902	-	10,902	3,634	7,268	33.3%
	43102	Parking Citations	80,000	-	80,000	36,740	43,260	45.9%
	FINES Total		80,000	-	80,000	36,740	43,260	45.9%
	44201	Capitalized Interest Earnings	-	-	-	-	-	-
	44204	Installment Fund Earnings	-	-	-	0	(0)	-
	44301	Other Interest Income	-	-	-	-	-	-
	44302	Loan Principal	-	-	-	-	-	-
	INTEREST & RENTS Total		-	-	-	0	(0)	-
	45201	State Grant Programs	-	-	-	-	-	-
	45202	Aid to Cities/STP-Local	-	-	-	-	-	-
	45301	Federal Grant Programs	100,000	-	100,000	-	100,000	0.0%
	45401	Prop A Project Specific	610,890	-	610,890	-	610,890	0.0%
	45601	Miscellaneous Grants	-	-	-	-	-	-
	FROM OTHER AGENCIES Total		710,890	-	710,890	-	710,890	0.0%
	46431	Parking Meters	650,750	-	650,750	244,730	406,020	37.6%
	SERVICES Total		650,750	-	650,750	244,730	406,020	37.6%
	47106	Legal Settlements	-	-	-	-	-	-
	47301	Miscellaneous Revenues	-	-	-	140,145	(140,145)	-
	47307	Contrs From Private Parties	-	-	-	-	-	-
	47402	Bond Proceeds Construction	770,000	-	770,000	-	770,000	0.0%
	47403	Bond Proceeds Capitalized Int.	-	-	-	-	-	-
	47404	Bond Proceeds Reserve	-	-	-	-	-	-
	47405	Bond Proceeds Delivery/Install	-	-	-	-	-	-
	MISCELLANEOUS REVENUE Total		770,000	-	770,000	140,145	629,855	18.2%
	49201	Transfers In	-	-	-	-	-	-
	INTERFUND CHARGES & TRANSFERS Total		-	-	-	-	-	-
	CAPITAL IMPROVEMENTS FUND Total		2,919,601	-	2,919,601	797,321	2,122,280	27.3%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: **41.7%**

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
402	CAPITAL IMPROVEMENTS CONSTRUCTION FUND							
	44101	Interest Earnings	-	-	-	25,972	(25,972)	-
	44204	Installment Fund Earnings	-	-	-	0	(0)	-
	INTEREST & RENTS Total		-	-	-	25,972	(25,972)	-
	47402	Bond Proceeds Construction	-	8,470,000	8,470,000	8,699,922	(229,922)	102.7%
	MISCELLANEOUS REVENUE Total		-	8,470,000	8,470,000	8,699,922	(229,922)	102.7%
	CAPITAL IMPROVEMENTS CONSTRUCTION FUND Total		-	8,470,000	8,470,000	8,725,894	(255,894)	103.0%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: 41.7%

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
403	UNDERGROUND ASSESSMENT DISTRICT CONSTRUCTION FUND							
	44101	Interest Earnings	42,110	-	42,110	19,059	23,051	45.3%
	44102	Unrealized Invest Gain/Loss	-	-	-	(111,059)	111,059	-
	44203	Constr/Escrow Fund Earnings	-	-	-	-	-	-
	INTEREST & RENTS Total		42,110	-	42,110	(91,999)	134,109	-218.5%
	47301	Miscellaneous Revenues	-	-	-	-	-	-
	47402	Bond Proceeds Construction	-	-	-	-	-	-
	47406	Homeowner Payoff	-	-	-	74,350	(74,350)	-
	MISCELLANEOUS REVENUE Total		-	-	-	74,350	(74,350)	-
	UNDERGROUND ASSESSMENT DISTRICT CONSTRUCT		42,110	-	42,110	(17,649)	59,759	-41.9%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: **41.7%**

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
501	WATER FUND							
	44101	Interest Earnings	388,832	-	388,832	151,847	236,985	39.1%
	44102	Unrealized Invest Gain/Loss	-	-	-	(525,911)	525,911	-
	44103	Investment Amortization	-	-	-	-	-	-
	44201	Capitalized Interest Earnings	-	-	-	-	-	-
		INTEREST & RENTS Total	388,832	-	388,832	(374,063)	762,895	-96.2%
	46401	Utility Service Charges	15,000,000	-	15,000,000	7,072,279	7,927,721	47.1%
	46402	Utility Connection Fees	102,000	-	102,000	48,097	53,903	47.2%
	46403	Meter Installation	50,000	-	50,000	21,768	28,232	43.5%
	46404	Penalties	40,000	-	40,000	21,078	18,922	52.7%
		SERVICES Total	15,192,000	-	15,192,000	7,163,222	8,028,778	47.2%
	47203	Bad Debt Recovery	4,000	-	4,000	9,102	(5,102)	227.6%
	47204	Bad Debt Writeoff	(9,000)	-	(9,000)	(3,337)	(5,663)	37.1%
	47301	Miscellaneous Revenues	10,000	-	10,000	346,750	(336,750)	3467.5%
	47306	Sale of Property	1,000	-	1,000	-	1,000	0.0%
		MISCELLANEOUS REVENUE Total	6,000	-	6,000	352,515	(346,515)	5875.3%
		WATER FUND Total	15,586,832	-	15,586,832	7,141,674	8,445,158	45.8%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: **41.7%**

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
502	STORMWATER FUND							
	41109	Measure W Parcel Tax	410,000	-	410,000	-	410,000	0.0%
	PROPERTY TAX Total		410,000	-	410,000	-	410,000	0.0%
	44101	Interest Earnings	20,405	-	20,405	6,877	13,528	33.7%
	44102	Unrealized Invest Gain/Loss	-	-	-	(16,131)	16,131	-
	44103	Investment Amortization	-	-	-	-	-	-
	INTEREST & RENTS Total		20,405	-	20,405	(9,254)	29,659	-45.4%
	46401	Utility Service Charges	345,000	-	345,000	2,130	342,870	0.6%
	46422	Street Sweeping	4,484	-	4,484	-	4,484	0.0%
	SERVICES Total		349,484	-	349,484	2,130	347,354	0.6%
	47301	Miscellaneous Revenues	-	-	-	-	-	-
	MISCELLANEOUS REVENUE Total		-	-	-	-	-	-
	49999	Budgeted Transfers In	-	-	-	-	-	-
	INTERFUND CHARGES & TRANSFERS Total		-	-	-	-	-	-
	STORMWATER FUND Total		779,889	-	779,889	(7,124)	787,013	-0.9%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: **41.7%**

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
503	WASTEWATER FUND							
	42109	Fats, Oil, Grease Permit	20,000	-	20,000	6,020	13,980	30.1%
	LICENSES & PERMITS Total		20,000	-	20,000	6,020	13,980	30.1%
	44101	Interest Earnings	145,073	-	145,073	68,937	76,136	47.5%
	44102	Unrealized Invest Gain/Loss	-	-	-	(182,817)	182,817	-
	44103	Investment Amortization	-	-	-	-	-	-
	44201	Capitalized Interest Earnings	-	-	-	-	-	-
	INTEREST & RENTS Total		145,073	-	145,073	(113,880)	258,953	-78.5%
	46401	Utility Service Charges	3,300,000	-	3,300,000	1,505,618	1,794,382	45.6%
	46402	Utility Connection Fees	130,000	-	130,000	76,288	53,713	58.7%
	46404	Penalties	11,000	-	11,000	4,989	6,011	45.4%
	SERVICES Total		3,441,000	-	3,441,000	1,586,895	1,854,105	46.1%
	47204	Bad Debt Writeoff	(2,000)	-	(2,000)	(827)	(1,173)	41.4%
	MISCELLANEOUS REVENUE Total		(2,000)	-	(2,000)	(827)	(1,173)	41.4%
	WASTEWATER FUND Total		3,604,073	-	3,604,073	1,478,207	2,125,866	41.0%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: **41.7%**

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
520	PARKING FUND							
	41222	B.I.D- A License Surcharge	75,000	-	75,000	47,764	27,236	63.7%
	41223	B.I.D- B License Surcharge	25,000	-	25,000	12,235	12,765	48.9%
		OTHER TAXES & ASSESSMENTS Total	100,000	-	100,000	59,999	40,001	60.0%
	44101	Interest Earnings	27,933	-	27,933	8,345	19,588	29.9%
	44102	Unrealized Invest Gain/Loss	-	-	-	(18,477)	18,477	-
	44103	Investment Amortization	-	-	-	-	-	-
	44201	Capitalized Interest Earnings	-	-	-	-	-	-
	44204	Installment Fund Earnings	-	-	-	0	(0)	-
		INTEREST & RENTS Total	27,933	-	27,933	(10,133)	38,066	-36.3%
	46122	Permit Parking Program	3,000	-	3,000	3,152	(152)	105.1%
	46431	Parking Meters	3,364,000	-	3,364,000	1,869,956	1,494,044	55.6%
	46432	Parking Lot Spaces	210,000	-	210,000	77,381	132,619	36.8%
		SERVICES Total	3,577,000	-	3,577,000	1,950,489	1,626,511	54.5%
	47301	Miscellaneous Revenues	18,000	-	18,000	4,875	13,125	27.1%
	47307	Contrs From Private Parties	7,500	-	7,500	2,124	5,376	28.3%
		MISCELLANEOUS REVENUE Total	25,500	-	25,500	6,999	18,501	27.4%
		PARKING FUND Total	3,730,433	-	3,730,433	2,007,354	1,723,079	53.8%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: 41.7%

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
521	COUNTY PARKING LOTS FUND							
	46433	Parking Lot B Meters	265,000	-	265,000	140,665	124,335	53.1%
	46434	Parking Lot C Meters	985,000	-	985,000	478,092	506,908	48.5%
	46435	Parking Lot B Spaces	1,800	-	1,800	390	1,410	21.7%
	46436	Parking Lot C Spaces	11,200	-	11,200	3,600	7,600	32.1%
	SERVICES Total		1,263,000	-	1,263,000	622,747	640,254	49.3%
	COUNTY PARKING LOTS FUND Total		1,263,000	-	1,263,000	622,747	640,254	49.3%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: **41.7%**

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
522	STATE PIER & PARKING FUND							
	44101	Interest Earnings	8,383	-	8,383	4,770	3,613	56.9%
	44102	Unrealized Invest Gain/Loss	-	-	-	(9,896)	9,896	-
	44103	Investment Amortization	-	-	-	-	-	-
	44412	Misc. Rents & Concessions	-	-	-	-	-	-
	INTEREST & RENTS Total		8,383	-	8,383	(5,126)	13,509	-61.2%
	46431	Parking Meters	885,000	-	885,000	386,956	498,044	43.7%
	SERVICES Total		885,000	-	885,000	386,956	498,044	43.7%
	47301	Miscellaneous Revenues	1,000	-	1,000	136	864	13.6%
	47307	Contrs From Private Parties	-	-	-	-	-	-
	MISCELLANEOUS REVENUE Total		1,000	-	1,000	136	864	13.6%
	STATE PIER & PARKING FUND Total		894,383	-	894,383	381,965	512,418	42.7%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: **41.7%**

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
601	INSURANCE RESERVE FUND							
	47102	Excess of SIR Recoveries	50,000	-	50,000	-	50,000	0.0%
	47103	Insurance Recoveries/Dividends	-	-	-	-	-	-
	47104	Damage Claims	-	-	-	44,830	(44,830)	-
	47105	Cobra Payments	-	-	-	116	(116)	-
	47301	Miscellaneous Revenues	-	-	-	854	(854)	-
	MISCELLANEOUS REVENUE Total		50,000	-	50,000	45,800	4,200	91.6%
	49101	Workers Comp Billing	4,648,800	-	4,648,800	1,937,000	2,711,800	41.7%
	49102	Unemployment Billings	60,000	-	60,000	25,000	35,000	41.7%
	49103	Liability Insurance Billings	2,630,760	-	2,630,760	1,005,875	1,624,885	38.2%
	49999	Budgeted Transfers In	-	-	-	-	-	-
	INTERFUND CHARGES & TRANSFERS Total		7,339,560	-	7,339,560	2,967,875	4,371,685	40.4%
	INSURANCE RESERVE FUND Total		7,389,560	-	7,389,560	3,013,675	4,375,885	40.8%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: 41.7%

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
605	INFORMATION TECHNOLOGY FUND							
	47301	Miscellaneous Revenues	-	-	-	-	-	-
	MISCELLANEOUS REVENUE Total		-	-	-	-	-	-
	49121	Information System Charge	3,039,108	-	3,039,108	1,266,300	1,772,808	41.7%
	49999	Budgeted Transfers In	-	-	-	-	-	-
	INTERFUND CHARGES & TRANSFERS Total		3,039,108	-	3,039,108	1,266,300	1,772,808	41.7%
	INFORMATION TECHNOLOGY FUND Total		3,039,108	-	3,039,108	1,266,300	1,772,808	41.7%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: **41.7%**

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
610	FLEET MANAGEMENT FUND							
	47104	Damage Claims	-	-	-	14,007	(14,007)	-
	47301	Miscellaneous Revenues	-	-	-	-	-	-
	47306	Sale of Property	-	-	-	7,774	(7,774)	-
	47401	Lease Purchase Proceeds	-	-	-	-	-	-
	47902	Reimb- Gas charges MBUSD	25,000	-	25,000	10,317	14,683	41.3%
	MISCELLANEOUS REVENUE Total		25,000	-	25,000	32,098	(7,098)	128.4%
	49111	Fleet Rental Charges	1,041,440	-	1,041,440	442,195	599,245	42.5%
	49112	Fleet Maintenance Charge	1,186,942	-	1,186,942	426,654	760,288	35.9%
	49201	Transfers In	110,000	-	110,000	-	110,000	0.0%
	INTERFUND CHARGES & TRANSFERS Total		2,338,382	-	2,338,382	868,849	1,469,533	37.2%
	FLEET MANAGEMENT FUND Total		2,363,382	-	2,363,382	900,946	1,462,436	38.1%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: **41.7%**

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
615	BUILDING MAINTENANCE & OPERATIONS FUND							
	47301	Miscellaneous Revenues	-	-	-	-	-	-
	MISCELLANEOUS REVENUE Total		-	-	-	-	-	-
	49131	Building Maintenance	1,954,976	-	1,954,976	513,496	1,441,480	26.3%
	49141	Warehouse Sales	119,436	-	119,436	31,802	87,634	26.6%
	49142	Garage Sales	30,000	-	30,000	7,096	22,904	23.7%
	INTERFUND CHARGES & TRANSFERS Total		2,104,412	-	2,104,412	552,394	1,552,018	26.2%
	BUILDING MAINTENANCE & OPERATIONS FUND Totl		2,104,412	-	2,104,412	552,394	1,552,018	26.2%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: **41.7%**

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
710	SPECIAL ASSESSMENT REDEMPTION FUND							
	41301	C.Yr Assessments	707,750	-	707,750	22,364	685,386	3.2%
	OTHER TAXES & ASSESSMENTS Total		707,750	-	707,750	22,364	685,386	3.2%
	44202	Bond Reserve Fund Earnings	-	-	-	13	(13)	-
	44204	Installment Fund Earnings	-	-	-	1	(1)	-
	INTEREST & RENTS Total		-	-	-	13	(13)	-
	47407	Bond Redemption	-	-	-	-	-	-
	MISCELLANEOUS REVENUE Total		-	-	-	-	-	-
	SPECIAL ASSESSMENT REDEMPTION FUND Total		707,750	-	707,750	22,377	685,373	3.2%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: **41.7%**

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
711	SPECIAL ASSESSMENTS UAD 19-12 19-14							
	41301	C.Yr Assessments	614,943	-	614,943	1,930	613,013	0.3%
	OTHER TAXES & ASSESSMENTS Total		614,943	-	614,943	1,930	613,013	0.3%
	44202	Bond Reserve Fund Earnings	-	-	-	8	(8)	-
	44204	Installment Fund Earnings	-	-	-	3	(3)	-
	INTEREST & RENTS Total		-	-	-	10	(10)	-
	47407	Bond Redemption	-	-	-	99,458	(99,458)	-
	MISCELLANEOUS REVENUE Total		-	-	-	99,458	(99,458)	-
	SPECIAL ASSESSMENTS UAD 19-12 19-14 Total		614,943	-	614,943	101,398	513,545	16.5%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: **41.7%**

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
712	SPECIAL ASSESSMENTS UAD 19-4							
	41301	C.Yr Assessments	336,313	-	336,313	(647)	336,960	-0.2%
	OTHER TAXES & ASSESSMENTS Total		336,313	-	336,313	(647)	336,960	-0.2%
	44202	Bond Reserve Fund Earnings	-	-	-	4	(4)	-
	44204	Installment Fund Earnings	-	-	-	1	(1)	-
	INTEREST & RENTS Total		-	-	-	5	(5)	-
	47407	Bond Redemption	-	-	-	80,269	(80,269)	-
	MISCELLANEOUS REVENUE Total		-	-	-	80,269	(80,269)	-
	SPECIAL ASSESSMENTS UAD 19-4 Total		336,313	-	336,313	79,627	256,686	23.7%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: **41.7%**

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
801	PENSION TRUST FUND							
	44101	Interest Earnings	1,017	-	1,017	306	711	30.1%
	44102	Unrealized Invest Gain/Loss	-	-	-	(818)	818	-
	INTEREST & RENTS Total		1,017	-	1,017	(511)	1,528	-50.3%
	47901	Reimb Ca Emplr Ret Ben Trst	163,000	-	163,000	-	163,000	0.0%
	MISCELLANEOUS REVENUE Total		163,000	-	163,000	-	163,000	0.0%
	49202	Contributions	33,680	-	33,680	-	33,680	0.0%
	INTERFUND CHARGES & TRANSFERS Total		33,680	-	33,680	-	33,680	0.0%
	PENSION TRUST FUND Total		197,697	-	197,697	(511)	198,208	-0.3%



City of Manhattan Beach
Fiscal Year 2021-2022 Revenue Detail
As of November 30, 2021

% of Year: 41.7%

Fund	Object	Account Description	Original Budget	Budget Adjustments	Adjusted Budget	Year-to-Date Actuals	Unrealized Amount	% Realized
804	PARS INVESTMENT TRUST FUND							
	44206	PARS Section 115 Interest	100,000	-	100,000	(1,464)	101,464	-1.5%
	INTEREST & RENTS Total		100,000	-	100,000	(1,464)	101,464	-1.5%
	PARS INVESTMENT TRUST FUND Total		100,000	-	100,000	(1,464)	101,464	-1.5%
Grand Total			134,092,759	8,586,308	142,679,067	48,145,727	94,533,340	33.7%



City of Manhattan Beach
Fiscal Year 2021-2022 Citywide Expenditures
As of November 30, 2021

% of Year
41.7%

Current Year Activity

	Fund No.	Original Budget	Budget Adjustments*	Adjusted Budget	Year-to-Date		Available Budget	% Utilized
					Actuals	Encumbrances		
General Fund	100	\$77,698,292	\$1,103,815	\$78,802,107	\$27,280,205	\$1,145,084	\$50,376,817	36.1%
Street Lighting & Landscaping Fund	201	570,702	7,550	578,252	196,971	7,550	373,731	35.4%
Gas Tax Fund	205	2,098,738	1,298,002	3,396,740	693,314	612,210	2,091,216	38.4%
Asset Forfeiture	210	108,500	27,747	136,247	28,386	27,747	80,114	41.2%
Police Safety Grants	211	155,000	39,408	194,408	26,890	13,368	154,149	20.7%
Prop A Fund	230	932,081	11,894	943,975	239,028	11,894	693,053	26.6%
Prop C Fund	231	192,332	5,635,425	5,827,757	1,516,528	4,363,603	(52,374)	100.9%
AB 2766 Fund	232	673	-	673	280	-	393	41.6%
Measure R	233	263,738	145,434	409,172	35,684	123,487	250,000	38.9%
Measure M	234	2,413,738	1,223,806	3,637,544	408,685	828,859	2,400,000	34.0%
Measure W	240	-	-	-	-	-	-	0.0%
Capital Improvements Fund	401	4,103,784	1,862,418	5,966,202	167,698	2,245,639	3,552,865	40.5%
Bond Construction Fund	402	-	8,470,000	8,470,000	234,791	823,503	7,411,706	12.5%
Underground Assessment District Construction	403	1,779,705	1,598,960	3,378,665	945,496	991,119	1,442,050	-
Water Fund	501	15,551,079	29,507,089	45,058,168	7,643,196	26,373,972	11,041,000	75.5%
Stormwater Fund	502	1,787,478	784,412	2,571,890	629,428	414,599	1,527,863	40.6%
Wastewater Fund	503	3,045,862	1,359,949	4,405,811	998,610	977,707	2,429,494	44.9%
Parking Fund	520	2,933,472	251,722	3,185,194	772,716	262,336	2,150,142	32.5%
County Parking Lots Fund	521	872,452	-	872,452	80,108	-	792,344	9.2%
State Pier & Parking Lot Fund	522	2,160,254	76,708	2,236,962	197,793	45,936	1,993,233	10.9%
Insurance Reserve Fund	601	7,179,370	28,483	7,207,853	6,892,318	178,280	137,256	98.1%
Information Systems Reserve Fund	605	3,520,830	448,689	3,969,519	1,138,173	486,916	2,344,430	40.9%
Fleet Management Fund	610	4,056,296	146,697	4,202,993	471,206	583,647	3,148,141	25.1%
Building Maintenance & Operation Fund	615	2,097,330	105,038	2,202,368	540,219	150,158	1,511,991	31.3%
Special Assessment Debt Service	710	708,900	-	708,900	663,025	-	45,875	93.5%
Special Assessment UAD 19-12 19-14 Fund	711	606,707	-	606,707	494,823	-	111,884	81.6%
Special Assessment UAD 19-4 Fund	712	336,163	-	336,163	278,073	-	58,090	82.7%
City Pension Fund	801	196,680	-	196,680	81,824	-	114,856	-
PARS Investment Trust	804	-	-	-	-	-	-	-
		\$135,370,156	\$54,133,247	\$189,503,403	\$52,655,470	\$40,667,614	\$96,180,319	49.2%

*Budget Adjustments include City Council-approved adjustments during the current year and encumbrances carried forward from the prior year.



City of Manhattan Beach
Fiscal Year 2021-2022 General Fund Expenditures by Department
As of November 30, 2021

% of Year
41.7%

Current Year Activity

	Dept No.	Original Budget	Budget Adjustments¹	Adjusted Budget	YTD Expenditures	YTD Encumbrances	Available Budget	% Used
Management Services	11	\$3,599,705	\$189,112	\$3,788,817	\$1,311,037	\$437,344	\$2,040,437	46.1%
Finance	12	3,607,149	99,849	3,706,998	1,253,518	139,836	2,313,644	37.6%
Human Resources	13	1,416,358	123,169	1,539,527	547,358	86,119	906,049	41.1%
Parks and Recreation	14	8,417,571	24,327	8,441,898	3,123,149	54,296	5,264,453	37.6%
Police	15	30,667,807	190,779	30,858,586	10,240,035	16,739	20,601,812	33.2%
Fire	16	15,471,419	17,430	15,488,849	5,711,926	26,632	9,750,291	37.0%
Community Development	17	5,908,891	190,517	6,099,408	1,982,190	162,485	3,954,733	35.2%
Public Works	18	8,609,392	268,631	8,878,023	3,083,333	221,634	5,573,056	37.2%
Information Technology	19	-	-	-	-	-	-	n/a
		\$77,698,292	\$1,103,815	\$78,802,107	\$27,252,546	\$1,145,084	\$50,404,477	36.0%

¹Budget Adjustments include City Council-approved adjustments during the current year and encumbrances carried forward from the prior year.



Staff Report

City of Manhattan Beach

TO: Members of the Finance Subcommittee

THROUGH: Steve S. Charelian, Finance Director

FROM: Julie Bondarchuk, Financial Controller
Libby Bretthauer, Financial Services Manager

DATE: January 6, 2022

SUBJECT: Investment Portfolio as of November 30, 2021

RECOMMENDATION:

Staff recommends that the Finance Subcommittee accepts the status report on the City's investment portfolio as of November 30, 2021.

FISCAL IMPLICATION:

There are no fiscal implications associated with the recommended action. As of November 30, 2021, the City's investment portfolio totaled \$117.9 million in book value (\$118.0 million par value).

DISCUSSION:

Since the last update as of August 31, 2021, the City's investment portfolio has decreased overall by \$9.0 million in par value due to a \$14.0 million decrease in the Local Agency Investment Fund (LAIF) balance and an increase in investments (purchases less redemptions) of \$5.0 million. Cash flow trends have been mostly consistent with prior years, including the usual pattern of the summer months operating at a deficit when normal operating activities (warrants and payroll coverage) exceed revenues. This year, cash outflows are also higher due to spending on the Peck Reservoir and Sepulveda Bridge construction projects. Property Taxes received during the months of December, January, April and May will offset the deficits occurring in summer months. Additionally, grant reimbursements for the Sepulveda Bridge will balance some of the construction expenditures.

Activity

The following purchase and redemption activity took place between September 1, 2021, and November 30, 2021:

Agenda Item #: _____

Security	Date of Activity	Maturity Date	Purchase (Par)	Maturing/Call	YTM
T - 0.25% Coupon	10/5/2021	7/31/2025	1,000,000		0.681%
T - 0.25% Coupon	10/5/2021	10/31/2025	2,000,000		0.707%
T - 0.75% Coupon	10/5/2021	8/31/2026	1,000,000		0.907%
T - 0.625% Coupon	10/5/2021	7/31/2026	1,000,000		0.892%
MTN - 0.75% Coupon	10/5/2021	2/24/2026	1,000,000		0.950%
Total Purchases			\$6,000,000		0.807%
Matured: T - 2.125% Coupon	9/30/2021	9/30/2021		1,000,000	2.478%
Total Maturing/Calls				\$1,000,000	2.478%

FFCB = Federal Farm Credit Bank; FHLB = Federal Home Loan Bank; FHLMC = Federal Home Loan Mortgage Corporation (Freddie Mac); FNMA = Federal National Mortgage Association (Fannie Mae); MTN = Corporate Medium Term Note

Average Yield to Maturity on the City's portfolio book value increased to 1.09% in November from 1.026% in August. During this period, \$5.0 million in U.S. Treasury securities and \$1.0 million in corporate medium term notes were purchased. Investment maturities totaled \$1.0 million. Currently, \$54.0 million is being held in LAIF as market conditions and investment opportunities are monitored in accordance with the City's Investment Policy. Efforts are made to ensure the portfolio is well-balanced by investing in high-grade securities diversified in origin and maturity date.

Attachment: Investment Portfolio as of November 30, 2021



City of Manhattan Beach

Investment Portfolio November 2021

As Finance Director for the City of Manhattan Beach, I hereby certify that these investments are in compliance with the City's investment policy (unless otherwise noted). Sufficient liquidity has been maintained to meet budget expenditure requirements for the current six month period.



Steve S. Charelian, Finance Director

CITY OF MANHATTAN BEACH
Portfolio Management
Portfolio Summary
November 1, 2021 through November 30, 2021

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
LAIF	54,000,000.00	54,000,000.00	54,000,000.00	45.79	1	1	0.200	0.203
Medium Term Notes	15,000,000.00	15,249,070.00	14,944,809.24	12.67	1,532	655	2.319	2.351
Federal Agency Issues - Coupon	25,000,000.00	25,695,790.00	25,252,628.60	21.41	1,608	666	1.926	1.953
Treasury Securities - Coupon	24,000,000.00	23,875,190.00	23,742,810.10	20.13	1,526	1,030	1.375	1.394
Investments	118,000,000.00	118,820,050.00	117,940,247.94	100.00%	846	434	1.075	1.090
Cash								
Passbook/Checking (not included in yield calculations)	8,946,830.39	8,946,830.39	8,946,830.39		1	1	0.000	0.000
Total Cash and Investments	126,946,830.39	127,766,880.39	126,887,078.33		846	434	1.075	1.090

Total Earnings	November 30 Month Ending	Fiscal Year To Date
Current Year	103,371.40	542,053.20



 STEVE S. CHARELIAN, FINANCE DIRECTOR

CITY OF MANHATTAN BEACH
Portfolio Management
Portfolio Details - Investments
November 30, 2021

CUSIP	Investment #	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM	Days to Maturity	Maturity Date
LAIF											
SYS3000	3000	Local Agency Invest. Fund	07/01/2018	54,000,000.00	54,000,000.00	54,000,000.00	0.203		0.203	1	
Subtotal and Average				54,000,000.00	54,000,000.00	54,000,000.00			0.203	1	

Medium Term Notes

037833DC1	MTN0096	APPLE INC	04/23/2018	1,000,000.00	1,011,580.00	989,291.94	2.100	AA+	3.060	285	09/12/2022
037833AK6	MTN0098	APPLE INC	05/22/2018	1,000,000.00	1,024,050.00	985,148.20	2.400	AA+	3.298	518	05/03/2023
06406FAD5	MTN0106	BANK OF NY MELLO	09/09/2019	1,000,000.00	1,023,650.00	1,009,011.00	2.200	A	1.951	623	08/16/2023
06406RAL1	MTN0109	BANK OF NY MELLO	02/10/2020	1,000,000.00	1,028,070.00	1,011,205.00	2.100	A	1.850	1,058	10/24/2024
22160KAK1	MTN0102	COSTCO COMPANIES	05/13/2019	1,000,000.00	1,008,640.00	994,226.00	2.300	A+	2.500	168	05/18/2022
254687FK7	MTN0107	Walt Disney	12/12/2019	2,000,000.00	2,030,920.00	1,986,161.56	1.750	A-	1.977	1,003	08/30/2024
191216CL2	MTN0108	COCA-COLA CO	12/12/2019	1,000,000.00	1,019,130.00	993,679.00	1.750	A+	1.890	1,010	09/06/2024
594918BQ6	MTN0104	MICROSOFT CORP	07/01/2019	1,000,000.00	1,021,230.00	999,000.00	2.000	AAA	2.025	615	08/08/2023
58933YAY1	MTN0110	MERCK & CO INC	10/05/2021	1,000,000.00	974,060.00	991,420.00	0.750		0.950	1,546	02/24/2026
68389XAP0	MTN0103	ORACLE CORP	05/13/2019	1,000,000.00	1,016,550.00	995,436.00	2.500	A	2.640	318	10/15/2022
89236TFN0	MTN0099	TOYOTA MOTOR CREDIT	09/21/2018	1,000,000.00	1,047,500.00	999,500.00	3.450	A+	3.461	658	09/20/2023
89236TDK8	MTN0101	TOYOTA MOTOR CREDIT	03/26/2019	1,000,000.00	1,027,380.00	991,382.16	2.250	A+	2.634	686	10/18/2023
911312BC9	MTN0100	United Parcel Service	10/04/2018	1,000,000.00	1,007,620.00	992,597.54	2.350	A-	3.193	166	05/16/2022
90331HPC1	MTN0105	US BANK NA OHIO	09/09/2019	1,000,000.00	1,008,690.00	1,006,750.84	2.650	AA-	1.883	173	05/23/2022
Subtotal and Average				15,000,000.00	15,249,070.00	14,944,809.24			2.351	655	

Federal Agency Issues - Coupon

3133EHCT8	FAC0259	FED FARM CR BK	05/22/2017	1,000,000.00	1,006,070.00	1,001,852.56	2.150	AA+	1.894	104	03/15/2022
3133EJDE6	FAC0271	FED FARM CR BK	02/16/2018	2,000,000.00	2,054,880.00	1,996,366.80	2.570	AA+	2.708	442	02/16/2023
3133EJSD2	FAC0276	FED FARM CR BK	10/02/2018	2,000,000.00	2,074,300.00	1,990,360.00	2.890	AA+	3.000	565	06/19/2023
3133EJK57	FAC0278	FED FARM CR BK	12/12/2018	2,000,000.00	2,084,140.00	2,010,781.95	3.080	AA+	2.840	600	07/24/2023
3130A3KM5	FAC0268	Federal Home Loan Bank	01/10/2018	2,000,000.00	2,044,460.00	2,004,328.04	2.500	AA+	2.357	373	12/09/2022
3130A2UW4	FAC0285	Federal Home Loan Bank	12/11/2019	2,000,000.00	2,113,420.00	2,071,315.04	2.875		1.771	1,017	09/13/2024
3130AGWK7	FAC0289	Federal Home Loan Bank	02/07/2020	1,000,000.00	1,018,760.00	1,001,306.00	1.500		1.470	988	08/15/2024
3130A1XJ2	FAC0291	Federal Home Loan Bank	02/04/2021	1,000,000.00	1,053,760.00	1,078,414.16	2.875		0.312	926	06/14/2024
3135G0T45	FAC0261	Fannie Mae	05/22/2017	1,000,000.00	1,006,180.00	1,001,150.00	1.875	AA+	1.850	125	04/05/2022
3135G0W66	FAC0286	Fannie Mae	12/11/2019	2,000,000.00	2,043,440.00	1,993,020.00	1.625		1.700	1,049	10/15/2024
3135G0W66	FAC0287	Fannie Mae	02/07/2020	2,000,000.00	2,043,440.00	2,011,260.00	1.625		1.500	1,049	10/15/2024
3135G0V75	FAC0288	Fannie Mae	02/07/2020	2,000,000.00	2,050,320.00	2,015,066.09	1.750		1.526	944	07/02/2024
3135G0V75	FAC0290	Fannie Mae	02/04/2021	1,000,000.00	1,025,160.00	1,045,755.91	1.750		0.259	944	07/02/2024
3135G0U43	FAC0292	Fannie Mae	02/04/2021	1,000,000.00	1,041,700.00	1,059,671.88	2.875		0.499	650	09/12/2023
880591EN8	FAC0277	Tennessee Valley Authority	12/12/2018	2,000,000.00	2,023,840.00	1,979,306.13	1.875	AA+	2.793	257	08/15/2022

Portfolio CITY
CP

CITY OF MANHATTAN BEACH
Portfolio Management
Portfolio Details - Investments
November 30, 2021

CUSIP	Investment #	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity	Maturity Date
Federal Agency Issues - Coupon											
880591EN8	FAC0279	Tennessee Valley Authority	02/14/2019	1,000,000.00	1,011,920.00	992,674.04	1.875	AA+	2.493	257	08/15/2022
Subtotal and Average				25,000,000.00	25,695,790.00	25,252,628.60			1.953	666	
Treasury Securities - Coupon											
912828XQ8	UST0027	US TREASURY	12/12/2018	2,000,000.00	2,024,680.00	1,985,103.14	2.000		2.681	242	07/31/2022
912828XQ8	UST0028	US TREASURY	02/14/2019	1,000,000.00	1,012,340.00	994,844.30	2.000		2.510	242	07/31/2022
912828S92	UST0029	US TREASURY	02/14/2019	1,000,000.00	1,013,360.00	975,133.20	1.250		2.525	607	07/31/2023
9128282D1	UST0030	US TREASURY	02/14/2019	1,000,000.00	1,015,470.00	976,734.33	1.375		2.432	638	08/31/2023
912828L57	UST0031	US TREASURY	03/25/2019	1,000,000.00	1,012,730.00	994,052.61	1.750		2.201	303	09/30/2022
9128283C2	UST0032	US TREASURY	03/25/2019	1,000,000.00	1,015,980.00	991,406.25	2.000		2.250	334	10/31/2022
912828W48	UST0033	US TREASURY	05/13/2019	1,000,000.00	1,033,240.00	995,039.06	2.125		2.234	820	02/29/2024
912828W71	UST0034	US TREASURY	05/13/2019	1,000,000.00	1,033,790.00	994,687.50	2.125		2.240	851	03/31/2024
9128282U3	UST0035	US TREASURY	02/07/2020	2,000,000.00	2,059,300.00	2,025,809.58	1.875		1.493	1,004	08/31/2024
912828ZW3	UST0036	US TREASURY	05/28/2021	1,000,000.00	974,300.00	986,548.91	0.250		0.561	1,307	06/30/2025
912828ZW3	UST0039	US TREASURY	08/11/2021	1,000,000.00	974,300.00	986,562.50	0.250		0.591	1,307	06/30/2025
91282CAB7	UST0037	US TREASURY	05/28/2021	2,000,000.00	1,946,020.00	1,971,781.44	0.250		0.576	1,338	07/31/2025
91282CAJ0	UST0038	US TREASURY	05/28/2021	1,000,000.00	971,560.00	983,974.46	0.250		0.620	1,369	08/31/2025
91282CAB7	UST0040	US TREASURY	08/11/2021	1,000,000.00	973,010.00	986,171.88	0.250		0.601	1,338	07/31/2025
91282CAJ0	UST0041	US TREASURY	08/11/2021	1,000,000.00	971,560.00	985,156.25	0.250		0.586	1,369	08/31/2025
91282CAZ4	UST0042	US TREASURY	08/09/2021	1,000,000.00	972,930.00	987,500.00	0.375		0.658	1,460	11/30/2025
91282CAB7	UST0043	US TREASURY	10/05/2021	1,000,000.00	973,010.00	983,046.88	0.250		0.700	1,338	07/31/2025
91282CAT8	UST0044	US TREASURY	10/05/2021	2,000,000.00	1,938,980.00	1,959,687.50	0.250		0.707	1,430	10/31/2025
91282CCW9	UST0045	US TREASURY	10/05/2021	1,000,000.00	981,950.00	992,500.00	0.750		0.907	1,734	08/31/2026
91282CCP4	UST0046	US TREASURY	10/05/2021	1,000,000.00	976,680.00	987,070.31	0.625		0.892	1,703	07/31/2026
Subtotal and Average				24,000,000.00	23,875,190.00	23,742,810.10			1.394	1,030	
Total and Average				118,000,000.00	118,820,050.00	117,940,247.94			1.090	434	

**CITY OF MANHATTAN BEACH
Portfolio Management
Portfolio Details - Cash
November 30, 2021**

CUSIP	Investment #	Issuer	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	S&P	YTM 365	Days to Maturity
Money Market Fund										
SYS39903-39902	39901	UNION BANK	07/01/2018	8,946,830.39	8,946,830.39	8,946,830.39			0.000	1
Subtotal and Average										1
Total Cash and Investments				126,946,830.39	127,766,880.39	126,887,078.33			1.090	434



City of Manhattan Beach
Investment Portfolio Summary
As of November 30, 2021

PORTFOLIO PROFILE	Nov 30, 2021	Oct 31, 2021	Sep 30, 2021	Aug 31, 2021	Jul 31, 2021
Total Book Value (Excluding Trust Funds)	\$117,940,248	\$120,979,068	\$126,026,523	\$127,025,657	\$120,078,977
Increase/(Decrease) from Prior Period	(3,038,820)	(5,047,456)	(999,134)	6,946,680	(1,999,732)
Percentage Change	(2.5%)	(4.0%)	(0.8%)	5.8%	(1.6%)
Average Yield to Maturity (365 Days)	1.090%	1.067%	1.006%	1.026%	1.126%
Increase/(Decrease) from Prior Period	0.022%	0.061%	(0.020%)	(0.101%)	(0.036%)

PORTFOLIO ALLOCATIONS

By Security	Value (Par)	Percent	Par YTM	Time Horizon	Percent
LAIF*	\$54,000,000	45.76%	0.203%	Next 12 months	58%
Medium Term Notes	15,000,000	12.7%	2.351%	Months 13-24	14%
Federal Agencies	25,000,000	21.2%	1.953%	Months 25-36	16%
U.S. Treasuries	24,000,000	20.3%	1.394%	Months 37-48	9%
Total	\$118,000,000	100.0%	1.089%	Months 49-60	3%
				Total	100.0%

*LAIF YTM as of November 30, 2021

RECENT ACTIVITY

Security	Date of Activity	Maturity Date	Purchase (Par)	Maturing/Call	YTM
T - 0.25% Coupon	10/5/2021	7/31/2025	1,000,000		0.681%
T - 0.25% Coupon	10/5/2021	10/31/2025	2,000,000		0.707%
T - 0.75% Coupon	10/5/2021	8/31/2026	1,000,000		0.907%
T - 0.625% Coupon	10/5/2021	7/31/2026	1,000,000		0.892%
MTN - 0.75% Coupon	10/5/2021	2/24/2026	1,000,000		0.950%
Total Purchases			\$6,000,000		0.807%
Matured: T - 2.125% Coupon	9/30/2021	9/30/2021		1,000,000	2.478%
Total Maturing/Calls				\$1,000,000	2.478%



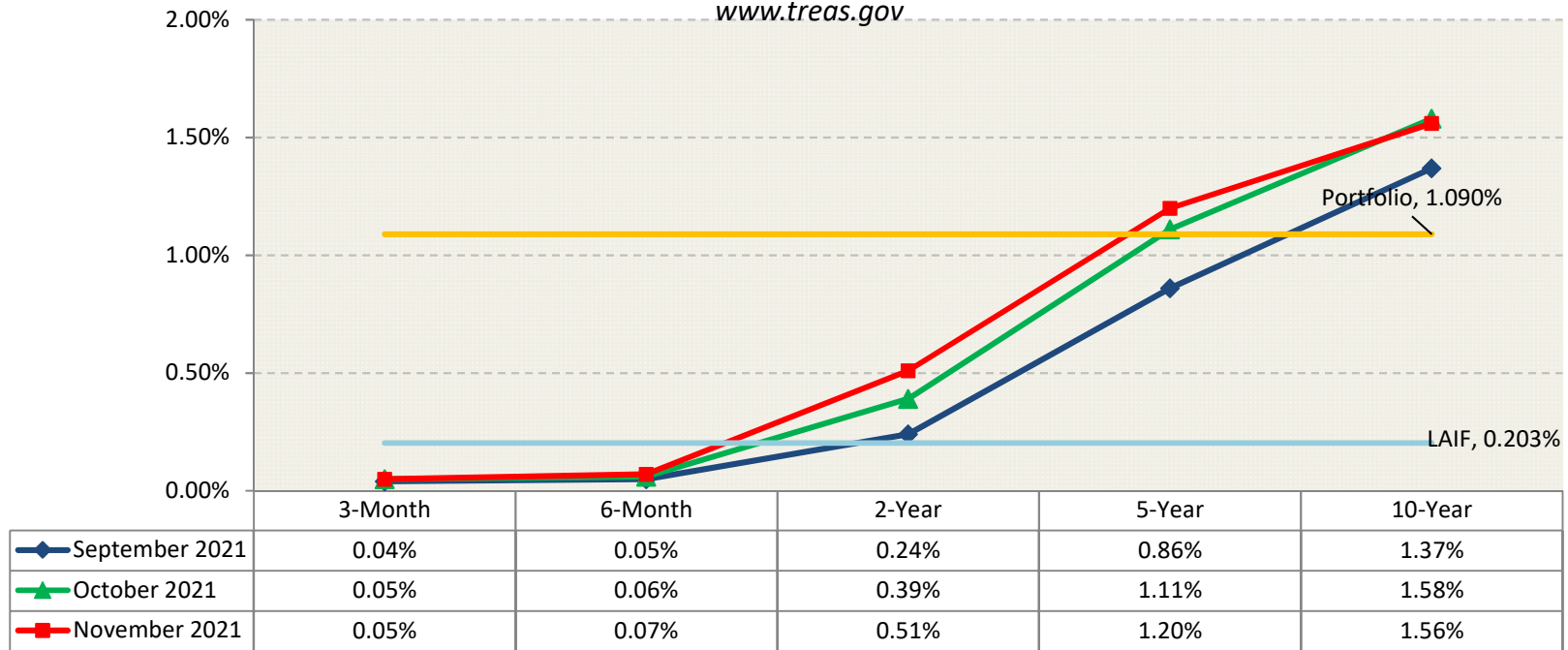
City of Manhattan Beach Investment Portfolio Summary *As of November 30, 2021*

FUNDS HELD IN TRUST	Value
Police/Fire Refunding Bonds	\$0.06
Fire Station 2 COPs	23,529.54
Marine Avenue Refunding Bonds	0.06
Pension Obligation Bonds	2,038.66
Metlox & Water/Wastewater Refunding Bonds	0.06
UUAD Assessment Refunding Bonds	511,585.89
UUAD Assessment District 12 & 14	402,982.91
UUAD Assessment District 4	203,682.87
PARS Investment Trust	1,819,065.01
Total Funds Held in Trust	\$2,962,885.06

As of November 30, 2021

US Treasuries Yield Curve

www.treas.gov



Monthly yields are interpolated by the Treasury from the daily yield curve.

CITY OF MANHATTAN BEACH
Portfolio Maturity Structure
December 2021 through November 2026

HELD TO MATURITY
Rolling 60 Months

Mth	Mat.	YTM	Inv	Call	Amt	Mth	Mat.	YTM	Inv	Call	Amt	Mth	Mat.	YTM	Inv	Call	Amt	Mth	Mat.	YTM	Inv	Call	Amt						
Dec 21						Dec 22	12/9/22	2.36%	FHLB	nc	\$2.0M	Dec 23						Dec 24						Dec 25					
Jan 22						Jan 23						Jan 24						Jan 25						Jan 26					
Feb 22						Feb 23	2/16/23	2.71%	FFCB	nc	\$2.0M	Feb 24	2/29/24	2.23%	T	nc	\$1.0M	Feb 25						Feb 26	2/24/26	0.95%	MTN	MW: 10	\$1.0M
Mar 22	3/15/22	1.9%	FFCB	nc	\$1.0M	Mar 23						Mar 24	3/31/24	2.24%	T	nc	\$1.0M	Mar 25						Mar 26					
Apr 22	4/5/22	1.9%	FNMA	nc	\$1.0M	Apr 23						Apr 24						Apr 25						Apr 26					
May 22	5/16/22	3.2%	MTN	MW: 10	\$1.0M	May 23	5/3/23	3.30%	MTN	MW: 15	\$1.0M	May 24						May 25						May 26					
	5/18/22	2.5%	MTN	MW: 10	\$1.0M																								
	5/23/22	1.9%	MTN	4/22/22	\$1.0M																								
Jun 22						Jun 23	6/19/23	3.00%	FFCB	nc	\$2.0M	Jun 24	6/14/24	0.31%	FHLB	nc	\$1.0M	Jun 25	6/30/25	0.56%	T	nc	\$1.0M	Jun 26					
																			6/30/25	0.59%	T	nc	\$1.0M						
Jul 22	7/31/22	2.7%	T	nc	\$2.0M	Jul 23	7/24/23	2.84%	FFCB	nc	\$2.0M	Jul 24	7/2/24	1.53%	FNMA	nc	\$2.0M	Jul 25	7/31/25	0.58%	T	nc	\$2.0M	Jul 26	7/31/26	0.89%	T	nc	\$1.0M
	7/31/22	2.5%	T	nc	\$1.0M		7/31/23	2.53%	T	nc	\$1.0M		7/2/24	0.26%	FNMA	nc	\$1.0M		7/31/25	0.60%	T	nc	\$1.0M						
																			7/31/25	0.68%	T	nc	\$1.0M						
Aug 22	8/15/22	2.8%	TVA	nc	\$2.0M	Aug 23	8/31/23	2.43%	T	nc	\$1.0M	Aug 24	8/15/24	1.47%	FHLB	nc	\$1.0M	Aug 25	8/31/25	0.62%	T	nc	\$1.0M	Aug 26	8/31/26	0.91%	T	nc	\$1.0M
	8/15/22	2.5%	TVA	nc	\$1.0M		8/8/23	2.03%	MTN	MW:12.5	\$1.0M		8/30/24	1.98%	MTN	7/30/24	\$2.0M		8/31/25	0.59%	T	nc	\$1.0M						
							8/16/23	1.95%	MTN	6/16/23	\$1.0M		8/31/24	1.49%	T	nc	\$2.0M												
Sep 22	9/12/22	3.1%	MTN	MW: 7.5	\$1.0M	Sep 23	9/20/23	3.46%	MTN	nc	\$1.0M	Sep 24	9/6/24	1.89%	MTN	9/6/24	\$1.0M	Sep 25						Sep 26					
	9/30/22	2.2%	T	nc	\$1.0M		9/12/23	0.50%	FNMA	nc	\$1.0M		9/13/24	1.77%	FHLB	nc	\$2.0M												
Oct 22	10/31/22	2.2%	T	nc	\$1.0M	Oct 23	10/18/23	2.63%	MTN	nc	\$1.0M	Oct 24	10/15/24	1.70%	FNMA	nc	\$2.0M	Oct 25	10/31/25	0.71%	T	nc	\$2.0M	Oct 26					
	10/15/22	2.6%	MTN	MW: 12.5	\$1.0M								10/15/24	1.50%	FNMA	nc	\$2.0M												
													10/24/24	1.85%	MTN	9/6/24	\$1.0M												
Nov 22						Nov 23						Nov 24						Nov 25	11/30/25	0.66%	T	nc	\$1.0M	Nov 26					
Total By Year (excl LAIF)					\$15.0m						\$16.0m						\$19.0m						\$11.0m						\$3.0m
% of Total Securities (excl LAIF)					23%						25%						30%						17%						5%
% of Total Investments (incl LAIF)					58%						14%						16%						9%						3%

Total Securities	54%	\$64.0M
LAIF	46%	\$54.0M
Total Investments	100%	\$118.0M

Shaded rows indicate months with significant cash inflows.

City of Manhattan Beach
Investment Policy Compliance Chart
As of November 30, 2021

Instrument		% of Total	Dollar Compliance		Percentage Compliance		Term Compliance	
			Limit	Compliant?	Limit	Compliant?	Limit	Compliant?
Local Agency Investment Fund (LAIF)	\$54,000,000	45.8%	\$75,000,000	Yes	Temporary Suspension			
Treasury Securities								
US Treasury	\$24,000,000	20.3%					5 Years	Yes
<i>Total U.S. Treasuries (20)</i>		\$24,000,000	20.3%					
Medium Term (Corporate) Notes								
Costco	1,000,000	0.8%			5.0%	Yes	5 Years	Yes
<i>Total Consumer Staples Sector</i>		<i>\$1,000,000</i>	<i>0.8%</i>			<i>10.0%</i>	<i>Yes</i>	
Coca-Cola	1,000,000	0.8%			5.0%	Yes	5 Years	Yes
<i>Total Consumer Goods Sector</i>		<i>\$1,000,000</i>	<i>0.8%</i>			<i>10.0%</i>	<i>Yes</i>	
Toyota Motor Credit	2,000,000	1.7%			5.0%	Yes	5 Years	Yes
US Bank	1,000,000	0.8%			5.0%	Yes	5 Years	Yes
Bank of NY	2,000,000	1.7%			5.0%	Yes	5 Years	Yes
<i>Total Financial Sector</i>		<i>\$5,000,000</i>	<i>4.2%</i>			<i>10.0%</i>	<i>Yes</i>	
United Parcel Service	1,000,000	0.8%			5.0%	Yes	5 Years	Yes
<i>Total Industrials Sector</i>		<i>\$1,000,000</i>	<i>0.8%</i>			<i>10.0%</i>	<i>Yes</i>	
Merck	1,000,000	0.8%			5.0%	Yes	5 Years	Yes
<i>Total Pharmaceuticals Sector</i>		<i>\$1,000,000</i>	<i>0.8%</i>			<i>10.0%</i>	<i>Yes</i>	
Apple Inc	2,000,000	1.7%			5.0%	Yes	5 Years	Yes
Microsoft Corp	1,000,000	0.8%			5.0%	Yes	5 Years	Yes
Oracle Corp	1,000,000	0.8%			5.0%	Yes	5 Years	Yes
<i>Total Technology Sector</i>		<i>\$4,000,000</i>	<i>3.4%</i>			<i>10.0%</i>	<i>Yes</i>	
Walt Disney Co	2,000,000	1.7%			5.0%	Yes	5 Years	Yes
<i>Total Communication Services Sector</i>		<i>\$2,000,000</i>						
Total Medium Term Notes (14)		\$15,000,000	12.7%			20.0%	Yes	
Federal Agencies								
Federal Home Loan Bank (FHLB)	\$6,000,000	5.1%			33.3%	Yes	5 Years	Yes
Federal Farm Credit (FFCB)	7,000,000	5.9%			33.3%	Yes	5 Years	Yes
Fannie Mae (FNMA)	9,000,000	7.6%			33.3%	Yes	5 Years	Yes
Freddie Mac (FHLMC)	-	0.0%			33.3%	Yes	5 Years	Yes
Tennessee Valley Authority (TVA)	3,000,000	2.5%			33.3%	Yes	5 Years	Yes
Total Federal Agencies (16)		\$25,000,000	21.2%			60.0%	Yes	
Total Portfolio	\$118,000,000	100.0%						



CITY OF MANHATTAN BEACH
TREASURER'S REPORT
November 30, 2021

<u>Investments</u>	Book Value
LAIF	\$54,000,000.00
Treasury Securities	23,742,810.10
Federal Agency Issues-Coupon	25,252,628.60
Medium Term Notes	14,944,809.24
Subtotal Investments	<u>\$117,940,247.94</u>
<u>Demand Deposit/Petty Cash</u>	
Cash in Bank	\$8,946,830.39
Petty Cash	2,383.70
Subtotal Demand Deposit	<u>\$8,949,214.09</u>
Subtotal City Cash & Investments	<u>\$126,889,462.03</u>
<u>Bond Funds Held in Trust</u>	
Police Fire Refunding	\$0.06
Fire Station 2 COPs	23,529.54
Marine Ave Park Refunding	0.06
Metlox & Water/Wastewater Refunding	0.06
Utility Assessment Districts	1,118,251.67
Pension Obligation Bonds	2,038.66
Subtotal Bonds Held in Trust	<u>\$1,143,820.05</u>
<u>Investment Trust Funds</u>	
PARS Pension Rate Stabilization Trust	1,819,065.01
Treasurer's Balance	<u>\$129,852,347.09</u>



PMIA/LAIF Performance Report as of 12/09/21



PMIA Average Monthly Effective Yields⁽¹⁾

Nov	0.203
Oct	0.203
Sep	0.206

Quarterly Performance Quarter Ended 09/30/21

LAIF Apportionment Rate ⁽²⁾ :	0.24
LAIF Earnings Ratio ⁽²⁾ :	0.00000661958813242
LAIF Fair Value Factor ⁽¹⁾ :	0.999873661
PMIA Daily ⁽¹⁾ :	0.20%
PMIA Quarter to Date ⁽¹⁾ :	0.22%
PMIA Average Life ⁽¹⁾ :	321

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 10/31/21 \$174.8 billion

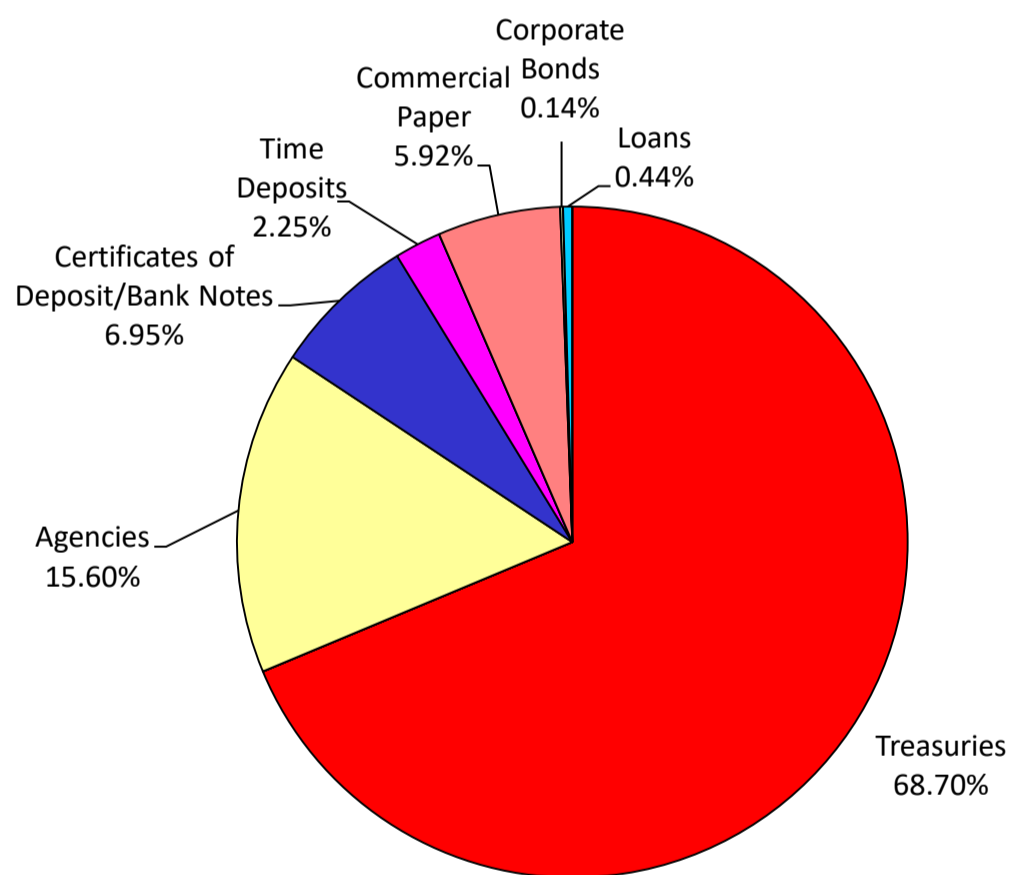


Chart does not include \$7,685,000.00 in mortgages, which equates to 0.004396%. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller



Agenda Item #: _____

Staff Report

City of Manhattan Beach

TO: Finance Subcommittee

THROUGH: Steve S. Charelian, Finance Director

FROM: Libby Bretthauer, Financial Services Manager
Emy-Rose Hanna, Revenue Services Supervisor

DATE: January 6, 2022

SUBJECT: FY 2021-2022 Monthly Schedule of Transient Occupancy Tax, Lease Payments and Miscellaneous Accounts Receivables

RECOMMENDATION:

Staff recommends that the Finance Subcommittee Receive and File this Report.

FISCAL IMPLICATION:

There are no fiscal implications associated with the recommended action.

DISCUSSION:

Revenue Services Division invoices and collects for miscellaneous accounts receivable, which includes the schedule of Transient Occupancy Tax (TOT), lease revenue, franchise revenue and other payments.

Attachments:

1. FY 2021-2022 Monthly Schedule of TOT, Lease and Miscellaneous Payments
2. Accounts Receivables Aging Statistical Report



FY 2021/2022
City of Manhattan Beach
Monthly Schedule of TOT, Lease and Miscellaneous Payments
As of: 1/3/2022

MONTHLY REVENUES		Due Date	Acct #	July 2021	Aug 2021	Sept 2021	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	June 2022	TOTALS
FRANCHISES:																
39	Verizon/Frontier Comm.	Q	100-41213		\$ 61,109.55			\$ 58,996.44								\$ 120,105.99
40	Verizon/ Frontier PEG	A FEB	100-21312													\$ -
41	Time Warner/Spectrum (PEG)	Q	100-21311		\$ 16,020.18			\$ 16,512.67								\$ 32,532.85
42	Time Warner/Spectrum (Basic)	Q	100-41213		\$ 80,100.89			\$ 82,563.33								\$ 162,664.22
43	Van Lingen Towing	M 10TH	100-46207	\$ 7,315.00	\$ 6,850.00	\$ 5,779.00	\$ 6,929.00	\$ 4,849.00								\$ 31,722.00
44	So Cal Edison	A APRIL	100-41213													\$ -
45	So Cal Gas	A APRIL	100-41213													\$ -
46	Plains West Coast Terminals	A APRIL	100-41213													\$ -
MISC. PAYMENTS																
47	Waste Mgmt-Recycle	A JUNE	510-46415	\$ 38,000.00												\$ 38,000.00
48	Waste Mgmt-CRC	M QUARTERLY	100-46412	\$ 18,594.78			\$ 15,609.58									\$ 34,204.36
49	Waste Mgmt-PointCare	M QUARTERLY	100-46451	\$ 417.85			\$ -									\$ 417.85
50	Mrs. June Mikrut	A AUG \$25	503-46402		\$ 25.00											\$ 25.00
51	Median-Hermosa Bch	A AUGUST	100-46421	\$ 2,402.04												\$ 2,402.04
52	Median-Redondo Bch	A AUGUST	100-46421	\$ 5,768.17												\$ 5,768.17
53	Panchos-Pkg Spaces	M 1ST	520-47301	\$ 975.00	\$ 975.00	\$ 975.00	\$ 975.00	\$ 975.00	\$ 975.00							\$ 5,850.00
54	Signals-Target	A DEC	100-46422				\$ 1,161.42									\$ 1,161.42
55	Fusion Sushi 270 Sq. Ft	M 20Th	100-42105	\$ 810.00	\$ 810.00	\$ 810.00	\$ 810.00	\$ 810.00	\$ 810.00							\$ 4,860.00
56	Summers 44 Sq. Ft.	A JULY	100-42105		\$ 1,584.00											\$ 1,584.00
57	Uncle Bills 195 Sq. Ft	M 1ST	100-42105	\$ 585.00	\$ 585.00	\$ 585.00										\$ 1,755.00
58	Ocean View 270 Sq. Ft	M 1ST	100-42105	\$ 810.00	\$ 810.00	\$ 810.00	\$ 810.00									\$ 3,240.00
59	Pier Telescopes	P Periodically	100-46501													\$ -
60	Legacy Inmate Comm	M 1ST	100-21402	\$ 4.38	\$ 42.29	\$ 106.38	\$ 6.90	\$ 21.28								\$ 181.23
61	Northrop Grumman	A JULY	100-42105			\$ 1,426.00										\$ 1,426.00
62	DBID - Dekralite (Annual Pmt)	M 1ST	10018721-5													\$ -
63	DBID - Farmers Market Parking	A FEB		\$ 1,651.97	\$ 1,437.55	\$ 1,437.55	\$ 1,437.55	\$ 1,437.55	\$ 1,437.55							\$ 8,839.72

A - Annual
 Q - Quarterly
 M - Monthly



**FY 2021/2022
City of Manhattan Beach
Miscellaneous Accounts Receivable
Aging Statistical Report**

Dollars

	Total AR	0-30	30-60	60-90	90-120	>120
July	960,320.81	109,641.70	570,516.27	28,368.50	2,409.46	249,384.88
August	996,712.59	202,756.42	451,214.06	54,618.81	47,203.38	240,919.92
September	789,272.11	125,959.85	38,706.90	401,838.87	29,938.21	192,828.28
October	775,267.14	166,246.96	159,672.65	72,893.50	197,824.43	178,629.60
November	644,221.31	85,358.11	171,932.64	21,602.40	72,893.50	273,783.83
December						
January						
February						
March						
April						
May						
June						
Partial						
Avg.	833,158.79	137,992.61	278,408.50	115,864.42	70,053.80	227,109.30

Percentages

	Total AR	0-30	30-60	60-90	90-120	>120
July	100%	11%	59%	3%	0%	26%
August	100%	20%	45%	5%	5%	24%
September	100%	16%	5%	51%	4%	24%
October	100%	21%	21%	9%	26%	23%
November	97%	13%	27%	3%	11%	42%
December						
January						
February						
March						
April						
May						
June						
Avg.	100%	16%	37%	20%	3%	25%



Agenda Item #: _____

Staff Report

City of Manhattan Beach

TO: Members of the Finance Subcommittee

THROUGH: Steve Charelian, Finance Director

FROM: Libby Bretthauer, Financial Services Manager
Emy-Rose Hanna, Revenue Services Supervisor

DATE: January 6, 2022

SUBJECT: Bad Debt Write-Offs to Collections from July 1, 2021 – September 30, 2021.

RECOMMENDATION:

Staff recommends that the Finance Subcommittee ratify the attached summary report of write-offs within the authority of the Finance Director (not to exceed \$5,000).

FISCAL IMPLICATION:

Financial Credit Network (FCN), the City's collection agency, is paid a commission based on the money collected. The commission percentage is 25% for regular collections or 35% for accounts requiring legal action. The agency provides an initial 15-day grace period. During that period any money collected by the agency will be remitted back to the City without charge.

BACKGROUND:

City Council approved a policy delegating write-off authority to the Finance Director for uncollectable accounts up to \$5,000. Write-offs of \$5,000 to \$10,000 require the approval of the Finance Subcommittee. Any write-off of uncollectable accounts greater than \$10,000 require City Council approval.

DISCUSSION:

The City reviewed outstanding accounts that were more than 120 days in arrears as of July 1, 2021 – September 30, 2021. The accounts listed below were within the \$5,000 signing authority of the Finance Director and have been sent to FCN for collection.

- Ambulance Billing: \$ 35,642.35 (July 1, 2021 – September 30, 2021)
- Utility Billing: \$ 7,169.22 (July 1, 2021 – September 30, 2021)
- Miscellaneous A/R None (July 1, 2021 – September 30, 2021)

The collection process begins once an account remains unpaid for 120 days or more. Once deemed uncollectable by City staff the appropriate authority is asked to approve the account for write-off, and then pertinent information is sent to the collection agency to begin their collection process. Depending upon time and effort, the collection agency may earn up to a 35% commission for the amount they collect.

The Finance Subcommittee receives periodic reports for ratification of all write-offs.

Attachments:

1. Memorandum: Summary of Write-Offs (not to exceed \$5,000 per line item) from July 1, 2021 – September 30, 2021



Memorandum

City of Manhattan Beach

TO: Steve S. Charelian, Finance Director

FROM: Libby Bretthauer, Financial Services Manager
Emy-Rose Hanna, Revenue Services Supervisor

DATE: January 6, 2022

SUBJECT: Write-Offs for Ambulance Billing, Utility Billings and Miscellaneous Accounts Receivables (July 1, 2021 – September 30, 2021)

In order to maximize revenues from delinquent account holders, the services of an outside collection agency is required. The City contracts with Financial Credit Network (FCN).

The City Council approved write-off limits are:

<u>Authority</u>	<u>Write Off Limits</u>
Finance Director	\$0 - \$5,000
Finance Subcommittee	\$5,001 - \$10,000
City Council	\$10,001+

The attached list of individual accounts, each more than 120 days past due, are all less than \$5,000 (the maximum allowable write-off limit set by policy for the Finance Director). After numerous attempts by City Staff to achieve collections in-house, the accounts remain unpaid. With approval by the Finance Director, we will send these accounts to the City's 3rd party collections company, Financial Credit Network (FCN). The grand totals for Ambulance and Utility Billing accounts for the period of July 1 through September 30, 2021, are below. There were no delinquent Miscellaneous Accounts Receivable accounts for this period.

	<u>Dollar Amount</u>	<u>Number of Accounts</u>
Ambulance Billing:	\$ 35,642.35	16
Utility Billing (Water & Refuse):	\$ 7,169.22	6

Attachments (Detailed Write-Off Reports):

1. Ambulance Billing
2. Utility Billing (Water & Refuse)



FY 2021/2022
City of Manhattan Beach
Detailed Write-Off Report

Period Covering July 1, 2021 - September 30, 2021

AMBULANCE BILLING ACCOUNTS					
No.	Account Number	Name	City	State	Balance
1	60482625	Blair	UNKNOWN	UNKNOWN	\$ 1,960.00
2	54713331	Bleasdale	MANHATTAN BEACH	CA	\$ 1,620.00
3	60933757	Bonitatibus	VERNON HILLS	IL	\$ 2,767.00
4	60610853	Caraballo	UNKNOWN	UNKNOWN	\$ 2,609.00
5	55282771	Gonzales	SAN ANTONIO	TX	\$ 2,570.00
6	60610849	Haock	UNKNOWN	UNKNOWN	\$ 1,695.00
7	60348419	Iod	UNKNOWN	UNKNOWN	\$ 1,838.00
8	60348421	Langland	LONG BEACH	CA	\$ 2,683.00
9	60828917	Orellana	UNKNOWN	UNKNOWN	\$ 2,778.00
10	60348405	Ortigia	UNKNOWN	UNKNOWN	\$ 2,683.00
11	50920652	Price	HAWTHORNE	CA	\$ 2,471.75
12	51796314	Reina	UNKNOWN	UNKNOWN	\$ 1,407.00
13	60282234	Scully	MANHATTAN BEACH	CA	\$ 2,664.00
14	57615105	Shay	MANHATTAN BEACH	CA	\$ 549.60
15	60348431	Villar	UNKNOWN	UNKNOWN	\$ 2,683.00
16	60418704	Watson	UNKNOWN	UNKNOWN	\$ 2,664.00
					\$ 35,642.35

Date: _____

Finance Director: _____



FY 2021/2022

City of Manhattan Beach

Detailed Write-Off Report

Period Covering July 1, 2021 - September 30, 2021

UTILITY BILLING ACCOUNTS

No.	Account Number	Name	City	State	Balance
1	77-0675011-05	WEBER	MANHATTAN BEACH	CA	\$368.50
2	63-0362031-14	CHIANESE	WARWICK	RI	\$370.67
3	51-0549500-04	BASKIN	MANHATTAN BEACH	CA	\$680.56
4	83-1453010-05	BROAD	REDONDO BEACH	CA	\$907.65
5	52-0646010-05	CONRAD	MANHATTAN BEACH	CA	\$2,299.05
6	98-0192010-05	KRE ADVISORS LLC	REDONDO BEACH	CA	\$2,543.49
					\$7,169.92

Date: _____

Finance Director: _____