

ANNUAL COMPREHENSIVE FINANCIAL REPORT



FISCAL YEAR ENDED JUNE 30, 2022
NORWALK, CALIFORNIA

CITY OF NORWALK CALIFORNIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

YEAR ENDED JUNE 30, 2022

NORWALK City Council

Rick Ramirez
Mayor

Ana Valencia
Vice Mayor

Tony Ayala
Councilmember

Jennifer Perez
Councilmember

Margarita L. Rios
Councilmember

Jesus M. Gomez
City Manager

Jana Stuard
Director of Finance/City Treasurer

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INTRODUCTORY SECTION

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December 22, 2022

**Honorable Mayor, Members of the Governing Council
and the Citizens of the City of Norwalk, California:**

The Annual Comprehensive Financial Report (ACFR) of the City of Norwalk, California, for the fiscal year ended June 30, 2022, is hereby respectfully submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that the City of Norwalk issue annually a report on its financial position and activities, and that this report be audited by an independent firm of certified public accountants.

REPORT PURPOSE AND ORGANIZATION

Purpose and Management Responsibility. This report consists of management's representations concerning the finances of the City of Norwalk (City). Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with the U.S. generally accepted accounting principles (U.S. GAAP).

Because cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Audited Financial Statements. The City's financial statements have been audited by Vasquez and Company LLP, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended June 30, 2022, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the overall accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended June 30, 2022, are fairly presented in conformity with U.S. GAAP.

The independent auditor's report is presented as the first component of the financial section of this report.

Organization. This report is presented in three sections: introductory, financial and statistical.

1. The **Introductory** section includes this transmittal letter and other information to familiarize the reader with the City: a directory of officials, the City's organization chart and organizational values.
2. The **Financial** section consists of five parts: the independent auditor's report; management's discussion and analysis; the basic financial statements; required supplementary information; additional statements and schedules for nonmajor governmental funds and internal service funds.
3. The **Statistical** section includes selected financial and demographic information, generally presented in multi-year basis.

Transmittal letter. U.S. GAAP require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). As noted above, the MD&A appears in the Financial Section. This letter of transmittal is designated to complement MD&A and should be read in conjunction with it.

"Single Audit" for Federal Grant Programs

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and legal requirements involving the administration of federal awards. This separately prepared report is available from the Finance Department upon request.

PROFILE OF THE CITY OF NORWALK

History. Norwalk, as we know it today, was once known as New River, Siete Alisos (Seven Sycamores), Sycamore Grove and Corazon de los Valles (Heart of the Valleys). Shortened to "Corvalles" by Easterners who had difficulty pronouncing the Spanish language, Norwalk actually carried a dual name for several years during the 1800's. Development in the community began in 1874 when railroad tracks crossed the "North-Walk" or "Trail from Anaheim Landing" for the very first time. Concurrently, the railroad surveyed a town site and established the "Norwalk Station." The town site was recorded in 1877 and Norwalk, California, was born.

At the turn of the century, Norwalk had become established as the dairy "Heart of the Valleys." It was also the home of some of the largest sugar beet farmers in all of Southern California during that era. As the years passed, the community continued to grow. Over 50 years later, the need for control over local affairs became so great that a special incorporation election was called.

On August 26, 1957, Norwalk was certified by the Secretary of State as California's 15th largest city. The City is 9.8 square miles in area with a current population of 101,645. Operating as a General Law City, Norwalk is governed by a five-member City Council, which sets policy under the Council-Manager form of government.

Geography and Climate. Located in the midst of some of Southern California's most accessible highways in the greater Los Angeles area, and located only 17 miles southeast of Los Angeles, the City has become one of the most rapidly developing and growing communities anywhere in the state of California. The City is approximately 95 feet above sea level, has an average temperature of 63 degrees, and averages an estimated 10 inches of rainfall per year.

The City sits at the heart of an expanding regional transportation network that is an outstanding convenience to residents that work anywhere in Los Angeles or Orange Counties. The community is served by four freeways: the 91 (Riverside) Freeway borders the City to the south, the 605 (San Gabriel) Freeway is at the City's western border and the Interstate 5 (Santa Ana) Freeway passes through the community and Interstate 105 (Century) Freeway which runs from Norwalk to the Los Angeles International Airport, thereby providing additional access to even more important business and recreational points throughout the Los Angeles County (the County). Two commuter rail lines serve Norwalk: the Metro Green Line, with connections to downtown Los Angeles, Long Beach, and LAX; and the MetroLink system, with connections to Orange, San Bernardino, Ventura, Riverside, San Diego counties, and the Union Station in the County. Norwalk's access to regional transportation is unparalleled in the County.

City Services. The City is a contract city which provides various municipal services to its residents: street maintenance, public transportation, recreation, planning, landscape/park maintenance, lighting, as well as various youth, senior and other community service programs. The City contracts for services in law enforcement with the County Sheriff's Department and for fire protection services with the County Fire Department. Library, sanitation, and health services are provided by the County and County assessments districts.

The Norwalk Transit System (NTS) provides fixed route and Dial-A-Ride service to the City and surrounding communities. Currently, the fixed route service consists of routes that service the City and adjacent communities, the Santa Fe Springs Tram and rail feeder shuttle service. The NTS Route 4 rail feeder shuttle service provides a direct connection between the Norwalk Santa Fe Springs Transportation Center (Metrolink Commuter Rail Station) and the Metro Green Line Studebaker Station (Light Rail). In November 1974, NTS's demand-responsive transit service for persons with disabilities was initiated. Dial-A-Ride service is available for persons with disabilities and senior citizens.

Social Services Department provides another distinctive City service. The City is among the very few cities that have a Social Service Department offering a wide range of emergency and support services to residents in crisis situations. Services include information and referral, assistance with completion of forms (DPSS, EDD, Medical, Jury Summons, Social Security, Housing, etc.), immediate emergency food and shelter assistance, emergency transportation, senior daily nutrition program, child care and dental care programs for children of low-income families, and special events. The goal is to assist those whose resources have been exhausted, stabilize their situation, and seek long-term solutions.

The City's Recreation and Park Services Department provides residents with a variety of year-round recreational activities and boasts several outstanding facilities. Additionally, City Parks system consists of 14 public parks and a total of 93.5 acres of open space. Some of the more distinguished facilities include a state of the art Aquatic Pavilion, located in Norwalk Park, and featuring a competition and lap pool, wading pool, and picnic areas. The 72,000 square foot Norwalk Arts & Sports Complex has a modern fitness center, full-size basketball gym, racquetball/handball courts, youth activity room, boxing gym, full-service banquet and meeting

facilities, classrooms, and the Mary Paxon Art Gallery. These and other amenities are available to residents from January through December.

THE REPORTING ENTITY

The financial reporting entity (the government) includes all the funds and account groups of the primary government (i.e., the City of Norwalk, California, as legally defined), as well as all of its component units. Component units are legally separate entities for which the primary government is financially accountable. The government provides a full range of services, including public safety and contracted police protection; sanitation and water services; the construction and maintenance of highways, streets and infrastructure; housing and social services; and recreational and cultural events.

The City component units are the Norwalk Housing Authority and the Norwalk Community Facilities Financing Authority. Since City Council serves as the governing board for these component units, all of the component units are considered to be blended component units. Blended component units, although legally separate entities are, in substance, part of the primary government's operations. Accordingly, the component unit's financial activities have been included in the appropriate combining schedules.

Norwalk Housing Authority

The Norwalk Housing Authority was established in 1976 to provide safe, sanitary and decent housing to low-income residents. With funding provided by the U.S. Department of Housing and Urban Development, the Housing Authority administers the Housing Choice Voucher Program, offering rental assistance to approximately 604 households, and the Family Self-Sufficiency Program, which assists rental assistance recipients with achieving economic self-reliance.

Successor Agency to the Norwalk Redevelopment Agency

Pursuant to AB 26 X1, the Redevelopment Agency was dissolved as of February 1, 2012 and the Successor Agency was constituted. The City became the successor agency to the former Norwalk Redevelopment Agency's housing and non-housing activities. The Successor Agency's assets and liabilities are reported under City's fiduciary funds.

Norwalk Community Facilities Financing Authority

The City Council approved the creation of the Norwalk Community Facilities Financing Authority in August of 1989. It provides a tool the City may use to arrange favorable bond financing for construction of community facilities. Under this concept, the Authority provides a single agency, which may combine current and future revenue streams of various City agencies. The combined revenue streams provide the funds needed to meet debt service requirements for bonds, which may be issued.

FINANCIAL CONDITION OVERVIEW

Financial results for the year compare favorably with budget estimates in virtually all areas of the City's operations. For General Fund, financial results for the year were on target for revenues, and better than estimated for expenditures and other sources.

This results in an ending General Fund unassigned fund balance of \$23.4 million, which is \$10 million higher than budgetary estimates and it is \$2 million higher than the interim results reported to the City Council in June 2022. It also complies with the City's policy of maintaining a minimum unassigned General Fund balance that is at least 20% of operating expenditures.

The City's conservative approach in budgeting for revenue and a stringent expenditure policy has positioned the City in a sound financial standing to weather economic uncertainties. City management continues to strive to manage unanticipated economic fluctuations by working towards an adequate reserve accumulation, renewed focus on a proactive economic development effort, and a continued focus on human development effort to reshape and retrain its work force to keep up with the changing times.

The City's fiscal year 2022-23 adopted operating budget continues to be both balanced and fiscally responsible. This spending plan maintains essential services for the community and continues to look for means to stimulate local economy through various development and beautification projects throughout the City.

MAJOR ACCOMPLISHMENTS FOR THE YEAR

Public Safety:

- Public Safety Officers responded to and handled approximately:
 - ✓ 15,197 calls for service and incidents. The types of calls and incidents range from illegal parking and abandoned vehicles to graffiti incidents, Sheriff's Department assistance and resolving safety hazards or quality of life issues in neighborhoods, parks and shopping centers. Many times, Public Safety Officers are able to address a matter in lieu of Sheriff's resources being called out.
 - ✓ 18 crime scenes to provide latent fingerprinting services resulting in numerous criminals being identified and apprehended. The involved crimes include burglaries, robberies, stolen vehicles and thefts.
- Public Safety Officers assisted in recovering 199 reported stolen vehicles, and assisted Norwalk Sheriff's Department with 149 traffic collisions incidents. Public Safety's assistance with traffic collision incidents included securing the scene, establishing a safety perimeter, traffic control, and writing traffic collision reports.
- A total of 4 Virtual Neighborhood Watch meetings were conducted with participation of the Norwalk Sheriff's Department to give residents an opportunity to meet with Public Safety and law enforcement officials virtually to learn about various services and share concerns.
- A total of 25 virtual cadet meetings were completed at the beginning of the year but in-person meetings resumed in July 2022. The cadet post has grown back to approximately 14 cadets. The program provides youth with insight on law enforcement operations, career exploration, and educational workshops.
- Hosted 5 Community Clean-up events. The community gathered to clean Front Street between San Antonio Drive Funston Avenue, Firestone Boulevard between San Antonio Drive and Pioneer Boulevard, Holifield Park, a portion of the 605 Freeway at Rosecrans Avenue, and Hoxie Avenue between Imperial Highway and Downey-Norwalk Road.
- Hosted 3 "Coffee with Cops" events where community members are able to mingle and speak to law enforcement officers in a relaxed, comfortable environment. The event strengthens the public's trust in their law enforcement agencies.
- Public Safety officers participated in their annual Christmas Toy Giveaway event and visited all of Pre-K programs in the city and distributed stuffed dogs to the children.

- Public Safety hosted their first Clergy meeting to promote collaboration and partnership between all of the various houses of worship in the City. Department had four meetings in 2022 and the group is beginning to grow and build cooperation.
- In an effort to curb and reduce the incidents of car thefts in the City, Public Safety distributed over 200 steering wheel locks free to Norwalk residents. The department held two events and passed out over 200 devices.

Public Services:

- The City was designated a Tree City USA for the 8th year by the National Arbor Day Foundation for its dedication and solid commitment to Urban Forestry. The City also received a Tree City USA Growth Award, which recognizes an increased commitment to urban forestry through innovative programs and projects.
- To bring attention to Breast Cancer Awareness month, staff changed landscape lighting and placed wooden pink ribbons at various facilities and all City entry monuments.
- Tree/Greenscape Division and Emergency Duty personnel staff completed annual mandatory chainsaw and chipper training. Parks Landscape and Facilities Maintenance completed Pesticide Safety Training.
- On-call Emergency Duty training was conducted for Public Services staff. The training resulted in updates and revisions to the Emergency Duty Manual.
- Completed additional tree planting as part of part of the I-5 freeway mitigation program. Fruit tree distribution also took place at a summer concert.

Facilities

City Hall

- Painting of offices throughout the building was completed.
- Work on landscape areas within the courtyard and the parking lot.
- Updated equipment for access control system.
- Phase I of upgrade project for parking structure LED lighting.

Transportation/Public Services Facility and Metrolink Station

- Slurry-sealed the first floor of the parking structure.
- Replaced EV charging station equipment due to theft of wiring.
- Updated parking lot lighting to LED on SFS side of parking lot.

Norwalk Arts and Sports Complex/Cultural Art Center/Aquatics Pavilion

- Skylight above the foyer between the Founder's room and Sproul room at the Community Meeting Center was replaced.
- Refurbished weight room flooring and equipment due to fire system leak/damage.
- Refinished gym hardwood floor due to damage.
- Upgraded Cultural Arts Center alarm system.

Parks

- Landscaping in City parks were updated as needed.
- Laser leveling of infields was completed at Hermosillo, Zimmerman, Lakeside, Gerdes and Ramona Parks.
- Sand pits at various parks were rebuilt and filled.
- Lighting was updated to LED at several parks.
- Lakeside Park – Review began for installation of LED ballfield lighting. The snack bar was prepped and painted for baseball league season.

- Bob White Park – A grant was received through Prop 68 – Allocation for the installation of a dog park and restroom facility.
- Holifield Park – repaired lighting that was vandalized throughout the park.

Trees/Greenscape

- Trimmed approximately 5,700 trees in three zones as part of City's three year trimming cycle.
- Responded to 1,647 residential requests for tree related concerns including: inspections, roots, trimming, and/or planting.
- Removed 113 trees in response to addressing hazards or nuisance conditions.

Graffiti

- Removed graffiti from over 3,575 locations citywide, as follow-up to requests received from the community.

Streets

- Responded to 613 sidewalk, curb & gutter and pothole requests.
- Responded to 252 community requests for pickup of litter/illegally dumped items in right-of-way.
- Completed annual citywide Sidewalk Concrete Repair and Replacement Project - Repaired concrete including curb and gutter, sidewalks, and drive aprons raised by tree roots in several City zones.

Traffic

- Replaced 112 signs, installed Vis-Z-shields and square posts citywide.
- Painted:
 - ✓ 2,500 square feet of stop bars and crosswalks citywide.
 - ✓ 15,600 linear feet of red curbs citywide.
 - ✓ 500 square feet of bullnoses citywide.
 - ✓ 175 linear feet of barrier lines citywide.
- Completed a variety of Engineering Department work orders for traffic control and signage.
- Installed seasonal banners, military banners, college banners, high school banners, event banners, and American flags.
- Painted Hermosillo Park sand bag area and parking stalls.
- Painted Sports Complex parking stalls.
- Painted electric bus stalls.
- Set out street improvement signs in zones requested by Engineering Department.
- Deployed message boards throughout the City for a variety of notifications, including COVID restrictions and 4th of July fireworks fines.
- Set up no parking, traffic control, and signage for multiple City events.
- Set up and replaced COVID testing signage on multiple occasions.
- Addressed Gridley Road and Elmhurst Street guardrail on multiple occasions.

Signals/Street Lights

- Replaced 26 street light poles citywide that had been knocked down due to accidents.
- Assisted Engineering Division with multiple signal/street/fiber optics improvement projects.

Water/Sewer

Operations and Maintenance:

- Completed annual cleaning of 1/2 of the City's sewer system.
- Completed annual CCTV sewer line inspection program.

- Initiated development/update of Norwalk Municipal Water System Operations and Maintenance Manual.
- Replaced 25 water meters as a part of annual water meter replacement program.
- Responded to ten (10) emergency water main leaks and one-hundred and thirty-six (136) service connection leaks.

Completed Capital Projects:

- Project No. 7438R1 - Completed replacement of a 338 existing water meters, meter boxes, and meter box lids, 8 service laterals, and restoration of streets, curb, gutter, and sidewalk.

Status of on-going/carried-over projects:

- Project No. 7442 – Awarded and waiting on construction commencement for 8”-12” water pipeline project.
- Project No. 7449 - Continued working on the design of 8” water pipeline project.
- Initiated work for the Sanitary Sewer Management Plan update.
- Continued to work on process for the Water Master Plan Update to initiate system improvements for the Norwalk Municipal Water System.
- Continued to work on RFP process for the Sewer Master Plan Update to initiate system improvements for the Norwalk Municipal Sewer System.
- Continued to work on updating standard details for public works construction.
- Continued to work with consultants to complete SCADA system design work.
- Project 7359 - Received approval of \$8.5 million grant application for Prop 68 – Hermosillo Park. RFP for final design to be released October 2022.

Engineering

Completed Capital Projects:

- Project No. 3302 21-22 - Annual Citywide Sidewalk Concrete Repair and Replacement Project - Repair and replacement to concrete curb and gutter, sidewalks, and drive aprons raised by tree roots in over four (4) City Street Maintenance zones. (Sidewalk = 9,625 sf; Drive Apron = 1,426 sf; Curb and Gutter = 3,388 lf; Asphalt Paving = 214 sf; and ADA Ramps = 6 each).
- Project No. 7798 - Slurry Seal Coating - Pavement improvements, new striping and new signage for the ground level parking of the Public Services/Transportation Center parking structure and Electric Vehicle Charging stations parking area.
- Projects No. 7924.2 and No. 7924.3 - Paving Improvements in Zone 24 (bounded by Rosecrans Ave. to the north Carmenita Rd. to the east, and triangulated by the I-5 Freeway to the south). The Zone also includes miscellaneous streets - Kenney St. from Studebaker Rd. to Orr and Day Rd. and Benfield Ave. north of Imperial Hwy. Various types of paving improvements were made with rubberized asphalt repaving and seal coatings. Approximately 4.7 miles of paving was completed in Zone 24, with improved painted crosswalks
- Projects No. 7925.2 and No. 7925.3 – Paving Improvements in Zone 27 (bounded Excelsior Drive to the north, Pioneer Blvd. to the east, Alondra Blvd. to the south, and Gridley Rd. to the west). Approximately 5 miles of streets in Zone 27 were completed by repaving with rubberized asphalt, with improved painted crosswalks.
- Projects No. 7926.2 and No. 7926.3 – Paving Improvements in Zone 32 (bounded by Alondra Blvd. to the north, Norwalk Blvd. to the east, 166th St. to the south, and Pioneer Blvd. to the west). Approximately 7 miles of streets in Zone 32 were completed by repaving with rubberized asphalt, with improved painted crosswalks.

- Project No. 7930 - Local Street Rehabilitation - Replacement of slotted cross gutters to current standards, installation of corner access curb ramps, replacement of concrete curb and gutter, sidewalks, and drive aprons, and improvement of the roadway pavement within a portion Pavement Management Zone No. 28, bounded by Hopland Street, Norwalk Boulevard, Alondra Boulevard, and Pioneer Boulevard. Specific streets within the zone were the entire lengths of Clarkdale Avenue from Hopland Street to Alondra Boulevard, Hayford Street, Nava Street, and Lowemont Street; and Elaine Avenue and Horst Avenue, from Lowemont Street to Alondra Boulevard.
- Project 7857 - Completed construction for Environmental Enhancement Mitigation Program (EEMP) grant to rehab medians on Firestone Blvd., Imperial Hwy., and Rosecrans Ave.

Status of On-Going/Carried-Over Projects:

- Project No. 7185 – Shoemaker Ave. - Construction of new alignment of entry/exit ramp onto Shoemaker Bridge over I-5 Freeway completed. The improvement also involves landscape features on the raised median with planting of colorful drought tolerant groundcovers, ornamental grasses, and shrubs. Landscaping is estimated to be completed by early 2023.
- Project No. 7232 - Traffic Signal Improvements for Alondra Blvd. (between Home Depot Signal and Shoemaker Ave). – Plans and Specifications have been completed and construction documents have been packaged and submitted for solicitation of construction services. Bid opening is scheduled in September 2022 and construction is estimated to start in January 2023.
- Project No. 7233 - ITS Improvements for Firestone Blvd. (between Target Downey and Rosecrans Ave). – Plans and Specifications have been completed and construction documents have been packaged and submitted for solicitation of construction services. Bid opening is scheduled in September 2022 and construction is estimated to start in January 2023.
- Project No. 7234 - Traffic Signal Improvements for Studebaker Rd. (between Kenney St. and Rosecrans Ave). – Plans and Specifications have been completed and construction documents have been packaged and submitted for solicitation of construction services. Bid opening is scheduled in September 2022 and construction is estimated to start in January 2023.
- Project No. 7237 - Traffic Signal Improvements for Pioneer Blvd. (between 166 St. and Lakeland Rd.) – Procurement of design services in progress. Design effort are scheduled to start in October 2022 and be completed in an accelerated plan of six months (approx. April 2023). Procurement for construction services will proceed immediately following completion of construction documents.
- Project No. 7238 - ITS Improvements for Pioneer Blvd. (between 166 St. and Lakeland Rd.) – Procurement of design services is currently in progress. Design effort are scheduled to start in October 2022 and be completed in an accelerated plan of six months (approx. April 2023). Procurement for construction services will proceed immediately following completion of construction documents.
- Project No. 7239 - Traffic Signal Improvements for Norwalk Blvd. (between 166 St. and Lakeland Rd). – Procurement of design services is currently in progress. Design efforts are scheduled to start in October 2022 and be completed in an accelerated plan of six months (approx. April 2023). Procurement for construction services will proceed immediately following completion of construction documents.

- Project No. 7240 - ITS Improvements for Norwalk Blvd. (between 166 St. and Lakeland Rd.) – Procurement of design services is currently in progress. Design effort are scheduled to start in October 2022 and be completed in an accelerated plan of six months (approx. April 2023). Procurement for construction services will proceed immediately following completion of construction documents.
- Issued total of 734 permits:
 - ✓ 368 Encroachment-Excavation Permits
 - ✓ 235 Traffic Control
 - ✓ 75 Trash Bins
 - ✓ 53 Oversized Vehicles
 - ✓ 3 Street Closures(Block Parties)

Social Services:

Department was involved in various programs and activities:

- Pandemic Assistance – families deeply affected by COVID-19 continue to benefit from resources to cover for rent, utilities, food, or funeral costs. Provided referrals to outside agencies with additional resources.
- March Madness Food Drive – Second citywide food drive competition, “March Madness” style. Departments competed towards the same goal in mind, to gather the most food donations for a great cause.
- Annual Blood Drive – In partnership with The American Red Cross held its annual Blood Drive. Blood Drive was a success bringing in 31 volunteers to donate and help save lives.
- Mammograms - This year Social Services in partnership with Alinea MEDICAL IMAGING hosted three mobile mammography events. In total, 104 women have benefited from these events.
- Greater LA Homeless Count – In partnership with LASHA, the City of Norwalk gathered over 50 volunteers to go out and count our homeless neighbors in February. This event helps quantify the amount of people experiencing homelessness in the City.
- Health on Wheels - In partnership with Norwalk-La Mirada Unified School District, Kaiser Foundation Hospitals, California State University Long Beach Foundation and Public Safety worked to support the Health on Wheels Program, which provides mobile health care service to children attending district schools in the City.
- Harvest Relief Food Donation Program - Program partners: Olive Garden, Pizza Hut, and McDonald’s. Families and individuals experiencing homelessness or food insecurities benefit from these donations.
- Thanksgiving Food Baskets - The annual Thanksgiving Food Basket Program provided 175 families experiencing financial hardships food to place at their dinner table for thanksgiving.
- Angel Tree - City employees and community leaders volunteered to assist in delivering over 800 gifts to children in Norwalk.
- Youth & Family Intervention – staff met the communities needs post COVID-19 using intake assessment, treatment planning, case management, crisis intervention, youth counseling group (WINGS), Parent Project, drug counseling (WINGS), linkage to drug testing, linkage to therapy, linkage to family therapy, and community engagement.
- Welcomed Support Groups – Post COVID-19, Norwalk Social Services opened its doors once again to support groups. Groups being hosted at Social Services: Eleat Narcotics Anonymous, CEA-HOW, Promotores, DMH, PATH, Al-Anon, Alcoholics Anonymous, LADY, NAMI, and Legal Aid.

- LADY Program – City of Norwalk obtained a grant from the California Commission on the Status of Women and Girls. The grant is being used for a mentoring program to assist young women ages 15-23 who have been affected by COVID-19, and find themselves are struggling with any of the following: financial stability, relationships, mental/health challenges, education and personal growth. The program focuses on dealing with these issues through a series of workshops, excursions and one-on-one mentoring.

Senior Center Events and Classes

- Increased in house programming:
 - ✓ Mixers: St Patrick's Day, Spring Mixer, Start of Summer Mixer, End of Summer BBQ and Dance, Casino Night Mixer, Mother's Day Spring Tea and Fashion Show, and Father's Day Fest and Car Show
 - ✓ Innovative programming: Amazing Race around the Senior Center, Spring Egg Hunt, and Walk Around the City of Norwalk Scavenger Hunt
 - ✓ Cultural Activities: Cinco De Mayo, 16th of September, Day of the Dead Ofrenda, Memorial Day Display, 4th of July Celebration, Piñata Making
 - ✓ Game Nights: Trivia Night and Loteria
 - ✓ Fine Arts: Senior Center Art Show, Fine Arts Class
 - ✓ Food Crafts: Par-Cakes, Over the Rainbow Treats, Spring Caterpillar Treats
 - ✓ Arts & Crafts: Wine Bottle Painting, Spring Wreath, Summer Sand Craft, Patriotic Bird House, and Paint Night
 - ✓ Movie Nights
 - ✓ Cerritos College Classes return to in person
 - ✓ Veteran's Activities
 - ✓ Beat the Heat Cooling Station - average of 40 seniors a day came to cool off during heat wave
- Senior Center Attendance - Daily average of 200 seniors visit the Center - Spending over 176,000 hours in classes, nutrition, events, senior social services, and socializing
- Senior Center Projects
 - ✓ Upgraded kitchen by replacing industrial ice machine, freezer, and refrigerator
 - ✓ Replaced four drinking fountains with new one that allow free water refill, and encourages the use of reusable drinking flask
- Senior Case Management - Over 250 hours of Senior Supportive Program Case Management services were provided to seniors. Caseworkers assisted over 6,000 clients through case management to allow seniors to sustain their independence of living in their homes; conducted 255 home visits to check on the welfare of senior patrons.
- Conducted virtual conference calls and in person Social Services seminars to provide seniors with important support and information.
- Senior Services – held various meetings: weekly mental health support group meetings, bi-monthly CalFresh Assistance, monthly Health Insurance Counseling and Advocacy Program, Home Improvement Program, various seminars
- Conducted myriad of seminars and events related to Health and Safety:
 - ✓ A New Year, A Healthier You
 - ✓ Stroke/Healthy Hearts
 - ✓ Covid-19 and Our Emotional Well-being
 - ✓ Senior Fraud Prevention
 - ✓ Closing the Gap in Medicare Coverage
 - ✓ Anxiety Disorders
 - ✓ Senior Safety Program: Pedestrian Safety
 - ✓ Aging and Vision Loss
 - ✓ Hoarding

- ✓ Veterans' Services
- ✓ Planning for the Future-I have 5 wishes
- ✓ Senior Safety Program: Bullying
- ✓ Heart Health
- ✓ Taking Care of Business
- ✓ Living better with Arthritis
- ✓ COVID-19 Emotional Health and the Brain
- ✓ Food Demonstrations
- Screenings
 - ✓ Dental Screening
 - ✓ Hearing Aid Cleaning
 - ✓ Bone Density
 - ✓ Blood Pressure
 - ✓ Vision Screening
 - ✓ Blood Sugar
 - ✓ Carotid Artery
 - ✓ Thyroid
- Senior Nutrition Program:
 - ✓ Serviced over 400 seniors in nutrition program
 - ✓ Congregate Meal Delivery - over 8,600 clients served, 24,400 meals
 - ✓ Home Delivered Meal Program - over 70,000 meals delivered or served to seniors, over 35,000 miles driven for meal deliveries, over 3,000 welfare calls conducted between.
- Child Care Program:
 - ✓ Serviced an average of 675 children per month.
 - ✓ \$162,500 in family fees were waived to assist parents during the pandemic
 - ✓ Paid out \$385,800 in provider stipends to assist them in maintaining their business
 - ✓ Paid out \$6 million to child care providers
 - ✓ Increased funding for FY 2022/2023 by over \$1.1million, to include additional funds to enroll families into our low income Alternative Payment program.

Parks and Recreation:

- Special Events – department organized variety of special events:
 - ✓ Las Posadas Event - hosted as a drive-through for over 400 residents to have an opportunity to pick up a box of candy, churros, and tamales.
 - ✓ Artastic - Community Art Competition & Scholarship Program hosted the 11th annual program at the Cultural Arts Center. Over 100 students participated in the Community Art competition. The winners of the competition were awarded over \$600 in art scholarships. The Art Walk showcased 25 new and returning artists. The “CAC Art Box” also showcased 20 different artists in the Mary Paxon Art Gallery.
 - ✓ The Eggstravagant Event and Egnormous Egg Hunt - hosted after a two-year hiatus caused by the pandemic. Approximately 3,500 youth participated in the egg hunt, games booths, and other attractions.

- ✓ Summer Concerts - six concerts were offered on Wednesday evenings at the City Hall Lawn in July and August. About 800-1,500 people were in attendance weekly. The Night Market was a new addition to the concert series offering a wide variety of food trucks, food booths, and multiple vendors.
- ✓ The Halloween Festival - hosted at three locations in different areas of the City on Saturday, October 29, 2021. Each location offered food trucks, game booths, attractions, a DJ for entertainment, a costume contest, and car clubs that participated for a trunk-or-treat.
- Special Programs:
 - ✓ Teen Alliance Program (“TAP”) - about 393 registered members in TAP youth program assisted with multiple departmental.
 - ✓ Summer Youth Leadership Program – After a rigorous review of 73 applicants, 54 teens were selected to participate in the Summer Youth Leadership Program, which employs teens and places them in various City Departments every summer. This program has been successful in offering permanent job opportunities in several departments that include Public Services, Public Safety, and Recreation.
 - ✓ Summer Lunch Program – staff served over 2,000 lunches to local youth.
 - ✓ Beach Bus – organized a trip to Knott’s Soak City trip for 45 youth participants.
 - ✓ Day Camp - Re-opened at limited capacity for two weeks (July 2021). Opened for nine full weeks. Increased capacity from 36 per week (pre-covid) and 20 (2021) to 40-42 (July 2022).
 - ✓ Returned to off-site excursions with chartered transportation (July 2022).
 - ✓ Resumed partnership with subsidized child care. Increasing participation from three participants (2021) to 9 participants (2022).
 - ✓ Toddler Town - increased enrollment to accommodate community interest. Re-opened with 12 participants per class (July 2021), increased to 26 participants per class (June 2022).
- Adaptive Recreation:
 - ✓ Returned to in-person meetings at limited capacity (July 2021).
 - ✓ Returned to week day after school program (September 2021).
 - ✓ Increased enrollment in evening programs from an average of 7 participants to 15 participants in (Sept-2021 through June 2022).
 - ✓ Returned to in-person Summer Day Camp with an onsite, limited capacity program for one week (July 2021).
 - ✓ Increased Summer Day Camp program to three weeks with an increase in participants (8 week-one, 15 week-two, 10 week-three) with off-site excursions all three weeks. (July).
- Museums:
 - ✓ Reopened Hargitt House with a Tea Time and Grand Re-Opening event.
 - ✓ Resumed twice monthly tours at Hargitt House Museum.
 - ✓ Held Hargitt’s annual Ice Cream Social
 - ✓ Nights Out at the Park Series - A variety of new events were held at various park locations throughout the year, in efforts to provide more programming and activities at our staffed park sites.
 - ✓ Bingo Night- Recreation hosted its first Bingo Night at Glazier Park which included an evening of playing 10-15 rounds of bingo along with prizes and snacks.

- ✓ Holiday Movie Night – The City held its first outdoor Holiday Movie at Glazier Park with an estimated 150 attendees. A double feature included “Frosty the Snowman” and “Elf” Event included photo booth, crafts, games and complimentary hot chocolate and cookies.
 - ✓ Bunny’s Glowfest – This inaugural event was held at Sara Mendez Park and included the City’s first glow in the dark egg hunt. Community members enjoyed a photo booth, field games, and arts & crafts along with a dance party with the Easter Bunny. Over 75 people enrolled for the event, and many more were placed on a waitlist due to the highly anticipated event. The post-event Thank You Reel on Instagram had over 1,000 views.
 - ✓ (Family Paint Night – The City hosted the first outdoor family paint night at Sara Mendez Park with 58 registered participants. The event included a step-by-step instruction along with refreshments, music, and raffles prizes.
- Park Reservations
 - ✓ Resumed in-person park reservations at full capacity at Gerdes Park and Sara Mendez Park. The City saw an average of four reservations per month.
- Norwalk Arts & Sports Complex
 - ✓ Hours of Operations
 - (July 2021-Mar 2022) - Reopened at limited capacity with operating hours of 9 a.m.- 7 p.m. Members enjoyed access to the NASC fitness Center, Racquetball Courts, and Basketball Gymnasium.
 - (Mar-June 2022) - Returned back to normal capacity with operating hours of 9 a.m.-9 p.m.
 - ✓ Contract Classes
 - (Oct-Dec 2021) - Reopened contract classes at limited classes: Young Champions Karate, Tae Kwon Do, Zumba, Folklorico Dance, Kids Talent Academy, Aztec Dance, Piano/Keyboarding, Guitar, located at Gerdes Park.
 - (Jan-Jun-2022) - Reopened contract classes at normal capacity: Young Champions, Tae Kwon Do, Ballet Folklorico, Zumba, KTA, Aztec Dance, Belly Dancing, Yoga, Lighthouse Sports Center LLC, Gymnastics, Guitar, Piano, and Salsa & Bachata at limited capacity.
 - ✓ Facility Reservations
 - (July 2021-Dec 2021) - Returned with limited capacity hosting two weekend reservations a week: Sproul Community Center, Multi-Purpose Room (MPR), Outdoor Courtyard, Outdoor Terrace, and the Sproul Reception Center (BARN)
 - (Mar-Jun 2022) - Returned to normal capacity hosting reservations Monday-Sunday: Sproul Community Center, Multi-Purpose Room (MPR), Outdoor Courtyard, Outdoor Terrace, and the Sproul Reception Center (BARN)
 - ✓ Boxing Program
 - (Mar-Jun 2022) - Returned back with limited capacity. Program offers youth and adults an opportunity to learn boxing techniques and conditional skills.
- Norwalk Aquatic Pavilion
 - ✓ (Sept 2021-Jun 2022) Aquatic programs returned back with limited capacity Adult Shallow & Deep Water Aerobics and Stingrays program.

Community Development:

Administration and Economic Development

- The City of Norwalk was a finalist for the Los Angeles County Economic Development Corporation's Most Business-Friendly City Award which recognizes local cities that foster the creation and growth of enterprises that provide good jobs and build wealth for their communities.
- Managed all department agreements and budget to facilitate all division activities and objectives.
- Issued department-wide requests for proposals for a variety of services, including the Heart of Norwalk Specific Plan and Environmental Impact Report Services and Project Management Services.

Planning

- Planning Division staff assisted 1,284 customers at the planning counter and responded to 1,566 email inquiries about zoning requirements, including processing administrative approvals, such as 51 Home Occupation Permits, 3 Temporary Sign Permits, 11 Director Approval Requests, and 800 plan checks.
- Planning Division staff processed 16 entitlements, including 1 Conditional Use Permit, 1 Sign Use Permit, 4 Precise Development Plans, 1 Development Agreement, 2 Lot Line Adjustments, 3 Lot Mergers, 1 Zone Change, 1 Wireless Telecommunications Permit, and 1 Zoning Code Update.
- Actions that were considered by the Planning Commission and City Council include: the Housing Element Annual Progress Report, which was transmitted to the State Department of Housing and Community Development (HCD) and to the Office of Planning and Research (OPR), a Zoning Code Update to streamline certain entitlements, and adoption of the Heart of Norwalk Vision Plan to increase economic development activity.
- Adopted ordinance No. 22-1731 – Amending the Code adding new and amending current standards for foreclosed and abandoned properties.

Building and Safety

- Building and Safety (B&S) Permit Technicians assisted homeowners, developers, contractors and professional designers on a daily basis with inquiries about obtaining permits, and submitting new plans. This resulted in a total project valuation of approximately \$191,376,108.
- Answered calls and emails on a daily basis and assisted the public with inquiries related to B&S.
- Issued 3,480 permits for building, electrical, mechanical and plumbing projects.
- Coordinated with Code Compliance and other agencies, prepared agency referral documents, collected fees for permits. There were close to 942 plan reviews performed for both Residential and Commercial buildings.
- Building Inspectors:
 - ✓ On a daily basis, performed inspections of both commercial and residential building construction to ensure compliance with various Building Codes and with the approved plans. Interacted with contractors, homeowners, and developers and assisted them with building related code questions. They performed over 4,644 inspections related to structural, electrical, mechanical and plumbing plans.

- ✓ Responded to emergency situations on weekends and after hours related to fire, car accidents involving crashes into an existing building. Coordinated with Code Compliance on a daily basis regarding various code violations
- Building Plan Check Engineering:
 - ✓ Performed 942 plan checks for both Residential and Commercial buildings. Plans included new Accessory Dwelling Units (ADUs) and conversion of existing garages, new Single-family residences, Multi Family dwellings, Room Additions to Single-family residences, Interior Remodeling, Solar Panels for both Residential and Commercial. Pools, Retaining Walls, Building signage, Tenant Improvements for Restaurants and for office buildings. Construction of wireless monopole and storage racks in existing warehouses.

CDBG and HOME programs

- Rehabilitated 26 homes for low-income households using CDBG and HOME funds by providing \$400,110 of grants and loans.
- Completed development and adoption of the 2022 Annual Action Plan.
- Provided job-training scholarships to 11 students in the community.
- Completed monitoring of 115 deferred loans under the Home Improvement Program and down payment assistance program and three (3) Neighborhood Stabilization Program (NSP) loans. The monitoring included a homeowner certification and proof of owner occupancy and monitoring of taxes, insurance and title. NSP monitoring also includes property inspections.
- Commenced three (3) CHDO rehabilitation projects at Angell St., Maidstone Ave. and Thornlake Ave. with HOPE Inc. that will house nine individuals with special needs.
- Provided three businesses and 38 households with over \$180,000 in assistance through the Emergency Rental Assistance Program using CDBG-Covid-19 funds. Of those, 14 households also received utility assistance.
- Completed CIP #7930, which consisted of street rehabilitations, curbs, gutters and side repairs in CDBG Tract No. 5526 for \$1.2 million.
- Assisted 135 households with conflict resolution, legal aid, small claim court cases, landlord/tenant problems & discrimination complaints through the Fair Housing Foundation.

Housing Authority

- Conducted eligibility interviews from the Section 8 and Soroptimist Village waiting lists and provided housing assistance to 575 households.
- Extended the Housing Assistance Payments (HAP) contract with Soroptimist Village for an additional five (5) years.
- Conducted landlord outreach via advertisements in the *Norwalk Now* and all City social media to educate the landlord community and promote greater participation in the Section 8 program.
- Implemented limited homeless preference and processed seven (7) homeless referrals.
- Implemented the Signing Bonus program to encourage landlord acceptance of vouchers using HOME funds.
- Assisted 75 households through the Homelessness Prevention and Rapid Re-housing program (HPRP).
- Conducted HUD required fingerprinting in house with our new equipment from NCR.

- Leased up 15 Mainstream vouchers with referrals from HOPE and Kingdom Cause Bellflower.
- Administered the Family Self-Sufficiency program for the 13 allotted slots.
- Signed a MOU with LAHSA to receive referrals for 46 Emergency Housing vouchers (EHV's).

Norwalk Transit System:

- Completed project for the Norwalk Transit System (NTS) Fixed Route Bus Intelligent Transportation System, which includes an automatic vehicle location (AVL) software, computer-aided dispatch (CAD) software; and automated travel information system (ATIS) software that calculates the real-time information.
- NTS will purchase three (3) replacement Dial-a-Ride vans in FY 22/23 to replace vans that have met their useful life status in winter 2022.
- Completed project for Battery Electric Bus BEB Charging Infrastructure and Installation of four (4) Battery Electric Bus Chargers in December 2021. This allowed NTS's four (4) existing BEBs to be charged and fully operational. NTS's four (4) BEBs, were delivered in June/July 2021.
- Completed acquisition of four (4) Compressed Natural Gas (CNG) buses in January 2022. These new buses replaced four (4) aging 2009 New Flyer Gasoline Electric Hybrid buses.
- Secured \$360,000 in VW Mitigation Transit Bus funding to supplement funding for two (2) new BEBs, which are tentatively scheduled for delivery in spring 2023.
- Initiated installation of a new Fleet Maintenance Management System which will provide Equipment Maintenance Division with an automated system to maintain and manage assets in cost effective manner along with reconciling maintenance costs along with, maintaining accurate life cycle costs and parts inventory. A "Go Live" date for December 2022 is estimated.
- NTS provided fixed-route transit service to a total of 789,462 passengers, which is significantly less than NTS normal ridership due the COVID-19 Pandemic.
- NTS provided Disabled Dial-a-Ride service to a total of 4,248 passengers on its Senior/ Disabled Advanced Reservation accessible vans service, through contract services provided by First Transit, Inc.
- NTS provided a total of 2,422 Taxi Card/Voucher inter-jurisdictional Dial-a-Ride trips to eligible senior/disabled residents through contract service provided by Fiesta Taxi. Taxi Card/Voucher service is provided to major medical facilities in the cities of Bellflower, Downey, Lakewood, Whittier and Santa Fe Springs.
- NTS' Customer Service Center responded to over 1,600 calls per month for information on NTS's transit services and in-take of customer request for follow-up action on complaints, lost-and-found items, etc.
- NTS Staff provided timely submittals of various annual reports including NTD, SRTP, TPM, Metro Forms A-B-C, STA/TDA Claim, LA Metro Operating Subsidy Invoices, etc.
- A total of 1,113 toys were collected from NTS' Stuff-a-Bus Toy Drive and donated to the Norwalk Social Service's "Angel Tree Program".

Administration:

- Provided 20 letters of support for pending legislation
- Secured \$1.7 million Community Project Funding Award through Congress for free Wi-Fi at public parks and City facilities
- Hosted two recycling events that had over 1,500 residents attend and recycle 26 tons of electronic waste and 22 tons of paper

- Hosted six other events to distribute compost, mulch, oil filters and rain barrels
- Collaborated with waste management provider to complete 25,988 bulky item pickups
- Secured \$189,000 grant funding for recycling programs and events
- The number of people who saw any content from our Facebook Page, including posts, stories and ads was 244,553
- The City Facebook page had 41,608 visits
- The number of people who saw any content from our Instagram Page, including posts, stories and ads was 121,950
- The City Instagram profile had 79,193 visits.
- The City published 38 press releases
- Launched a “Norwalk in the Movies” website, actively promoting a positive atmosphere for production companies wishing to film within the City
- The City Council addressed 381 direct concerns from community members.
- Through the Discretionary Fund program, Council was able to support programs and activities that benefitted the Norwalk community such as; Food pantry, School and City sports programs; Educational Field Trips, Educational Scholarships, Senior Citizen programs and activities; and City recreational events
- City Council held four Community Forums throughout the City to provide residents with an alternative way to express concerns and provide feedback

Other Accomplishments:

- Continued prefunding the other post-employment benefits (OPEB) through the annual contributions to the irrevocable trust fund.
- Fourth year deposit of \$1.0 million contributed to the Pension Stabilization Trust Account administered by PARS.
- Received the financial reporting excellence award from the Government Finance Officers Association (GFOA) for the Comprehensive Annual Financial Report (CAFR).
- City Clerk’s Department processed 662 passport applications.

LONG-TERM FINANCIAL PLANNING

Budget

The City adopts its financial plan annually. The budget preparation process starts by the end of February. The City Manager leads the budget team, which reviews, discusses and revises departmental appropriation requests, supporting data and revenue estimates for all City funds, functions and departments, including component units and capital improvement projects. The City Manager submits the proposed budget to the Finance Committee and the City Council. During multiple study sessions, the City Council reviews the proposed budget document and directs staff to make revisions. The annual budget is adopted during a public hearing no later than June 30th.

Capital Asset Replacement and Renovation Reserves

Funds are set aside annually for the replacement and renovation of City-owned facilities, infrastructure and capital assets. The balance in Capital Asset Replacement and Renovation Reserves at June 30, 2022 was \$9.0 million.

ECONOMIC OUTLOOK

Spurred by pandemic-related federal stimulus, the U.S economy entered a period of rapid expansion in the summer of 2020 that extended through 2021. Over the last year, however,

evidence has mounted that this rapid economic expansion was unsustainable. Amid record low unemployment and continued global supply chain challenges, businesses have strained to meet surging consumer demand. As a result, consumer prices have risen 8 percent over the last year.

Facing rising inflation, the Federal Reserve-tasked with maintaining stable price growth-repeatedly has enacted large interest rate increases throughout 2022. Higher interest rates dampen economic activity by increasing borrowing costs for home buyers, consumers, and businesses. The impacts of recent interest rate hikes are apparent in certain areas of the economy: home sales have dropped by one-third, car sales are at the lowest level in over a decade, and stock prices are down 20 percent from recent highs. Some impacts also can be seen in state tax collections. For example, estimated income tax payments for 2022 so far have been notably weaker than 2021, likely due in part to falling stock prices.

The current economic environment poses a substantial risk to state revenues. In the past, when economic conditions have been similar to today, revenues subsequently have tended to decline. This presents the Legislature with the challenge of balancing two key risks (risk of excess optimism and risk of excess pessimism) when selecting a revenue assumption for 2023-24 budget.

Per UCLA Forecast published in September 2022, California Economy is still growing, but will face 'Headwinds' in 2023-24. The forecast anticipates unemployment annual rates for 2022, 2023 and 2024 to be 4.3%, 4.4% and 4.8%, respectively. Total employment growth rates for 2022, 2023 and 2024 are expected to be 4.9%, 1.5% and 0.7%, respectively.

The City's finances and its ability to pay for essential services are dependent on the local economy and legislative actions of the Federal and State governments. In March 2021 American Rescue Plan Act (ARPA) was signed into law, providing additional \$45.6 billion to metropolitan cities to assist local governments in support of public health response, replacement of revenue loss caused by the pandemic, improvement of water and sewer infrastructure, broadband infrastructure, addressing equity focused services, negative economic impacts, and premium pay for essential workers.

MAJOR INITIATIVES FOR THE FUTURE

Following its Strategic Plan, the City continues working diligently in the areas of:

Public Safety:

- Apply innovative law enforcement and public safety services;
- Promote park safety and work in partnership with park staff in order to provide activities for the residents;
- Utilize technology and social media to ensure community is up to date with current events and public safety alerts;
- Address public safety concerns through a collaborative relationship between Public Safety, law enforcement, and residents;
- Law enforcement substations and mobile units and community outreach.

Capital Improvement Projects:

- Improve City's aging infrastructure focusing on rehabilitating the City's streets, traffic signal upgrades, sidewalks, median refurbishment and repair, and parks renovation;
- Replace water mains and meters, address the infrastructure needs of the Norwalk Water Municipal System;

- Replace damaged and undersized sewer mains as required by Waste Discharge Requirements;
- Improve various City facilities, including: bus stops; lighting at public parking facilities;
- Develop citywide Parks, Water and Sewer Master Plans.

Transportation:

- Micro transportation assessment;
- Shuttle services and Greenline/Metrolink Station express service.

Other Initiatives:

- Continue the implementation of the Economic Development Strategy and supporting programs to strengthen existing businesses and attract new business development;
- Acquisition of governmental agencies' properties for potential development;
- Code amendment to facilitate development;
- Participate in programs that provide support and resources to local small businesses and veterans;
- Implementation of City's Geographical Information System (GIS);
- Continue conducting a positive property maintenance education and improving the quality of neighborhoods and well maintained properties;
- Department-wide team building and succession planning; ELEVATE Norwalk program to facilitate staff growth and provide excellent customer service.
- Continue to maintain accurate financial records for the successful completion of financial and special compliance audits, including the City, Norwalk Community Facilities Financing Authority, Propositions A, C, Measures R and M, Transportation Development Act (TDA) Article 3, and federal grants;
- Operate within a structurally balanced budget adhering to the highest standards of ethics and accountability.

AWARDS AND ACKNOWLEDGEMENTS

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for fiscal year ended June 30, 2021. That was the 35th year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

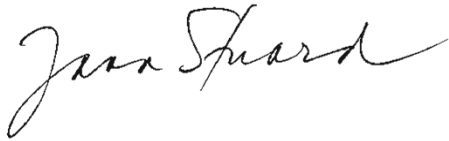
A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgments

The continued dedicated and efficient service of the Finance Department staff is appreciated by all levels of City Management. Our independent auditors, Vasquez and Company CPA's, provided expertise and advice in preparing an outstanding financial report for the fiscal year ended June 30, 2022.

Members of the City Council have continued to express interest and extend support to the Finance Department in the planning of responsible and proactive financial operations for the City of Norwalk. Through the team efforts of its Council members, management and employees, the City expects to continue the current high level of service which is provided to the citizens of our community. Due to the consistent policies of the City Council and each employee's commitment to maintain superior service level standards, the City of Norwalk has been able to maintain a sound financial base from which to operate.

Respectfully submitted,

A handwritten signature in black ink, reading "Jana Stuard". The signature is written in a cursive style with a large, looping initial "J".

Jana Stuard
Finance Director / City Treasurer

**City of Norwalk, California
List of Elected Officials and Management Personnel
June 30, 2022**

ELECTED OFFICIALS

Rick Ramirez, Mayor
Ana Valencia, Vice Mayor
Tony Ayala, Councilmember
Jennifer Perez, Councilmember
Margarita L. Rios, Councilmember

CITY MANAGER AND DEPARTMENT HEADS

City Manager	Jesus M. Gomez
Deputy City Manager	Richard A. Rojas
City Clerk	Theresa Devoy
Director of Community Development.....	John P. Ramirez
Director of Finance/City Treasurer	Jana Stuard
Director of Human Resources/Risk Manager	Carina Montes
Director of Public Safety	Osbaldo Ramos
Director of Recreation and Park Services	Allan Perdomo
Director of Social Services.....	Gabriela Regalado
Executive Director of Regional Transportation	James C. Parker

RECOGNITION

To the Finance/Accounting staff who have contributed their efforts and expertise in maintaining the program of “Excellence in Financial Reporting”.

SPECIAL THANKS

To the individuals of various departments who have supported and contributed vital information for this report.

City of Norwalk Organizational Chart





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Norwalk
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

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Independent Auditor's Report

**The Honorable Mayor and the Members of the City Council
City of Norwalk, California**

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Norwalk, California (the City), as of and for the year ended June 30, 2022, and the related notes to financial statements, which collectively comprise the City's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Norwalk, California, as of June 30, 2022, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Notes 1, 7 and 8, the City implemented the provisions of Governmental Accounting Standards Board Statement No. 87, *Leases*, during the fiscal year ended June 30, 2022. Our opinion is not modified with respect to this matter.



Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 22 and the required supplementary information on pages 94 through 102 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

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

Other Information

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

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



Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 22, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Vasquez & Company LLP

**Glendale, California
December 22, 2022**

The management of the City of Norwalk offers the readers of the City's statements this narrative overview, summary and analysis of the financial activities for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with the additional information furnished in our letter of transmittal and the City's financial statements.

FINANCIAL HIGHLIGHTS

During the fiscal year ended June 30, 2022, the City continued to maintain its stable financial position, enabling delivery of appropriate services to the community and undertaking necessary economic development and infrastructure projects.

Long-term Economic Resource (Government-wide) Focus:

- As of June 30, 2022, the City's total assets and deferred outflows of resources were \$426.5 million and total liabilities and deferred inflows of resources were \$176.7 million, resulting in net position of \$249.9 million. The majority of the City's net position is invested in capital assets or restricted for specific purposes.
- The City's total net position increased by \$33.0 million primarily due to increased net position of restricted activities (\$28.3 million).
- The City's long-term liabilities, due in more than one year, of \$105.3 million decreased by \$27.5 million, primarily due to the reduction in pension liability (\$23.7 million). The liabilities are comprised of \$31.9 million of outstanding bonded debt to fund various capital improvements of governmental and enterprise activities; \$3.5 million outstanding debt issued to finance the acquisition of capital assets (light poles) and their subsequent retrofit to energy saving fixtures; \$0.9 million in capital lease for citywide vehicles; \$66.9 million of net post-employment benefit liabilities; and \$2.9 million of compensated absences.
- The total of the City's capital assets at the end of fiscal year amounted to \$205.7 million. Out of this amount \$28.0 million, 14%, are non-depreciable assets, and \$177.7 million are depreciable capital assets. Significant portion of the capital assets are infrastructure assets that have been funded through various funding sources since the City's incorporation.

Short-term Financial Resource (Fund) Focus:

- At the close of current fiscal year, the City's Governmental Funds reported a combined ending fund balance of \$125.9 million, an increase of \$15.9 million; approximately \$22.2 million of this balance is unassigned.
- At June 30, 2022, the General Fund balance was \$32.4 million, an decrease of \$0.5 million or less than 2% from prior year. The unassigned fund balance increased \$0.2 million.
- The actual General Fund revenues and transfers in totaled \$68.1 million, an increase of \$4.2 million from the prior year. The increase is primarily attributed to sales taxes (\$4.1 million).

- The actual General Fund expenditures and transfers out of \$68.6 million increased by \$13.6 million from the prior year. Spending increased due to enhancements of city services (\$4.4 million); prefunding of postemployment liabilities (\$2.2 million), and replenishment of city's capital reserve funds (\$5.0 million). In addition, the City established a Community Improvement fund dedicated to beatification of low-income neighborhoods (\$2.0 million).

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Norwalk's basic financial statements. The City's basic financial statements are comprised of three components: 1) Government-wide financial statements; 2) Fund financial statements; and 3) Notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide Financial Statements

The Government-wide Financial Statements are designed to provide readers with a broad overview of the City's financial position, in a manner similar to that of private-sector business. These statements are reported on the full accrual basis of accounting. Thus, revenues and expenses are reported for some items that will not affect cash flows until future periods.

The Government-wide Financial Statements separate Governmental Activities that are principally supported by taxes and revenues from other agencies, from Business-type Activities that are intended to recover all, or a significant portion of their costs, through user fees and charges. The Governmental Activities of the City include General Government, Public Safety, Urban Development, Public Works, Culture and Leisure and Health and Welfare. The City's Business-type activities include Water Utility Services, Sewer Services, and Transit System.

The Government-wide Financial Statements include not only the City, but also, all legal entities for which the City is financially accountable. Accordingly, the financial information for the City's Housing Authority (HA) and the Norwalk Community Facilities Financing Authority are included as integral part of the City's financial statements and reported as blended component unit. The Successor Agency to the Norwalk Redevelopment Agency is reported under fiduciary funds.

The Statement of Net Position presents information on all of the City's assets and deferred outflows of resources, liabilities and deferred inflows of resources; the difference between the four is reported as net position. These assets include infrastructure and all assets previously included in the General Fixed Asset Account Group. The liabilities include all obligations previously reported in the General Long Term Debt Account Group. Evaluating increases or decreases in net position over time will serve as a useful indicator of whether the financial position of the City is improving or declining.

The Statement of Activities presents information on the net cost of each governmental function (activity) during the fiscal year. This statement also identifies the amount of general revenues needed to fully fund each governmental function.

Fund Financial Statements

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

Governmental Funds (General Fund, Special Revenue, Debt Service and Capital Projects Funds) are used to account for the same functions reported as Governmental Activities in the Government-wide Financial Statements. However, unlike Government-wide Financial Statements, Fund Financial Statements focus on short-term inflows and outflows of spendable resources. These funds are reported using the modified accrual basis of accounting, which measures cash and all other financial assets that can readily be converted to cash. This information may be useful in evaluating the City's short-term financing requirements.

The focus of the Fund Financial Statements is narrower than that of the Government-wide Financial Statements. The governmental funds Balance Sheet and the Statement of Revenues, Expenditures, and Changes in Fund Balances, require a reconciliation to facilitate the comparison between fund statements and the government-wide statements. This reconciliation is required because the government-wide statements are prepared on the full accrual basis of accounting while the fund statements are prepared on the modified accrual basis of accounting. The reconciliation can be found on pages 26 and 28, immediately following the Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances for Governmental Funds.

Proprietary Funds are Enterprise and Internal Service Funds. The City uses an Enterprise Fund to account for its Water Utility Services, Sewer Services, and Transit System. Internal Service Funds are used to accumulate and allocate costs internally to various functions. The City uses Internal Service Fund to allocate fleet maintenance and medical and workers' compensation insurance costs.

The proprietary fund statements provide information for the Water, Sewer and Transit funds. All of the Internal Service Funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the Internal Service Funds is provided in the form of combining statements.

Fiduciary Funds are used to account for resources held for the benefit of parties outside of the City. Fiduciary Funds are not reflected in the government-wide and primary governmental fund financial statements because the resources of those funds are not available to support the City's own programs. Fiduciary Funds are reported in the financial section.

Notes to the Financial Statements: The notes provide additional information that is essential to the reader for a full understanding of the data provided in the Government-wide and Fund financial statements.

Other Information: In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's changes in the net pension liability and related ratios, and contributions to the CalPERS pension plans, annual money-weighted rate of return on investment - OPEB, changes in the net OPEB liability and related ratios, schedule of contributions - OPEB and information on the budget to actual comparisons for major funds.

The other supplementary information provides combining statements that were referred to earlier in connection with the non-major governmental funds, the non-major proprietary funds and the Internal Service funds. The inclusion of the Statistical Section provides useful historical trend data on the City.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position - Net position may serve over time as a useful indicator of a government's financial position. The City's combined net position for the year ended June 30, 2022 is shown in Table 1.

	Governmental Activities		Business-type activities		Total	
	2022	2021	2022	2021	2022	2021
Assets:						
Current and other assets	\$ 178,531	\$ 148,564	\$ 27,390	\$ 25,471	\$ 205,921	\$ 174,035
Capital assets	144,708	143,765	60,962	60,945	205,670	204,710
Total assets	323,239	292,329	88,352	86,416	411,591	378,745
Deferred outflows of resources	11,156	9,199	3,802	3,473	14,958	12,672
Liabilities:						
Long-term liabilities	79,175	99,765	26,079	33,029	105,254	132,794
Other liabilities	42,535	33,639	2,321	5,365	44,856	39,004
Total liabilities	121,710	133,404	28,400	38,394	150,110	171,799
Deferred inflows of resources	20,282	776	6,291	1,930	26,573	2,706
Net position:						
Net investment in capital assets	144,708	127,752	52,922	52,517	197,630	180,269
Restricted	86,562	58,220	-	-	86,562	58,220
Unrestricted	(38,868)	(18,624)	4,541	(2,953)	(34,326)	(21,577)
Total net position	\$ 192,403	\$ 167,348	\$ 57,463	\$ 49,564	\$ 249,866	\$ 216,912

The City's Government-wide total net position was \$249.9 million, with total assets and deferred outflows of resources of \$426.6 million, liabilities and deferred inflows of resources of \$176.7 million. The net investment in capital assets was \$205.7 million. Another portion of the City's net position, \$86.6 million, represents resources that are subject to external restrictions in how they may be used. The remaining negative balance of \$34.3 million resulted from long-term liabilities, including bond indebtedness, pension and other post-employment benefit liabilities.

Table 2
Changes in Net Position
(in thousands)

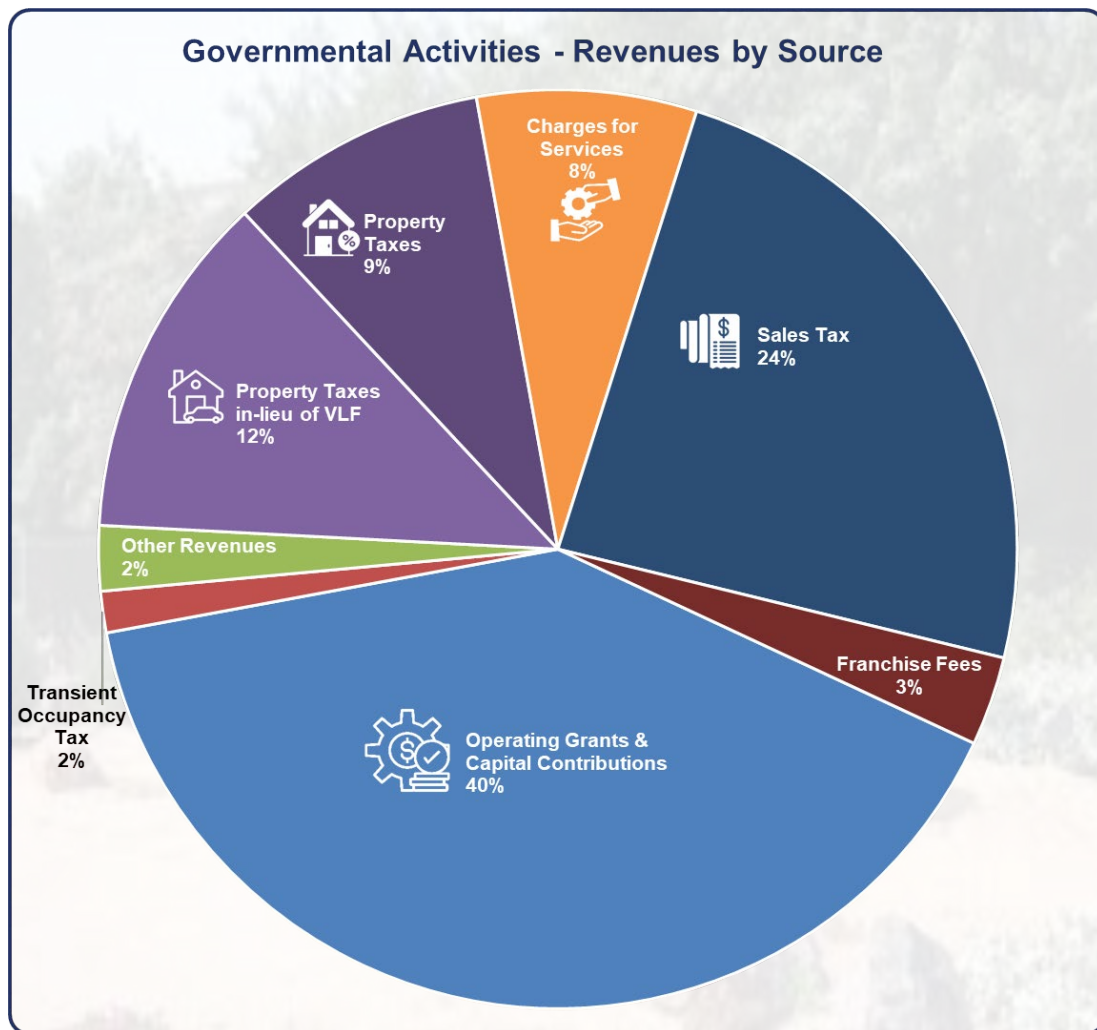
	Governmental Activities		Business-type activities		Government-Wide Totals	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program Revenues:						
Charges for services	\$ 8,463	\$ 6,720	\$ 9,771	\$ 9,001	\$ 18,234	\$ 15,722
Operating grants and contributions	40,754	36,864	15,331	11,751	56,085	48,616
Capital grants and contributions	3,178	41	3,558	3,218	6,736	3,259
General Revenues:						
Taxes:						
Sales taxes	15,500	13,110	-	-	15,500	13,110
Sales taxes - Measure P	10,680	9,040	-	-	10,680	9,040
Property taxes	9,968	9,578	-	-	9,968	9,578
Property tax in-lieu of VLF	13,377	12,929	-	-	13,377	12,929
Utility users taxes	4,868	4,454	-	-	4,868	4,454
Business operations taxes	939	762	-	-	939	762
Transient occupancy taxes	1,593	1,481	-	-	1,593	1,481
Franchise fee	3,434	3,190	-	-	3,434	3,190
Investment income	(3,298)	2,317	96	168	(3,201)	2,485
Total Revenues	109,456	100,486	28,756	24,138	138,212	124,624
Expenses:						
General government	14,306	11,309	-	-	14,306	11,309
Public safety	18,479	19,009	-	-	18,479	19,009
Urban development	4,683	4,728	-	-	4,683	4,728
Public works	22,364	22,717	-	-	22,364	22,717
Culture and leisure	4,086	2,985	-	-	4,086	2,985
Health and welfare	17,765	19,381	-	-	17,765	19,381
Interest and fiscal charges	948	1,083	-	-	948	1,083
Transit	-	-	16,034	17,218	16,034	17,218
Water	-	-	4,555	5,079	4,555	5,079
Sewer	-	-	2,039	1,849	2,039	1,849
Total Expenses	82,630	81,213	22,628	24,147	105,259	105,360
Excess (deficiency) of revenues over expenditures	26,826	19,273	6,128	(9)	32,954	19,264
Transfers	(1,771)	(2,145)	1,771	2,145	-	-
Change in net position	25,055	17,128	7,899	2,136	32,954	19,264
Net position - beginning of year	167,348	150,220	49,564	47,428	216,912	197,648
Net position - ending of year	\$ 192,403	\$ 167,348	\$ 57,463	\$ 49,564	\$ 249,866	\$ 216,912

Governmental Activities

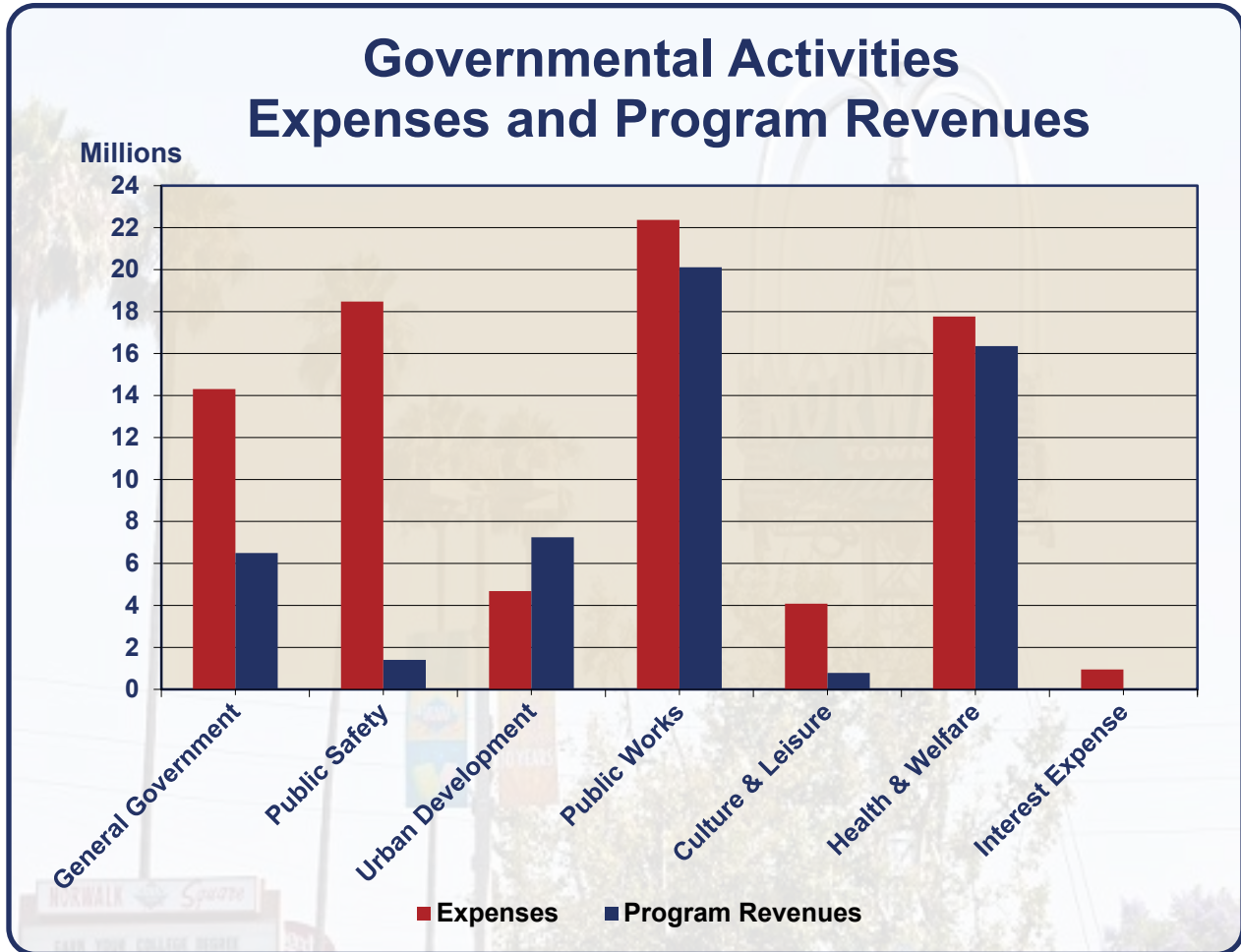
Revenues for the City's governmental activities increased by \$9.0 million to \$109.5 million, resulting in a 9% increase from last fiscal year's results of \$100.5 million. Key elements of significant changes are as follows:

- Sales tax increased substantially by a combined total of \$4.0 million. Industry groups that outperformed prior fiscal year and drove the growth of sales tax revenue are: fuel and service stations group increased due to the impacts of inflation and higher fuel prices; auto and transportation group responded to the pinned up customer demand; and general consumer goods sales continued to grow steadily.

- Operating grants and capital contributions at \$43.9 million, increased \$7.0 million from the preceding fiscal year. This increase can be attributed to received Measure W - Grant funding for storm water filtration project (\$2.2 million), Los Angeles County Flood Control grant for homelessness and affordable housing project (\$3.0 million) and various special revenue programs.
- Charges for services increased \$1.7 million over the prior fiscal year as citywide programming returned to pre-covid levels.
- Other revenues, category that includes utility user tax, business operations taxes, and interest income decreased \$5.0 million from the previous year, primarily due to lower investment earnings related to a downturn in the financial market.
- Property value derived revenues, such as property tax in lieu of vehicle license fees and no/low property taxes, increased by a combined total of \$0.8 million, as property values in the City continue to rise.



The cost of all governmental activities was \$82.6 million. Program revenues funded \$52.4 million, or 63% of governmental activities. The remaining portion of governmental activities was paid with general revenues.



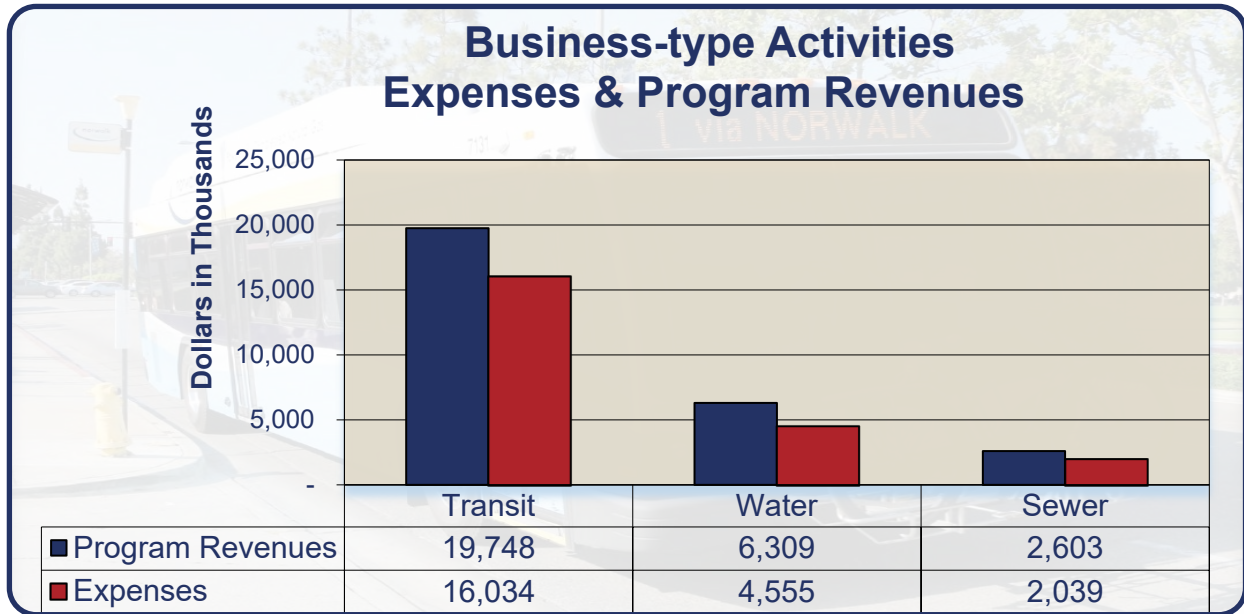
- Postemployment and pension cost in all activities recorded a decrease of \$6.7 million, which contributed to net expense decrease in all, but general government, activities.
- Public Works, was the largest category of governmental activities, at \$22.4 million, it represented 27% of the total expenses; net decrease \$0.4 million from the prior fiscal year. Cost of operations increased \$1.0 million, offset by a reduction to net postemployment expense (\$1.4 million). Program revenues funded approximately \$20.1 million of public works expenses.
- Public Safety expense category was the second largest at \$18.5 million, or 22% of governmental activities, of which approximately \$1.4 million was funded with program revenues. Expenses for this category decreased by \$0.5 million, or 3% from the prior fiscal year. Operational expense, including Los Angeles County Sheriff's contract expense increased \$1.2 million, but was offset by a reduction to net postemployment cost, \$1.7 million.

- Health and Welfare was the third largest expense category. These expenses represented \$17.8 million, or 21% of governmental activities. Program revenues funded approximately \$16.4 million. Operational expense remained consistent with the prior fiscal year, about \$19.4 million, but it was reduced by \$1.6 million in postemployment expense.
- General Government, the fourth largest category of governmental activities, recorded expenses at \$14.3 million; it represented 17% of total governmental expenses. Program revenues funded \$6.5 million. Expenses in this category recorded an increase of \$3.0 million, or 26%. This increase is related to increases in operating and capital expenses.
- Urban Development was the fifth largest governmental activity with \$4.7 million in expenses, or 6% of governmental activities. The only activity in which program revenues exceeded expenses, by \$2.6 million, as the City received funding for an upcoming housing development project. Expenses remained consistent with the prior fiscal year.

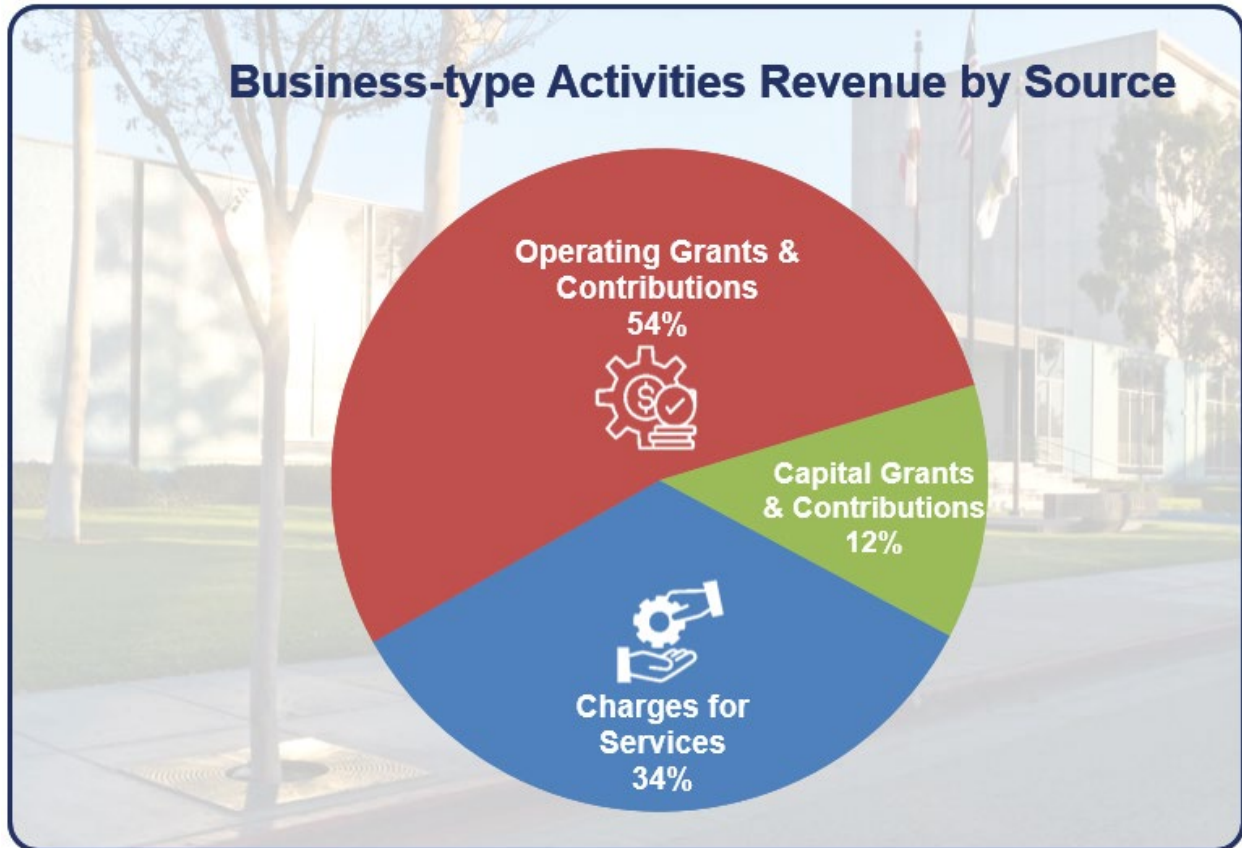
Business-type Activities

The City's business type activities are Transit, Water, and Sewer. As of June 30, 2022, total net position of Business-type activities was \$57.5 million, out of which, the unrestricted net position is \$4.5 million; net investment in capital assets represented \$52.9 million. Total net position increased \$7.9 million.

The graph below presents the costs of business activities and associated program revenues. Total program revenues of business-type activities were \$28.7 million, an increase of \$4.7 million, primarily due to increase in Transit (\$4.5 million) and Water (\$0.2 million) activities. Total program expense decreased from the prior fiscal year \$1.5 million, primarily in Transit activities.



As shown in the pie chart below, Charges for Services represent 34% of program revenues of Business-type activities. Water and Sewer are 100% funded through service charges. The Operating Grants and Contributions received by Transit represent 66% of the total program revenues received by Business-type activities.



Transit System

Total Transit System revenues of \$19.7 million, increased by \$4.5 million from the prior fiscal year.

Charges for services of \$0.9 million, increased by \$0.6 million as a result of reinstated fare collection after COVID-19 pandemic fare-less initiative. Operating grants and contributions were \$15.3 million, an increase of \$3.6 million, primarily due higher amount of state and federal operating grants. Capital grants and contributions of \$3.6 million recorded an increase of \$0.3 million and allowed Transit to purchase one electric and three CNG buses.

Total expenses of \$16.0 million recorded a decrease of \$1.0 million, or 7%, from the previous fiscal year, primarily due to a reduction in OPEB and net pension expense, \$2.5 million combined. This decrease was offset by increased operational expenses, \$1.5 million.

Transit's net position of \$11.6 million, increased by \$5.5 million from the prior year. It can be attributed to decrease in pension liability (\$5.4 million).

Water System

Revenues totaled \$6.3 million, an increase of 3% from the previous year, despite no collection of delinquent charges during the fiscal year. Expenses of \$4.6 million, are consistent with the preceding fiscal year. Consumption and service charges at \$6.1 million represented 99% of total revenues.

Water Fund total net position of \$19.2 million increased \$1.8 million from the prior fiscal year.

Additional information about water sources, service connections, charges for services, top ten largest customers, as well as historic balance sheets, and operating results is detailed under the statistical section of this report.

Sewer

In fiscal year 2021-22, operating revenues totaled \$2.6 million, while operating expenses were \$2.0 million. Total net position of the Sewer Fund is \$26.7 million, out of which, \$9.9 million is unrestricted.

FINANCIAL ANALYSIS OF THE GOVERNMENTAL FUNDS

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. In compliance with GASB No. 54 "*Fund Balance Reporting and Governmental Fund Type Definitions*" which establishes accounting and financial reporting standards for all governments that report governmental funds, fund balances are classified into fund balance information. It hopes to provide more transparent fund balance information and improve the comparability of governmental fund financial statements. With the implementation of GASB No. 54, the City's governmental funds fund balances are classified into *nonspendable, restricted, committed, assigned and unassigned*. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of *spendable* resources. These *spendable* resources are *restricted, committed, assigned and unassigned* fund balances. Detailed discussion of each fund classifications can be found under the Notes to Financial Statements.

As of the end of the current fiscal year, the City of Norwalk reported a combined ending Governmental Funds fund balance of \$126.0 million, an increase of \$15.9 million, or 14%, from the prior year's combined fund balance of \$110.1 million.

The nonspendable portion of Governmental Funds fund balance totaled \$3.2 million, a decrease of \$1.0 million or 24% from the prior year's balance. This decrease is due to the repayment of principal on the Successor Agency Metro loan and water fund advance.

Total restricted fund balance was \$81.1 million, an increase of \$4.6 million. The restricted balance comprises of \$41.2 million under Special Revenue Funds, restricted by their funding nature; \$33.7 million is restricted for Capital Projects, \$1.2 million for Debt Service; and \$5.0 million for pension stabilization fund.

Total committed fund balance was \$18.6 million to finance replacement of City assets, an increase of \$9.5 million from the prior fiscal year. Half of the total committed fund balance is dedicated to address street infrastructure needs citywide.

The assigned fund balance of \$0.8 million, out of which City assigned \$0.4 million for future capital improvement projects; and the remainder represents funds donated to the City for specific health and welfare programs and activities.

The combined unassigned fund balance of Governmental Funds is \$22.2 million and is available for spending to meet the future needs of the City.

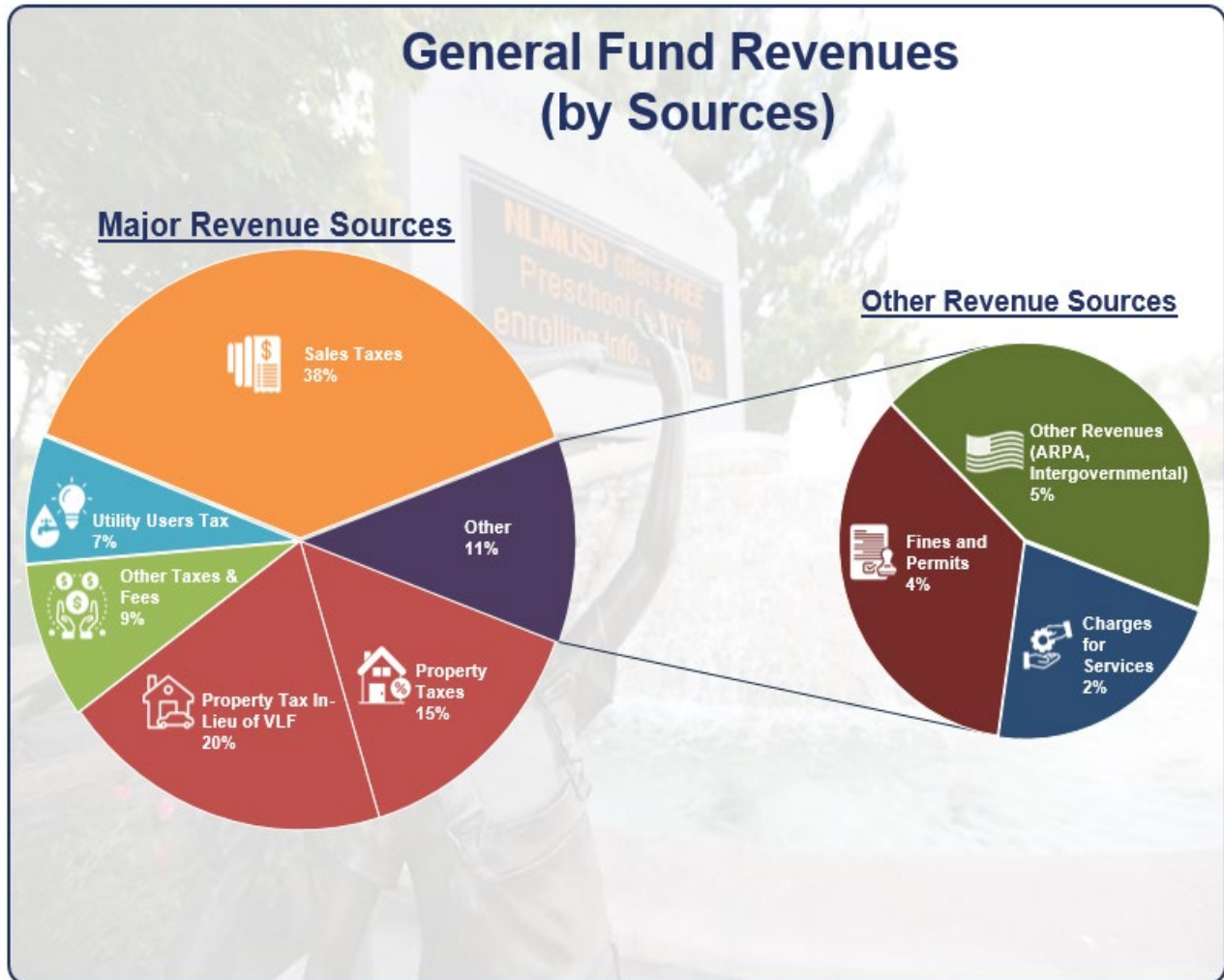
Revenues of governmental funds for the fiscal year ended June 30, 2022 were \$110.6 million. This is an increase of \$13.3 million, or 14%, from the prior fiscal year's total of \$97.3 million. The primary contributors to this increase are: taxes (\$5.8 million), intergovernmental revenues (\$9.3 million), charges for services (\$0.6 million) and other revenues (\$1.0 million) these are offset by a decline in use of money and property (\$4.1 million), primarily earning on investment.

The increase in taxes is related to revenues generated by sales tax (\$4.0 million). As to the intergovernmental revenues, the ongoing grants increased by \$4.1 million. The City also received new grants: Measure W – Grant earmarked for storm water filtration project (\$2.2 million) and State of California allocation for homelessness and affordable housing (\$3.0 million).

Expenditures of governmental funds were \$93.2 million. This is an increase of \$9.7 million, or 12% from the prior fiscal year. This overall increase in expenditures is attributed to combination of increases under public safety, including Los Angeles County Sheriff's services, \$1.2 million; public works \$3.2 million; general government \$2.1 million, and capital outlay and improvement projects citywide, \$1.4 million.

The General Fund is the principal operating fund of the City. It is used to account for all discretionary revenues and expenditures necessary to carryout basic government functions that are not accounted for through other special revenue and grant funds. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$23.4 million, assigned fund balance was \$0.8 million, restricted fund balance \$5.1 million, and non-spendable fund balance was \$3.1 million. These resulted in total General fund balance of \$32.4 million. The key factors affecting the General Fund's financial position are as follows:

General Fund revenues and transfers in totaled \$68.1 million, an increase of \$4.2 million or 6.5%, from the prior year's total of \$63.9 million. This increase resulted primarily from a local sales tax increase (\$4.0 million).

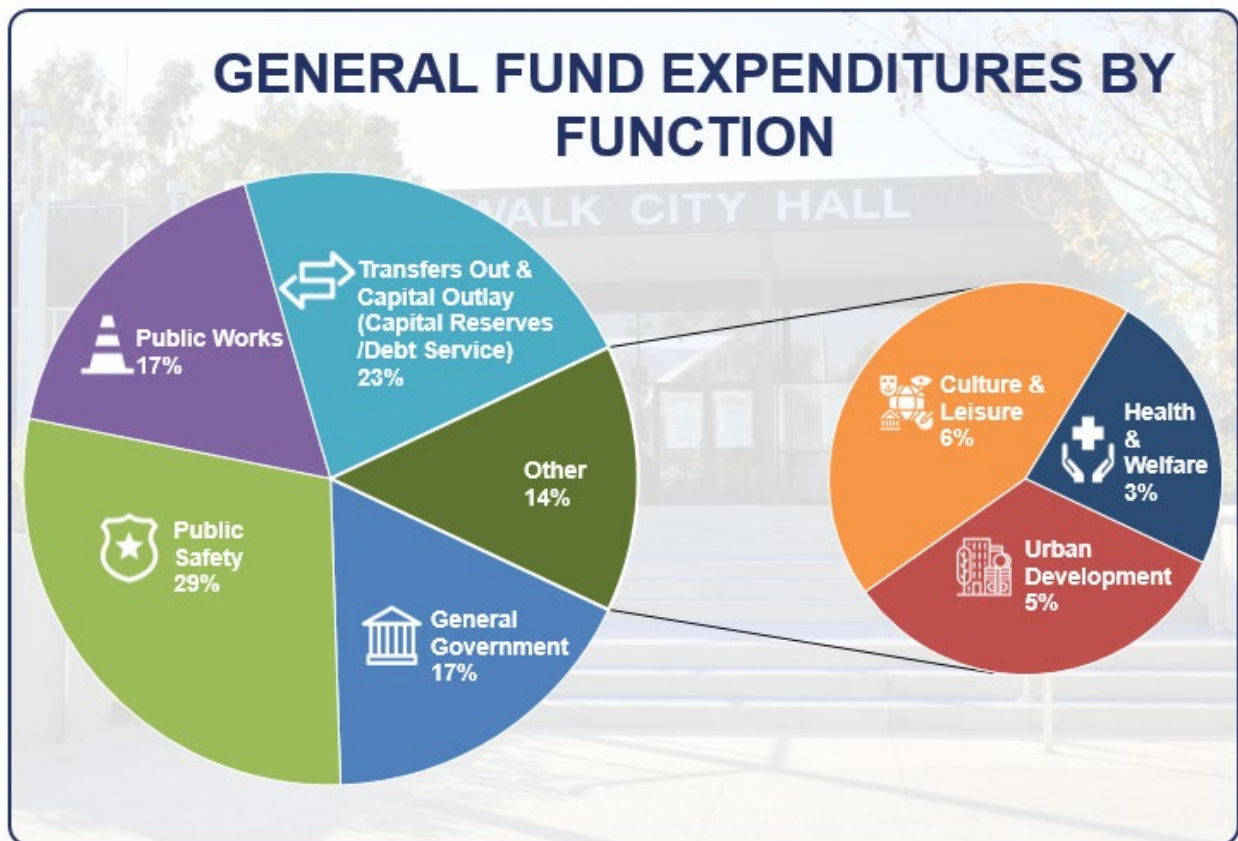


Taxes and franchise fees represent 89% of the General Fund revenues and are the largest revenue source. They include following categories: sales taxes, property tax in-lieu of vehicle license fees (VLF), property taxes, utility users' tax, other taxes and franchise fees.

- Sales taxes represent the largest General Fund revenue category, which brought in a combined total of \$26.2 million (38% of total General Fund revenues). Out of the total amount received, \$15.5 million was generated by 1% sales tax (\$2.4 million over prior year receipts). Effective June 2020, the City started receiving the additional 0.75% of local use and sales tax, approved by Norwalk voters in November 2019 (Measure P). This revenue source brought in \$10.7 million. Industry groups that outperformed prior fiscal year and drove the growth of sales tax revenue are: fuel and service stations group increased due to the impacts of inflation and higher fuel prices; auto and transportation group responded to the pinned up customer demand; and general consumer goods sales also grew steadily.

- Property tax in-lieu of VLF represented the second largest revenue source at \$13.4 million, or 20% of General Fund revenues. This revenue source increased \$0.4 million, 3%, from fiscal year 2021. The increase in property tax in-lieu of VLF is due to the increased property values within the City.
- Property taxes came in third at \$10.0 million, representing 15% of the General Fund revenues, an increase of \$0.4 million, from last year's total. City receives No/Low property tax, property tax apportionment from the Los Angeles County for the former South-East Recreation Park Area, and taxes generated by the former redevelopment agencies. Each of these components recorded an increase in revenue from prior fiscal year.
- Other taxes and franchise fees were the fourth largest revenue source at \$6.0 million, or 9% of General Fund revenues. These revenues include franchise fees, transient occupancy, business, and real property transfer taxes. All categories contributed to the combined revenue increase of \$0.5 million, or 10% from prior year.
- Utility users tax came in fifth at \$4.9 million or 7% of the total General Fund revenues, an increase of \$0.4 million from last year's total. The City collects utility user tax based on the consumption of utility services such as electricity, gas, telephone, and wireless services. The main increase in utility user tax collection was recorded under electricity utility.

General Fund expenditures and transfers out totaled \$68.6 million, an increase of \$13.7 million, or 25%, from the prior year's total of \$54.9 million.



Expenditures by function from highest to lowest are summarized as follows:

- Public Safety was the largest General Fund function at \$19.7 million, or 29% of General Fund expenditures and transfers out, an increase of \$0.9 million, or 5%, from the preceding fiscal year. Main contributor to this increase is the cost of Los Angeles County Sheriff's contract.
- Transfers Out (to capital reserves, special revenue funds, and debt service funds) represented the second largest expenditure category at \$15.0 million, or 22%, of the General Fund expenditures and transfers out. This category increased \$7.6 million or 96% from the prior fiscal year. The current fiscal year City increased funding by \$4.6 million for the existing capital reserve funds (street rehabilitation, building renovation, parks and recreation equipment, vehicle, and computer/technology replacement). In addition City established the new community improvement fund, \$2.0 million, to revitalize low-income neighborhoods; and put aside \$0.4 million for general plan update project.
- General Government (City Council, City Commissions, Administration, City Attorney, Management Services, Public Affairs, Cable TV, City Clerk's Office, Human Resources and Risk Management, Finance, and Management Information Systems) was the third largest General Fund function at \$12.0 million, or 17%, of the General Fund expenditures and transfers out. The fiscal year expenditures recorded an increase of \$2.3 million primarily due to prefunding cost of OPEB (\$1.2 million) and pension (\$1.0 million) liabilities.
- Public Works ranked fourth at \$11.9 million, or 17% of the General Fund expenditures and transfers out. This category increased by \$0.9 million or 8% from prior year. This change can be primarily attributed to rising operational cost.

Housing and Community Development Special Revenue Fund accounts for the City's entitlements of the Federal Community Development Block Grant (CDBG) and HOME program. The U.S. Department of Housing and Urban Development (HUD) provides annual allocations of CDBG and HOME funds that can be used to revitalize neighborhoods, prevent or eliminate slums or blight, expand affordable housing and economic opportunities, and improve community facilities and services, principally to benefit low and moderate income households.

In fiscal year 2021-22, CDBG received entitlement grant in the amount of \$1.4 million, CARES funding of \$0.3 million and program income (proceeds of repayments of HUD funded loans) of \$0.6 million. In addition, the City also received HOME grant entitlement in the amount of \$0.1 million, and the program income generated by the repayment of HOME funded loans, \$0.4 million.

The City expended \$2.4 million of CDBG funds on 16 activities. HOME expenditures totaled \$110 thousand for the year, out of which \$32 thousand was spent for home repairs.

American Rescue Plan Act (ARPA) Special Revenue Fund accounts for the City's allocation of the of the Federal ARPA funding. The City's allocation is \$28.0 million and can be used for a variety of purposes including revenue replacement for losses related to the COVID-19 health emergency, premium pay for essential workers, investments in water and sewer capital projects and assistance to small business and households. Total of \$10.0 million out of the City's ARPA allocation will be used for loss of revenues due to COVID 19 health emergency. The remainder of allocation will be spent on 25 projects. During the fiscal year, \$0.7 million was expended on projects and \$2.9 million was transferred to governmental funds for loss of revenues.

Special Projects Capital Projects Funds account for construction of citywide street improvements, which are funded by bond proceeds, loans, federal and county grants. Expenditures of \$6.1 million funded 21 capital improvement projects. Change in fund balance was a net decrease of \$2.7 million, which can be attributed to the use of 2019 sales tax revenue bond proceeds Series A and B for street repair.

General Fund Budgetary Highlights

The following table displays the General Fund's original budget, final budget and actual results for 2022 revenues and expenditures. Actual revenues and transfers in were \$1.7 million, 2% higher, than the City's final budget of \$67.4 million. All taxes and franchise fees outperformed the estimates. Sales taxes were \$2.1 million over budget, and were the major contributor to this variance. Expenditures and transfers out were lower by \$6.9 million than the final budget of \$76.5 million, or 9% under budget. The budget savings were realized under: personnel costs (\$4.6 million), Los Angeles County Sheriff's contract came in \$1.9 million lower than anticipated due to delay in implantation of service enhancements, capital outlay (\$0.3 million), and other operating cost (\$0.1 million).

Table 3
General Fund Budgetary Comparison
(in thousands)

	Original Budget	Final Budget	Actual Amount
Revenues	\$ 60,110	\$ 63,743	\$ 65,365
Expenditures	(58,207)	(60,679)	(53,620)
Other Financing Sources (Uses):			
Transfers in	1,022	3,642	3,698
Transfers out	(7,569)	(15,818)	(15,989)
Net Change in Fund Balance	\$ (4,644)	\$ (9,112)	\$ (546)

Capital Assets and Debt Administration

Capital Assets. The City's investment in a broad range of capital assets for Governmental and Business-type Activities remains consistent from the prior fiscal year, as additional assets offset the current year depreciation. As of June 30, 2022 capital assets net depreciation totaled \$205.7 million.

Table 4
Capital Assets – Net of Depreciation
June 30, 2022 and 2021
(In thousands)

	Governmental Activities		Business-type activities		Total	
	2022	2021	2022	2021	2022	2021
Capital assets not being depreciated:						
Land	\$ 7,157	\$ 7,157	\$ 23	\$ 23	\$ 7,180	\$ 7,180
Construction in progress	10,749	11,687	1,630	1,338	12,379	13,025
Water rights	-	-	8,397	8,397	8,397	8,397
Total capital assets not being depreciated	17,906	18,844	10,050	9,758	27,956	28,602
Capital assets being depreciated:						
Buildings and improvements	53,072	53,072	15,207	15,207	68,278	68,278
Distribution system	-	-	21,353	20,902	21,353	20,902
Machinery and equipment	7,960	8,296	-	-	7,960	8,296
Office equipment	-	-	711	854	711	854
Vehicles	-	-	21,490	20,121	21,490	20,121
Tools and equipment	-	-	2,584	2,623	2,584	2,623
Infrastructure	294,350	283,123	48,939	48,939	343,289	332,062
Miscellaneous	-	-	177	123	177	123
Total capital assets being depreciated	355,382	344,491	110,462	108,768	465,844	453,258
Capital Assets, Being Amortized:						
Right-of-use lease asset	-	-	160	160	160	160
Less:						
Total accumulated depreciation	(228,580)	(219,569)	(59,657)	(57,581)	(288,237)	(277,150)
Total accumulated amortization	-	-	(53)	-	(53)	-
Net Capital Assets, being depreciated	126,802	124,921	50,911	51,347	177,714	176,268
Net Capital Assets	\$ 144,708	\$ 143,765	\$ 60,962	\$ 61,105	\$ 205,670	\$ 204,870

Additional information on the City's capital assets can be found in Note 7 of the Notes to the Basic Financial Statements.

Non-Current Liabilities. At June 30, 2022, the City had \$108.8 million in outstanding long-term liabilities for governmental and business-type activities.

Table 5
Non-Current Liabilities as of June 30, 2022 and 2021
(In thousands)

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Compensated absences	\$ 2,353	\$ 2,359	\$ 525	\$ 597	\$ 2,878	\$ 2,956
Other postemployment benefits	23,705	24,265	8,596	8,922	32,301	33,187
Right-of-use lease liability	-	-	109	160	109	160
Lease payable	3,464	3,701	-	-	3,464	3,701
Capital lease payable	1,070	1,051	31	38	1,101	1,089
Bond indebtedness	26,550	29,047	7,865	8,105	34,415	37,152
Net pension liability	25,226	42,492	9,330	15,716	34,556	58,208
Total non current liabilities	\$ 82,367	\$ 102,914	\$ 26,457	\$ 33,538	\$ 108,824	\$ 136,451

The City's total non-current liabilities decreased by \$27.6 million, or 20%, during fiscal year 2022. The decrease is due to a reduction in net pension liability (\$23.7 million), other postemployment liabilities (\$0.9 million) and principal payment on bond indebtedness and lease payable (\$3.0 million).

Additional information on the City's long-term liabilities can be found in Note numbers 8, 9 and 12 of the Notes to the Basic Financial Statements.

Economic Factors and Outlook for Next Fiscal Year

The City's finances and the ability to pay for essential services are heavily dependent on local economy and legislative actions of the Federal and State governments, as a substantial portion of the City's revenues are intergovernmental grants and pass-through revenues.

The latest "California Fiscal Outlook", published by the State of California Legislative Analyst Office (LAO) in November 2022 states that California will face a budget deficit of \$24 billion in 2023-23 and will have to use nearly \$22 billion from Budget Stabilization Account, state's general-purpose reserve, to address a budget emergency.

The City will continue to monitor Federal and State budget development as they affect a substantial portion of the City's intergovernmental funding sources.

The City adopted fiscal year 2022-23 operating budget, which is both balanced and fiscally responsible. This spending plan enhances public safety services and maintains other essential services to the community. It continues to provide funding to stimulate local economy through various economic development, infrastructure improvement and beautification projects throughout the City.

The key assumptions for the General Fund fiscal year 2022-23 Budget are:

- The adopted operating budget includes is balanced with no use of available reserves. The available fund balance is planned to be used for one-time expenditures: special studies, capital outlays, capital projects, transfers to capital reserve funds, and contributions to post-employment benefit irrevocable trust fund. 2022-23 Budget maintains General Fund reserves within the City's reserve policy, at 20% of operating expenditures.
- The General Fund Unassigned Budgetary Fund Balance was projected to be \$15.3 million as of June 30, 2023. This amounts represent 22% of the operational & minor capital outlays expenditures.

The following table summarizes the General Fund 22-23 Adopted Budget.

General Fund Balance	Budget 2023
Estimated Revenues	68,213,433
Less Expenditures:	
Personnel Cost	(32,622,515)
Sheriff's Contract	(17,268,013)
Other Operations & Maintenance	(16,220,270)
Debt Service	(1,614,267)
Minor Capital Outlays	(486,700)
Operating Expenses	(68,211,765)
Net Operating Surplus (Deficit)	1,668
Other Expenditures (Transfers to Capital Reserves and Pension Trust)	(8,722,000)
Unassigned Balance, Start of Year	23,042,828
Change in Reserve Balances	979,311
Estimated Fund Balance, June 30, 2023	15,301,807

Request for Information

This financial report is designed to provide a general overview of the City of Norwalk's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Norwalk, Finance Department, 12700 Norwalk Blvd., Norwalk, California, 90650, or by phone at (562) 929-5750.

BASIC FINANCIAL STATEMENTS

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City of Norwalk
Statement of Net Position
June 30, 2022

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and investments	\$ 125,075,572	\$ 25,173,654	\$ 150,249,226
Cash and investments with fiscal agent	15,032,220	57	15,032,277
Cash and Investments Held by Trust for Pension	5,053,233	-	5,053,233
Accounts receivable	1,592,818	1,474,648	3,067,466
Lease receivable	5,996,910	-	5,996,910
Interest receivable	1,108,029	-	1,108,029
Other receivables	4,550	-	4,550
Due from other governments	10,278,499	2,636,621	12,915,120
Due from Successor Agency	72,855	-	72,855
Advances to Successor Agency	5,880,803	-	5,880,803
Internal balances	2,022,653	(2,022,653)	-
Inventory	127,561	113,362	240,923
Prepaid items and deposits	164,346	14,621	178,967
Loans receivable	6,120,746	-	6,120,746
Capital assets:			
Non-depreciable	17,905,955	10,050,149	27,956,104
Depreciable, Net of Accumulated Depreciation	126,802,499	50,911,392	177,713,891
Total assets	323,239,249	88,351,851	411,591,100
DEFERRED OUTFLOWS OF RESOURCES			
Deferred amounts from OPEB plans	5,432,852	1,709,589	7,142,441
Deferred amounts from pension plans	5,657,488	2,092,496	7,749,984
Unamortized loss on bond defeasance	65,602	-	65,602
Total deferred outflows of resources	11,155,942	3,802,085	14,958,027
LIABILITIES			
Accounts payable	7,462,127	1,122,792	8,584,919
Accrued expenses	129,761	513,118	642,879
Interest payable	91,912	37,102	129,014
Due to other governments	7,249,421	-	7,249,421
Deposits payable	1,005,662	165,850	1,171,512
Unearned revenue	23,252,867	41,479	23,294,346
Other liabilities	150,898	63,055	213,953
Noncurrent liabilities:			
Due within one year	3,192,688	377,240	3,569,928
Due in more than one year			
Other long-term liabilities	30,243,828	8,153,505	38,397,333
Net OPEB liability	23,705,011	8,595,880	32,300,891
Net pension liability	25,225,730	9,330,065	34,555,795
Total liabilities	121,709,905	28,400,086	150,109,991
DEFERRED INFLOWS OF RESOURCES			
Deferred amounts from OPEB plans	1,539,534	1,692,325	3,231,859
Deferred amounts from Pension plans	12,432,646	4,598,377	17,031,023
Deferred amounts from lease	6,310,281	-	6,310,281
Total deferred inflows of resources	20,282,461	6,290,702	26,573,163
NET POSITION			
Net investment in capital assets	144,708,454	52,922,025	197,630,479
Restricted for:			
Pension	5,053,233	-	5,053,233
Public safety	2,001,998	-	2,001,998
Urban development	41,457,933	-	41,457,933
Public works	34,281,370	-	34,281,370
Public art	557,131	-	557,131
Culture and leisure	253,071	-	253,071
Health and welfare	1,747,393	-	1,747,393
Debt service	1,209,897	-	1,209,897
Unrestricted	(38,867,655)	4,541,123	(34,326,532)
Total net position	\$ 192,402,825	\$ 57,463,148	\$ 249,865,973

See accompanying Notes to Basic Financial Statements.

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City of Norwalk
Statement of Activities
Year ended June 30, 2022

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
General government	\$ 14,305,570	\$ 2,295,356	\$ 4,198,059	\$ -
Public safety	18,478,766	1,075,815	327,615	-
Urban development	4,682,572	3,400,579	3,848,833	-
Public works	22,364,261	663,843	16,268,158	3,178,048
Culture and leisure	4,085,740	786,621	-	-
Health and welfare	17,765,184	240,436	16,111,090	-
Interest expense	948,255	-	-	-
Total governmental activities	<u>82,630,348</u>	<u>8,462,650</u>	<u>40,753,755</u>	<u>3,178,048</u>
Business-type activities:				
Transit system	16,034,023	858,966	15,331,327	3,557,594
Water	4,555,416	6,308,659	-	-
Sewer	2,038,794	2,603,255	-	-
Total business-type activities	<u>22,628,233</u>	<u>9,770,880</u>	<u>15,331,327</u>	<u>3,557,594</u>
Total primary government	<u>\$ 105,258,581</u>	<u>\$ 18,233,530</u>	<u>\$ 56,085,082</u>	<u>\$ 6,735,642</u>
General revenues				
Taxes				
Property taxes				
Utility users taxes				
Business operations taxes				
Transient occupancy taxes				
Franchise fees				
Property tax in lieu of VLF				
Intergovernmental revenue - sales taxes				
Intergovernmental revenue - Measure P sales tax				
Investment income				
Transfers				
Total General Revenues and Transfers				
Change in net position				
Net Position - Beginning of Year				
NET POSITION - END OF YEAR				

See accompanying Notes to Basic Financial Statements.

City of Norwalk
Statement of Activities
Year ended June 30, 2022

Net (Expense) Revenue and Changes in Net assets				
<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>	<u>Functions/Programs</u>	
			Governmental activities	
\$ (7,812,155)	\$ -	\$ (7,812,155)	General government	
(17,075,336)	-	(17,075,336)	Public safety	
2,566,840	-	2,566,840	Urban development	
(2,254,212)	-	(2,254,212)	Public works	
(3,299,119)	-	(3,299,119)	Culture and leisure	
(1,413,658)	-	(1,413,658)	Health and welfare	
(948,255)	-	(948,255)	Interest expense	
<u>(30,235,895)</u>	<u>-</u>	<u>(30,235,895)</u>	Total governmental activities	
			Business-type activities:	
-	3,713,864	3,713,864	Transit system	
-	1,753,243	1,753,243	Water	
-	564,461	564,461	Sewer	
<u>-</u>	<u>6,031,568</u>	<u>6,031,568</u>	Total business-type activities	
<u>(30,235,895)</u>	<u>6,031,568</u>	<u>(24,204,327)</u>	Total primary government	
			General revenues	
			Taxes	
9,968,144	-	9,968,144	Property taxes	
4,867,767	-	4,867,767	Utility users taxes	
938,956	-	938,956	Business operations taxes	
1,593,386	-	1,593,386	Transient occupancy taxes	
3,434,301	-	3,434,301	Franchise fees	
13,377,135	-	13,377,135	Property tax in lieu of VLF	
15,500,005	-	15,500,005	Intergovernmental revenue - sales taxes	
10,679,948	-	10,679,948	Intergovernmental revenue - Measure P sales tax	
(3,297,758)	96,314	(3,201,444)	Investment income	
<u>(1,771,058)</u>	<u>1,771,058</u>	<u>-</u>	Transfers	
<u>55,290,826</u>	<u>1,867,372</u>	<u>57,158,198</u>	Total General Revenues and Transfers	
25,054,931	7,898,940	32,953,871	Change in net position	
<u>167,347,894</u>	<u>49,564,208</u>	<u>216,912,102</u>	Net Position - Beginning of Year	
<u>\$ 192,402,825</u>	<u>\$ 57,463,148</u>	<u>\$ 249,865,973</u>	NET POSITION - END OF YEAR	

See accompanying Notes to Basic Financial Statements.

City of Norwalk
Balance Sheet
Governmental Funds
June 30, 2022

	General Fund	Housing and Community Development Special Revenue Fund	American Rescue Plan Act (ARPA) Special Revenue Fund	Special Projects Capital Projects Funds	Other Governmental Funds	Totals
ASSETS						
Assets						
Cash and investments	\$ 20,628,921	\$ 565,343	\$ 23,204,880	\$ 3,082,175	\$ 77,271,478	\$ 124,752,797
Cash and investments with fiscal agents	-	-	-	13,821,528	1,210,692	15,032,220
Cash and investments held by trust for pension	5,053,233	-	-	-	-	5,053,233
Accounts receivable, net	1,490,048	3,374	-	-	99,396	1,592,818
Interest receivable	275,457	832,572	-	-	-	1,108,029
Other receivable	4,550	-	-	-	-	4,550
Due from other funds	2,276,512	-	-	-	-	2,276,512
Due from other governments	6,008,730	248,819	-	467,322	3,553,628	10,278,499
Inventory	9,621	-	-	-	-	9,621
Prepaid items	68,192	-	-	-	96,154	164,346
Loans receivable	-	6,120,746	-	-	-	6,120,746
Lease receivable	5,996,910	-	-	-	-	5,996,910
Due from Successor Agency	72,855	-	-	-	-	72,855
Advances to Successor Agency	5,880,803	-	-	-	-	5,880,803
Advances to other funds	2,022,653	-	-	-	-	2,022,653
Total assets	\$ 49,788,485	\$ 7,770,854	\$ 23,204,880	\$ 17,371,025	\$ 82,231,348	\$ 180,366,592
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 5,252,250	\$ 78,421	\$ 32,513	\$ 414,834	\$ 1,580,121	\$ 7,358,139
Due to other funds	-	-	-	-	2,276,512	2,276,512
Due to other governments	-	6,953,319	-	-	296,102	7,249,421
Deposits payable	911,387	-	-	-	94,275	1,005,662
Unearned revenue	-	-	23,172,367	-	80,500	23,252,867
Other liabilities	22,043	-	-	-	128,855	150,898
Total liabilities	6,185,680	7,031,740	23,204,880	414,834	4,456,365	41,293,499
Deferred inflows of resources						
Lease	6,310,281	-	-	-	-	6,310,281
Unavailable revenue	4,928,375	-	-	467,322	1,427,870	6,823,567
Total deferred inflows of resources	11,238,656	-	-	467,322	1,427,870	13,133,848
Fund Balances (Deficit)						
Nonspendable	3,052,894	-	-	-	96,154	3,149,048
Restricted	5,053,233	739,114	-	16,488,869	58,833,965	81,115,181
Committed	-	-	-	-	18,589,678	18,589,678
Assigned	835,457	-	-	-	-	835,457
Unassigned	23,422,565	-	-	-	(1,172,684)	22,249,881
Total Fund Balances	32,364,149	739,114	-	16,488,869	76,347,113	125,939,245
Total liabilities, deferred inflows of resources and fund balances	\$ 49,788,485	\$ 7,770,854	\$ 23,204,880	\$ 17,371,025	\$ 82,231,348	\$ 180,366,592

See accompanying Notes to Basic Financial Statements.

City of Norwalk
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2022

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

Total governmental fund balances	\$	125,939,245	
Deferred outflows of resources represent loss on bond defeasance which is deferred and amortized over the life of the debt. This is reported as expenditure of current financial resources in the governmental funds			65,602
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds balance sheet.			
Capital Assets	\$	373,288,037	
Accumulated Depreciation		<u>(228,579,583)</u>	144,708,454
Accrued interest on long-term debt is not due and payable in the current period and is not reported in the funds.			(91,912)
Certain revenues in the governmental funds are unavailable because they are not collected within the prescribed time period after year-end. Those revenues are recognized on the accrual basis in the government-wide statements.			6,823,567
Long- term liabilities applicable to the City governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long- term, are reported in the Statement of Net Position. Balances as of June 30,2022 are:			
Compensated Absences (This Amount Does Not Include \$206,966 of Internal Service Fund Compensated Absences)		(2,146,178)	
Lease Revenue Bonds		(6,545,000)	
Sales Tax Bonds		(16,675,000)	
Lease Payable		(3,463,732)	
Capital Leases Payable		(1,069,744)	
Bond Premiums		<u>(3,329,896)</u>	(33,229,550)
Pension and OPEB related debt applicable to the City governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Deferred outflows of resources and deferred inflows of resources related to pensions and OPEB are only reported in the Statement of Net Position as the changes in these amounts effects only the government- wide statements for governmental activities:			
Deferred Outflows of Resources Related to OPEB		5,432,852	
Deferred Inflows of Resources Related to OPEB		(1,539,534)	
Net OPEB Liability		(23,705,011)	
Deferred Outflows of Resources Related to Pensions		5,657,488	
Deferred Inflows of Resources Related to Pensions		(12,432,646)	
Net Pension Liability		<u>(25,225,730)</u>	<u>(51,812,581)</u>
Net position of governmental activities	\$		<u>192,402,825</u>

See accompanying Notes to Basic Financial Statements.

City of Norwalk
Statements of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year ended June 30, 2022

	General Fund	Housing and Community Development Special Revenue Fund	American Rescue Plan Act (ARPA) Special Revenue Fund	Special Projects Capital Projects Funds	Other Governmental Funds	Totals
Revenues						
Taxes and franchise fees	\$ 60,359,642	\$ -	\$ -	\$ -	\$ -	\$ 60,359,642
Licenses and permits	1,666,265	-	-	-	-	1,666,265
Fines, forfeitures and penalties	1,024,376	-	-	-	-	1,024,376
Use of money and property	(2,687,723)	2,530	-	19,469	(554,842)	(3,220,566)
Intergovernmental	699,880	1,787,994	3,539,471	3,320,312	35,623,104	44,970,761
Charges for services	1,666,437	-	-	-	110,309	1,776,746
Rental income	1,158,391	-	-	-	-	1,158,391
Other	1,477,415	1,047,417	-	-	298,871	2,823,703
Total revenues	65,364,683	2,837,941	3,539,471	3,339,781	35,477,442	110,559,318
Expenditures						
Current:						
General government	11,969,450	-	199,338	-	112,488	12,281,276
Public safety	19,663,694	-	69,604	-	424,450	20,157,748
Urban development	3,202,224	1,382,190	66,421	-	458,965	5,109,800
Public works	11,898,745	-	92,120	49,921	3,835,287	15,876,073
Culture and leisure	4,197,862	-	22,977	-	6,210	4,227,049
Health and welfare	2,255,555	39,741	200,610	-	16,789,622	19,285,528
Capital outlay and improvement	432,229	1,080,952	-	6,019,282	4,994,720	12,527,183
Debt service:						
Principal retirement	-	-	-	-	2,416,830	2,416,830
Interest and fiscal charges	-	-	-	-	1,277,074	1,277,074
Total expenditures	53,619,759	2,502,883	651,070	6,069,203	30,315,646	93,158,561
Excess (deficiency) of revenues over expenditures	11,744,924	335,058	2,888,401	(2,729,422)	5,161,796	17,400,757
Other financing sources (uses)						
Capital lease issuance	-	-	-	-	234,605	234,605
Transfers in	2,698,029	-	-	-	17,277,701	19,975,730
Transfers out	(14,988,785)	-	(2,892,533)	(1,864)	(3,863,606)	(21,746,788)
Total other financing sources (uses)	(12,290,756)	-	(2,892,533)	(1,864)	13,648,700	(1,536,453)
Change in fund balances	(545,832)	335,058	(4,132)	(2,731,286)	18,810,496	15,864,304
Fund Balances - Beginning of Year	32,909,981	404,056	4,132	19,220,155	57,536,617	110,074,941
FUND BALANCES - END OF YEAR	\$ 32,364,149	\$ 739,114	\$ -	\$ 16,488,869	\$ 76,347,113	\$ 125,939,245

See accompanying Notes to Basic Financial Statements.

City of Norwalk

**Reconciliation of the Governmental Funds Statements of Revenues, Expenditures and
Changes in Fund Balances to the Statement of Activities
Year ended June 30, 2022**

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

Change in fund balance - governmental funds	\$	15,864,304
<p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.</p>		
Depreciation Expense	\$ (9,010,214)	
Capital Outlay	<u>9,953,332</u>	943,118
<p>Certain revenues in the governmental funds are unavailable if they are not collected within the prescribed time period after year-end. Those revenues are recognized on the accrual basis in the government-wide statements.</p>		
		(1,102,982)
<p>Long- term debt proceeds provide current financial resources to governmental funds, but issuing debt increases long- term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long- term liabilities in the Statement of Net Position.</p>		
Capital Lease Issuances	(234,605)	
Principal Bond Repayments	2,180,000	
Lease Payable Repayments	236,830	
Capital Lease Payable Repayments	215,638	
Net Change in Compensated Absences	<u>23,534</u>	2,421,397
<p>Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.</p>		
Change in Accrued Interest on Long- Term Debt	25,804	
Amortization of Bond Premium	316,854	
Amortization of Loss on Bond Refunding	<u>(13,839)</u>	328,819
<p>OPEB expense reported in the governmental funds includes the insurance premiums paid. In the Statement of Activities, OPEB expense includes the change in the OPEB liability, and related change in OPEB amounts for deferred outflows of resources and deferred inflows of resources.</p>		
		1,813,840
<p>Pension expense reported in the governmental funds includes the annual required contributions. In the Statement of Activities, pension expense includes the change in the net pension liability, and related change in pension amounts for deferred outflows of resources and deferred inflows of resources.</p>		
		<u>4,786,435</u>
Change in Net Position of Governmental Activities	\$	<u>25,054,931</u>

See accompanying Notes to Basic Financial Statements.

City of Norwalk
Statement of Net Position
Proprietary Funds
June 30, 2022

	Business-type Activities - Enterprise Funds				Governmental Activities Internal Service Funds
	Transit System Fund	Water Fund	Sewer Fund	Total	
ASSETS					
Current assets					
Cash and investments	\$ 6,290,115	\$ 7,998,259	\$ 10,885,280	\$ 25,173,654	\$ 322,775
Cash and investments with fiscal agents	-	57	-	57	-
Accounts receivable	42,867	1,429,773	2,008	1,474,648	-
Inventory	113,362	-	-	113,362	117,940
Prepaid Items	-	14,621	-	14,621	-
Due from other Governments	2,566,013	11,031	59,577	2,636,621	-
Total current assets	<u>9,012,357</u>	<u>9,453,741</u>	<u>10,946,865</u>	<u>29,412,963</u>	<u>440,715</u>
Capital assets					
Not being depreciated	-	9,776,936	273,213	10,050,149	-
Being depreciated, net of accumulated depreciation	21,448,034	12,915,069	16,548,289	50,911,392	-
Total capital assets	<u>21,448,034</u>	<u>22,692,005</u>	<u>16,821,502</u>	<u>60,961,541</u>	<u>-</u>
Total assets	<u>30,460,391</u>	<u>32,145,746</u>	<u>27,768,367</u>	<u>90,374,504</u>	<u>440,715</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amounts from OPEB plans	1,479,694	187,742	42,153	1,709,589	-
Deferred amounts from pension plans	1,782,496	232,500	77,500	2,092,496	-
Total deferred outflows of resources	<u>3,262,190</u>	<u>420,242</u>	<u>119,653</u>	<u>3,802,085</u>	<u>-</u>
LIABILITIES					
Current liabilities					
Accounts payable	371,462	402,942	348,388	1,122,792	103,988
Accrued expenses	447,657	43,530	21,931	513,118	129,761
Interest payable	-	37,102	-	37,102	-
Deposits payable	-	165,850	-	165,850	-
Advances from other funds	-	142,372	-	142,372	-
Unearned revenue	41,479	-	-	41,479	-
Compensated absences payable, current portion	65,700	10,400	1,500	77,600	52,200
Bonds payable, current portion	-	240,000	-	240,000	-
Leases payable, current portion	53,367	6,273	-	59,640	-
Other liabilities	-	63,055	-	63,055	-
Total current liabilities	<u>979,665</u>	<u>1,111,524</u>	<u>371,819</u>	<u>2,463,008</u>	<u>285,949</u>
Noncurrent liabilities					
Advances from other funds	-	1,880,281	-	1,880,281	-
Bonds payable	-	7,624,723	-	7,624,723	-
Leases payable	55,958	25,194	-	81,152	-
Compensated absences payable, long term portion	331,553	86,756	29,321	447,630	154,766
Net OPEB liability	7,292,330	1,049,848	253,702	8,595,880	-
Net pension liability	7,947,834	1,036,673	345,558	9,330,065	-
Total noncurrent liabilities	<u>15,627,675</u>	<u>11,703,475</u>	<u>628,581</u>	<u>27,959,731</u>	<u>154,766</u>
Total liabilities	<u>16,607,340</u>	<u>12,814,999</u>	<u>1,000,400</u>	<u>30,422,739</u>	<u>440,715</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred amounts from OPEB plans	1,611,298	64,822	16,205	1,692,325	-
Deferred amounts from pension plans	3,917,135	510,931	170,311	4,598,377	-
Total deferred inflows of resources	<u>5,528,433</u>	<u>575,753</u>	<u>186,516</u>	<u>6,290,702</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	21,338,709	14,761,814	16,821,502	52,922,025	-
Unrestricted	(9,751,901)	4,413,422	9,879,602	4,541,123	-
Total net position	<u>\$ 11,586,808</u>	<u>\$ 19,175,236</u>	<u>\$ 26,701,104</u>	<u>\$ 57,463,148</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

City of Norwalk
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
Year ended June 30, 2022

	Business-type Activities - Enterprise Funds				Governmental Activities Internal Service Funds
	Transit System Fund	Water Fund	Sewer Fund	Total	
Operating revenues					
Charges for services	\$ 259,858	\$ 6,056,825	\$ 2,603,255	\$ 8,919,938	\$ 21,670,688
Intergovernmental	-	248,006	-	248,006	-
Total operating revenues	<u>259,858</u>	<u>6,304,831</u>	<u>2,603,255</u>	<u>9,167,944</u>	<u>21,670,688</u>
Operating expenses					
Administrative	860,188	524,788	90,779	1,475,755	39,645
Utilities	199,417	172,824	10,140	382,381	57,401
Salaries and benefits	8,665,689	523,734	302,438	9,491,861	20,812,726
Contractual services	1,759,055	972,811	750,071	3,481,937	-
Health and welfare	1,447	-	-	1,447	-
Cost of water	-	1,435,601	-	1,435,601	-
Maintenance and repairs	975,347	45,658	-	1,021,005	760,916
Supplies and materials	188,905	(205,500)	27,621	11,026	-
Insurance	662,270	-	-	662,270	-
Depreciation and amortization	2,715,193	681,375	857,745	4,254,313	-
Total operating expenses	<u>16,027,511</u>	<u>4,151,291</u>	<u>2,038,794</u>	<u>22,217,596</u>	<u>21,670,688</u>
Operating income (loss)	<u>(15,767,653)</u>	<u>2,153,540</u>	<u>564,461</u>	<u>(13,049,652)</u>	<u>-</u>
Nonoperating revenues (expenses)					
Proposition "A" taxes	2,227,899	-	-	2,227,899	-
Proposition "C" taxes	939,251	-	-	939,251	-
Federal, state and local grants	12,164,177	-	-	12,164,177	-
Investment income	17,728	34,831	43,755	96,314	-
Interest expense	(6,512)	(404,125)	-	(410,637)	-
Other revenue	599,108	3,828	-	602,936	-
Total nonoperating revenues (expenses)	<u>15,941,651</u>	<u>(365,466)</u>	<u>43,755</u>	<u>15,619,940</u>	<u>-</u>
NET INCOME BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	<u>173,998</u>	<u>1,788,074</u>	<u>608,216</u>	<u>2,570,288</u>	<u>-</u>
Capital contribution and transfers					
Capital contribution	3,557,594	-	-	3,557,594	-
Transfers In	2,233,287	-	-	2,233,287	-
Transfers out	(462,229)	-	-	(462,229)	-
Total capital contributions and transfers	<u>5,328,652</u>	<u>-</u>	<u>-</u>	<u>5,328,652</u>	<u>-</u>
Change in net position	<u>5,502,650</u>	<u>1,788,074</u>	<u>608,216</u>	<u>7,898,940</u>	<u>-</u>
Net Position - Beginning of Year	<u>6,084,158</u>	<u>17,387,162</u>	<u>26,092,888</u>	<u>49,564,208</u>	<u>-</u>
Total Net Position - Ending	<u>\$ 11,586,808</u>	<u>\$ 19,175,236</u>	<u>\$ 26,701,104</u>	<u>\$ 57,463,148</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

City of Norwalk
Statement of Cash Flows
Proprietary Funds
Year ended June 30, 2022

	Business-type Activities - Enterprise Funds				Governmental Activities Internal Service Funds
	Transit System Fund	Water Fund	Sewer Fund	Total	
Cash flows from operating activities					
Receipts from tenants, customers and users	\$ 233,659	\$ 6,015,483	\$ 2,604,359	\$ 8,853,501	\$ 21,670,688
Payments to suppliers	(7,189,323)	(3,160,109)	(547,310)	(10,896,742)	(798,278)
Payments to employees	(11,057,860)	(795,473)	(390,876)	(12,244,209)	(20,795,118)
Other nonoperating revenues	599,108	-	-	599,108	-
Net cash provided by (used in) operating activities	<u>(17,414,416)</u>	<u>2,059,901</u>	<u>1,666,173</u>	<u>(13,688,342)</u>	<u>77,292</u>
Cash flows from capital and related financing activities					
Acquisition and Construction of Capital Assets	(3,367,453)	(735,358)	(4,257)	(4,107,068)	-
Capital Contributions Received	3,557,594	-	-	3,557,594	-
Payment of Bonds Payable	-	(240,225)	-	(240,225)	-
Payment of Leases	(50,896)	(6,273)	-	(57,169)	-
Interest Paid	(6,512)	(405,500)	-	(412,012)	-
Net cash provided by (used in) capital and related financing activities	<u>132,733</u>	<u>(1,387,356)</u>	<u>(4,257)</u>	<u>(1,258,880)</u>	<u>-</u>
Cash flows from non-capital financing activities					
Cash Contributions from Other Governments	16,073,078	-	-	16,073,078	-
Cash Received from Other Funds	2,233,287	6,779	-	2,240,066	-
Cash Paid to Other Funds	(462,229)	(153,403)	(6,744)	(622,376)	-
Net cash provided by (used in) non-capital financing activities	<u>17,844,136</u>	<u>(146,624)</u>	<u>(6,744)</u>	<u>17,690,768</u>	<u>-</u>
Cash flow from investing activity					
Investment Income	17,728	34,831	43,755	96,314	-
Cash provided by investing activity	<u>17,728</u>	<u>34,831</u>	<u>43,755</u>	<u>96,314</u>	<u>-</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	580,181	560,752	1,698,927	2,839,860	77,292
Cash and Cash Equivalents - Beginning of Year	<u>5,709,934</u>	<u>7,437,564</u>	<u>9,186,353</u>	<u>22,333,851</u>	<u>245,483</u>
CASH AND CASH EQUIVALENTS - END OF THE YEAR	<u>\$ 6,290,115</u>	<u>\$ 7,998,316</u>	<u>10,885,280</u>	<u>\$ 25,173,711</u>	<u>\$ 322,775</u>

See accompanying Notes to Basic Financial Statements.

City of Norwalk
Statement of Cash Flows - Proprietary Funds (Continued)
Year ended June 30, 2022

	Business-type Activities - Enterprise Funds				Governmental Activities Internal Service Funds
	Transit System Fund	Water Fund	Sewer Fund	Total	
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating Income (Loss)	\$ (15,767,653)	\$ 2,153,540	\$ 564,461	(13,049,652)	\$ -
Other Nonoperating Revenues	599,108	-	-	599,108	-
Depreciation and Amortization	2,715,193	681,375	857,745	4,254,313	-
Changes in Assets, Deferred Outflows of Resources, Liabilities, and Deferred Inflows of Resources:					-
(Increase) Decrease in Accounts Receivable	(26,199)	(289,348)	1,104	(314,443)	-
Decrease in Inventory	13,957	-	-	13,957	15,742
(Increase) Decrease in Prepaid Items	-	(14,621)	-	(14,621)	5,658
Increase in Deferred Outflows of Resources from OPEB Plans	(255,327)	(99,366)	(21,042)	(375,735)	-
Decrease in Deferred Outflows of Resources from Pension Plans	39,341	5,131	1,711	46,183	-
Increase (Decrease) in Accounts Payable	(2,610,940)	(205,914)	329,474	(2,487,380)	32,072
Increase (Decrease) in Accrued Expenses	54,289	(15,049)	1,827	41,067	6,212
Decrease in Deposits Payable	-	(4,217)	-	(4,217)	-
Increase in Other Liabilities	-	25,874	-	25,874	-
Increase (Decrease) in Compensated Absences Payable	(23,412)	(39,264)	(8,967)	(71,643)	17,608
Increase (Decrease) in Net OPEB Liability	(352,248)	28,155	(1,721)	(325,814)	-
Decrease in Net Pension Liability	(5,439,900)	(709,553)	(236,518)	(6,385,971)	-
Increase (Decrease) in Deferred Inflows of Resources from OPEB Plans	(253,132)	35,439	8,859	(208,834)	-
Increase in Deferred Inflows of Resources from Pension Plans	3,892,507	507,719	169,240	4,569,466	-
Net cash provided by (used in) operating activities	\$ (17,414,416)	\$ 2,059,901	\$ 1,666,173	\$ (13,688,342)	\$ 77,292
SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING, CAPITAL, AND RELATED FINANCING ACTIVITIES					
Amortization Related to Long-term Debt	\$ -	\$ 10,225	\$ -	\$ -	\$ -
Gain on Disposition of Capital Assets	\$ -	\$ 3,828	\$ -	\$ -	\$ -
Capital Assets Purchased Through Capital Lease	\$ -	\$ -	\$ -	\$ -	\$ -

See accompanying Notes to Basic Financial Statements.

City of Norwalk
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022

		Successor Agency to the Dissolved Redevelopment Agency Private-purpose Trust Fund
Assets		
Current assets		
Cash and investments	\$	4,721,435
Cash and investments with fiscal agents		4,501,875
Accounts receivable		752,250
Interest receivable		2,698
Total current assets		<u>9,978,258</u>
Noncurrent assets		
Lease receivable		10,320,652
Capital assets - being depreciated and amortized net of accumulated depreciation and amortization		<u>10,905,094</u>
Total noncurrent assets		<u>21,225,746</u>
Total assets		<u>31,204,004</u>
Deferred Outflows of Resources		
Unamortized loss on bond refunding		<u>90,772</u>
Total deferred outflows of resources		<u>90,772</u>
Liabilities		
Current liabilities		
Accounts payable		752,247
Interest payable		542,673
Due to other funds		72,855
Unearned revenue		54,938
Total current liabilities		<u>1,422,713</u>
Long-term liabilities		
Due within one year		3,011,593
Due in more than one year		98,527,776
Advances from City of Norwalk - due in more than one year		<u>5,880,803</u>
Total noncurrent liabilities		<u>107,420,172</u>
Total liabilities		<u>108,842,885</u>
Deferred Inflows of Resources		
Lease		<u>10,096,784</u>
Total deferred inflows of resources		<u>10,096,784</u>
Net Deficit		
Net Deficit Restricted for Private Purpose		<u>(87,644,893)</u>
Total Net Deficit \$		<u><u>(87,644,893)</u></u>

See accompanying Notes to Basic Financial Statements.

City of Norwalk
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year ended June 30, 2022

		Successor Agency to the Dissolved Redevelopment Agency Private-purpose Trust Fund
Additions		
Tax increment	\$	16,371,149
Use of money and property		1,629,111
Rental income		96,610
	Total revenues	18,096,870
 Deductions		
General government		12,549,141
Amortization		1,121,864
Urban development		173,314
Debt service		
Interest and fiscal charges		2,742,804
	Total expenses	16,587,123
 Change in net position		1,509,747
 Net Deficit - Beginning of Year		(89,154,640)
 NET DEFICIT - END OF YEAR	\$	(87,644,893)

See accompanying Notes to Basic Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City of Norwalk, California (the City), have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to governmental agencies. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

Description of Reporting Entity

The City of Norwalk was incorporated on August 26, 1957, under the general laws of the state of California. The City operates under a Council-Manager form of government. The City provides the following services, as authorized by its general laws: Public Safety, Public Works, Water, Transportation, Health and Social Services, Culture-Leisure, Public Improvements, Planning and Zoning, Community Development and General Administrative Services.

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

Based upon the above criteria, the component units of the City, as of June 30, 2022, are the Norwalk Housing Authority (Housing Authority) and the Norwalk Community Facilities Financing Authority (Financing Authority). A brief description of each component unit follows:

The Norwalk Housing Authority provides safe and sanitary dwelling accommodations in the City to persons of low income. The City provides management assistance to the Housing Authority, and the members of the City Council also act as the Housing Authority's governing body. The Housing Authority's financial data and transactions are accounted for in the special revenue fund type.

The Norwalk Community Facilities Financing Authority is a joint exercise of powers authority created by a joint powers agreement between the City and the Norwalk Parking Authority, dated August 1, 1989. The Financing Authority's purpose is to provide, through the issuance of debt, financing necessary for various capital improvements. The Financing Authority is administered by the Board, who are the members of City Council, and the Mayor. The Financing Authority's sole source of income is loan and lease payments received from the City and Agency, which are used to meet the debt service requirements on debt issues.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Since City Council serves as the governing board for these component units, all of the City's component units are considered to be blended component units. Blended component units, although legally separate entities are, in substance, part of the City's operations and so data from these units are reported with the interfund data of the primary government. The Financing Authority issues separate component unit financial statements that can be obtained at City Hall.

New Governmental Accounting Standards Board (GASB) Pronouncements

During the fiscal year ended June 30, 2022, the City implemented GASB Statement No. 87 – Leases. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset.

Under this Statement, a lessee is required to recognize a lease liability and an intangible right-of-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The implementation of this new accounting standards resulted in recognition of lease receivable and deferred inflows of resources and lease payable and right-of-use lease asset in the City's June 30, 2022 financial statements. See also Notes 7 and 8.

Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's water and sewer function and various other functions of the government. These charges are approximately equal to the value of services provided and eliminating them would distort the direct costs and program revenues reported for the various functions concerned. Internal service funds activities have been eliminated and net balances are included in the governmental activities.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

Government-Wide Financial Statements (Continued)

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as an expenditure. Proceeds of long-term debt and acquisitions of capital leases are recorded as a liability in the government-wide financial statements, rather than as an other financing source. Amounts paid to reduce long-term indebtedness of the City are reported as a reduction of the related liability, rather than as an expenditure. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenses.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The types of transactions reported as 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 revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and the fiduciary fund, even though the latter is excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Fund Financial Statements

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

Fund Financial Statements (Continued)

Fund financial statements for the primary government's governmental funds, proprietary funds, and fiduciary funds are presented after the government-wide financial statements. These statements display information about major funds individually and other governmental funds in the aggregate for governmental and enterprise funds. Fiduciary fund statements include financial information for the private-purpose trust.

The City reports the following major governmental funds:

- **General Fund** – is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in other funds.
- **Housing and Community Development Special Revenue Fund** – accounts for housing and commercial improvement projects. Financing is provided by Federal grants received from the U.S. Department of Housing and Urban Development.
- **American Rescue Plan Act (ARPA) Special Revenue Fund** – accounts for the ARPA funds provided by the federal government to cover revenue shortfalls and COVID-19 related costs.
- **Special Projects Capital Projects Funds** – account for the construction of street improvements and sidewalk ramps at various locations throughout the City. Financing is provided by grants received under federal, state and local agreements.

The City reports the following major proprietary funds:

- **Transit System Fund** – accounts for the City-operated fixed route bus system and "Dial-A-Ride" van service to the general public. Principal sources of revenue are the Los Angeles County Proposition "A" taxes, Federal Transit Administration Capital Assistance, State Transportation Development Act Funds and passenger fares.
- **Water Fund** – accounts for the Norwalk Municipal Water System, which consists of approximately 5,384 service connections which service over 18,000 Norwalk and Artesia residents.
- **Sewer Fund** – accounts for the transactions in the operation of the City of Norwalk's sewer system.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

The City reports the following fund types:

Governmental Funds

- **Special Revenue Funds** – are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.
- **Debt Service Fund** – is used to account for the accumulation of resources for, and the payment of, the City's general long-term debt principal and interest.
- **Capital Projects Funds** – are used to account for financial resources used for the acquisition or construction of major capital facilities which are not financed by proprietary funds.

Proprietary Funds

- **Internal Service Funds** – are used to account for various services provided to City departments on a cost reimbursement basis. The Employee Benefits Fund accounts for the costs of providing various benefits to active and retired employees. The Vehicle Maintenance Fund accounts for the cost of vehicle and equipment maintenance.

Fiduciary Fund

- **Successor Agency to the Dissolved Redevelopment Agency Private-Purpose Trust Fund** – is a fiduciary fund type used by the City to report trust arrangements under which principal and income benefit other governments. This fund reports the assets, deferred outflows of resources, liabilities, and activities of the Successor Agency to the Dissolved Norwalk Redevelopment Agency. The Private-Purpose Trust Fund reports a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the *economic resources measurement* focus and the *accrual basis of accounting*, as are the proprietary and fiduciary funds.

Under the *economic resources measurement* focus, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) associated with their activity are included on their statements of net position.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Operating statements present increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange include property taxes, grants, entitlements, and donations. On an accrual basis, property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the transit, water, sewer, and internal service funds are charges to customers for sales and services. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under the *current financial resources measurement focus*, only current assets, current liabilities, and deferred inflows of resources are generally included on their balance sheets. The reported fund balance is considered to be a measure of "available spendable resources".

Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period. Noncurrent portions of long-term receivables are reported on the funds' balance sheets in spite of their spending measurement focus.

Under the *modified accrual basis of accounting* revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, except for principal and interest on general long-term liabilities, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term liabilities are reported as other financing sources.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)**

Property taxes, franchise fees, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Assets, Liabilities, and Net Position or Equity

Property Tax Calendar

The County of Los Angeles assesses, levies, and collects property taxes for the City. Property taxes levied for the year ended June 30, 2022, are due and payable in two installments on November 1, 2021 and February 1, 2022 and became delinquent on December 10, 2021 and April 10, 2022, respectively. A tax lien is attached to the property on January 1, 2022. The City, as a no/low property tax city, does not levy property taxes from its residents, but receives allocation from the state and County based on City's assessed valuation.

Interfund Transfers

Operating transfers are reported as other financing sources and uses of funds in the statement of revenues, expenditures and changes in fund balances.

Cash and Investments

Investments are reported in the accompanying financial statements at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Changes in fair value that occur during a fiscal year are recognized as investment income for that fiscal year. Investment income includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation, maturity, or sale of investments.

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

Due from Other Governments

The amounts recorded as due from other governments include sales taxes, property taxes, and grant revenues collected or provided by Federal, State, County and City Governments and unremitted to the City as of June 30, 2022.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position or Equity (Continued)

Inventories

Inventories held by the General Fund and Internal Service Funds are stated at cost using the first-in, first-out (FIFO) method. Inventory balances represent expendable supplies held for consumption. Reported expenditures reflecting the purchase of supplies have been restated to reflect the consumption method of recognizing inventory-related expenditures. A fund balance nonspendable classification has been reported in the General Fund to show that inventories do not constitute "available spendable resources".

Prepaid Items

Prepaid items consist of certain payments to vendors that reflect costs applicable to future accounting periods under the consumption method.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position and governmental funds balance sheet 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 that time. The City has the following items that qualify for reporting in this category:

- Unamortized loss on bond defeasance reported in the government-wide statement of net position and the fiduciary funds financial statements. An unamortized loss on bond defeasance results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the life of the refunding debt.
- Deferred outflows related to pensions and OPEB equal to employer contributions made after the measurement date of the net pension liability and the net OPEB liability.
- Deferred outflows related to pensions and OPEB for differences between actual and expected experiences and deferred outflows related to OPEB for changes in assumptions. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions/retirement health care through the plans.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position or Equity (Continued)

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

- Deferred inflows from unavailable revenues, which are reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from three sources: grants, charges for services, and investment earnings. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.
- Deferred inflows from leases, which are measured at the present value of future lease payments and reported in the governmental funds balance sheet. These amounts are deferred and recognized as revenue over the term of the lease.
- Deferred inflows from pensions and OPEB resulting from differences between actual and expected experiences and deferred inflows from OPEB resulting from changes in assumptions. These amounts are amortized over a closed period equal to the average expected remaining services lives of all employees that are provided with pension/retirement health care through the plans.
- Deferred inflows from OPEB resulting from the net differences between projected and actual earnings on investments of the OPEB plan fiduciary net position. These amounts are amortized over five years.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g., streets, sidewalks, medians, traffic signals, storm drains) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Construction in progress includes incomplete infrastructure projects. The government defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are capitalized at cost. Donated capital assets are recorded at estimated acquisition value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position or Equity (Continued)

The provision for depreciation of the primary government's plant, infrastructure and equipment is computed using the straight-line method over the following estimated useful lives:

Buildings and Improvements	10 – 40 Years
Street Infrastructure	20 Years
Street Lights	20 Years
Parks Infrastructure	40 Years
Water Infrastructure (Distribution System)	50 to 60 Years
Sewer Infrastructure	40 to 60 Years
Vehicles	5 – 15 Years
Office Equipment	5 – 30 Years
Tools and Equipment	2 – 20 Years
Miscellaneous	5 – 10 Years

Compensated Absences

Permanent City employees earn from 10 to 20 vacation days per year, depending upon their length of employment, and 12 sick days per year. Employees can carry forward up to the equivalent number of days earned in the immediately preceding 24-month period and 90 days of earned but unused sick leave for use in the subsequent year.

Upon termination or retirement, permanent employees are entitled to receive compensation at their current base salary for all unused vacation leave. If an employee terminates with a minimum of five service years, the employee is entitled to receive 25% of the value of unused sick leave. The percentage increases by 25% for each five-year period thereafter until the employee is entitled to 100% of the value of unused sick leave. This will occur upon the completion of twenty years of continuous employment.

Compensated absences are reported in governmental funds only if they have matured. The unused reimbursable leave balance report is generated after the last payroll in June per employee's hire date, hourly rate and fund. Based on the report, the value of the City's compensated absences is determined.

A liability is recorded for unused vacation and similar compensatory leave balances, since the employees' entitlement to these balances are attributable to services already rendered, and it is probable that virtually all of these balances will be liquidated by either paid time off or payments upon termination or retirement.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position or Equity (Continued)

A liability is also recorded for unused sick leave balances only to the extent that it is probable that the unused balances will result in termination payments. This is estimated by including in the liability the unused balances of employees currently entitled to receive termination payments, as well as those who are expected to become eligible to receive termination benefits as a result of continuing their employment with the City. Other amounts of unused sick leave are excluded from the liability since their payment is contingent solely upon the occurrence of a future event (illness), which is outside the control of the City and the employee.

Claims and Judgments

The City records a liability for material litigation, judgments, and claims (including incurred but not reported losses) when it is probable that an asset has been significantly impaired or a material liability has been incurred prior to year-end and the probable amount of loss (net of any insurance coverage) can be reasonably estimated. City management believes that there are no such liabilities for the current year.

Revenue Recognition for the Transit System Enterprise Fund

Operating assistance grants under the Federal Transit Act of 1992, as amended, the State of California Local Transportation Development Fund and State Transit Assistance Fund under the Transportation Development Act of 1971, as amended, and Proposition A Local Return Funds from the Los Angeles County Metropolitan Transportation Authority, are included in nonoperating revenues as related expenses are incurred. Until such time as the expenses are incurred, operating assistance grant revenue recognition is deferred. Federal and state grants which are limited to the acquisition of capital assets are recorded in the Statement of Activities as contributions.

Noncurrent Liabilities

In the government-wide financial statements, proprietary fund types and fiduciary fund types fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt, including capital leases, issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position or Equity (Continued)

Net Position

The governmental and business-type activities in the government-wide financial statements and the proprietary funds in the fund financial statements utilize a net position presentation. Net position is classified in the following categories:

Net Investment in Capital Assets – This amount consists of capital assets net of accumulated depreciation and reduced by outstanding debt (including premiums) and any other capital related liabilities that are attributed to the acquisition, construction, or improvement of the assets.

Restricted Net Position – This amount is restricted by external creditors, grantors, contributors, or laws or regulations of other governments.

Unrestricted Net Position – This amount is all net position that does not meet the definition of "net investment in capital assets" or "restricted net position".

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

Fund Balances

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

Nonspendable Fund Balance – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The City's nonspendable fund balances represent inventories, prepaid expenses, and long-term receivables.

Restricted Fund Balance – includes resources that are subject to externally enforceable legal restrictions. It includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. All special revenue funds are classified as restricted with the exception of special revenue funds with deficits, which are reported as unassigned fund balance.

Committed Fund Balance – includes amounts that can be used only for the specific purposes determined by a formal resolution approved by the City Council, which is the City's highest level of decision-making authority. As stated in the city's fund balance policy, the City Council, may commit fund balance for specific purposes pursuant to constraints imposed by formal actions taken (resolution). Committed amounts cannot be used for any other purpose unless the City Council removes or changes the specific use through the same type of formal action (resolution) taken to establish the commitment.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position or Equity (Continued)

Assigned Fund Balance – consists of funds that are set aside for specific purposes approved by the City Council through a resolution which are mainly resources set aside for capital expenditures. The City Council delegates the authority to assign fund balance to the City Manager for purposes of reporting in the annual financial report.

Unassigned Fund Balance – is the residual classification for the City's general fund and includes all spendable amounts not contained in the other classifications. This category also provides the resources necessary to meet unexpected expenditures and revenue shortfalls. The general fund is the only fund that reports a positive unassigned fund balance amount.

The City considers the restricted fund balances to have been spent when expenditure is incurred for purposes for which both unrestricted and restricted fund balance is available. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the policy of the City to reduce the committed amounts first, followed by assigned amounts, and then unassigned amounts.

Fund Balances (Continued)

The accumulated unassigned fund balance is targeted to be a minimum of 20% of the following year's budgeted operating expenditures and capital outlay of the general fund. Additions to this balance will be determined during each budget process to reach or maintain the target balance. Whenever monies have been used whereby the balance falls below the target, the reserve shall be replenished as soon as possible, no later than within five fiscal years.

Pension Plans

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

OPEB Plan

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

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Assets, Liabilities, and Net Position or Equity (Continued)

Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from such estimates.

NOTE 2 CASH AND INVESTMENTS

Cash and Investments

Cash and investments as of June 30, 2022 were classified in the accompanying financial statements as follows:

	<u>Government- Wide Statement of Net Position</u>	<u>Fiduciary Funds Statement of Net Position</u>	<u>Total</u>
Unrestricted Assets:			
Cash and Investments	\$ 150,249,226	\$ 4,721,435	\$ 154,970,661
Restricted Assets:			
Cash and Investments with Fiscal Agents	15,032,277	4,501,875	19,534,152
Cash and Investments Held by Trust for Pension	<u>5,053,233</u>	<u>-</u>	<u>5,053,233</u>
Total Cash and Investments	<u>\$ 170,334,736</u>	<u>\$ 9,223,310</u>	<u>\$ 179,558,046</u>

Cash and investments at June 30, 2022 consisted of the following:

Cash on Hand	\$ 5,610
Deposits with Financial Institutions	21,055,093
Investments	<u>158,497,343</u>
Total Cash and Investments	<u>\$ 179,558,046</u>

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

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

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio*	Maximum Investment in One Issuer
United States Treasury Obligations	5 Years	None	None
United States Government Sponsored Agency Securities	5 Years	None	None
Local Agency Securities:			
State and California	5 Years	15%	5%
Non- California	5 Years	10%	5%
Banker's Acceptance	180 Days	30%	10%
Negotiable Certificates of Deposit	5 Years	30%	5%
Non- negotiable Certificates of Deposit	5 Years	10%	5%
Commercial Paper - Pooled Funds	270 Days	40%	10%
Commercial Paper - Non- pooled Funds	270 Days	25%	10%
Repurchase Agreements	30 Days	None	None
Medium - Term Notes	5 Years	25%	5%
Mutual Funds	N/ A	20%	10%
Money Market Mutual Funds	N/ A	20%	None
Mortgage Pass- Through Securities	5 Years	20%	None
Collateralized Bank Deposits	5 Years	None	None
County Pooled Investment Funds	N/ A	10%	None
Local Agency Investment Fund (LAIF)	N/ A	None	75 Million
Investment Trust of California (CalTRUST)	N/ A	None	None

N/ A - Not Applicable

* Excluding amounts held by bond trustees that are not subject to California Government Code restrictions.

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Investments Authorized by Debt Agreements

Investments of debt proceeds held by bond trustees are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. Investments authorized for funds held by bond trustees include U.S. Treasury Obligations, U.S. Government Sponsored Agency Securities, Commercial Paper, and Money Market Mutual Funds.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates.

One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter-term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity over time, as necessary, to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the City's investments (including investments held by bond trustees) to market interest rate fluctuations is provided by the following table that shows the distribution of the City's investments by maturity:

Investment Type	Remaining Maturity (in Months)					Total
	12 Months or Less	13 to 24 Months	25 to 36 Months	37 to 48 Months	48 to 60 Months	
Local Agency Investment Fund (LAIF)	\$ 69,060,253	\$ -	\$ -	\$ -	\$ -	\$ 69,060,253
CalTRUST Short Term Fund	105,890	-	-	-	-	105,890
CalTRUST Medium Term Fund	26,123,866	-	-	-	-	26,123,866
United States Government Sponsored Agency Securities:						
Federal Home Loan Bank (FHLB)	2,230,135	6,225,000	4,944,394	1,699,770	1,200,000	16,299,299
Federal Home Loan Mortgage Corporation (FHLMC)	-	1,000,000	499,267	1,000,000	-	2,499,267
Federal National Mortgage Association (FNMA)	-	200,000	-	2,499,900	-	2,699,900
Federal Farm Credit Bank (FFCB)	996,168	-	1,250,000	1,496,413	-	3,742,581
Local Securities:						
State and California	3,266,263	-	-	-	-	3,266,263
Medium - Term Notes	6,245,896	-	-	-	-	6,245,896
Negotiable Certificates of Deposits	495,150	1,703,794	1,209,825	-	244,794	3,653,563
Money Market Mutual Funds	213,180	-	-	-	-	213,180
Held in Pension Trust:						
Money Market Mutual Funds	5,053,233	-	-	-	-	5,053,233
Held by Bond Trustee:						
Money Market Mutual Funds	19,534,152	-	-	-	-	19,534,152
Total	\$ 133,324,186	\$ 9,128,794	\$ 7,903,486	\$ 6,696,083	\$ 1,444,794	\$ 158,497,343

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Presented below is the minimum rating by Standard & Poor's required by (where applicable) the California Government Code, the City's investment policy, or debt agreements, and the actual rating by Standard & Poor's as of year-end for each investment type:

Investment Type	Remaining Maturity (in Months)					Total
	12 Months or Less	13 to 24 Months	25 to 36 Months	37 to 48 Months	48 to 60 Months	
LAIF	\$ 69,060,253	\$ -	\$ -	\$ -	\$ -	\$ 69,060,253
CalTRUST Short Term Fund	105,890	-	-	-	-	105,890
CalTRUST Medium Term Fund	26,123,866	-	-	-	-	26,123,866
United States Government Sponsored Agency Securities:						
Federal Home Loan Bank (FHLB)	2,230,135	6,225,000	4,944,394	1,699,770	1,200,000	16,299,299
Federal Home Loan Mortgage Corporation (FHLMC)	-	1,000,000	499,267	1,000,000	-	2,499,267
Federal National Mortgage Association (FNMA)	-	200,000	-	2,499,900	-	2,699,900
Federal Farm Credit Bank (FFCB)	996,168	-	1,250,000	1,496,413	-	3,742,581
Local Securities:						
State and California	3,266,263	-	-	-	-	3,266,263
Medium - Term Notes	6,245,896	-	-	-	-	6,245,896
Negotiable Certificates of Deposits	495,150	1,703,794	1,209,825	-	244,794	3,653,563
Money Market Mutual Funds	213,180	-	-	-	-	213,180
Held in Pension Trust:						
Money Market Mutual Funds	5,053,233	-	-	-	-	5,053,233
Held by Bond Trustee:						
Money Market Mutual Funds	19,534,152	-	-	-	-	19,534,152
Total	\$ 133,324,186	\$ 9,128,794	\$ 7,903,486	\$ 6,696,083	\$ 1,444,794	\$ 158,497,343

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental unit by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure state and local government deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. At June 30, 2022, the City's deposits (bank balances) were insured by the Federal Deposit Insurance Corporation or collateralized as required under California Law.

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Investment in State Investment Pool

The City is a voluntary participant in the LAIF that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro-rate share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF.

CalTRUST (Investment Trust of California)

The City also invests in a series of government investment pools offered through the CalTRUST Joint Powers Authority, as authorized by California Government Code Section 53601(p). CalTRUST offers three account options: a Money Market fund, a Short-Term fund, and a Medium-Term fund. The City can allocate its assets among the three funds to match its investment time horizons and cash flow needs, and reallocate among funds as circumstances change. There is no minimum investment period; no minimum or maximum transaction size; and no account minimum or maximum. The funds offer high liquidity (same-day in the Money Market fund; next-day in the Short-Term fund; and monthly in the Medium-Term fund). Interest earnings accrue daily and are paid monthly. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's percentage interest of the fair value provided by CalTRUST for the CalTRUST accounts. The balance available for withdrawal is based on the accounting records maintained by CalTRUST.

Fair Value Measurements

The City categorizes its fair value measurement 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 assets. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are quoted prices for similar assets in active markets (significant other observable inputs), such as institutional bond quotes, and Level 3 inputs are significant unobservable inputs.

United States Government Sponsored Agency Securities, Local Securities, Medium-Term Notes, and Negotiable Certificates of Deposits, classified in level 2 of the fair value hierarchy, are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationships to benchmark quoted prices.

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

The City has the following recurring fair value measurements as of June 30, 2022:

	Quoted Prices Level 1	Observable Inputs Level 2	Unobservable Inputs Level 3	Total
United States Government Sponsored				
Agency Securities:				
FHLB	\$ -	\$ 16,299,299	\$ -	\$ 16,299,299
FHLMC	-	2,499,267	-	2,499,267
FNMA	-	2,699,900	-	2,699,900
FFCB	-	3,742,581	-	3,742,581
Local Securities:				
State and California	-	3,266,263	-	3,266,263
Medium- Term Notes	-	6,245,896	-	6,245,896
Negotiable Certificates of Deposits	-	3,653,563	-	3,653,563
Total Leveled Investments	\$ -	\$ 38,406,769	\$ -	38,406,769
LAIF*				69,060,253
CalTRUST Short Term Fund*				105,890
CalTRUST Medium Term Fund*				26,123,866
Money Market Mutual Funds*				213,180
Held in Pension Trust:				
Money Market Mutual Funds*				5,053,233
Held by Bond Trustee:				
Money Market Mutual Funds*				19,534,152
Total Investment Portfolio				\$ 158,497,343

* Not subject to fair value measurement hierarchy.

NOTE 3 INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

Due To and Due From

The composition of interfund balances as of June 30, 2022 is as follows:

Due To (Receivable) Fund	Due From (Payable) Fund	Amount
General Fund	Other Governmental Funds	\$ 2,276,512
	Total	\$ 2,276,512

The receivable of the General Fund from the above funds is mainly for temporary deficit cash balances.

NOTE 3 INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS (CONTINUED)

Advances

Long-term advances between the City's General Fund and the Water Enterprise Fund are summarized below:

	Balance at July 1, 2021	Current Advances	Repayments	Balance at June 30, 2022	Due Within One Year
Water Enterprise Fund	\$ 2,158,246	\$ -	\$ (135,593)	\$ 2,022,653	\$ 142,372

The General Fund previously advanced \$3,500,000 to the Water Enterprise Fund for the purchase of County Water Company. Interest on the advance is 10%. During the year ended June 30, 2006, the Water Fund made payments on the advance totaling \$1,703,000. During 2009 and 2010, the General Fund additionally advanced to the Water Fund \$1,237,610 at 7.5% interest. The remaining balance on the advance at June 30, 2013 was \$3,034,610. As a part of fiscal year 2013/14 budget process, the City Council approved annual repayment of the \$3,034,610 advance over a 20-year period at 5% interest commencing in July 2013. The annual repayment amount, principal and interest is \$243,500. Actual principal payment made during the fiscal year ended June 30, 2022 was \$135,593.

Interfund Transfers

The composition of the City's interfund transfers for the year ended June 30, 2022 is as follows:

Transfers Out	Transfers In	Amount
General Fund	Other Governmental Funds	\$ 14,988,785
ARPA Special Revenue Fund	General Fund	2,696,165
	Other Governmental Funds	196,368
Special Project Capital Projects Fund	General Fund	1,864
Other Governmental Funds	Transit System Enterprise Fund	1,771,058
	Other Governmental Funds	2,092,548
	Total	\$ 21,746,788

\$14,988,785 was transferred from the General Fund to Other Governmental Funds to fund the child development program, Norwalk senior program, special grants program, housing successor, debt service, general plan, computer replacement, sports complex equipment replacement, playground equipment replacement, vehicle replacement, building renovation, and street renovation. \$2,696,165 was transferred from the ARPA Fund to the General Fund to provide funding for loss of revenues eligible and calculated under ARPA guidelines.

NOTE 3 INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS (CONTINUED)

The ARPA funds helped to fund recreation, homeless, public safety and crisis communication expenditures. \$196,368 transferred from ARPA Special Revenue Fund to the Other Governmental Funds to cover shortfall of revenues and fund expenditures identified by the City as an eligible ARPA expenditure category (parking structure). \$1,771,058 transferred from Other Governmental Funds to the Transit System Enterprise Fund primarily to move Proposition A and Proposition C funds to the fund in which the revenue was utilized.

NOTE 4 ADVANCES TO SUCCESSOR AGENCY

The City and the former Redevelopment Agency entered into a loan agreement in 1991, pursuant to which the City loaned money to finance a development known as the Metro Center. The loan agreement was subsequently amended in 1992, 1993, and 1994. Under the Dissolution Act, an agreement between the City and the former Redevelopment Agency became unenforceable and non-binding on the Successor Agency as of February 1, 2012 (i.e., the date on which Redevelopment Agency dissolved), unless the agreement falls within certain limited exceptions. The Department of Finance (DOF) has determined that the Metro Center loan agreement did not fall within any of the exceptions. However, under the Dissolution Act, agreements such as the Metro Center loan agreement may be re-established, subject to certain conditions precedent, and the approval of the Oversight Board and the DOF and only if the repayment terms of the loan were modified in the manner specified in the Dissolution Act. On May 15, 2013 the Successor Agency received a Finding of Completion letter from the DOF authorizing the Agency to place loan agreements between the former redevelopment agency and sponsoring entity on the Recognized Obligation Payment Schedule (ROPS), as an enforceable obligation, provided the oversight board made a finding that the loan was for legitimate redevelopment purposes per HSC section 34191.4(b)(1). The oversight board made such a finding during fiscal year 2014. Loan repayments will be governed by criteria in HSC section 34191.4(a)(2).

The Senate Bill 107 (SB 107) enacted by the State legislation in September 2015, allows the Successor Agency to recalculate and repay these loans using 3% or 4% interest rate, instead of the LAIF rate. The 4% interest would apply only if the Successor Agency opts to file a last and final ROPS. In fiscal year 2021-2022, the Successor Agency recalculated the accrued interest at the 3% simple rate required by SB 107 and recalculated the loan balance applying all historical payments to principal first.

Principal payments of \$1,028,313 were made on the advance in fiscal year 2021-2022. The balance of this advance outstanding as of June 30, 2022 is \$5,880,803, which includes \$952,428 in principal and \$4,928,375 accrued interest (interest receivable is offset by deferred inflows of resources, unavailable revenues, in the general fund balance sheet).

NOTE 5 LOANS RECEIVABLE

Loans receivable consists of \$6,953,319 in deferred-payment rehabilitation loans to qualifying low income households in connection with the CDBG and Homeownership and Opportunity for People Everywhere (HOPE) programs and a \$3,365,662 principal and interest loan to HOME Investment Partnership Programs (HOME). Because of the long-term nature of the loans, the City has offset the balances of forgivable HOME loans with an allowance of \$3,365,662 and offset the remaining loans of \$6,953,319 with due to other governments at June 30, 2022.

NOTE 6 LEASE RECEIVABLE

On January 12, 2021, the City entered into a second amendment to extend the ground lease with Aquirecorp Norwalk Auto Auction (Aquirecorp) for two years commencing on January 1, 2021. Aquirecorp pays the City a monthly rent of \$64,580 in exchange for operating its business at 12405 Rosecrans Avenue until the month following the completion of the required alterations identified in the lease agreement. Aquirecorp has the sole discretion to extend the lease for another 2 two-year periods effective January 1, 2023.

On December 1, 1999, the City entered into a 30-year lease agreement with Pacific Bell Wireless which was changed to Royal Street Communications in 2007 (Lessee). Under the lease agreement, the Lessee pays the City a monthly rent of \$1,916 in exchange for operating its business at Holifield Park, Excelsior.

On August 6, 2020, the City entered into a 30-year easement agreement with Evergreen Media LLC (Evergreen) to commence on January 15, 2022. Evergreen pays the City its quarterly public benefit contributions ranging from \$37,500 to \$75,000 in exchange for the installation of the new digital billboard within the City and to reimburse the City its project costs. Evergreen prepaid the quarterly payments for the first 3 years on the commencement date.

At June 30, 2022, the lease receivable and deferred inflows of resources for the above leases were \$5,996,910 and \$6,310,281, respectively.

NOTE 7 CAPITAL ASSETS

Governmental Activities

A summary of changes in the Governmental Activities capital assets at June 30, 2022 is as follows:

	Balance at July 1, 2021	Additions	Deletions/ Transfers	Balance at June 30, 2022
Capital Assets, Not Being Depreciated:				
Land	\$ 7,157,368	\$ -	\$ -	\$ 7,157,368
Construction in Progress	<u>11,686,764</u>	<u>10,469,295</u>	<u>(11,407,472)</u>	<u>10,748,587</u>
Total Capital Assets, Not Depreciated	<u>18,844,132</u>	<u>10,469,295</u>	<u>(11,407,472)</u>	<u>17,905,955</u>
Capital Assets, Being Depreciated:				
Buildings and Improvements	53,071,945	-	-	53,071,945
Machinery and Equipment	8,295,551	283,520	(618,636)	7,960,435
Infrastructure	<u>283,123,077</u>	<u>11,226,625</u>	<u>-</u>	<u>294,349,702</u>
Total Capital Assets, Being Depreciated	<u>344,490,573</u>	<u>11,510,145</u>	<u>(618,636)</u>	<u>355,382,082</u>
Less Accumulated Depreciation for:				
Buildings and Improvements	(29,109,439)	(1,290,506)	-	(30,399,945)
Machinery and Equipment	(4,725,518)	(476,901)	611,636	(4,590,783)
Infrastructure	<u>(185,734,412)</u>	<u>(7,854,443)</u>	<u>-</u>	<u>(193,588,855)</u>
Total Accumulated Depreciation	<u>(219,569,369)</u>	<u>(9,621,850)</u>	<u>611,636</u>	<u>(228,579,583)</u>
Total Capital Assets, Being Depreciated, Net	<u>124,921,204</u>	<u>1,888,295</u>	<u>(7,000)</u>	<u>126,802,499</u>
Governmental Activities Capital Assets, Net	<u>\$ 143,765,336</u>	<u>\$ 12,357,590</u>	<u>\$ (11,414,472)</u>	<u>\$ 144,708,454</u>

Depreciation expense was charged to functions/programs of the governmental activities as follows:

General Government	\$ 1,335,053
Public Safety	56,467
Urban Development	12,693
Public Works	7,855,013
Culture and Leisure	222,612
Health and Welfare	<u>140,012</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 9,621,850</u>

City of Norwalk
Notes to Basic Financial Statements
Year ended June 30, 2022

NOTE 7 CAPITAL ASSETS (CONTINUED)

Business-Type Activities

A summary of changes in the Business-type Activities capital assets at June 30, 2022 is as follows:

	Balance at July 1, 2021	Additions	Deletions/ Transfers	Balance at June 30, 2022
Capital Assets, Not Being Depreciated:				
Land	\$ 23,125	\$ -	\$ -	\$ 23,125
Construction in Progress	1,337,967	743,443	(450,967)	1,630,443
Water Rights	8,396,581	-	-	8,396,581
Total Capital Assets, Not Depreciated	9,757,673	743,443	(450,967)	10,050,149
Capital Assets, Being Depreciated:				
Buildings and Improvements	15,206,546	-	(15)	15,206,531
Distribution System	20,902,450	450,974	-	21,353,424
Sewer Infrastructure	48,939,003	-	-	48,939,003
Office Equipment	853,739	6,081	(148,725)	711,095
Vehicles	20,120,906	3,336,598	(1,967,080)	21,490,424
Tools and Equipment	2,622,745	69,383	(108,208)	2,583,920
Miscellaneous	122,504	54,641	-	177,145
Total Capital Assets, Being Depreciated	108,767,893	3,917,677	(2,224,028)	110,461,542
Capital Assets, Being Amortized:				
Right-of-use lease asset	160,221	-	-	160,221
Less Accumulated Depreciation for:				
Buildings and Improvements	(4,882,182)	(506,773)	-	(5,388,955)
Distribution System	(8,110,826)	(642,045)	4,241	(8,748,630)
Sewer Infrastructure	(31,543,019)	(855,228)	-	(32,398,247)
Office Equipment	(577,940)	(31,553)	109,423	(500,070)
Vehicles	(10,830,108)	(2,021,027)	1,921,854	(10,929,281)
Tools and Equipment	(1,481,485)	(112,319)	79,179	(1,514,625)
Miscellaneous	(155,267)	(31,961)	10,072	(177,156)
Total Accumulated Depreciation	(57,580,827)	(4,200,906)	2,124,769	(59,656,964)
Less Accumulated Amortization for Right-of-use lease asset	-	(53,407)	-	(53,407)
Total Capital Assets Being, Depreciated and Amortized, Net	51,347,287	(336,636)	(99,259)	50,911,392
Total Business- Type Activities Capital Assets, Net	\$ 61,104,960	\$ 406,807	\$ (550,226)	\$ 60,961,541

City of Norwalk
Notes to Basic Financial Statements
Year ended June 30, 2022

NOTE 7 CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functions/programs of the business-type activities as follows:

Transit System	\$ 2,661,786
Water	681,375
Sewer	<u>857,745</u>
Total Depreciation and Amortization Expense - Business -Type Activities	<u>\$ 4,200,906</u>

NOTE 8 LONG-TERM LIABILITIES

Changes in long-term liabilities for the year ended June 30, 2022, were as follows:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Due Within One Year
GOVERNMENTAL ACTIVITIES					
Other Debt:					
2013A Lease Revenue Refunding Bonds	\$ 3,865,000	\$ -	\$ (475,000)	\$ 3,390,000	\$ 490,000
Add: Unamortized Bond Premium	92,059	-	(11,507)	80,552	
2013B Lease Revenue Refunding Bonds	3,860,000	-	(705,000)	3,155,000	740,000
Add: Unamortized Bond Premium	184,366	-	(46,091)	138,275	
2019A Sales Tax Bonds	9,370,000	-	(530,000)	8,840,000	555,000
Add: Unamortized Bond Premium	1,786,747	-	(137,442)	1,649,305	
2019B Sales Tax Bonds	8,305,000	-	(470,000)	7,835,000	495,000
Add: Unamortized Bond Premium	1,583,578	-	(121,814)	1,461,764	
Subtotal	<u>29,046,750</u>	<u>-</u>	<u>(2,496,854)</u>	<u>26,549,896</u>	<u>2,280,000</u>
Direct Borrowings and Placements:					
Lease Payable	3,700,562		(236,830)	3,463,732	247,913
Capital Leases Payable	1,050,777	234,605	(215,638)	1,069,744	224,675
Other Long- Term Liabilities:					
Compensated Absences	<u>2,359,070</u>	<u>595,001</u>	<u>(600,927)</u>	<u>2,353,144</u>	<u>440,100</u>
Total Governmental Activities	<u>36,157,159</u>	<u>829,606</u>	<u>(3,550,249)</u>	<u>33,436,516</u>	<u>3,192,688</u>
BUSINESS- TYPE ACTIVITIES					
Other Debt:					
2013A Water Revenue Bonds	7,880,000		(230,000)	7,650,000	240,000
Add: Unamortized Bond Premium	224,948		(10,225)	214,723	
Subtotal	<u>8,104,948</u>	<u>-</u>	<u>(240,225)</u>	<u>7,864,723</u>	<u>240,000</u>
Direct Borrowings and Placements:					
Capital Leases Payable - Water	37,740	-	(6,273)	31,467	6,273
Other Long- Term Liabilities:					
Compensated Absences	596,873	50,105	(121,748)	525,230	77,600
Right-of-use Lease Liability	160,221	-	(50,896)	109,325	53,367
Total Business- Type Activities	<u>8,899,782</u>	<u>50,105</u>	<u>(419,142)</u>	<u>8,530,745</u>	<u>377,240</u>
Total Long- Term Liabilities	<u>\$ 45,056,941</u>	<u>\$ 879,711</u>	<u>\$ (3,969,391)</u>	<u>\$ 41,967,261</u>	<u>\$ 3,569,928</u>

Debt service payments are made from the Debt Service Fund, Measure M Special Revenue Fund, Measure R Special Revenue Fund, Parking Structure Special Revenue Fund, General Fund, Water Fund and Transit Fund.

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Compensated Absences Payable

The City's policies relating to compensated absences are described in Note 1. The outstanding balance at June 30, 2022, was \$2,353,144 and \$525,230 for the Governmental Activities and Business-type Activities, respectively. The liability for Governmental Activities is primarily liquidated from the general fund while the liability for Business-type Activities is liquidated from the enterprise funds.

Governmental Activities

2013A Lease Revenue Refunding Bonds

\$7,120,000 Lease Revenue Refunding Bonds, Series 2013A; plus bond premium of \$184,115 issued on May 1, 2013 to refund and defease the 1999 Lease Revenue Refunding Bonds; principal due in amounts ranging from \$200,000 to \$575,000 on June 1 of each year starting in 2014 through 2029; the bonds are subject to mandatory redemption prior to maturity, in part by lot in June 2024, and thereafter on each June 1, at par plus accrued interest to the date of redemption without premium; interest rates vary from 2% to 4%. A reserve of \$301,766, which is required to be set aside, along with a bond insurance policy issued by Assurance Guaranty Municipal Corp, further secure the payment of principal and interest on the bonds. At June 30, 2022, this reserve was fully funded.

The defeasance of the 1999 bonds resulted in a loss from defeasance of \$96,343. The balance of the loss from defeasance, net of accumulated amortization, is \$42,150 as of June 30, 2022.

The Lease Revenue Refunding Bonds are subject to federal arbitrage regulations. The City calculated no arbitrage rebate due as of June 30, 2022. The balance outstanding on the 2013A Lease Revenue Refunding Bonds at June 30, 2022, was \$3,390,000.

Future debt service principal and interest payments on the 2013A Lease Revenue Refunding Bonds are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 490,000	\$ 111,819	\$ 601,819
2024	510,000	92,219	602,219
2025	520,000	76,919	596,919
2026	540,000	61,319	601,319
2027	555,000	44,444	599,444
2027 - 2029	<u>775,000</u>	<u>33,405</u>	<u>808,405</u>
Subtotals	3,390,000	420,125	3,810,125
Add: Bond Premium	<u>80,552</u>	-	<u>80,552</u>
Totals	<u>\$ 3,470,552</u>	<u>\$ 420,125</u>	<u>\$ 3,890,677</u>

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

2013B Lease Revenue Refunding Bonds

\$8,630,000 Lease Revenue Refunding Bonds, Series 2013B; plus bond premium of \$553,095 issued in July 2013 to refund and defease the 2001 Lease Revenue Refunding Bonds; principal due in amounts ranging from \$545,000 to \$1,640,000 on June 1 of each year starting in 2014 through 2025; the bonds are subject to redemption prior to their respective maturity dates as a whole or in part on any date on or after June 1, 2023, at par plus accrued interest to the date of fixed for redemption, without premium; interest rates vary from 2% to 3.125%. A reserve of \$845,625, which is required to be set aside, along with a bond insurance policy issued by Assurance Guaranty Municipal Corp, further secure the payment of principal and interest on the bonds. At June 30, 2022, this reserve was fully funded.

The defeasance of the 2001 bonds resulted in loss from defeasance of \$93,810. The balance of the loss from defeasance, net of accumulated amortization, is \$23,452 as of June 30, 2022.

The Lease Revenue Refunding Bonds are subject to federal arbitrage regulations. The City calculated no arbitrage rebate due as of June 30, 2022. The balance outstanding on the 2013B Lease Revenue Refunding Bonds at June 30, 2022, was \$3,155,000.

Future debt service principal and interest payments on the 2013B Lease Revenue Refunding Bonds are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 740,000	\$ 111,500	\$ 851,500
2024	775,000	74,500	849,500
2025	1,640,000	51,250	1,691,250
Subtotals	3,155,000	237,250	3,392,250
Add: Bond Premium	138,275	-	138,275
Totals	<u>\$ 3,293,275</u>	<u>\$ 237,250</u>	<u>\$ 3,530,525</u>

2019A Sales Tax Bonds

\$10,435,000 Sales Tax Revenue Bonds (Limited Tax Bonds) (Measure M), Series 2019A; plus bond premium of \$2,061,631 issued in July 2019 to finance certain local roadway and street improvement projects; principal due in amounts ranging from \$505,000 to \$935,000 on June 1 each year starting in 2020 through 2034; the bonds are subject to redemption prior to their maturity dates as a whole or in part on any date on or after June 1, 2030, at par plus accrued interest to the date fixed for redemption, without premium; interest rates vary from 4% to 5%.

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

The 2019A Bonds are payable from pledged Measure M receipts. The reserve requirement is met with a bond insurance policy issued by Assurance Guaranty Municipal Corp to secure the payment of principal and interest on the bonds. The 2019A Bonds are subject to federal arbitrage regulations. No arbitrage rebate calculation was due as of June 30, 2022.

For the fiscal year ended June 30, 2022, \$1,879,116 of Measure M revenues were pledged for debt service of \$971,500 (\$530,000 of principal and \$441,500 of interest).

The balance outstanding on the 2019A Sales Tax Bonds at June 30, 2022, was \$8,840,000.

Future debt service principal and interest payments on the 2019A Sales Tax Revenue Bonds are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 555,000	\$ 415,000	\$ 970,000
2024	585,000	387,250	972,250
2025	615,000	358,000	973,000
2026	645,000	327,250	972,250
2027	675,000	295,000	970,000
2028 - 2032	3,930,000	932,750	4,862,750
2033 - 2034	1,835,000	110,800	1,945,800
Subtotals	8,840,000	2,826,050	11,666,050
Add: Bond Premium	1,649,305	-	1,649,305
Totals	<u>\$ 10,489,305</u>	<u>\$ 2,826,050</u>	<u>\$ 13,315,355</u>

2019B Sales Tax Bonds

\$9,250,000 Sales Tax Revenue Bonds (Limited Tax Bonds) (Measure R), Series 2019B; plus bond premium of \$1,827,206 issued in July 2019 to finance certain local roadway and street improvement projects; principal due in amounts ranging from \$450,000 to \$830,000 on June 1 each year starting in 2020 through 2034; the bonds are subject to redemption prior to their maturity dates as a whole or in part on any date on or after June 1, 2030, at par plus accrued interest to the date fixed for redemption, without premium; interest rates vary from 4% to 5%.

The 2019B Bonds are payable from pledged Measure R receipts. The reserve requirement is met with a bond insurance policy issued by Assurance Guaranty Municipal Corp to secure the payment of principal and interest on the bonds. The 2019B Bonds are subject to federal arbitrage regulations. No arbitrage rebate calculation was due as of June 30, 2022.

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

For the fiscal year ended June 30, 2022, \$1,660,561 of Measure R revenues were pledged for debt service of \$861,350 (\$470,000 of principal and \$391,350 of interest).

The balance outstanding on the 2019B Sales Tax Bonds at June 30, 2022, was \$7,835,000.

Future debt service principal and interest payments on the 2019B Sales Tax Revenue Bonds are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 495,000	\$ 367,850	\$ 862,850
2024	520,000	343,100	863,100
2025	545,000	317,100	862,100
2026	570,000	289,850	859,850
2027	600,000	261,350	861,350
2028 - 2032	3,480,000	825,750	4,305,750
2033 - 2035	<u>1,625,000</u>	<u>98,200</u>	<u>1,723,200</u>
Subtotals	7,835,000	2,503,200	10,338,200
Add: Bond Premium	<u>1,461,764</u>	-	<u>1,461,764</u>
Totals	<u>\$ 9,296,764</u>	<u>\$ 2,503,200</u>	<u>\$ 12,783,128</u>

Lease Payable

On May 10, 2017, the City entered into a purchase and sale agreement with Southern California Edison to acquire 3,333 street light poles (property) to allow for conversion of the current high-pressure sodium fixtures to energy efficient light-emitting diodes. On May 1, 2018, the City entered into a lease agreement with Compass Bank to finance the cost of acquiring the street light poles. The lease agreement results in a lease to Compass Bank of the property and a sublease to the City for the same property. The rental term commenced on May 8, 2018 and terminates on June 1, 2033, but may be extended to June 1, 2038. Base rental payments are to be paid by the City on each June 1 and consist of principal and interest at a rate of 4.68% per annum.

As of June 30, 2022, \$383,441 of the \$4,266,690 received from this financing agreement have not yet been expended to purchase and retro fit the streetlight poles with LED light fixtures. The asset cost and accumulated depreciation for the corresponding assets for which funds have been spent is \$2,078,732 and \$402,002, respectively. In addition, as of June 30, 2022, \$27,122 was expended to upgrade lighting fixtures to low energy LED and maintenance of purchased poles. The balance outstanding on the lease payable at June 30, 2022, was \$3,463,732.

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Future debt service principal and interest payments on the lease payable are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 247,913	\$ 162,103	\$ 410,016
2024	259,516	150,500	410,016
2025	271,661	138,355	410,016
2026	284,375	125,641	410,016
2027	297,683	112,333	410,016
2028 - 2032	1,710,898	339,182	2,050,080
2033	391,686	18,331	410,017
Totals	<u>\$ 3,463,732</u>	<u>\$ 1,046,445</u>	<u>\$ 4,510,177</u>

Capital Leases Payable

During the fiscal year, the City entered into numerous capital leases for sedans and trucks that span 60 months. Lease amounts ranged from \$26,179 to \$44,131 with interest at rates ranging from 2.04% to 3.16% and monthly payments ranging from \$457 to \$853. Cost of the leased vehicles includes after-market parts for a total cost of \$1,595,633 and accumulated depreciation of \$205,659 as of June 30, 2022.

Future debt service principal and interest payments on the capital leases payable are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 224,675	\$ 31,980	\$ 256,655
2024	224,675	31,980	256,655
2025	249,361	31,579	280,940
2026	331,706	21,840	353,546
2027	39,327	1,746	41,073
Totals	<u>\$ 1,069,744</u>	<u>\$ 119,125</u>	<u>\$ 1,188,869</u>

Business-Type Activities

2013A Water Revenue Bonds

\$9,395,000 Water Revenue Bonds; issued May 2, 2013; serial bonds due in amounts ranging from \$150,000 to \$305,000 on June 1 of each year starting in 2014 through 2043, with variable interest rates from 2% to 3.25%, and term bonds with principal amounts of \$1,335,000 and \$4,380,000 due on June 1, 2033 and June 1, 2043, respectively, with fixed interest rates of 3.50% and 4%, respectively.

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

\$6,000,000 from the proceeds of the 2013A Water Revenue Bonds were used to acquire 500 acre feet water pumping allocation rights from the City of Vernon, California. The remaining proceeds were used to construct infrastructure designed to provide additional capacity to pump and deliver water to the areas which currently depend on purchased water. The balance outstanding on the 2013A Water Revenue Bonds at June 30, 2022, was \$7,650,000.

The Water Revenue Bonds are subject to federal arbitrage regulations. The City calculated no arbitrage rebate due as of June 30, 2022. The City is required, to maintain the rates and charges for the water services that will generate net water revenue to be at least 125% of maximum annual debt service payment.

As of June 30, 2022, the City's net revenue coverage was 533%, which meets the requirements.

Future debt service principal and interest payments on the 2013A Water Revenue Bonds are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 240,000	\$ 296,313	\$ 536,313
2024	255,000	284,313	539,313
2025	265,000	271,563	536,563
2026	280,000	258,313	538,313
2027	290,000	249,913	539,913
2028 - 2032	1,590,000	1,105,225	2,695,225
2033 - 2037	1,900,000	798,250	2,698,250
2038 - 2042	2,310,000	388,600	2,698,600
2043	520,000	20,798	540,798
Subtotals	<u>7,650,000</u>	<u>3,673,288</u>	<u>11,323,288</u>
Add: Bond Premium	214,723	-	214,723
Totals	<u>\$ 7,864,723</u>	<u>\$ 3,673,288</u>	<u>\$ 11,538,011</u>

Capital Leases Payable

During the fiscal year, the City entered into a capital leases for a vehicle in the amount of \$38,723. The lease has an interest at a rate of 1.35% and monthly payments of \$523. Cost of the leased vehicle includes after-market parts for a total cost of \$51,291 and accumulated depreciation of \$5,879 as of June 30, 2022.

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Future debt service principal and interest payments on the capital leases payable are as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 6,273	\$ 913	\$ 7,186
2024	6,273	913	7,186
2025	6,273	913	7,186
2026	12,648	837	13,485
Totals	<u>\$ 31,467</u>	<u>\$ 3,576</u>	<u>\$ 35,043</u>

Right-of-use Lease Liability

The City has entered into an agreement to lease a digital mobile system for the Transit system which commenced on July 1, 2017 for 36 monthly payments of \$4,784 with two additional one year option periods. The lease was extended until June 30, 2024. The lease liability is measured at a discount rate of 4.75%. As a result of the lease, the City has recorded a right-of-use asset with a net book value of \$106,814 on June 30, 2022.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2022, were as follows:

<u>Years Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 53,367	\$ 4,041	\$ 57,408
2024	55,958	1,450	57,408
	<u>\$ 109,325</u>	<u>\$ 5,491</u>	<u>\$ 114,816</u>

NOTE 9 CITY EMPLOYEES RETIREMENT PLAN (DEFINED BENEFIT PENSION PLAN)

General Information about the Pension Plans

Plan Descriptions

All qualified permanent and probationary employees are eligible to participate in the City's Miscellaneous Plans, agent multiple-employer defined benefit pension plans administered by the California Public Employees' Retirement System (CalPERS), which acts as a common investment and administrative agent for its participating member employers. Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

**NOTE 9 CITY EMPLOYEES RETIREMENT PLAN (DEFINED BENEFIT PENSION PLAN)
(CONTINUED)**

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of fulltime employment. Members with five years of total service are eligible to retire at age 50 to 62 with statutorily reduced benefits. PEPRAs miscellaneous members become eligible for service retirement upon attainment of age 52 with at least 5 years of service. All members are eligible for nonduty disability benefits after 5 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

The Plans' provisions and benefits in effect for the measurement period ended June 30, 2021, are summarized as follows:

Hire Date	Miscellaneous		
	Prior to 11/1/2011	On or After 11/1/2011 and Prior to 1/1/2013	On or After 1/1/2013
Benefit Formula	2.7% @ 55	2% @ 55	2% @ 62
Benefit Vesting Schedule	5 Years of Service	5 Years of Service	5 Years of Service
Benefit Payments	Monthly for Life	Monthly for Life	Monthly for Life
Retirement Age	50 - 55	50 - 63	52 - 67
Monthly Benefits, as a % of Eligible			
Compensation	2.0% to 2.7%	1.426% to 2.418%	1.0% to 2.5%
Required Employee Contribution Rates	8.00%	7.00%	6.75%
Required Employer Contribution Rates:			
Normal Cost Rate	11.75%	11.75%	6.55%
Payment of Unfunded Liability for All Tiers	\$5,513,468	Included in tier 1	Included in tier 1

**NOTE 9 CITY EMPLOYEES RETIREMENT PLAN (DEFINED BENEFIT PENSION PLAN)
(CONTINUED)**

Employees Covered

For the measurement period ended June 30, 2021, the following employees were covered by the benefit terms for all Plans:

	<u>Miscellaneous</u>
Inactive Employees or Beneficiaries Currently Receiving Benefits	362
Inactive Employees Entitled to But Not Yet Receiving Benefits	145
Active Employees	224
Total	731

Contributions

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

The liability for governmental activities is primarily liquidated from the general fund while the liability for business-type activities is liquidated from the enterprise funds. Contributions for the fiscal year ended June 30, 2022, included \$5,513,468 for the UAL and \$2,102,668 for the normal cost rate resulting in a total amount paid of 7,616,136.

Net Pension Liability

The City's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2021, using an annual actuarial valuation as of June 30, 2020 rolled forward to June 30, 2021 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown on the next page.

**NOTE 9 CITY EMPLOYEES RETIREMENT PLAN (DEFINED BENEFIT PENSION PLAN)
(CONTINUED)**

Actuarial Assumptions

The total pension liabilities in the June 30, 2020 actuarial valuations were determined using the following actuarial assumptions:

	Miscellaneous
Valuation Date	June 30,2020
Measurement Date	June 30,2021
Actuarial Cost Method	Entry- Age Normal Cost Method
 Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Projected Salary Increase	(1)
Mortality Rate Table	(2)
Post Retirement Benefit Increase	(3)

(1) Varies by entry age and service.

(2) The mortality table used was developed based on CalPERS- specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre- retirement and Post- retirement mortality rates includes 15 years of projected mortality improvement using 90% of Scale MP- 2016 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017 that can be found on the CalPERS

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

Long-term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund.

**NOTE 9 CITY EMPLOYEES RETIREMENT PLAN (DEFINED BENEFIT PENSION PLAN)
(CONTINUED)**

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 follows:

Asset Class (a)	Assumed Asset Allocation	Real Return Years 1-10 (b, d)	Real Return Years 11+ (c, d)
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 Assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100.00%		

- (a) In the CalPERS ACFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short- term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.
- (b) An expected inflation of 2.0% used for this period
- (c) An expected inflation of 2.92% used for this period
- (d) Figures are based on previous ALM of 2017.

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

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

**NOTE 9 CITY EMPLOYEES RETIREMENT PLAN (DEFINED BENEFIT PENSION PLAN)
(CONTINUED)**

Changes in Net Pension Liability

The changes in the net pension liability for the Miscellaneous Plan, using the measurement date of June 30, 2021, are as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at June 30,2020 (Measurement Date)	\$ 199,081,706	\$ 140,874,166	\$ 58,207,540
Changes in the Year:			
Service Cost	3,299,958	-	3,299,958
Interest on the Total Pension Liability	13,868,349	-	13,868,349
Differences Between Actual and Expected Experience	(1,645,627)	-	(1,645,627)
Contribution - Employer	-	6,114,130	(6,114,130)
Contribution - Employee	-	1,320,463	(1,320,463)
Net Investment Income	-	31,880,557	(31,880,557)
Administrative Expenses	-	(140,725)	140,725
Benefit Payments, Including Refunds of Employee Contributions	(10,246,258)	(10,246,258)	-
Net Changes	<u>5,276,422</u>	<u>28,928,167</u>	<u>(23,651,745)</u>
Balance at June 30,2021 (Measurement Date)	<u>\$ 204,358,128</u>	<u>\$ 169,802,333</u>	<u>\$ 34,555,795</u>

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

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

	<u>Miscellaneous</u>
1% Decrease	6.15%
Net Pension Liability	\$ 61,379,540
Current Discount Rate	7.15%
Net Pension Liability	\$ 34,555,795
1% Increase	8.15%
Net Pension Liability	\$ 12,401,023

Pension Plan Fiduciary Net Position

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

**NOTE 9 CITY EMPLOYEES RETIREMENT PLAN (DEFINED BENEFIT PENSION PLAN)
(CONTINUED)**

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

For the year ended June 30, 2022, the City recognized pension expense of \$1,064,473. For the measurement period ended June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Pension Contributions Subsequent to Measurement Date	\$ 7,616,136	\$ -
Differences Between Actual and Expected Experience	133,848	(1,131,369)
Net Differences Between Projected and Actual Earnings on Plan Investments	-	(15,899,654)
Total	<u>\$ 7,749,984</u>	<u>\$ (17,031,023)</u>

\$7,616,136 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 ending June 30, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2022	\$ (4,402,344)
2023	(4,192,445)
2024	(3,917,155)
2025	(4,385,231)
2026	-
Thereafter	-
	<u>(16,897,175)</u>

Payable to the Pension Plan

At June 30, 2022, the City had no outstanding amount of contributions to the pension plan required for the year ended June 30, 2022.

Other

The General Fund includes \$5,053,233 of pension stability funds on deposit with Public Agency Retirement Services (PARS) that represent assets restricted to the defined benefit pension plan, which are not included in the plan fiduciary net position.

NOTE 10 PART-TIME SEASONAL AND TEMPORARY EMPLOYEES' RETIREMENT PLAN

Public Agency Retirement Services (PARS) administers the City's alternate retirement system plan. It is a defined contribution plan qualifying under 401(a) and 501 of the Internal Revenue Code. Contributions of 7.50% of covered compensation of eligible employees are made by the employee. The plan covers part-time, seasonal, and temporary employees paid on City's payroll who are not covered by another retirement system, pursuant to the requirements of 3121 (b)(7)(F) of the Internal Revenue Code. All eligible employees are covered by the plan and are fully vested. Employee liabilities are limited to the amount of current contributions. Contributions are applied to each participant accounts based on the data submitted to PARS Trust and actual deposits made to PARS Trustee (US Bank). The total amount of covered compensation was \$5,114,266 and employee contributions made during the fiscal year ended June 30, 2022 were \$383,572. Any amendments to the plan go through a resolution for adoption by the City Council.

NOTE 11 DEFERRED COMPENSATION/DEFINED CONTRIBUTION PLAN

The City has established a deferred compensation plan for all officers and employees. Participation in the plan is voluntary and may be revoked at any time upon advance written notice. Generally, the amount of compensation subject to deferral until retirement, disability, or other termination by a participant may not exceed the legal limits set by the Internal Revenue Code. Amounts withheld by the City under this plan are deposited regularly into a commercial savings account held by the City, then transferred to a trust account. As of June 30, 2022, the deferred compensation plan assets were held in a trust account for the sole benefit of the employees and their beneficiaries and, accordingly, have been excluded from the City's reported assets.

The City has established a Deferred Compensation/Defined Contribution plan for certain classifications of management under Internal Revenue Service Code Section 401(a). City participation in contributions to the plan is mandatory. The City is obligated to contribute amounts ranging from 2% to 4% of the annual salary per participant, per year. Under this qualified 401a plan, a total of \$112,382 with 25 participants was remitted to Empower Retirement, formerly Mass Mutual, with a total ending investment balance of \$2,286,941. On the other hand, employee contributions to deferred compensation plan 457 are voluntary. During the year, there were 143 participants. Contributions totaled \$739,821. Total plan assets at June 30, 2022, were \$17,119,221. Empower Retirement administers the Deferred Compensation Defined Contribution plans for the City. Separate financial reports can be obtained on each agency by members per request either by phone, email or online through their websites. Memorandum of Understanding approved by the City Council is the authority for establishing or amending the plans' provisions.

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The City has an agent multiple-employer other postemployment benefit plan that provides postemployment benefits including medical insurance to eligible employees and their dependents at retirement through the California Public Employees Medical and Hospital Care Act (PEMHCA) as provided under the City's contractual agreements with the Management and General Unit employees.

The City elected to join the Public Agency Retirement System OPEB Trust (PARS OPEB Trust) as a means to fund the Annual Determined Contribution (ADC). The PARS OPEB Trust issues a publicly available financial report for the fiduciary net position that is available upon request. The plan itself does not issue a separate financial report.

Members are eligible for the following benefits:

	General	Management
Benefit Types Provided	Medical Only	Medical Only
Duration of Benefits	Lifetime	Lifetime
Minimum Age	50	50
Dependent Coverage	Yes	Yes
Required Years of Service	5 Years	5 Years
City Contribution %	100%	100%
City Cap:		
Calendar Year 2021	\$1,600 per Month	Highest Family Plan \$2,694 per Month
Calendar Year 2022	\$1,600 per Month	Highest Family Plan \$2,432 per Month

The PERSCare amounts listed above are the highest available family plan offered by PERS. Employees pay the difference between the benefit they receive and the monthly premium.

Employees Covered

As of fiscal year ended June 30, 2022, the following current and former employees were covered by the benefit terms under the plan:

Inactive Employees or Beneficiaries Currently Receiving Benefits	292
Active Employees	245
Total	537

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Contributions

Benefit provisions and contribution requirements are established and may be amended through agreements and memorandums of understanding between the City, its management employees, and unions representing the City's employees. The plan does not require employee contributions. Administrative costs of this plan are financed by the general fund.

The annual contribution is based on the actuarially determined contributions. For fiscal year ended June 30, 2022, the City contributed \$2,826,000 to the PARS OPEB Trust, and paid \$1,903,391 for current premiums, and the estimated implied subsidy was \$442,920, resulting in total payments of \$5,721,311. The majority of contributions to the OPEB plan are generally made from the general fund.

The liability for governmental activities is primarily liquidated from the general fund while the liability for business-type activities is liquidated from the enterprise funds.

Fiduciary Net Position with PARS Trust

The PARS OPEB Trust is a GASB 75 compliant trust in that the contributions are irrevocable, the plan assets are dedicated to providing OPEB to plan members in accordance with the benefit terms, and the OPEB plan assets are legally protected from the creditors of the City, OPEB plan administrator, and plan members. The Trust costs are shared among other members of the PARS Trust.

The PARS OPEB Trust (Trust) contains assets of 250 member agencies as of June 30, 2021. The Trust invests in various investment securities including U.S. Treasury Obligations, U.S. Government Agency Issues, Corporate Debt Issues, Foreign Debt Issues, Municipal Debt Issues, Money Market Mutual Funds, Equity Mutual Funds, Fixed Income Mutual Funds, Domestic Common Stocks, and Foreign Stocks.

Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The Trust manages exposure to interest rate risk by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing over time as necessary to provide the cash flows and liquidity needed for operations. Investments in the Trust mature as of June 30, 2021, measurement date, as follows: 1% in one year or less, 3% in two to five years, 4% in five to ten years, 3% in more than 10 years and 89% do not mature.

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The Trust investments are rated by Standard and Poor's or Moody's as of June 30, 2021, as follows: 0.5% are rated AAA; 0.5% are AA+, AA, or AA-; 1% are A+, A, A-; 3% are BBB+, BBB, or BBB-; 3% are exempt from ratings, and 92% are not rated.

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Concentration of credit risk is the heightened risk of potential loss when investments are concentrated in one issuer. At June 30, 2021, the Trust had no investments concentrated in one issuer (other than mutual funds, U.S. Treasury obligations, and corporate debt securities) that exceeded 5% of the Trust's investments.

All of the Trust's cash and cash equivalents consist of money market mutual funds of \$369,687,687 and cash deposits of \$8,774,297 at June 30, 2021 for all 250 member agencies. Cash deposits are federally insured for up to \$250,000 by the Federal Deposit Insurance Corporation. Deposits in excess of the federally insured amount are subject to custodial credit risk, which is the risk that, in the event of the failure of a depository financial institution, the Trust will not be able to recover its deposits.

Accounting for the Plan

The other postemployment benefit trust is prepared using the accrual basis of accounting. Employer contributions to the plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits are recognized when due and payable in accordance with the terms of each plan.

Method Used to Value Investments

Investments are reported in the accompanying financial statements at fair value, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Securities for which market quotations are not readily available are valued at their fair value as determined by the custodian with the assistance of a valuation service.

Net OPEB Liability

The City's net OPEB liability is measured as the total OPEB liability, less the OPEB plan's fiduciary net position. The net OPEB liability is measured as of June 30, 2021 using an actuarial valuation as of June 30, 2020.

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Actuarial Assumptions

The total OPEB liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry age normal, level percentage of payroll
Asset Valuation Method	Market value
Actuarial Assumptions:	
Discount Rate	5.87%
Long- Term Expected	
Rate of Return on Investments	5.87%
Inflation	5.50%
Salary Increases	2018 CalPERS Merit Salary Increases 6.00% trending down to 4.04% over 56 years
Healthcare Trend Rates	
Mortality, Disability, Termination, Retirement	CalPERS experience study revised May 14,2018

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

The long-term expected rate of return on OPEB plan investments of 5.87% was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of the arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
PARS OPEB Trust:		
Global Equity:		
Large Cap Core	32.00%	6.80%
Mid Cap Core	6.00%	7.10%
Small Cap Core	9.00%	7.90%
Real Estate	2.00%	6.60%
International	7.00%	7.30%
Emerging Markets	4.00%	7.30%
Fixed Income:		
Short Term Bonds	6.75%	3.30%
Intermediate Term Bonds	27.00%	3.90%
High Yield	1.25%	6.10%
Cash	5.00%	2.40%
Total	100.00%	
Long- Term Expected Rate of Return		6.22%
Expected Volatility		9.92%
Long- Term Expected Rate of Return, Net of Fees		5.87%

Discount Rate

The discount rate used to measure the total OPEB liability was 5.87%. The projection of cash flows used to determine the discount rate assumed that the City's contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Changes in the Total OPEB Liability

The changes in the total OPEB liability are as follows:

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at June 30,2020 (Measurement Date)	\$ 43,755,237	\$ 10,568,346	\$ 33,186,891
Changes in the Year:			
Service Cost	1,364,455	-	1,364,455
Interest on the Total OPEB Liability	2,733,696	-	2,733,696
Differences Between Actual and Expected Experience	55,128	-	55,128
Changes in Assumptions	1,762,431	-	1,762,431
Contributions - Employer	-	3,414,805	(3,414,805)
Contributions - Employer Implicit Subsidy	-	393,434	(393,434)
Net Investment Income	-	3,054,347	(3,054,347)
Benefit Payments	(1,804,205)	(1,804,205)	-
Implicit Subsidy Credit	(393,434)	(393,434)	-
Administrative Expenses	-	(60,876)	60,876
Net Changes	3,718,071	4,604,071	(886,000)
Balance at June 30,2021 (Measurement Date)	\$ 47,473,308	\$ 15,172,417	\$ 32,300,891

Change of Assumptions

From measurement date June 30, 2020, to June 30, 2021, these were the following changes of assumptions: (1) the discount rate was decreased from 6.21% to 5.87%; (2) the health care trend rates decreased from 6.50% trending down to 4.04% over 57 years to 6.00% trending down to 4.04% over 56 years, and (3) the inflation rate increased from 1.75% to 5.50%.

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Change of Benefit Terms

The City pays for 100% of medical benefit premiums of the General Group members up to the City cap of \$1,600 per month beginning December 1, 2019. Management Group and City Council members receive 100% medical benefit premiums up to the full insurance premium rate of the highest family plan, as designated by CalPERS. This rate was \$2,432 and \$2,694 in 2022 and 2021, respectively.

Subsequent Events

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

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

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current discount rate:

	1% Decrease (4.87%)	Discount Rate (5.87%)	1% Increase (6.87%)
Net OPEB Liability	\$ 38,159,327	\$ 32,300,891	\$ 27,402,469

Sensitivity of the Total OPEB Liability to Changes in Medical Trend Rates

The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using medical trend rates that are 1-percentage point lower or 1-percentage point higher:

	5.00% Decreasing to 3.04%	6.00% Decreasing to 4.04%	7.00% Decreasing to 5.04%
Net OPEB Liability	\$ 26,345,987	\$ 32,300,891	\$ 39,597,990

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
OPEB Contributions Subsequent to Measurement Date	\$ 5,172,311	\$ -
Differences Between Actual and Expected Experience	44,727	(884,993)
Changes in Assumptions	1,925,403	(650,414)
Net Differences Between Projected and Actual Earnings	-	(1,696,452)
Total	<u>\$ 7,142,441</u>	<u>\$ (3,231,859)</u>

For the year ended June 30, 2022, the City recognized OPEB expense of \$2,448,091. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

\$5,172,311 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2023	\$ (961,967)
2024	(199,090)
2025	(66,272)
2026	(137,276)
2027	102,876
Thereafter	-
	<u>(1,261,729)</u>

Payable to the OPEB Plan

At June 30, 2022, the City had no outstanding amount of contributions to the OPEB plan required for the year ended June 30, 2022.

City of Norwalk
Notes to Basic Financial Statements
Year ended June 30, 2022

NOTE 13 FUND BALANCES AND THE NET POSITION CLASSIFICATION

Fund balances at June 30, 2022, consisted of the following:

	General Fund	Special Revenue Funds			Other Governmental Funds	Total Governmental Funds
		Housing and Community Development	American Rescue Plan Act (ARPA)	Special Projects Capital Projects Fund		
NONSPENDABLE						
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Advances to Successor Agency	952,428	-	-	-	-	952,428
Advances to Other Funds	2,022,653	-	-	-	-	2,022,653
Inventory of Material and Supplies	9,621	-	-	-	-	9,621
Prepaid Items	68,192	-	-	-	96,154	164,346
Total Nonspendable	<u>3,052,894</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>96,154</u>	<u>3,149,048</u>
RESTRICTED						
Pension	5,053,233	-	-	-	-	5,053,233
Public Safety	-	-	-	-	323,016	323,016
Urban Development	-	739,114	-	16,488,869	23,802,722	41,030,705
Public Works	-	-	-	-	32,602,388	32,602,388
Public Art	-	-	-	-	557,131	557,131
Culture and Leisure	-	-	-	-	111,762	111,762
Health and Welfare	-	-	-	-	227,049	227,049
Debt Service	-	-	-	-	1,209,897	1,209,897
Total Restricted	<u>5,053,233</u>	<u>739,114</u>	<u>-</u>	<u>16,488,869</u>	<u>58,833,965</u>	<u>81,115,181</u>
COMMITTED						
Equipment Replacement	-	-	-	-	6,610,021	6,610,021
Building Renovation	-	-	-	-	2,238,837	2,238,837
General Plan	-	-	-	-	400,542	400,542
Street Renovation	-	-	-	-	9,340,278	9,340,278
Total Committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>18,589,678</u>	<u>18,589,678</u>
ASSIGNED						
Capital Projects	835,457	-	-	-	-	835,457
UNASSIGNED						
	<u>23,422,565</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,172,684)</u>	<u>22,249,881</u>
Total Fund Balances	<u>\$ 32,364,149</u>	<u>\$ 739,114</u>	<u>\$ -</u>	<u>\$ 16,488,869</u>	<u>\$ 76,347,113</u>	<u>\$ 125,939,245</u>

NOTE 14 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

Deficit Fund Balances

The deficits in the following funds were due to the timing of the receipt of the reimbursable grants.

Deficit Fund Balances

Other Governmental Funds:

Child Development Program Special Revenue Fund	\$ (79,248)
Proposition C I-5 Mitigation Capital Projects Fund	(232,634)
Other Federal Grants Capital Projects Fund	<u>(860,351)</u>
	<u>\$ (1,172,233)</u>

These deficits are expected to be eliminated with future revenues and reimbursements from federal and state agencies.

NOTE 14 STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (CONTINUED)

Excess of Expenditures over Appropriations

The following funds reported expenditures exceeding appropriations in individual departments at June 30, 2022:

	Budget	Actual	Variance with Final Budget
Other Governmental Funds:			
Child Development Program Special Revenue Fund			
Health and Welfare	\$ 6,930,462	\$ 7,414,913	\$ (484,451)
Measure R Special Revenue Fund			
General Government	-	7,000	(7,000)
Housing Authority Special Revenue Fund			
Health and Welfare	7,644,147	8,210,161	(566,014)
Public Art Capital Projects Fund			
General Government	3,000	10,860	(7,860)
Economic Development Capital Projects Fund			
Urban Development	155,000	176,038	(21,038)
Housing Successor Capital Projects Fund			
Urban Development	129,850	139,351	(9,501)
Park Development Capital Projects Fund			
Capital Outlay and Improvement	300,000	304,280	(4,280)
Vehicle and Equipment Replacement Capital Projects Fund			
Capital Outlay and Improvement	108,600	295,763	(187,163)
Street Renovation Capital Projects Fund			
Capital Outlay and Improvement	13,000	243,635	(230,635)
Total	\$ 15,284,059	\$ 16,802,001	\$ (1,517,942)

NOTE 15 INSURANCE POLICIES

Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

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

NOTE 15 INSURANCE POLICIES (CONTINUED)

Primary Self-Insurance Programs of the Authority

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

Primary Liability Program

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

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

Primary Workers' Compensation Program

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

For 2021-2022, the Authority's pooled retention is \$1 million per occurrence, with reinsurance to statutory limits under California Workers' Compensation Law. Employer's Liability losses are pooled among members to \$1 million. Coverage from \$1 million to \$5 million is purchased through reinsurance policies and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

NOTE 15 INSURANCE POLICIES (CONTINUED)

Purchased Insurance

Pollution Legal Liability Insurance

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

Property Insurance

The City participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City property is currently insured according to a schedule of covered property submitted by the City to the Authority. City property currently has all-risk property insurance protection in the amount of \$123,278,026. There is a \$10,000 deductible per occurrence except for nonemergency vehicle insurance which has a \$2,500 deductible.

Earthquake and Flood Insurance

The City purchases earthquake and flood insurance on a portion of its property. The earthquake insurance is part of the property protection insurance program of the Authority. The City property currently has earthquake protection in the amount of \$41,807,514. There is a deductible of 5% per unit of value with a minimum deductible of \$100,000.

Crime Insurance

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

Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2021-2022.

The aforementioned information is not included in the accompanying financial statements. Complete financial statements for the Authority may be obtained at its administrative office located at 8081 Moody Street, La Palma, California 90623.

NOTE 15 INSURANCE POLICIES (CONTINUED)

Claims Activity

Claim expenditures and liabilities are reported when it is probable that a loss has occurred, and the amount of that loss can be reasonably estimated. At June 30, 2022, the City had no such liabilities, which is the City's best estimate based on available information.

A summary of the changes in claims liabilities for the past three fiscal years follows:

Year Ended June 30,	Claims Payable July 1	Fiscal Year Claims and Changes in Estimates	Claims Payments	Claims Payable June 30
2020	\$ -	\$ 714,355	\$ (714,355)	\$ -
2021	-	286,940	(286,940)	-
2022	-	743,524	(743,524)	-

NOTE 16 CONTINGENCIES

In the normal course of operations, the City has been involved in few claims and legal actions. In the opinion of the management and legal counsel, the ultimate liability for these claims and legal actions will not have a material adverse effect on the City's basic financial statements.

NOTE 17 JOINT POWERS AGREEMENTS

The City is involved in two joint ventures, in addition to joint insurance pooling with the California Joint Powers Insurance Authority (as described in Note 15).

Southwest Water Coalition

On July 1, 1991 the City, along with more than ten public agencies, entered into a joint powers agreement to form the Southeast Water Coalition (Coalition). The Coalition's purpose is to jointly exercise their powers for the purpose of improving and protecting the quality and quantity of potable water in the Southeast Area of Los Angeles County. The legislative body of each of the participating parties shall appoint one board member. Contributions are required upon arrival of a majority of all members of the Board. The City may withdraw from the Coalition upon 30 day written notice and payment of any previously unpaid contributions.

Upon termination of the Coalition, all of its then existing assets shall be divided among the then remaining member agencies. This joint venture is not currently experiencing financial stress or accumulating significant resources. The City does not have a measurable material equity interest in the joint venture.

Separate financial statements for the Southeast Water Coalition are available at the City of Norwalk, 12700 Norwalk Boulevard, Norwalk, CA 90651-1030.

I-5 Consortium Joint Powers Authority

The City is one of six cities that formed the 1-5 Consortium Joint Powers Authority (Consortium) in May 1991. The Consortium was created to act in concert with the state of California and Federal Agencies in matters pertaining to the development of plans and financing for 1-5 Freeway improvements. Each member city has appointed one board member to represent its city. Annual contributions are required on an equal pro-rata basis upon approval by the Board. For the year ended June 30, 2022, the City contributed \$37,000.

The City is responsible for a pro-rata share of any liability to the state of California or federal government that arises from any agreement entered into by the Consortium. Upon termination of the Consortium, all of its then existing assets shall be divided equally among the then remaining member cities. This joint venture is not currently experiencing financial stress or accumulating significant resources. The City does not have a measurable material equity interest in the joint venture.

Separate financial statements for the I-5 Consortium Joint Powers Authority are available at the City, 12700 Norwalk Boulevard, Norwalk, California 90651-1030.

NOTE 18 SUCCESSOR AGENCY TRUST FOR ASSETS OF THE DISSOLVED NORWALK REDEVELOPMENT AGENCY

The accompanying financial statements also include the Private-Purpose Trust Fund for the Successor Agency to the City's former Redevelopment Agency (Successor Agency). The City, as the Successor Agency, serves in a fiduciary capacity, as custodian for the assets and to wind down the affairs of the former Redevelopment Agency. Its assets are held in trust for the benefit of the taxing entities within the former Redevelopment Agency's boundaries and as such, are not available for the use of the City.

Disclosures related to certain assets and long-term liabilities of the Successor Agency are as follows:

Disclosure of Successor Agency Capital Assets

	Balance at July 1, 2021	Additions	Deletions/ Transfers	Balance at June 30, 2022
Capital Assets, Being Depreciated and Amortized:				
Buildings and Improvements	\$ 1,010,388	\$ -	\$ -	\$ 1,010,388
Right-of-use lease asset	11,218,649	-	-	11,218,649
Less Accumulated Depreciation and Amortization for:				
Buildings and Improvements	(176,818)	(25,260)	-	(202,078)
Right-of-use lease asset	-	(1,121,865)	-	(1,121,865)
Total Successor Agency Capital Assets, Net	\$ 12,052,219	\$ (1,147,125)	\$ -	\$ 10,905,094

NOTE 18 SUCCESSOR AGENCY TRUST FOR ASSETS OF THE DISSOLVED NORWALK REDEVELOPMENT AGENCY (CONTINUED)

Disclosure of Successor Agency Debts

Details of the Successor Agency's long-term debt for the year ended June 30, 2022 were as follows:

	Balance			Balance	Due Within
	July 1, 2021	Additions	Deletions	June 30, 2022	One Year
OTHER DEBT					
Tax Allocation Refunding Bonds:					
2005 Series A	\$ 22,845,000	\$ -	\$ (1,080,000)	\$ 21,765,000	\$ 1,125,000
Add: Bond Premium	228,628	-	(16,045)	212,583	-
2005 Series B (Taxable)	20,265,000	-	(890,000)	19,375,000	945,000
Less: Bond Discount	(168,630)	-	11,833	(156,797)	-
Right-of-use Lease Liability	11,218,649	-	(897,997)	10,320,652	941,593
Subtotals	<u>54,388,647</u>	<u>-</u>	<u>(2,872,209)</u>	<u>51,516,438</u>	<u>3,011,593</u>
DIRECT BORROWINGS AND PLACEMENTS					
County Deferred Loans:					
Project Area No. 1	30,691,666	-	-	30,691,666	-
Project Area No. 2	<u>18,066,603</u>	<u>1,264,662</u>	<u>-</u>	<u>19,331,265</u>	<u>-</u>
Total Other Debt and				-	
County Deferred Loans	<u>103,146,916</u>	<u>1,264,662</u>	<u>(2,872,209)</u>	<u>101,539,369</u>	<u>3,011,593</u>
DIRECT BORROWINGS AND PLACEMENTS					
Advances from the City of Norwalk:					
Metro Center Parcels	<u>6,880,543</u>	<u>28,573</u>	<u>(1,028,313)</u>	<u>5,880,803</u>	<u>-</u>
Total Long- Term Liabilities	<u>\$ 110,027,459</u>	<u>\$ 1,293,235</u>	<u>\$ (3,900,522)</u>	<u>\$ 107,420,172</u>	<u>\$ 3,011,593</u>

Tax Allocation Refunding Bonds

Tax Allocation Refunding Bonds, 2005 Series A

\$34,815,000 Tax Allocation Refunding Bonds, 2005 Series A; issued November 2005 to refund the Tax Allocation Refunding Bonds, Series 1995A and Series 1995B; serial bonds due in amounts ranging from \$610,000 to \$1,285,000 on October 1 of each year starting 2006 through 2025 and term bonds with principal amounts of \$7,445,000 and \$9,500,000 due on October 1, 2030 and 2035, respectively; interest rates vary from 3.50% to 5.00%. The defeasance of the bonds resulted in a loss from defeasance of \$200,388. The balance of the loss from defeasance, net of accumulated amortization, is \$90,772 as of June 30, 2022.

The Tax Allocation Refunding Bonds are subject to federal arbitrage regulations. The City calculated no arbitrage rebate due as of June 30, 2022. The balance outstanding on the Tax Allocation Refunding Bonds, 2005 Series A at June 30, 2022, was \$21,765,000.

NOTE 18 SUCCESSOR AGENCY TRUST FOR ASSETS OF THE DISSOLVED NORWALK REDEVELOPMENT AGENCY (CONTINUED)

Tax Allocation Refunding Bonds, 2005 Series A (Continued)

Future debt service principal and interest payments on the Tax Allocation Refunding Bonds, 2005 Series A are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 1,125,000	\$ 1,040,444	\$ 2,165,444
2024	1,180,000	988,581	2,168,581
2025	1,230,000	934,356	2,164,356
2026	1,285,000	876,966	2,161,966
2027	1,345,000	813,625	2,158,625
2028 - 2032	7,820,000	2,960,750	10,780,750
2033 - 2037	7,780,000	801,714	8,581,714
Subtotals	21,765,000	8,416,436	30,181,436
Add: Bond Premium	212,583	-	212,583
Totals	\$ 21,977,583	\$ 8,416,436	\$ 30,394,019

Tax Allocation Refunding Bonds, 2005 Series B (Taxable)

\$29,310,000 Tax Allocation Refunding Bonds, 2005 Series B (Taxable); issued November 2005 to finance certain redevelopment activities; serial bonds due in amounts ranging from \$415,000 to \$585,000 on October 1 of each year starting 2006 through 2013 and term bonds with principal amounts of \$1,265,000 to \$15,275,000 due on October 1, 2015 through October 1, 2035, respectively; interest rates vary from 4.77% to 5.75%. The balance outstanding on the Tax Allocation Refunding Bonds, 2005 Series B (Taxable) at June 30, 2022, was \$19,375,000.

Future debt service principal and interest payments on the Tax Allocation Refunding Bonds, 2005 Series B (Taxable) are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 945,000	\$ 1,082,359	\$ 2,027,359
2024	995,000	1,027,797	2,022,797
2025	1,050,000	970,281	2,020,281
2026	1,110,000	909,531	2,019,531
2027	1,175,000	844,531	2,019,531
2028 - 2032	6,950,000	3,099,250	10,049,250
2033 - 2037	7,150,000	851,000	8,001,000
Subtotals	19,375,000	8,784,749	28,159,749
Less: Bond Discount	(156,797)	-	(156,797)
Totals	\$ 19,218,203	\$ 8,784,749	\$ 28,002,952

The 2005A and B bonds have a reserve of \$4,246,859 that is required to be set-aside to further secure the payment of principal and interest on the bonds. At June 30, 2022, this reserve was fully funded.

NOTE 18 SUCCESSOR AGENCY TRUST FOR ASSETS OF THE DISSOLVED NORWALK REDEVELOPMENT AGENCY (CONTINUED)

Right-of-use Lease Liability

In November 1985, the former Norwalk Redevelopment Agency (Agency) entered into an agreement with Norwalk-La Mirada Unified School District (Landlord). Under this master lease agreement, the Agency leased approximately 11 acres of land from the Landlord for an initial term of 25 years, with five ten-year options to extend.

Concurrently, under the same terms, the Agency entered into a sub-lease agreement with the Costco Wholesale Corporation (sub-tenant). On March 1, 2011, the sub-tenant exercised its second 10-year Extension Option to extend the sublease term to June 29, 2031, and the lease term of the master lease to June 30, 2031.

Since July 1, 1995, the rent payments are paid pursuant to the Second Stage Rent, which requires Agency to pay the Landlord all rental income received from subtenant. The minimum annual rent and the sublease for any extended term of the sublease is \$400,000 adjusted by the greater of one-half the increase in the Consumer Price Index, or a formula provided in the master agreement based on appraisal value of the property. On July 1, 2021, the City exercised its second of the five additional option periods for minimum annual rent and sublease of \$1,411,500 subject to appraisal adjustment at the first day of the 10th year of each extended period. The next adjustment of the minimum annual rent is on July 1, 2030.

In relation to the master lease agreement between the Agency and NLMUSD as discussed in paragraphs 1 and 2 of this note, the Agency is required to remit to the Landlord 1/3 of 1% of sub-tenant's gross sales as annual percentage rent if the Agency receives such payment from the sub-tenant. In fiscal year 2021-2022, the Agency did not receive any such payments from the sub-tenant.

As a result of these transactions, the City has recorded a right-of-use lease asset with a net book value of \$10,096,784 and right-of-use liability of \$10,320,652 on June 30, 2022. At June 30, 2022, the lease receivable and deferred inflows of resources for the above lease was \$10,320,652 and \$10,096,784, respectively.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2022, were as follows:

<u>Years Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 941,593	\$ 469,907	\$ 1,411,500
2024	987,305	424,195	1,411,500
2025	1,035,237	376,263	1,411,500
2026	1,085,495	326,005	1,411,500
2027	1,138,194	273,306	1,411,500
2028-2031	5,132,828	513,172	5,646,000
	<u>\$ 10,320,652</u>	<u>\$ 2,382,848</u>	<u>\$ 12,703,500</u>

**NOTE 18 SUCCESSOR AGENCY TRUST FOR ASSETS OF THE DISSOLVED NORWALK
REDEVELOPMENT AGENCY (CONTINUED)**

County Deferred Loans

The former Norwalk Redevelopment Agency entered into two agreements for reimbursement of tax increment funds with the County of Los Angeles (County), one for Project Area No. 1 and the other for Project Area No. 2. The agreements were as follows:

Project Area No. 1

An agreement was entered into on July 24, 1984, between the former Norwalk Redevelopment Agency (Agency) and the County regarding the use of tax increment revenues generated by Project Area No. 1. Various entities are entitled to their proportionate share of the annual tax increments, and the distribution is summarized as follows: Fire Protection District 16.9%; County 54.8%; and the Agency 28.3%.

Recognizing the Agency's need to utilize a substantial portion of the annual tax increments generated in the project area, the County agreed to loan its tax increments to the Agency. The County will defer receipt of its portion of the tax increment until the Agency is receiving \$1,500,000 in tax increment annually. Thereafter, the Agency shall continue to receive \$1,500,000 annually, but shall reimburse the County the excess tax increment above \$1,500,000 as a loan payment.

The dollar amount was increased from \$1,500,000 to \$2,900,000 when Amendment No. 2 was entered into on February 2, 1993. This amendment also stated that, commencing with the 1992-93 fiscal year, the Agency shall be granted a \$35,000 per year credit, for each such fiscal year, towards the cumulative deficit owed to the County.

The County has stated that as of June 30, 2022, the deferred loan balance payable to the County for Project Area No. 1 was \$30,691,666.

Project Area No. 2

An agreement was entered into on August 17, 1987, between the Agency and the County in regard to the use of tax increment revenues generated by Project Area No. 2. The Agency, the County and the Fire Protection District are all entitled to their proportionate shares of the annual tax increments. The distribution is as follows: Agency 29.1%; County 53.9%; and the District 17.0%. Because of the Agency's need for a substantial portion of the tax increments, the County agreed to loan its tax increments to the Agency on the following basis: the County shall annually loan to the Agency a portion of the amounts reimbursed, so that annually the Agency receives property tax increments up to \$600,000; the loan shall accrue interest at 7% per year; the Agency shall commence repayment of the loan by annually paying to the County all tax increments exceeding \$600,000; and the Agency may not pledge more than \$600,000 in annual tax increments to the repayment of any tax allocation bonds or notes without the consent of the County.

**NOTE 18 SUCCESSOR AGENCY TRUST FOR ASSETS OF THE DISSOLVED NORWALK
REDEVELOPMENT AGENCY (CONTINUED)**

County Deferred Loans (Continued)

Project Area No. 2 (Continued)

The County has stated that as of June 30, 2022, the deferred loan balance payable to the County of Los Angeles for Project Area No. 2 was \$19,331,265.

The DOF, in their review of the ROPS, has disallowed the County deferred loan balances for Project Area No. 1 and Project Area No. 2, to be enforceable obligations.

Advances from the City's General Fund

On May 15, 2013 the Successor Agency received a Finding of Completion letter from the DOF authorizing the Agency to place loan agreements between the former redevelopment agency and sponsoring entity on the ROPS, as an enforceable obligation, provided the oversight board made a finding that the loan was for legitimate redevelopment purposes per HSC section 34191.4(b)(1). The oversight board made such a finding during fiscal year 2014. Loan repayments will be governed by criteria in HSC section 34191.4(a)(2).

The Senate Bill 107 (SB 107) enacted by the State legislation in September 2015, allows the Successor Agency to recalculate and repay these loans using 3% or 4% interest rate, instead of the LAIF rate. The 4% interest would apply only if the Successor Agency opts to file a last and final ROPS.

The former Redevelopment Agency advances were used for the general cost and to build the Metro Center. The balance outstanding as of June 30, 2022 is \$5,880,803. Principal payments of \$1,028,313 were made on the advance in fiscal year 2021-2022.

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REQUIRED SUPPLEMENTARY INFORMATION

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City of Norwalk
Schedule of Changes in the Net Pension Liability
and Related Ratios
Last Ten Fiscal Years *

Fiscal Year Ended	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Measurement Period	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Total Pension Liability:					
Service Cost	\$ 3,299,958	\$ 3,323,523	\$ 3,372,786	\$ 3,395,393	\$ 3,253,433
Interest on Total Pension Liability	13,868,349	13,478,426	12,937,506	12,272,227	11,814,360
Differences Between Expected and Actual Experience	(1,645,627)	62,784	1,785,120	44,859	(1,191,669)
Changes in Assumptions	-	-	-	(1,177,831)	9,941,881
Changes in Benefits	-	-	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(10,246,258)	(9,135,869)	(8,430,409)	(7,843,277)	(7,360,837)
Net Change in Total Pension Liability	5,276,422	7,728,864	9,665,003	6,691,371	16,457,168
Total Pension Liability - Beginning of Year	199,081,706	191,352,842	181,687,839	174,996,468	158,539,300
Total Pension Liability - End of Year (a)	<u>\$ 204,358,128</u>	<u>\$ 199,081,706</u>	<u>\$ 191,352,842</u>	<u>\$ 181,687,839</u>	<u>\$ 174,996,468</u>
Plan Fiduciary Net Position:					
Contributions - Employer	\$ 6,114,130	\$ 5,609,414	\$ 4,886,155	\$ 4,326,086	\$ 4,001,016
Contributions - Employee	1,320,463	1,326,081	1,400,192	1,422,508	1,344,205
Net Investment Income	31,880,557	6,802,116	8,540,962	10,347,163	12,480,715
Benefit Payments	(10,246,258)	(9,135,869)	(8,430,409)	(7,843,277)	(7,360,837)
Administrative Expense	(140,725)	(192,382)	(92,885)	(190,829)	(165,600)
Miscellaneous Expense	-	-	302	(362,689)	-
Net Change in Plan Fiduciary Net Position	28,928,167	4,409,360	6,304,317	7,698,962	10,299,499
Plan Fiduciary Net Position - Beginning of Year	140,874,166	136,464,806	130,160,489	122,461,527	112,162,028
Plan Fiduciary Net Position - End of Year (b)	<u>\$ 169,802,333</u>	<u>\$ 140,874,166</u>	<u>\$ 136,464,806</u>	<u>\$ 130,160,489</u>	<u>\$ 122,461,527</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 34,555,795</u>	<u>\$ 58,207,540</u>	<u>\$ 54,888,036</u>	<u>\$ 51,527,350</u>	<u>\$ 52,534,941</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability Covered Payroll					
Percentage of the Total Pension Liability Covered Payroll	83.09%	70.76%	71.32%	71.64%	69.98%
Net Pension Liability as a Percentage of Covered Payroll	17,944,309	\$ 17,391,243	\$ 17,344,449	\$ 17,213,375	\$ 16,611,011
	192.57%	334.69%	316.46%	299.34%	316.27%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

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

GASB 68, paragraph 68 states that the long- term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense.

The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015 measurement date plan administrative expense.

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

There were no changes in assumptions.

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

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

From fiscal year June 30,2018 to June 30,2022:

There were no significant changes in assumptions.

* Fiscal year 2015 was the first year of implementation and therefore only eight years are shown.

City of Norwalk
Schedule of Changes in the Net Pension Liability
and Related Ratios (Continued)
Last Ten Fiscal Years *

June 30, 2017 June 30, 2016	June 30, 2016 June 30, 2015	June 30, 2015 June 30, 2014	Fiscal Year Ended Measurement Period
			Total Pension Liability:
2,798,540	\$ 2,777,970	\$ 2,846,128	Service Cost
11,420,438	10,941,117	10,415,206	Interest on Total Pension Liability
(541,635)	200,587	-	Differences Between Expected and Actual Experience
-	(2,694,093)	-	Changes in Assumptions
-	-	-	Changes in Benefits
(7,134,374)	(6,709,820)	(6,454,235)	Benefit Payments, Including Refunds of Employee Contributions
6,542,969	4,515,761	6,807,099	Net Change in Total Pension Liability
151,996,331	147,480,570	140,673,471	Total Pension Liability - Beginning of Year
<u>158,539,300</u>	<u>\$ 151,996,331</u>	<u>\$ 147,480,570</u>	Total Pension Liability - End of Year (a)
			Plan Fiduciary Net Position:
3,620,111	\$ 3,088,469	\$ 2,827,904	Contributions - Employer
1,302,530	1,200,653	1,213,682	Contributions - Employee
587,323	2,524,863	17,146,278	Net Investment Income
(7,134,374)	(6,709,820)	(6,454,235)	Benefit Payments
(69,389)	(128,139)	-	Administrative Expense
-	-	-	Miscellaneous Expense
(1,693,799)	(23,974)	14,733,629	Net Change in Plan Fiduciary Net Position
113,855,827	113,879,801	99,146,172	Plan Fiduciary Net Position - Beginning of Year
<u>112,162,028</u>	<u>\$ 113,855,827</u>	<u>\$ 113,879,801</u>	Plan Fiduciary Net Position - End of Year (b)
<u>46,377,272</u>	<u>\$ 38,140,504</u>	<u>\$ 33,600,769</u>	Net Pension Liability - Ending (a) - (b)
70.75%	74.91%	77.22%	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
15,835,113	\$ 15,392,118	\$ 14,721,610	Covered Payroll
292.88%	247.79%	228.24%	Net Pension Liability as a Percentage of Covered Payroll

City of Norwalk
Schedule of Contributions - CalPERS
Last Ten Fiscal Years *

<u>Fiscal Year Ended</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2019</u>	<u>June 30, 2018</u>
Actuarially Determined Contribution	\$ 7,616,136	\$ 6,109,036	\$ 5,607,849	\$ 4,882,298	\$ 4,252,350
Contributions in Relation to the Actuarially Determined Contributions	<u>(7,616,136)</u>	<u>(6,109,036)</u>	<u>(5,607,849)</u>	<u>(4,882,298)</u>	<u>(4,252,350)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 17,898,542	\$ 17,944,309	\$ 17,391,243	\$ 17,344,449	\$ 17,213,375
Contributions as a Percentage of Covered Payroll	42.55%	34.96%	32.25%	28.15%	24.70%
Notes to Schedule:					
Valuation Date	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
Methods and Assumptions Used to Determine Contribution Rates:					
Actuarial Cost Method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Inflation	2.50%	2.50%	2.63%	2.75%	2.75%
Salary Increases	(2)	(2)	(2)	(2)	(2)
Investment Rate Of Return	7.00% (3)	7.00% (3)	7.25% (3)	7.375% (3)	7.50% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

(1) Level percentage of payroll, closed

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

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

(4) 50 years (2% @55, 2.7% @55), 52 years (2% @62) **

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

* Fiscal year 2015 was the first year of implementation and therefore only eight years are shown.

City of Norwalk
Schedule of Contributions – CalPERS (Continued)
Last Ten Fiscal Years *

<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>	<u>Fiscal Year Ended</u>
\$ 3,620,111	\$ 3,574,267	\$ 3,133,656	Actuarially Determined Contribution
			Contributions in Relation to the
			Actuarially Determined
(3,620,111)	(3,574,267)	(3,133,656)	Contributions
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	Contribution Deficiency (Excess)
\$ 16,611,011	\$ 15,835,113	\$ 15,392,118	Covered Payroll
			Contributions as a Percentage of
21.79%	22.57%	20.36%	Covered Payroll
6/30/2014	6/30/2013	6/30/2012	Notes to Schedule:
			Valuation Date
			Methods and Assumptions Used to
			Determine Contribution Rates:
Entry Age	Entry Age	Entry Age	Actuarial Cost Method
(1)	(1)	(1)	Amortization Method
Fair Value	Fair Value	15 Year	Asset Valuation Method
		Smoothed	
		Market Method	
2.75%	2.75%	2.75%	Inflation
(2)	(2)	(2)	Salary Increases
7.50% (3)	7.50% (3)	7.50% (3)	Investment Rate Of Return
(4)	(4)	(4)	Retirement Age
(5)	(5)	(5)	Mortality

City of Norwalk
Other Postemployment Benefits (OPEB)
Schedule of Change in the Net OPEB Liability and Related Ratios
Last Ten Fiscal Years *

Fiscal Year End Measurement Date	June 30, 2022 June 30, 2021	June 30, 2021 June 30, 2020	June 30, 2020 June 30, 2019	June 30, 2019 June 30, 2018	June 30, 2018 June 30, 2017
Total OPEB Liability:					
Service Cost	\$ 1,364,455	\$ 1,365,581	\$ 1,299,093	\$ 1,522,089	1,477,756
Interest on Total OPEB Liability	2,733,696	2,792,494	2,664,436	2,797,595	2,696,630
Changes of Benefit Terms	-	553,607	-	596,892	-
Differences Between Expected and Actual Experience	55,128	(631,994)	(45,071)	(2,047,171)	-
Changes of Assumptions	1,762,431	451,302	507,024	(2,818,474)	-
Benefit Payments, Including Refunds and the Implied Subsidy Benefit Payments	(2,197,639)	(2,054,171)	(1,831,888)	(1,728,952)	(1,714,146)
Net Change in Total OPEB Liability	3,718,071	2,476,819	2,593,594	(1,678,021)	2,460,240
Total OPEB Liability - Beginning of Year	43,755,237	41,278,418	38,684,824	40,362,845	37,902,605
Total OPEB Liability - End of Year (a)	47,473,308	43,755,237	41,278,418	38,684,824	40,362,845
Plan Fiduciary Net Position:					
Contributions - Employer	3,808,239	3,664,771	3,442,488	2,895,732	3,295,446
Net Investment Income	3,054,347	254,002	586,074	404,743	483,661
Benefit Payments, Including Refunds and the Implied Subsidy Benefit Payments	(2,197,639)	(2,054,171)	(1,831,888)	(1,728,952)	(1,714,146)
Administrative Expenses	(60,876)	(43,618)	(18,267)	(10,566)	-
Net Change In Plan Fiduciary Net Position	4,604,071	1,820,984	2,178,407	1,560,957	2,064,961
Plan Fiduciary Net Position - Beginning of Year	10,568,346	8,747,362	6,568,955	5,007,998	2,943,037
Plan Fiduciary Net Position - End of Year (b)	15,172,417	10,568,346	8,747,362	6,568,955	5,007,998
Net OPEB Liability - Ending (a) - (b)	\$ 32,300,891	\$ 33,186,891	\$ 32,531,056	\$ 32,115,869	35,354,847
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability					
Covered- Employee Payroll	\$ 31.96%	\$ 24.15%	\$ 21.19%	\$ 16.98%	12.41%
Net OPEB Liability as Percentage of Covered- Employee Payroll	17,944,309	17,391,243	17,344,449	17,213,375	16,611,011
Covered- Employee Payroll	180.01%	190.83%	187.56%	186.58%	212.84%

Notes to Schedule:

Benefit Changes:

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

The City cap for General Group Members benefits was increased from \$ 900 per month for 2017 to \$ 1,200 per month for 2018.

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

The City pays for 100% of medical benefit premiums up to the cap, which was \$ 900 per month for 2017, \$ 1,200 per month for 2018 and \$1,600 per month for 2019 and later. PERSCare Family Rate was \$ 2,421 in 2020 and \$ 2,694 in 2021.

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

There were no changes in benefits.

Changes in Assumptions:

Discount rate changed as noted in the columns 5.87% 6.21% 6.71% 6.82% 7.00%

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

The mortality, disability, termination, and retirement assumptions for June 30,2018 utilized the CalPERS 1997-2015 experience study while the December 2017 CalPERS experience study was utilized for June 30,2019. June 30,2018 contained healthcare rates of 7.00% trending down to 3.94% over 57 years while June 30,2019 contained healthcare rates of 6.50% trending down to

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

The healthcare rates decreased from 6.50% to 6.00% trending down to 3.84% over 55 years.

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

The healthcare trend rates increased from 6.00% trending down to 3.84% over 55 years to 6.50% trending down to 4.04% over 57 years.

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

The healthcare trend rates increased from 6.00% trending down to 3.84% over 55 years to 6.00% trending down to 4.04% over 56 years.

CalPERS salary merit scale updated from 2015 to 2018.

The ACA Excise Tax Assumption was removed.

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

City of Norwalk
Other Postemployment Benefits (OPEB)
Schedule of Contributions
Last Ten Fiscal Years *

Fiscal Year End	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Actuarially Determined Contribution	\$ 3,508,945	\$ 3,588,344	\$ 3,125,815	\$ 3,175,795	\$ 2,974,742
Contributions in Relation to the Actuarially Determined Contributions	(5,172,311)	(3,808,238)	(3,664,739)	(3,442,488)	(2,961,987)
Contribution Deficiency (Excess)	<u>\$ (1,663,366)</u>	<u>\$ (219,894)</u>	<u>\$ (538,924)</u>	<u>\$ (266,693)</u>	<u>\$ 12,755</u>
Covered- Employee Payroll	\$ 17,878,542	\$ 17,944,309	\$ 17,391,243	\$ 17,344,449	\$ 17,213,375
Contributions as a Percentage of Covered- Employee Payroll	28.93%	21.22%	21.07%	19.85%	17.21%

Notes to Schedule:

Valuation Date	6/30/2021	6/30/2020	6/30/2018	6/30/2018	6/30/2016
Methods and Assumptions Used to Determine Contribution Rates:					
Actuarial cost method		Entry age normal, level percentage of payroll			
Amortization method		Closed period, level percent of pay			
Amortization period	25 Years	25 Years	25 Years	20 Years	25 Years
Asset valuation method	Market Value	Market Value	Market Value	Market Value	Market Value
Discount rate	5.87%	6.71%	6.71%	6.82%	7.00%
Inflation	5.50%	1.75%	1.75%	2.50%	2.50%
Mortality, disability, termination, retirement	(8)	(7)	(7)	(7)	(6)
Healthcare trend rates	(5)	(4)	(3)	(2)	(1)

- (1) 7.00% trending down to 3.94% over 57 years
- (2) 6.50% trending down to 3.84% over 58 years
- (3) 6.00% trending down to 3.84% over 55 years
- (4) 6.50% trending down to 4.04% over 57 years
- (5) 6.00% trending down to 4.04% over 56 years
- (6) CalPERS 1997-2015 experience study
- (7) CalPERS December 2017 experience study are shown.
- (8) CalPERS May 2018 experience study are shown.

* Fiscal year 2018 was the first year of implementation and therefore only five years

City of Norwalk
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
REVENUES				
Taxes	\$ 53,312,665	\$ 56,509,635	\$ 60,359,642	\$ 3,850,007
Licenses and Permits	1,169,500	1,580,440	1,666,265	85,825
Fines, Forfeitures, and Penalties	1,237,300	1,077,300	1,024,376	(52,924)
Use of Money and Property	417,913	417,913	(2,687,723)	(3,105,636)
Intergovernmental	305,162	314,662	699,880	385,218
Charges for Services	1,155,300	1,172,100	1,666,437	494,337
Rental Income	1,403,250	1,401,050	1,158,391	(242,659)
Other	1,107,960	1,270,160	1,477,415	207,255
Total Revenues	<u>60,109,050</u>	<u>63,743,260</u>	<u>65,364,683</u>	<u>1,621,423</u>
EXPENDITURES				
Current:				
General Government:				
Mayor, Council, and Boards	507,380	507,380	457,165	50,215
Management and Administration	4,243,375	4,317,475	3,177,379	1,140,096
City Clerk	931,904	931,904	986,664	(54,760)
Personnel Services	3,530,211	5,576,961	5,222,333	354,628
Financial Services	2,661,211	2,666,511	2,125,909	540,602
Total General Government	<u>11,874,081</u>	<u>14,000,231</u>	<u>11,969,450</u>	<u>2,030,781</u>
Public Safety:				
Public Safety Operations	21,078,203	20,528,545	17,802,680	2,725,865
Emergency Preparedness	195,708	195,708	131,909	63,799
Homeless Activities	855,075	795,923	747,880	48,043
Code Compliance	1,149,417	1,273,001	981,225	291,776
Total Public Safety	<u>23,278,403</u>	<u>22,793,177</u>	<u>19,663,694</u>	<u>3,129,483</u>
Urban Development:				
Community Development Operations	926,827	951,827	941,698	10,129
Building and Safety	1,481,443	1,481,443	1,268,958	212,485
Planning	1,194,563	1,194,563	991,568	202,995
Total Urban Development	<u>3,602,833</u>	<u>3,627,833</u>	<u>3,202,224</u>	<u>425,609</u>
Public Works:				
Public Services Administration	1,514,753	1,514,753	1,477,378	37,375
Security and Emergency Services	28,122	28,122	19,346	8,776
Facilities Maintenance	2,049,862	2,057,884	1,898,190	159,694
Street Maintenance	63,716	63,716	186,495	(122,779)
Traffic Maintenance	19,263	19,263	86,968	(67,705)
Signals and Street Lighting	732,795	1,000,795	979,228	21,567
Street Sweeping	352,775	352,775	457,124	(104,349)
Graffiti Removal	488,557	488,557	453,875	34,682
Tree Maintenance	661,482	661,482	788,396	(126,914)
Greenscape Maintenance	859,302	853,302	885,209	(31,907)
Storm Water Compliance	278,386	278,386	220,452	57,934
Engineering	1,020,839	1,020,839	868,640	152,199
Park Services	3,628,632	3,702,832	3,577,444	125,388
Total Public Works	<u>11,698,484</u>	<u>12,042,706</u>	<u>11,898,745</u>	<u>143,961</u>

City of Norwalk
Budgetary Comparison Schedule (Continued)
General Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
EXPENDITURES (CONTINUED)				
Current (Continued):				
Culture and Leisure:				
Recreation	\$ 4,854,444	\$ 4,885,603	\$ 4,197,862	\$ 687,741
Total Culture and Leisure	<u>4,854,444</u>	<u>4,885,603</u>	<u>4,197,862</u>	<u>687,741</u>
Health and Welfare:				
Social Services Administration	1,007,173	1,007,173	894,667	112,506
Senior Programs	1,270,411	1,270,411	1,028,389	242,022
Emergency Food and Shelter Program	50,875	50,875	36,098	14,777
Family Resource Center	251,520	251,520	259,475	(7,955)
Homeless Activities	27,751	27,751	36,926	(9,175)
Total Health and Welfare	<u>2,607,730</u>	<u>2,607,730</u>	<u>2,255,555</u>	<u>352,175</u>
Capital Outlay and Improvement	291,150	722,210	432,229	289,981
Total Expenditures	<u>58,207,125</u>	<u>60,679,490</u>	<u>53,619,759</u>	<u>7,059,731</u>
Excess of Revenues				
Over Expenditures	1,901,925	3,063,770	11,744,924	8,681,154
OTHER FINANCING SOURCES (USES)				
Transfers In	1,022,000	3,642,200	2,698,029	(944,171)
Transfers Out	<u>(7,568,518)</u>	<u>(15,818,318)</u>	<u>(14,988,785)</u>	<u>829,533</u>
Total Other Financing Sources (Uses)	<u>(6,546,518)</u>	<u>(12,176,118)</u>	<u>(12,290,756)</u>	<u>(114,638)</u>
CHANGE IN FUND BALANCE	(4,644,593)	(9,112,348)	(545,832)	8,566,516
Fund Balance - Beginning of Year	<u>32,909,981</u>	<u>32,909,981</u>	<u>32,909,981</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 28,265,388</u>	<u>\$ 23,797,633</u>	<u>\$ 32,364,149</u>	<u>\$ 8,566,516</u>

City of Norwalk
Budgetary Comparison Schedule
Housing and Community Development Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ -	\$ -	\$ 2,530	\$ 2,530
Intergovernmental	2,539,513	1,978,655	1,787,994	(190,661)
Other	144,054	850,054	1,047,417	197,363
Total Revenues	<u>2,683,567</u>	<u>2,828,709</u>	<u>2,837,941</u>	<u>9,232</u>
EXPENDITURES				
Current:				
Urban Development	2,604,822	2,710,858	1,382,190	1,328,668
Health and Welfare	75,000	335,000	39,741	295,259
Capital Outlay and Improvement	-	1,105,250	1,080,952	24,298
Total Expenditures	<u>2,679,822</u>	<u>4,151,108</u>	<u>2,502,883</u>	<u>1,648,225</u>
CHANGE IN FUND BALANCE	3,745	(1,322,399)	335,058	1,657,457
Fund Balance - Beginning of Year	404,056	404,056	404,056	-
FUND BALANCE (DEFICIT) - END OF YEAR	<u>\$ 407,801</u>	<u>\$ (918,343)</u>	<u>\$ 739,114</u>	<u>\$ 1,657,457</u>

City of Norwalk
Budgetary Comparison Schedule
American Rescue Plan Act (ARPA) Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 4,323,535	\$ 3,539,471	\$ (784,064)
Total Revenues	<u>-</u>	<u>4,323,535</u>	<u>3,539,471</u>	<u>(784,064)</u>
EXPENDITURES				
Current:				
General government	-	361,622	199,338	162,284
Public safety	-	70,913	69,604	1,309
Urban development	-	676,135	66,421	609,714
Public works	-	124,981	92,120	32,861
Culture and leisure	-	33,326	22,977	10,349
Health and Welfare	-	203,498	200,610	2,888
Capital Outlay and Improvement	-	565,000	-	565,000
Total Expenditures	<u>-</u>	<u>2,035,475</u>	<u>651,070</u>	<u>819,405</u>
Excess of Revenues Over Expenditures	<u>-</u>	<u>2,288,060</u>	<u>2,888,401</u>	<u>600,341</u>
OTHER FINANCING USES				
Transfers Out	-	(2,888,400)	(2,892,533)	(4,133)
Total Other Financing Uses	<u>-</u>	<u>(2,888,400)</u>	<u>(2,892,533)</u>	<u>(4,133)</u>
CHANGE IN FUND BALANCE	-	(600,340)	(4,132)	596,208
Fund Balance - Beginning of Year	4,132	4,132	4,132	-
FUND BALANCE (DEFICIT) - END OF YEAR	<u>\$ 4,132</u>	<u>(596,208)</u>	<u>\$ -</u>	<u>\$ 596,208</u>

NOTE 1 BUDGETARY INFORMATION

The City and its component units' fiscal year begins on July 1 of each year and ends June 30 the following year. On or before the fifteenth of June of each year, the City submits to the City Council a proposed budget for the next ensuing fiscal year based on a detailed financial plan prepared by the heads of the various offices, agencies and departments of the City and its component units. Upon receipt of the proposed budget, the Council may make modifications with the affirmative vote of at least a majority of its members. Before the adoption of the budget, the Council holds a public hearing wherein the public is given an opportunity to be heard, after which the Council may make any revisions deemed advisable. On or before July 1 annually, the City Council adopts the budget as amended through a budget resolution passed by the affirmative vote of at least a majority of its members. Upon final adoption, the budget is in effect for the ensuing fiscal year and becomes the authority for the various offices, agencies, and departments to spend subject to controls established by the City Charter. At any meeting after the adoption of the budget, the City Council may amend or supplement the budget by the affirmative vote of the majority of the Council members so as to authorize the transfer of unused balances appropriated for one purpose to another purpose, or to appropriate available revenue not included in the budget. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the department level, subject to the authority granted to the City Manager to transfer appropriations from account to account as necessary to assure adequate and proper standards of service and to achieve the intent of the City Council in providing municipal services for the fiscal year. Management may over spend appropriations within a department without the approval of City Council. City Council approval is required for any budget revisions that affect total appropriations of the City. Appropriations lapse at the end of the fiscal year unless they are re-appropriated through the formal budget process. Council action is necessary for transfers between departments/agencies or transfers between funds.

The City legally adopted budgets for the General Fund, Special Revenue Funds, Debt Service Fund, Certain Capital Projects Funds and Enterprise Funds with the exception of Forfeiture Special Revenue Fund, Proposition "1B" Capital Projects Fund and Proposition "C" I-5 Mitigation Capital Projects Fund. Quarterly reports are prepared and distributed to the City Council and the executive management team to assure budgetary controls through fiscal management. Since there is no legal requirement for the City's Proprietary Funds to be reported to the City Council, the budgetary reporting under these funds is not presented in the accompanying financial statements.

Budgets are prepared on a modified accrual basis. All annual appropriations lapse at fiscal year-end to the extent that they have not been expended or lawfully encumbered. Expenditures may not legally exceed appropriations at the departmental level in the governmental funds, except that certain Special Revenue Funds are maintained at the project level.

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OTHER SUPPLEMENTARY INFORMATION

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City of Norwalk
Budgetary Comparison Schedule
Special Projects Capital Projects Fund – Major Fund
Year Ended June 30, 2022

	Budgeted		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Use of Money and Property	\$ 47,420	\$ 47,420	\$ 19,469	\$ (27,951)
Intergovernmental	9,931,747	13,105,747	3,320,312	(9,785,435)
Total Revenues	<u>9,979,167</u>	<u>13,153,167</u>	<u>3,339,781</u>	<u>(9,813,386)</u>
EXPENDITURES				
Current:				
Public Works	114,277	137,077	49,921	87,156
Capital Outlay and Improvement	<u>32,005,051</u>	<u>31,726,552</u>	<u>6,019,282</u>	<u>25,707,270</u>
Total Expenditures	<u>32,119,328</u>	<u>31,863,629</u>	<u>6,069,203</u>	<u>25,794,426</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(22,140,161)</u>	<u>(18,710,462)</u>	<u>(2,729,422)</u>	<u>15,981,040</u>
OTHER FINANCING USES				
Transfer Out	-	-	(1,864)	(1,864)
Total Other Financing USES	<u>-</u>	<u>-</u>	<u>(1,864)</u>	<u>(1,864)</u>
CHANGE IN FUND BALANCE	(22,140,161)	(18,710,462)	(2,731,286)	15,979,176
Fund Balance - Beginning of Year	<u>19,220,155</u>	<u>19,220,155</u>	<u>19,220,155</u>	<u>-</u>
FUND BALANCE (DEFICIT) - END OF YEAR	<u>\$ (2,920,006)</u>	<u>\$ 509,693</u>	<u>\$ 16,488,869</u>	<u>\$ 15,979,176</u>

City of Norwalk
Combining Balance Sheet
Other Governmental Funds
June 30, 2022

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Totals
ASSETS				
Cash and investments	\$ 24,914,517	\$ -	\$ 52,356,961	\$ 77,271,478
Cash and investments with fiscal agent	-	1,210,692	-	1,210,692
Accounts receivables, net	99,396	-	-	99,396
Due from other governments	835,246	-	2,718,382	3,553,628
Prepaid items	2,001	795	93,358	96,154
Total assets	25,851,160	1,211,487	55,168,701	82,231,348
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 968,675	\$ -	\$ 611,446	\$ 1,580,121
Deposits payable	94,275	-	-	94,275
Due to other funds	240,710	795	2,035,007	2,276,512
Due to other governments	246,362	-	49,740	296,102
Unearned revenue	80,500	-	-	80,500
Other liabilities	41	-	128,814	128,855
Total liabilities	1,630,563	795	2,825,007	4,456,365
 Deferred inflows of resources				
Unavailable revenue	335,508	-	1,092,362	1,427,870
Total deferred inflows of resources	335,508	-	1,092,362	1,427,870
 Fund balances				
Nonspendable	2,001	795	93,358	96,154
Restricted	23,962,787	1,209,897	33,661,281	58,833,965
Committed	-	-	18,589,678	18,589,678
Unassigned	(79,699)	-	(1,092,985)	(1,172,684)
Total fund balances	23,885,089	1,210,692	51,251,332	76,347,113
 Total liabilities, deferred inflows of resources and fund balances				
	\$ 25,851,160	\$ 1,211,487	\$ 55,168,701	\$ 82,231,348

City of Norwalk
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Other Governmental Funds
Year Ended June 30, 2022

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Totals
Revenues				
Use of money and property	\$ 90,455	\$ 1,701	\$ (646,998)	\$ (554,842)
Intergovernmental	28,605,801	-	7,017,303	35,623,104
Charges for services	110,309	-	-	110,309
Other	56,528	-	242,343	298,871
Total revenues	<u>28,863,093</u>	<u>1,701</u>	<u>6,612,648</u>	<u>35,477,442</u>
Expenditures				
Current:				
General government	92,523	9,105	10,860	112,488
Public safety	336,252	-	88,198	424,450
Urban development	140,908	-	318,057	458,965
Public works	3,030,361	-	804,926	3,835,287
Culture and leisure	-	-	6,210	6,210
Health and welfare	16,784,488	-	5,134	16,789,622
Capital outlay and improvement	1,286,211	-	3,708,509	4,994,720
Debt service				
Principal retirement	-	2,416,830	-	2,416,830
Interest and fiscal charges	-	1,277,074	-	1,277,074
Total expenditures	<u>21,670,743</u>	<u>3,703,009</u>	<u>4,941,894</u>	<u>30,315,646</u>
Excess of revenues over expenditures	<u>7,192,350</u>	<u>(3,701,308)</u>	<u>1,670,754</u>	<u>5,161,796</u>
Other financing sources (uses)				
Capital lease issuance	-	-	234,605	234,605
Transfers in	2,919,053	3,702,985	10,655,663	17,277,701
Transfers out	(3,863,606)	-	-	(3,863,606)
Total other financing sources (uses)	<u>(944,553)</u>	<u>3,702,985</u>	<u>10,890,268</u>	<u>13,648,700</u>
Change in fund balances	6,247,797	1,677	12,561,022	18,810,496
Fund balances - Beginning of year	<u>17,637,292</u>	<u>1,209,015</u>	<u>38,690,310</u>	<u>57,536,617</u>
Fund balances - End of year	<u>\$ 23,885,089</u>	<u>\$ 1,210,692</u>	<u>\$ 51,251,332</u>	<u>\$ 76,347,113</u>

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

NONMAJOR FUNDS

Child Development Program Fund – This fund accounts for childcare for income-eligible families. Financing is provided by a grant from the Federal Government through the State Department of Education and the County of Los Angeles.

State Gasoline Tax Fund – This fund accounts for the operations of the street and maintenance projects of the Public Services department. Financing is provided by the City's share of State gasoline taxes.

Air Quality Improvement Fund – This fund accounts for monies received from the County for enacting policies to improve air quality.

Norwalk Senior Program Fund – This fund accounts for supportive services to senior citizens. Financing is provided by a grant from the Federal Government through the Area Agency of Aging.

Proposition C Fund – This fund accounts for revenues received from the County from one-quarter of one percent of sales tax. Expenditures are restricted for projects approved by the Los Angeles County Metropolitan Transportation Authority (MTA).

Public Safety Fund – This fund accounts for revenues received under Federal, State and local public safety grants. Expenditures are for activities of the Law Enforcement Block Grant, Supplemental Law Enforcement Services Fund, School Partnership Grant and Office of Traffic Safety.

Parking Structure Fund – This fund accounts for revenues and expenditures related to the operations of the Civic Center parking structure.

Forfeiture Fund – This fund accounts for revenues received from the LA County Sheriff Department's drug-related confiscations. Funds are restricted for Public Safety purposes.

Special Grants Fund – This fund accounts for revenues received under Federal, State and local grants. Expenditures are for activities of the Consumer Rental Mediation Board, which provides dispute resolution services as an alternative to formal court proceedings.

Proposition A Fund – This fund accounts for revenues received from the County from the one-half of one cent tax authorized by Proposition "A". Expenditures are restricted to transportation services.

Measure R Fund – This fund accounts for mainly revenues and monies spent on critical transit and highway projects.

Measure M Fund – This fund accounts for revenues received from the County from the one-half cent tax authorized by Measure "M". Expenditures are restricted to improve traffic flow and safety.

Measure W Fund – This fund accounts for revenues received as a portion of special tax for parcels located in the Los Angeles County Flood Control District, which covers the majority of Los Angeles County. The tax revenue was approved by voters in 2018 as Measure "W - The Safe, Clean Water Act". It is taxed at a rate of 2.5 cents per square foot of "impermeable area" (i.e. paved or built-on surfaces that prevent "stormwater and urban runoff from entering the earth," like concrete patios and driveways) and paid by property owners to fund projects, infrastructure, and programs to capture, treat, and recycle rainwater.

Housing Authority Special Revenue Fund – accounts for costs to assist low and moderate income families in securing affordable rents. Financing is provided by the U.S. Department of Housing and Urban Development.

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City of Norwalk
Combining Balance Sheet
Other Special Revenue Funds
June 30, 2022

	Child Development Program	State Gasoline Tax	Air Quality Improvement	Norwalk Senior Program
ASSETS				
Cash and investments	\$ 445,962	\$ 423,260	\$ 192,386	\$ 98,239
Accounts receivable, net	-	-	-	-
Due from other governments	415,020	294,240	34,663	53,052
Prepaid items	451	-	-	-
Total assets	\$ 861,433	\$ 717,500	\$ 227,049	\$ 151,291
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 667,523	\$ -	\$ -	\$ 99,372
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Due to other Governments	193,910	-	-	51,919
Unearned Revenue	-	-	-	-
Other liabilities	-	-	-	-
Total liabilities	861,433	-	-	151,291
Deferred inflows of resources				
Unavailable revenue	79,248	-	-	-
Total deferred inflows of resources	79,248	-	-	-
Fund balances				
Nonspendable	451	-	-	-
Restricted	-	717,500	227,049	-
Unassigned	(79,699)	-	-	-
Total fund balances	(79,248)	717,500	227,049	-
Total liabilities, deferred inflows of resources, and fund balances	\$ 861,433	\$ 717,500	\$ 227,049	\$ 151,291

(Continued)

**City of Norwalk
Combining Balance Sheet
Other Special Revenue Funds (Continued)
June 30, 2022**

Proposition "C"	Public Safety	Parking Structure	Forfeiture
\$ 8,258,278	\$ 343,859	\$ 11,453	\$ 678
9,334	-	-	-
-	36,485	-	-
1,550	-	-	-
<u>\$ 8,269,162</u>	<u>\$ 380,344</u>	<u>\$ 11,453</u>	<u>\$ 678</u>
\$ 79,814	\$ 37,107	\$ 11,453	\$ -
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
<u>79,814</u>	<u>37,107</u>	<u>11,453</u>	<u>-</u>
-	20,899	-	-
-	20,899	-	-
1,550	-	-	-
8,187,798	322,338	-	678
-	-	-	-
<u>8,189,348</u>	<u>322,338</u>	<u>-</u>	<u>678</u>
<u>\$ 8,269,162</u>	<u>\$ 380,344</u>	<u>\$ 11,453</u>	<u>\$ 678</u>

ASSETS

Cash and investments
Accounts receivable, net
Due from other governments
Prepaid items

Total assets

LIABILITIES, DEFERRED INFLOWS OF RESOURCES

Liabilities

Accounts payable
Deposits payable
Due to other funds
Due to other Governments
Unearned Revenue
Other liabilities

Total liabilities

Deferred inflows of resources

Unavailable revenue

Total deferred inflows of resources

Fund balances

Nonspendable
Restricted
Unassigned

Total fund balances

Total liabilities, deferred inflows of resources,

(Continued)

**City of Norwalk
Combining Balance Sheet
Other Special Revenue Funds (Continued)
June 30, 2022**

	Special Grants	Proposition "A"	Measure "R"	Measure "M"
ASSETS				
Cash and investments	\$ 2,020,212	\$ 794,575	\$ 3,209,243	\$ 4,596,935
Accounts receivable, net	-	-	-	-
Due from other governments	-	-	-	-
Prepaid items	-	-	-	-
Total assets	\$ 2,020,212	\$ 794,575	\$ 3,209,243	\$ 4,596,935
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ -	\$ 5,226	\$ 68,180	\$ -
Deposits payable	-	-	-	-
Due to other funds	-	-	-	-
Due to other Governments	-	-	-	-
Unearned Revenue	-	-	-	-
Other liabilities	-	-	41	-
Total liabilities	-	5,226	68,221	-
Deferred inflows of resources				
Unavailable revenue	149,559	-	-	-
Total deferred inflows of resources	149,559	-	-	-
Fund balances				
Nonspendable	-	-	-	-
Restricted	1,870,653	789,349	3,141,022	4,596,935
Unassigned	-	-	-	-
Total fund balances	1,870,653	789,349	3,141,022	4,596,935
Total liabilities, deferred inflows of resources, and fund balances	\$ 2,020,212	\$ 794,575	\$ 3,209,243	\$ 4,596,935

(Continued)

**City of Norwalk
Combining Balance Sheet
Other Special Revenue Funds (Continued)
June 30, 2022**

Measure "W"	Housing Authority	Total Other Special Revenue Funds	
2,165,322	\$ 2,354,115	\$ 24,914,517	ASSETS
-	90,062	99,396	Cash and investments
-	1,786	835,246	Accounts receivable, net
-	-	2,001	Due from other governments
2,165,322	\$ 2,445,963	\$ 25,851,160	Prepaid items
			Total assets
			LIABILITIES, DEFERRED INFLOWS OF RESOURCES
			Liabilities
-	\$ -	\$ 968,675	Accounts payable
-	94,275	94,275	Deposits payable
-	240,710	240,710	Due to other funds
-	533	246,362	Due to other Governments
-	80,500	80,500	Unearned Revenue
-	-	41	Other liabilities
-	416,018	1,630,563	Total liabilities
			Deferred inflows of resources
-	85,802	335,508	Unavailable revenue
-	85,802	335,508	Total deferred inflows of resources
			Fund balances
-	-	2,001	Nonspendable
2,165,322	1,944,143	23,962,787	Restricted
-	-	(79,699)	Unassigned
2,165,322	1,944,143	23,885,089	Total fund balances
2,165,322	\$ 2,445,963	\$ 25,851,160	Total liabilities, deferred inflows of resources,

(Concluded)

City of Norwalk
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances
Other Special Revenue Funds
Year Ended June 30, 2022

	Child Development Program	State Gasoline Tax	Air Quality Improvement	Norwalk Senior Program
Revenues				
Use of money and property	\$ -	\$ 3,400	\$ 678	\$ -
Intergovernmental	7,749,120	1,621,808	168,421	756,789
Charges for services	-	-	-	-
Other	-	-	-	-
Total revenues	<u>7,749,120</u>	<u>1,625,208</u>	<u>169,099</u>	<u>756,789</u>
Expenditures				
Current:				
General government	-	-	-	-
Public safety	-	-	-	-
Public works	-	1,525,208	-	-
Urban development	-	-	-	-
Health and welfare	7,414,913	-	90,489	1,068,860
Capital outlay and improvement	-	-	-	-
Total expenditures	<u>7,414,913</u>	<u>1,525,208</u>	<u>90,489</u>	<u>1,068,860</u>
Excess (deficiency) of revenues over expenditures	<u>334,207</u>	<u>100,000</u>	<u>78,610</u>	<u>(312,071)</u>
Other financing sources (uses)				
Transfers in	140,855	-	-	312,071
Transfers out	-	-	(4,815)	-
Total other financing sources (uses)	<u>140,855</u>	<u>-</u>	<u>(4,815)</u>	<u>312,071</u>
Change in fund balances	475,062	100,000	73,795	-
Fund balances (deficits) - Beginning of year	<u>(554,310)</u>	<u>617,500</u>	<u>153,254</u>	<u>-</u>
FUND BALANCES (DEFICITS) - END OF YEAR	<u>\$ (79,248)</u>	<u>\$ 717,500</u>	<u>\$ 227,049</u>	<u>\$ -</u>

(Continued)

City of Norwalk
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances (Continued)
Other Special Revenue Funds
Year Ended June 30, 2022

Proposition "C"	Public Safety	Parking Structure	Forfeiture	
\$ 34,683 2,214,439 110,234 - <u>2,359,356</u>	\$ 1,952 327,615 - - <u>329,567</u>	\$ - - 75 - <u>75</u>	\$ - - - - <u>-</u>	Revenues Use of money and property Intergovernmental Charges for services Other Total revenues
85,523 29,370 784,058 - - <u>328,785</u> <u>1,227,736</u>	- 306,882 - - - <u>64,526</u> <u>371,408</u>	- - 195,897 - - <u>3,615</u> <u>199,512</u>	- - - - - - <u>-</u>	Expenditures Current: General government Public safety Public works Urban development Health and welfare Capital outlay and improvement Total expenditures
<u>1,131,620</u>	<u>(41,841)</u>	<u>(199,437)</u>	<u>-</u>	Excess (deficiency) of revenues over expenditures
- <u>(125,590)</u> <u>(125,590)</u>	- <u>-</u> <u>-</u>	451,825 <u>(252,388)</u> <u>199,437</u>	- - <u>-</u>	Other financing sources (uses) Transfers in Transfers out Total other financing sources (uses)
1,006,030	(41,841)	-	-	Change in fund balances
<u>7,183,318</u>	<u>364,179</u>	<u>-</u>	<u>678</u>	Fund balances (deficits) - Beginning of year
<u>\$ 8,189,348</u>	<u>\$ 322,338</u>	<u>\$ -</u>	<u>\$ 678</u>	FUND BALANCES (DEFICITS) - END OF YEAR

(Continued)

City of Norwalk
Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances (Continued)
Other Special Revenue Funds
Year Ended June 30, 2022

	Special Grants	Proposition "A"	Measure "R"	Measure "M"
Revenues				
Use of money and property	\$ 1	\$ 4,506	\$ 16,057	\$ 19,618
Intergovernmental	132,930	2,669,673	1,660,561	1,879,116
Charges for services	-	-	-	-
Other	2,515	-	-	-
Total revenues	135,446	2,674,179	1,676,618	1,898,734
Expenditures				
Current:				
General government	-	-	7,000	-
Public safety	-	-	-	-
Public works	-	-	523,678	1,520
Urban development	140,908	-	-	-
Health and welfare	65	-	-	-
Capital outlay and improvement	-	588,079	297,148	4,058
Total expenditures	140,973	588,079	827,826	5,578
Excess (deficiency) of revenues over expenditures	(5,527)	2,086,100	848,792	1,893,156
Other financing sources (uses)				
Transfers in	2,014,302	-	-	-
Transfers out	-	(1,640,653)	(865,005)	(975,155)
Total other financing sources (uses)	2,014,302	(1,640,653)	(865,005)	(975,155)
Change in fund balances	2,008,775	445,447	(16,213)	918,001
Fund balances (deficits) - Beginning of year	(138,122)	343,902	3,157,235	3,678,934
FUND BALANCES (DEFICITS) - END OF YEAR	\$ 1,870,653	\$ 789,349	\$ 3,141,022	\$ 4,596,935

(Continued)

City of Norwalk
**Combining Statement of Revenues, Expenditures, and
Changes in Fund Balances (Continued)**
Other Special Revenue Funds
Year Ended June 30, 2022

Measure "W"	Housing Authority	Total Other Special Revenue Funds	
			Revenues
\$ 6,156	\$ 3,404	\$ 90,455	Use of money and property
1,082,541	8,342,788	28,605,801	Intergovernmental
-	-	110,309	Charges for services
-	54,013	56,528	Other
<u>1,088,697</u>	<u>8,400,205</u>	<u>28,863,093</u>	Total revenues
			Expenditures
			Current:
-	-	92,523	General government
-	-	336,252	Public safety
-	-	3,030,361	Public works
-	-	140,908	Urban development
-	8,210,161	16,784,488	Health and welfare
-	-	1,286,211	Capital outlay and improvement
<u>-</u>	<u>8,210,161</u>	<u>21,670,743</u>	Total expenditures
			Excess (deficiency) of revenues over expenditures
<u>1,088,697</u>	<u>190,044</u>	<u>7,192,350</u>	
			Other financing sources (uses)
-	-	2,919,053	Transfers in
-	-	(3,863,606)	Transfers out
<u>-</u>	<u>-</u>	<u>(944,553)</u>	Total other financing sources (uses)
1,088,697	190,044	6,247,797	Change in fund balances
<u>1,076,625</u>	<u>1,754,099</u>	<u>17,637,292</u>	Fund balances (deficits) - Beginning of year
<u>\$ 2,165,322</u>	<u>\$ 1,944,143</u>	<u>\$ 23,885,089</u>	FUND BALANCES (DEFICITS) - END OF YEAR
		(Concluded)	

City of Norwalk
Schedule of Revenues, Revenues, Expenditures,
and Changes in Fund Balance
Budget and Actual
Child Development Program Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amount Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Intergovernmental	\$ 7,083,877	\$ 7,749,120	\$ 665,243
Charges for Services	100,000	-	(100,000)
Total Revenues	<u>7,183,877</u>	<u>7,749,120</u>	<u>565,243</u>
EXPENDITURES			
Current:			
Health and Welfare	<u>6,930,462</u>	<u>7,414,913</u>	<u>(484,451)</u>
Total Expenditures	<u>6,930,462</u>	<u>7,414,913</u>	<u>(484,451)</u>
Excess of Revenues Over Expenditures	<u>253,415</u>	<u>334,207</u>	<u>80,792</u>
OTHER FINANCING SOURCES			
Transfers In	<u>-</u>	<u>140,855</u>	<u>140,855</u>
Total Other Financing Sources	<u>-</u>	<u>140,855</u>	<u>140,855</u>
CHANGE IN FUND BALANCE	253,415	475,062	221,647
Fund Deficit - Beginning of Year	<u>(554,310)</u>	<u>(554,310)</u>	<u>-</u>
FUND BALANCE (DEFICIT) - END OF YEAR	<u>\$ (300,895)</u>	<u>\$ (79,248)</u>	<u>\$ 221,647</u>

City of Norwalk
Schedule of Revenues, Revenues, Expenditures,
and Changes in Fund Balance
Budget and Actual
State Gasoline Tax Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amount <u>Final</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ 500	\$ 3,400	\$ 2,900
Intergovernmental	<u>1,752,650</u>	<u>1,621,808</u>	<u>(130,842)</u>
Total Revenues	<u>1,753,150</u>	<u>1,625,208</u>	<u>(127,942)</u>
EXPENDITURES			
Capital Outlay and Improvement	<u>1,993,000</u>	<u>1,525,208</u>	<u>467,792</u>
Total Expenditures	<u>1,993,000</u>	<u>1,525,208</u>	<u>467,792</u>
CHANGE IN FUND BALANCE	(239,850)	100,000	339,850
Fund Balance - Beginning of Year	<u>617,500</u>	<u>617,500</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 377,650</u></u>	<u><u>\$ 717,500</u></u>	<u><u>\$ 339,850</u></u>

City of Norwalk
Schedule of Revenues, Revenues, Expenditures,
and Changes in Fund Balance
Budget and Actual
Air Quality Improvement Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amount Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ 100	\$ 678	\$ 578
Intergovernmental	134,000	168,421	34,421
Total Revenues	<u>134,100</u>	<u>169,099</u>	<u>34,999</u>
EXPENDITURES			
Current:			
Health and Welfare	90,564	90,489	75
Total Expenditures	<u>90,564</u>	<u>90,489</u>	<u>75</u>
Excess of Revenues Over Expenditures	<u>43,536</u>	<u>78,610</u>	<u>35,074</u>
OTHER FINANCING USES			
Transfers Out	(6,000)	(4,815)	1,185
Total Other Financing Uses	<u>(6,000)</u>	<u>(4,815)</u>	<u>1,185</u>
CHANGE IN FUND BALANCE	37,536	73,795	36,259
Fund Balance - Beginning of Year	153,254	153,254	-
FUND BALANCE - END OF YEAR	<u>\$ 190,790</u>	<u>\$ 227,049</u>	<u>\$ 36,259</u>

City of Norwalk
Schedule of Revenues, Revenues, Expenditures,
and Changes in Fund Balance
Budget and Actual
Norwalk Senior Program Special Revenue Fund
Year Ended June 30, 2022

	<u>Budgeted Amount Final</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 1,209,337	\$ 756,789	\$ (452,548)
Other	99	-	(99)
Total Revenues	<u>1,209,436</u>	<u>756,789</u>	<u>(452,647)</u>
EXPENDITURES			
Current:			
Health and Welfare	<u>1,659,450</u>	<u>1,068,860</u>	<u>590,590</u>
Total Expenditures	<u>1,659,450</u>	<u>1,068,860</u>	<u>590,590</u>
Deficiency of Revenues Over Expenditures	<u>(450,014)</u>	<u>(312,071)</u>	<u>137,943</u>
OTHER FINANCING SOURCES			
Transfers In	<u>322,998</u>	<u>312,071</u>	<u>(10,927)</u>
Total Other Financing Sources	<u>322,998</u>	<u>312,071</u>	<u>(10,927)</u>
CHANGE IN FUND BALANCE	(127,016)	-	127,016
Fund Balance - Beginning of Year	-	-	-
FUND BALANCE (DEFICIT) - END OF YEAR	<u>\$ (127,016)</u>	<u>\$ -</u>	<u>\$ 127,016</u>

City of Norwalk
Schedule of Revenues, Revenues, Expenditures,
and Changes in Fund Balance
Budget and Actual
Proposition "C" Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amount Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ 20,000	\$ 34,683	\$ 14,683
Intergovernmental	1,770,840	2,214,439	443,599
Charges for Services	153,000	110,234	(42,766)
Total Revenues	<u>1,943,840</u>	<u>2,359,356</u>	<u>415,516</u>
EXPENDITURES			
Current:			
General Government	96,850	85,523	11,327
Public Safety	46,000	29,370	16,630
Public Works	1,063,534	784,058	279,476
Capital Outlay and Improvement	4,358,672	328,785	4,029,887
Total Expenditures	<u>5,565,056</u>	<u>1,227,736</u>	<u>4,337,320</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(3,621,216)</u>	<u>1,131,620</u>	<u>4,752,836</u>
OTHER FINANCING USES			
Transfers Out	(147,590)	(125,590)	22,000
Total Other Financing Uses	<u>(147,590)</u>	<u>(125,590)</u>	<u>22,000</u>
CHANGE IN FUND BALANCE	(3,768,806)	1,006,030	4,774,836
Fund Balance - Beginning of Year	<u>7,183,318</u>	<u>7,183,318</u>	-
FUND BALANCE - END OF YEAR	<u>\$ 3,414,512</u>	<u>\$ 8,189,348</u>	<u>\$ 4,774,836</u>

City of Norwalk
Schedule of Revenues, Revenues, Expenditures,
and Changes in Fund Balance
Budget and Actual
Public Safety Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amount Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ 500	\$ 1,952	\$ 1,452
Intergovernmental	335,972	327,615	(8,357)
Total Revenues	<u>336,472</u>	<u>329,567</u>	<u>(6,905)</u>
EXPENDITURES			
Current:			
Public Safety	317,557	306,882	10,675
Capital Outlay and Improvement	121,662	64,526	57,136
Total Expenditures	<u>439,219</u>	<u>371,408</u>	<u>67,811</u>
CHANGE IN FUND BALANCE	(102,747)	(41,841)	60,906
Fund Balance - Beginning of Year	364,179	364,179	-
FUND BALANCE - END OF YEAR	<u>\$ 261,432</u>	<u>\$ 322,338</u>	<u>\$ 60,906</u>

City of Norwalk
Schedule of Revenues, Revenues, Expenditures,
and Changes in Fund Balance
Budget and Actual
Parking Structure Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amount Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Charges for Services	\$ -	\$ 75	\$ 75
Total Revenues	<u>-</u>	<u>75</u>	<u>75</u>
EXPENDITURES			
Current:			
Public Works	236,565	195,897	40,668
Capital Outlay and Improvement	4,600	3,615	985
Total Expenditures	<u>241,165</u>	<u>199,512</u>	<u>41,653</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(241,165)</u>	<u>(199,437)</u>	<u>41,728</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	493,553	451,825	(41,728)
Transfers Out	<u>(252,388)</u>	<u>(252,388)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>241,165</u>	<u>199,437</u>	<u>(41,728)</u>
CHANGE IN FUND BALANCE	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

City of Norwalk
Schedule of Revenues, Revenues, Expenditures,
and Changes in Fund Balance
Budget and Actual
Special Grants Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amount Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ -	\$ 1	\$ 1
Intergovernmental	810,000	132,930	(677,070)
Other Revenue	-	2,515	2,515
Total Revenues	<u>810,000</u>	<u>135,446</u>	<u>(674,554)</u>
EXPENDITURES			
Current:			
Health and Welfare	25,000	65	24,935
Urban Development	810,000	140,908	669,092
Total Expenditures	<u>835,000</u>	<u>140,973</u>	<u>694,027</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(25,000)</u>	<u>(5,527)</u>	<u>19,473</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	<u>2,000,000</u>	<u>2,014,302</u>	<u>14,302</u>
Total Other Financing Uses	<u>2,000,000</u>	<u>2,014,302</u>	<u>14,302</u>
CHANGE IN FUND BALANCE	1,975,000	2,008,775	33,775
Fund Deficit - Beginning of Year	<u>(138,122)</u>	<u>(138,122)</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,836,878</u>	<u>\$ 1,870,653</u>	<u>\$ 33,775</u>

City of Norwalk
Schedule of Revenues, Revenues, Expenditures,
and Changes in Fund Balance
Budget and Actual
Proposition "A" Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amount Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ 10,000	\$ 4,506	\$ (5,494)
Intergovernmental	2,134,900	2,669,673	534,773
Total Revenues	2,144,900	2,674,179	529,279
EXPENDITURES			
Current:			
Public Works	848,149	588,079	260,070
Total Expenditures	848,149	588,079	260,070
Excess of Revenues Over Expenditures	1,296,751	2,086,100	789,349
OTHER FINANCING USES			
Transfers Out	(1,640,653)	(1,640,653)	-
Total Other Financing Uses	(1,640,653)	(1,640,653)	-
CHANGE IN FUND BALANCE	(343,902)	445,447	789,349
Fund Balance - Beginning of Year	343,902	343,902	-
FUND BALANCE - END OF YEAR	\$ -	\$ 789,349	\$ 789,349

City of Norwalk
Schedule of Revenues, Revenues, Expenditures,
and Changes in Fund Balance
Budget and Actual
Measure "R" Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amount Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ 2,500	\$ 16,057	\$ 13,557
Intergovernmental	1,328,130	1,660,561	332,431
Total Revenues	<u>1,330,630</u>	<u>1,676,618</u>	<u>345,988</u>
EXPENDITURES			
Current:			
General Government	-	7,000	(7,000)
Public Works	565,155	523,678	41,477
Capital Outlay and Improvement	2,673,762	297,148	2,376,614
Total Expenditures	<u>3,238,917</u>	<u>827,826</u>	<u>2,411,091</u>
Excess (Deficiencies) of Revenues Over Expenditures	<u>(1,908,287)</u>	<u>848,792</u>	<u>2,757,079</u>
OTHER FINANCING USES			
Transfers Out	<u>(863,150)</u>	<u>(865,005)</u>	<u>(1,855)</u>
Total Other Financing Uses	<u>(863,150)</u>	<u>(865,005)</u>	<u>(1,855)</u>
CHANGE IN FUND BALANCE	(2,771,437)	(16,213)	2,755,224
Fund Balance - Beginning of Year	3,157,235	3,157,235	-
FUND BALANCE - END OF YEAR	<u>\$ 385,798</u>	<u>\$ 3,141,022</u>	<u>\$ 2,755,224</u>

City of Norwalk
Schedule of Revenues, Revenues, Expenditures,
and Changes in Fund Balance
Budget and Actual
Measure "M" Special Revenue Fund
Year Ended June 30, 2022

	<u>Budgeted Amount Final</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
REVENUES			
Use of Money and Property	\$ 2,500	\$ 19,618	\$ 17,118
Intergovernmental	1,505,220	1,879,116	373,896
Total Revenues	<u>1,507,720</u>	<u>1,898,734</u>	<u>391,014</u>
EXPENDITURES			
Current:			
Public Works	200,000	1,520	198,480
Capital Outlay and Improvement	1,371,108	4,058	1,367,050
Total Expenditures	<u>1,571,108</u>	<u>5,578</u>	<u>1,565,530</u>
Excess of Revenues Over Expenditures	<u>(63,388)</u>	<u>1,893,156</u>	<u>1,956,544</u>
OTHER FINANCING USES			
Transfers Out	<u>(973,300)</u>	<u>(975,155)</u>	<u>(1,855)</u>
Total Other Financing Uses	<u>(973,300)</u>	<u>(975,155)</u>	<u>(1,855)</u>
CHANGE IN FUND BALANCE	(1,036,688)	918,001	1,954,689
Fund Balance - Beginning of Year	<u>3,678,934</u>	<u>3,678,934</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 2,642,246</u>	<u>\$ 4,596,935</u>	<u>\$ 1,954,689</u>

City of Norwalk
Schedule of Revenues, Revenues, Expenditures,
and Changes in Fund Balance
Budget and Actual
Measure "W" Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amount Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ -	\$ 6,156	\$ 6,156
Intergovernmental	1,083,000	1,082,541	(459)
Total Revenues	1,083,000	1,088,697	5,697
EXPENDITURES			
Current:			
Public Works	22,816	-	22,816
Capital Outlay and Improvement	-	-	-
Total Expenditures	22,816	-	22,816
CHANGE IN FUND BALANCE	1,060,184	1,088,697	28,513
Fund Balance - Beginning of Year	1,076,625	1,076,625	-
FUND BALANCE - END OF YEAR	\$ 2,136,809	\$ 2,165,322	\$ 28,513

City of Norwalk
Schedule of Revenues, Revenues, Expenditures,
and Changes in Fund Balance
Budget and Actual
Housing Authority Special Revenue Fund
Year Ended June 30, 2022

	Budgeted Amount Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ 2,100	\$ 3,404	\$ 1,304
Intergovernmental	7,577,939	8,342,788	764,849
Other	20,000	54,013	34,013
Total Revenues	<u>7,600,039</u>	<u>8,400,205</u>	<u>800,166</u>
EXPENDITURES			
Current:			
Health and Welfare	7,644,147	8,210,161	(566,014)
Total Expenditures	<u>7,644,147</u>	<u>8,210,161</u>	<u>(566,014)</u>
CHANGE IN FUND BALANCE	(44,108)	190,044	234,152
Fund Balance - Beginning of Year	1,754,099	1,754,099	-
FUND BALANCE - END OF YEAR	<u>\$ 1,709,991</u>	<u>\$ 1,944,143</u>	<u>\$ 234,152</u>

Debt service fund is used to account for the accumulation of resources for, and the payment of, the City's general long-term debt principal and interest.

City of Norwalk
Schedule of Revenues, Revenues, Expenditures,
and Changes in Fund Balance
Budget and Actual
Debt Service Fund
Year Ended June 30, 2022

	Budgeted Amount Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ 5,000	\$ 1,701	\$ (3,299)
Total Revenues	<u>5,000</u>	<u>1,701</u>	<u>(3,299)</u>
EXPENDITURES			
Current:			
General Government	9,200	9,105	95
Debt Service:			
Principal Retirement	2,416,830	2,416,830	-
Interest and Fiscal Charges	1,277,075	1,277,074	1
Total Expenditures	<u>3,703,105</u>	<u>3,703,009</u>	<u>96</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(3,698,105)</u>	<u>(3,701,308)</u>	<u>(3,203)</u>
OTHER FINANCING SOURCES			
Transfers In	3,695,299	3,702,985	7,686
Total Other Financing Sources	<u>3,695,299</u>	<u>3,702,985</u>	<u>7,686</u>
CHANGE IN FUND BALANCE	(2,806)	1,677	4,483
Fund Balance - Beginning of Year	1,209,015	1,209,015	-
FUND BALANCE - END OF YEAR	<u>\$ 1,206,209</u>	<u>\$ 1,210,692</u>	<u>\$ 4,483</u>

Capital projects funds are used to account for financial resources used for the acquisition or construction of major capital facilities which are not financed by proprietary funds.

NONMAJOR FUNDS

Proposition "1B" Fund – The fund accounts for the construction of street improvements at various locations throughout the City. Financing is provided by money received from Proposition "1B".

Road Maintenance Rehabilitation Fund – The fund accounts for revenues received from the State SB1 taxes. Expenditures are restricted to basic road maintenance, rehabilitation, and critical safety projects.

Proposition "C" 1-5 Mitigation Fund – This fund accounts for the street projects related to the mitigation of the highway 1-5 widening project.

Other Federal Grants Fund – accounts for federal grants received and expended for the purpose of capital improvements throughout the City.

Public Art Fund – This fund accounts for the purchase of artwork with in-lieu contributions from contractors who do not elect to provide artwork for their projects.

Economic Development Fund – accounts for accumulated resources received from the Former Redevelopment Agency for remaining bond proceeds. The proceeds will be used according to the bond covenant for economic development capital projects.

Housing Successor Fund – accounts for the accumulated resources received from the former Redevelopment Agency's Housing Bond Proceeds fund, income, and expenses related to low and moderate housing.

Highway User Tax – 2103 Fund – This fund accounts for the maintenance or reconstruction costs on public streets or roads.

Park Development Fund – This fund accounts for the costs of development and improvement of facilities at City parks. Financing is provided by grants received under federal, state and local agreements.

Measure W – Grant Fund – This fund accounts for implementation, operation, maintenance, and administration of programs to increase stormwater and urban runoff capture and reduce stormwater and urban runoff pollution. Financing provided by a grant received from the Los Angeles County Flood Control District, Safe, Clean Water Program.

General Plan Fund – This fund accounts for costs associated update to the City general plan.

Playground Equipment Replacement Fund – This fund accounts for the purchase and replacement of playground equipment of the City. Financing is provided through operating transfers and grants received.

Sports Complex Equipment Replacement Fund – This fund accounts for the purchase and replacement of equipment at the Norwalk Sports and Arts Complex. Financing is provided through operating transfers and grants.

City of Norwalk
Description of Other Capital Projects Funds (Continued)
June 30, 2022

Computer Replacement Fund – This fund accounts for the purchase and replacement of computer equipment leased to City departments. Financing is provided through operating transfers and grants received.

Vehicle and Equipment Replacement Fund – This fund accounts for the purchase and replacement of vehicles and equipment leased to City departments. Financing is provided through operating transfers and grants received.

Building Renovation Fund – This fund accounts for the costs of development and improvements at City Hall. Financing is provided by operating transfers or grants received.

Street Renovation Fund – This fund accounts for the maintenance and improvements of streets. Financing is provided by operating transfers or grants received.

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City of Norwalk
Combining Balance Sheet
Other Capital Projects Funds
June 30, 2022

	<u>Proposition 1B</u>	<u>Road Maintenance Rehabilitation</u>	<u>Proposition "C" I-5 Mitigation</u>	<u>Other Federal Grants</u>	<u>Public Art</u>
ASSETS					
Assets					
Cash and investments	\$ 231,281	\$ 6,393,056	\$ -	\$ -	\$ 557,131
Due from other governments	-	187,013	232,634	2,167,686	-
Prepaid items	-	-	-	-	-
Total assets	<u>231,281</u>	<u>6,580,069</u>	<u>232,634</u>	<u>2,167,686</u>	<u>557,131</u>
Total assets	<u>\$ 231,281</u>	<u>\$ 6,580,069</u>	<u>\$ 232,634</u>	<u>\$ 2,167,686</u>	<u>\$ 557,131</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ -	\$ 21,559	\$ -	\$ 187,382	\$ -
Due to other funds	-	-	232,634	1,802,373	-
Due to other governments	-	-	-	49,740	-
Other liabilities	-	-	-	128,814	-
Total liabilities	<u>-</u>	<u>21,559</u>	<u>232,634</u>	<u>2,168,309</u>	<u>-</u>
Deferred inflows of resources					
Unavailable revenue	-	-	232,634	859,728	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>232,634</u>	<u>859,728</u>	<u>-</u>
Fund balances (deficits)					
Nonspendable	-	-	-	-	-
Restricted	231,281	6,558,510	-	-	557,131
Committed	-	-	-	-	-
Unassigned	-	-	(232,634)	(860,351)	-
Total fund balances (Deficits)	<u>231,281</u>	<u>6,558,510</u>	<u>(232,634)</u>	<u>(860,351)</u>	<u>557,131</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 231,281</u>	<u>\$ 6,580,069</u>	<u>\$ 232,634</u>	<u>\$ 2,167,686</u>	<u>\$ 557,131</u>

(Continued)

City of Norwalk
Combining Balance Sheet (Continued)
Other Capital Projects Funds
June 30, 2022

Economic Development	Housing Successor	Highway User Tax - 2103	Park Development	
				ASSETS
				Assets
\$ 10,732,998	\$ 11,263,132	\$ 2,119,531	\$ 111,762	Cash and investments
-	-	131,049	-	Due from other governments
-	-	-	-	Prepaid items
<u>10,732,998</u>	<u>11,263,132</u>	<u>2,250,580</u>	<u>111,762</u>	Total assets
				Total assets
\$ 10,732,998	\$ 11,263,132	\$ 2,250,580	\$ 111,762	
				LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES
				Liabilities
\$ 28,187	\$ 109,364	\$ 149,595	\$ -	Accounts payable
-	-	-	-	Due to other funds
-	-	-	-	Due to other governments
-	-	-	-	Other liabilities
<u>28,187</u>	<u>-</u>	<u>149,595</u>	<u>-</u>	Total liabilities
				Deferred inflows of resources
-	-	-	-	Unavailable revenue
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	Total deferred inflows of resources
				Fund balances (deficits)
-	-	-	-	Nonspendable
10,704,811	11,153,768	2,100,985	111,762	Restricted
-	-	-	-	Committed
-	-	-	-	Unassigned
<u>10,704,811</u>	<u>11,153,768</u>	<u>2,100,985</u>	<u>111,762</u>	Total fund balances (Deficits)
				Total liabilities, deferred inflows of resources, and fund balances
\$ 10,732,998	\$ 11,153,768	\$ 2,250,580	\$ 111,762	

(Continued)

City of Norwalk
Combining Balance Sheet (Continued)
Other Capital Projects Funds
June 30, 2022

	<u>Measure W - Grant</u>	<u>General Plan</u>	<u>Playground Equipment Replacement</u>	<u>Sports Complex Equipment Replacement</u>	<u>Computer Replacement</u>
ASSETS					
Assets					
Cash and investments	\$ 2,243,033	\$ 400,542	\$ 2,003,334	\$ 363,136	\$ 1,346,789
Due from other governments	-	-	-	-	-
Prepaid items	-	-	-	-	93,358
Total assets	<u>2,243,033</u>	<u>400,542</u>	<u>2,003,334</u>	<u>363,136</u>	<u>1,440,147</u>
Total assets	<u>\$ 2,243,033</u>	<u>\$ 400,542</u>	<u>\$ 2,003,334</u>	<u>\$ 363,136</u>	<u>\$ 1,440,147</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ -	\$ -	\$ 5,290	\$ -	\$ 93,360
Due to other funds	-	-	-	-	-
Due to other governments	-	-	-	-	-
Other liabilities	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>5,290</u>	<u>-</u>	<u>93,360</u>
Deferred inflows of resources					
Unavailable revenue	-	-	-	-	-
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficits)					
Nonspendable	-	-	-	-	93,358
Restricted	2,243,033	-	-	-	-
Committed	-	400,542	1,998,044	363,136	1,253,429
Unassigned	-	-	-	-	-
Total fund balances (Deficits)	<u>2,243,033</u>	<u>400,542</u>	<u>1,998,044</u>	<u>363,136</u>	<u>1,346,787</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,243,033</u>	<u>\$ 400,542</u>	<u>\$ 2,003,334</u>	<u>\$ 363,136</u>	<u>\$ 1,440,147</u>

(Continued)

City of Norwalk
Combining Balance Sheet (Continued)
Other Capital Projects Funds
June 30, 2022

Vehicle and Equipment Replacement	Building Renovation	Street Renovation	Total Other Capital Projects Funds	
\$ 2,995,412	\$ 2,238,837	\$ 9,356,987	\$ 52,356,961	ASSETS
-	-	-	2,718,382	Assets
-	-	-	93,358	Cash and investments
<u>2,995,412</u>	<u>2,238,837</u>	<u>9,356,987</u>	<u>55,168,701</u>	Due from other governments
				Prepaid items
				Total assets
<u>\$ 2,995,412</u>	<u>\$ 2,238,837</u>	<u>\$ 9,356,987</u>	<u>\$ 55,168,701</u>	Total assets
				LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES
				Liabilities
\$ -	\$ -	\$ 16,709	\$ 611,446	Accounts payable
-	-	-	2,035,007	Due to other funds
-	-	-	49,740	Due to other governments
-	-	-	128,814	Other liabilities
<u>-</u>	<u>-</u>	<u>16,709</u>	<u>2,825,007</u>	Total liabilities
				Deferred inflows of resources
-	-	-	1,092,362	Unavailable revenue
<u>-</u>	<u>-</u>	<u>-</u>	<u>1,092,362</u>	Total deferred inflows of resources
				Fund balances (deficits)
-	-	-	93,358	Nonspendable
-	-	-	33,661,281	Restricted
2,995,412	2,238,837	9,340,278	18,589,678	Committed
-	-	-	(1,092,985)	Unassigned
<u>2,995,412</u>	<u>2,238,837</u>	<u>9,340,278</u>	<u>51,251,332</u>	Total fund balances (Deficits)
<u>\$ 2,995,412</u>	<u>\$ 2,238,837</u>	<u>\$ 9,356,987</u>	<u>\$ 55,168,701</u>	Total liabilities, deferred inflows of resources, and fund balances

(Concluded)

City of Norwalk
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances
Other Capital Projects Funds
Year Ended June 30, 2022

	Proposition "1B"	Road Maintenance Rehabilitation	Proposition "C" I-5 Mitigation	Other Federal Grants	Public Art
Revenues					
Use of money and property	\$ 1,051	\$ 23,750	\$ -	\$ -	\$ 2,232
Intergovernmental	-	1,941,975	-	2,019,547	-
Other	-	-	-	-	161,558
Total revenues	<u>1,051</u>	<u>1,965,725</u>	<u>-</u>	<u>2,019,547</u>	<u>163,790</u>
Expenditures					
Current:					
General government	-	-	-	-	10,860
Public safety	-	-	-	-	-
Public works	-	-	-	-	10,206
Urban development	-	-	-	-	-
Culture and leisure	-	-	-	-	-
Health and welfare	-	-	-	-	-
Capital outlay and improvement	-	64,877	-	1,311,442	-
Total expenditures	<u>-</u>	<u>64,877</u>	<u>-</u>	<u>1,311,442</u>	<u>21,066</u>
Excess (deficiency) of revenues over expenditures	<u>1,051</u>	<u>1,900,848</u>	<u>-</u>	<u>708,105</u>	<u>142,724</u>
Other financing sources					
Capital lease issuance	-	-	-	-	-
Transfers in	-	-	-	-	-
Total other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balances	1,051	1,900,848	-	708,105	142,724
Fund balances (deficits) - Beginning of year	<u>230,230</u>	<u>4,657,662</u>	<u>(232,634)</u>	<u>(1,568,456)</u>	<u>414,407</u>
FUND BALANCES (DEFICITS) - END OF YEAR	<u>\$ 231,281</u>	<u>\$ 6,558,510</u>	<u>\$ (232,634)</u>	<u>\$ (860,351)</u>	<u>\$ 557,131</u>

(Continued)

City of Norwalk
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances (Continued)
Other Capital Projects Funds
Year Ended June 30, 2022

Economic Development	Housing Successor	Highway User Tax - 2103	Park Development	
\$ (381,409) - - <u>(381,409)</u>	\$ (367,775) - - <u>(367,775)</u>	\$ 10,874 815,781 - <u>826,655</u>	\$ 753 - - <u>753</u>	Revenues Use of money and property Intergovernmental Other Total revenues
- - - 176,038 - - <u>53,255</u> <u>229,293</u>	- - - 139,351 - - <u>804,764</u> <u>944,115</u>	- - 545,000 - - - <u>368,450</u> <u>913,450</u>	- - - - - - <u>304,280</u> <u>304,280</u>	Expenditures Current: General government Public safety Public works Urban development Culture and leisure Health and welfare Capital outlay and improvement Total expenditures
<u>(610,702)</u>	<u>(1,311,890)</u>	<u>(86,795)</u>	<u>(303,527)</u>	Excess (deficiency) of revenues over expenditures
- - -	- <u>205,663</u> <u>205,663</u>	- - -	- - -	Other financing sources Capital lease issuance Transfers in Total other financing sources
(610,702)	(1,106,227)	(86,795)	(303,527)	Change in fund balances
<u>11,315,513</u>	<u>12,259,995</u>	<u>2,187,780</u>	<u>415,289</u>	Fund balances (deficits) - Beginning of year
<u>\$ 10,704,811</u>	<u>\$ 11,153,768</u>	<u>\$ 2,100,985</u>	<u>\$ 111,762</u>	FUND BALANCES (DEFICITS) - END OF YEAR

(Continued)

City of Norwalk
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances (Continued)
Other Capital Projects Funds
Year Ended June 30, 2022

	Measure W - Grant	General Plan	Playground Equipment Replacement	Sports Complex Equipment Replacement	Computer Replacement
Revenues					
Use of money and property	\$ 3,033	\$ 542	\$ 6,364	\$ 1,253	\$ 4,804
Intergovernmental	2,240,000	-	-	-	-
Other	-	-	80,785	-	-
Total revenues	<u>2,243,033</u>	<u>542</u>	<u>87,149</u>	<u>1,253</u>	<u>4,804</u>
Expenditures					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	40,860	-	-
Urban development	-	-	-	-	-
Culture and leisure	-	-	-	-	-
Health and welfare	-	-	-	-	-
Capital outlay and improvement	-	-	108,362	-	106,555
Total expenditures	<u>-</u>	<u>-</u>	<u>149,222</u>	<u>-</u>	<u>106,555</u>
Excess (deficiency) of revenues over expenditures	<u>2,243,033</u>	<u>542</u>	<u>(62,073)</u>	<u>1,253</u>	<u>(101,751)</u>
Other financing sources					
Capital lease issuance	-	-	-	-	-
Transfers in	-	400,000	750,000	150,000	750,000
Total other financing sources	<u>-</u>	<u>400,000</u>	<u>750,000</u>	<u>150,000</u>	<u>750,000</u>
Change in fund balances	2,243,033	400,542	687,927	151,253	648,249
Fund balances (deficits) - Beginning of year	<u>-</u>	<u>-</u>	<u>1,310,117</u>	<u>211,883</u>	<u>698,538</u>
FUND BALANCES (DEFICITS) - END OF YEAR	<u>\$ 2,243,033</u>	<u>\$ 400,542</u>	<u>\$ 1,998,044</u>	<u>\$ 363,136</u>	<u>\$ 1,346,787</u>

(Continued)

City of Norwalk
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances (Continued)
Other Capital Projects Funds
Year Ended June 30, 2022

Vehicle and Equipment Replacement	Building Renovation	Street Renovation	Total Other Capital Projects Funds	
\$ 11,815	\$ 8,767	\$ 26,948	\$ (646,998)	Revenues
-	-	-	7,017,303	Use of money and property
-	-	-	242,343	Intergovernmental
11,815	8,767	26,948	6,612,648	Other
				Total revenues
				Expenditures
				Current:
-	-	-	10,860	General government
88,198	-	-	88,198	Public safety
193,281	-	15,579	804,926	Public works
2,668	-	-	318,057	Urban development
6,210	-	-	6,210	Culture and leisure
5,134	-	-	5,134	Health and welfare
295,763	47,126	243,635	3,708,509	Capital outlay and improvement
591,254	47,126	259,214	4,941,894	Total expenditures
				Excess (deficiency) of revenues over expenditures
(579,439)	(38,359)	(232,266)	1,670,754	
				Other financing sources
234,605	-	-	234,605	Capital lease issuance
1,200,000	700,000	6,500,000	10,655,663	Transfers in
1,434,605	700,000	6,500,000	10,890,268	Total other financing sources
				Change in fund balances
855,166	661,641	6,267,734	12,561,022	
2,140,246	1,577,196	3,072,544	38,690,310	Fund balances (deficits) - Beginning of year
\$ 2,995,412	\$ 2,238,837	\$ 9,340,278	\$ 51,251,332	FUND BALANCES (DEFICITS) - END OF YEAR
			(Concluded)	

City of Norwalk
Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual
Road Maintenance Rehabilitation Capital Projects Fund
Year Ended June 30, 2022

	Budgeted Amount	Actual	Variance with Final Budget Positive (Negative)
	Final		
REVENUES			
Use of Money and Property	\$ -	\$ 23,750	\$ 23,750
Intergovernmental	2,086,270	1,941,975	(144,295)
Total Revenues	2,086,270	1,965,725	(120,545)
 EXPENDITURES			
Capital Outlay and Improvement	3,652,057	64,877	3,587,180
Total Expenditures	3,652,057	64,877	3,587,180
 CHANGE IN FUND BALANCE	(1,565,787)	1,900,848	3,466,635
 Fund Balance - Beginning of Year	4,657,662	4,657,662	-
FUND BALANCE - END OF YEAR	\$ 3,091,875	\$ 6,558,510	\$ 3,466,635

City of Norwalk
Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual
Other Federal Grants Capital Projects Fund
Year Ended June 30, 2022

	Budgeted Amount	Actual	Variance with Final Budget Positive (Negative)
	Final		
REVENUES			
Intergovernmental	\$ 7,088,059	\$ 2,019,547	\$ (5,068,512)
Total Revenues	7,088,059	2,019,547	(5,068,512)
EXPENDITURES			
Capital Outlay and Improvement	6,322,517	1,311,442	5,011,075
Total Expenditures	6,322,517	1,311,442	5,011,075
CHANGE IN FUND BALANCE	765,542	708,105	(57,437)
Fund Deficit - Beginning of Year	(1,568,456)	(1,568,456)	-
FUND DEFICIT - END OF YEAR	\$ (802,914)	\$ (860,351)	\$ (57,437)

City of Norwalk
Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual
Public Art Capital Projects Fund
Year Ended June 30, 2022

	Budgeted Amount		Actual		Variance with Final Budget Positive (Negative)
	Final				(Negative)
REVENUES					
Use of Money and Property	\$ 1,000	\$	2,232	\$	1,232
Other	20,000		161,558		141,558
Total Revenues	21,000		163,790		142,790
EXPENDITURES					
Current:					
General Government	3,000		10,860		(7,860)
Public Works	15,000		10,206		4,794
Total Expenditures	18,000		21,066		(3,066)
CHANGE IN FUND BALANCE	3,000		142,724		139,724
Fund Balance - Beginning of Year	414,407		414,407		-
FUND BALANCE - END OF YEAR	\$ 417,407	\$	557,131	\$	139,724

City of Norwalk

**Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual
Economic Development Capital Projects Fund
Year Ended June 30, 2022**

	Budgeted Amount		Actual	Variance with Final Budget Positive (Negative)
	Final			
REVENUES				
Use of Money and Property	\$ 35,000		\$ (381,409)	\$ (416,409)
Total Revenues	35,000		(381,409)	(416,409)
EXPENDITURES				
Current:				
Urban Development	155,000		176,038	(21,038)
Capital Outlay and Improvement	1,260,616		53,255	1,207,361
Total Expenditures	1,415,616		229,293	1,186,323
CHANGE IN FUND BALANCE	(1,380,616)		(610,702)	769,914
Fund Balance - Beginning of Year	11,315,513		11,315,513	-
FUND BALANCE - END OF YEAR	\$ 9,934,897		\$ 10,704,811	\$ 769,914

City of Norwalk
Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual
Housing Successor Capital Projects Fund
Year Ended June 30, 2022

	Budgeted Amount		Variance with Final Budget Positive (Negative)
	<u>Final</u>	<u>Actual</u>	
REVENUES			
Use of Money and Property	\$ 35,300	\$ (367,775)	\$ (403,075)
Total Revenues	<u>35,300</u>	<u>(367,775)</u>	<u>(403,075)</u>
EXPENDITURES			
Current:			
Urban Development	129,850	139,351	(9,501)
Capital Outlay and Improvement	<u>5,538,953</u>	<u>804,764</u>	<u>4,734,189</u>
Total Expenditures	<u>5,668,803</u>	<u>944,115</u>	<u>4,724,688</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(5,633,503)</u>	<u>(1,311,890)</u>	<u>4,321,613</u>
OTHER FINANCING SOURCES			
Transfers In	<u>205,700</u>	<u>205,663</u>	<u>(37)</u>
Total Other Financing Sources	<u>205,700</u>	<u>205,663</u>	<u>(37)</u>
CHANGE IN FUND BALANCE	(5,427,803)	(1,106,227)	4,321,576
Fund Balance - Beginning of Year	<u>12,259,995</u>	<u>12,259,995</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 6,832,192</u>	<u>\$ 11,153,768</u>	<u>\$ 4,321,576</u>

City of Norwalk
Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual
Highway User Tax – 2103 Capital Projects Fund
Year Ended June 30, 2022

	Budgeted Amount		Actual		Variance with Final Budget Positive (Negative)
	Final				(Negative)
REVENUES					
Use of Money and Property	\$ 8,000	\$	10,874	\$	2,874
Intergovernmental	942,960		815,781		(127,179)
Total Revenues	950,960		826,655		(124,305)
EXPENDITURES					
Current:					
Public Works	705,000		545,000		160,000
Capital Outlay and Improvement	1,026,487		368,450		658,037
Total Expenditures	1,731,487		913,450		818,037
CHANGE IN FUND BALANCE	(780,527)		(86,795)		693,732
Fund Balance - Beginning of Year	2,187,780		2,187,780		-
FUND BALANCE - END OF YEAR	\$ 1,407,253	\$	2,100,985	\$	693,732

City of Norwalk
Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual
Park Development Capital Projects Fund
Year Ended June 30, 2022

	Budgeted Amount		Actual		Variance with Final Budget Positive (Negative)
	Final				(Negative)
REVENUES					
Use of Money and Property	\$ -		\$ 753		\$ 753
Total Revenues	-		753		753
EXPENDITURES					
Capital Outlay and Improvement	300,000		304,280		(4,280)
Total Expenditures	300,000		304,280		(4,280)
CHANGE IN FUND BALANCE	(300,000)		(303,527)		(3,527)
Fund Balance - Beginning of Year	415,289		415,289		-
FUND BALANCE (DEFICIT) - END OF YEAR	\$ 115,289		\$ 111,762		\$ (3,527)

City of Norwalk
Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual
Measure W - Grant Capital Projects Fund
Year Ended June 30, 2022

	Budgeted Amount		Actual		Variance with Final Budget Positive (Negative)
	Final				(Negative)
REVENUES					
Use of Money and Property	\$ -		\$ 3,032		\$ 3,032
Intergovernmental	2,240,000		2,240,000		-
Total Revenues	2,240,000		2,243,032		3,032
 CHANGE IN FUND BALANCE	 2,240,000		 2,243,032		 3,032
 Fund Balance - Beginning of Year	 -		 -		 -
FUND BALANCE - END OF YEAR	\$ 2,240,000		\$ 2,243,032		\$ 3,032

City of Norwalk
Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual
General Plan Capital Projects Fund
Year Ended June 30, 2022

	Budgeted Amount Final	Actual	Variance with Final Budget Positive (Negative)
REVENUES			
Use of Money and Property	\$ -	\$ 542	\$ 542
Total Revenues	-	542	542
Excess of Revenues Over Expenditures	-	542	542
OTHER FINANCING SOURCES			
Transfers In	400,000	400,000	-
Total Other Financing Sources	400,000	400,000	-
CHANGE IN FUND BALANCE	400,000	400,542	542
Fund Balance - Beginning of Year	-	-	-
FUND BALANCE - END OF YEAR	\$ 400,000	\$ 400,542	\$ 542

City of Norwalk
Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual
Playground Equipment Replacement Capital Projects Fund
Year Ended June 30, 2022

	Budgeted Amount		Actual		Variance with Final Budget Positive (Negative)
	Final				
REVENUES					
Use of Money and Property	\$ 500	\$	6,364	\$	5,864
Other	80,800		80,785		(15)
Total Revenues	81,300		87,149		5,849
EXPENDITURES					
Current:					
Public Works	42,900		40,860		2,040
Capital Outlay and Improvement	2,044,609		108,362		1,936,247
Total Expenditures	2,087,509		149,222		1,938,287
Excess (Deficiency) of Revenues Over Expenditures	(2,006,209)		(62,073)		1,944,136
OTHER FINANCING SOURCES					
Transfers In	750,000		750,000		-
Total Other Financing Sources	750,000		750,000		-
CHANGE IN FUND BALANCE	(1,256,209)		687,927		1,944,136
Fund Balance - Beginning of Year	1,310,117		1,310,117		-
FUND BALANCE - END OF YEAR	\$ 53,908	\$	1,998,044	\$	1,944,136

City of Norwalk

Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual
Sports Complex Equipment Replacement Capital Projects Fund
Year Ended June 30, 2022

	Budgeted Amount		Actual		Variance with Final Budget Positive (Negative)
	Final				
REVENUES					
Use of Money and Property	\$ 500		\$ 1,253		\$ 753
Total Revenues	500		1,253		753
OTHER FINANCING SOURCES					
Transfers In	150,000		150,000		-
Total Other Financing Sources	150,000		150,000		-
CHANGE IN FUND BALANCE	150,500		151,253		753
Fund Balance - Beginning of Year	211,883		211,883		-
FUND BALANCE - END OF YEAR	\$ 362,383		\$ 363,136		\$ 753

City of Norwalk
Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual
Computer Replacement Capital Projects Fund
Year Ended June 30, 2022

	Budgeted Amount		Actual		Variance with Final Budget Positive (Negative)
	Final				
REVENUES					
Use of Money and Property	\$ 500		\$ 4,804		\$ 4,304
Total Revenues	500		4,804		4,304
EXPENDITURES					
Capital Outlay and Improvement	194,620		106,555		88,065
Total Expenditures	194,620		106,555		88,065
Deficiency of Revenues Over Expenditures	(194,120)		(101,751)		92,369
OTHER FINANCING SOURCES					
Transfers In	750,000		750,000		-
Total Other Financing Sources	750,000		750,000		-
CHANGE IN FUND BALANCE	555,880		648,249		92,369
Fund Balance - Beginning of Year	698,538		698,538		-
FUND BALANCE - END OF YEAR	\$ 1,254,418		\$ 1,346,787		\$ 92,369

City of Norwalk

Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual
Vehicle and Equipment Replacement Capital Projects Fund
Year Ended June 30, 2022

	Budgeted Amount		Actual		Variance with Final Budget Positive (Negative)
	Final				(Negative)
REVENUES					
Use of Money and Property	\$ 500	\$	11,815	\$	11,315
Total Revenues	500		11,815		11,315
EXPENDITURES					
Current:					
General Government	4,910		-		4,910
Public Safety	161,113		88,198		72,915
Public Works	244,552		193,281		51,271
Culture and Leisure	6,210		6,210		-
Health and Welfare	5,134		5,134		-
Urban Development	9,820		2,668		7,152
Capital Outlay and Improvement	108,600		295,763		(187,163)
Total Expenditures	540,339		591,254		(50,915)
Excess (Deficiency) of Revenues Over Expenditures	(539,839)		(579,439)		(39,600)
OTHER FINANCING SOURCES					
Capital lease issuance	-		234,605		234,605
Transfers In	1,200,000		1,200,000		-
Total Other Financing Sources	1,200,000		1,434,605		234,605
CHANGE IN FUND BALANCE	660,161		855,166		195,005
Fund Balance - Beginning of Year	2,140,246		2,140,246		-
FUND BALANCE - END OF YEAR	\$ 2,800,407	\$	2,995,412	\$	195,005

City of Norwalk
Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual
Building Renovation Capital Projects Fund
Year Ended June 30, 2022

	Budgeted Amount	Actual	Variance with Final Budget Positive (Negative)
	Final		
REVENUES			
Use of Money and Property	\$ 500	\$ 8,767	\$ 8,267
Total Revenues	500	8,767	8,267
EXPENDITURES			
Capital Outlay and Improvement	501,378	47,126	454,252
Total Expenditures	501,378	47,126	454,252
Excess (Deficiency) of Revenues Over Expenditures	(500,878)	(38,359)	462,519
OTHER FINANCING SOURCES			
Transfers In	700,000	700,000	-
Total Other Financing Sources	700,000	700,000	-
CHANGE IN FUND BALANCE	199,122	661,641	462,519
Fund Balance - Beginning of Year	1,577,196	1,577,196	-
FUND BALANCE - END OF YEAR	\$ 1,776,318	\$ 2,238,837	\$ 462,519

City of Norwalk
Schedule of Revenues, Expenditures, and Changes in Fund Balances Budget and Actual
Street Renovation Capital Projects Fund
Year Ended June 30, 2022

	Budgeted Amount		Actual	Variance with Final Budget Positive (Negative)
	Final			
REVENUES				
Use of Money and Property	\$ 2,000	\$	26,948	\$ 24,948
Total Revenues	2,000		26,948	24,948
EXPENDITURES				
Current:				
Public Works	1,030,000		15,579	1,014,421
Capital Outlay and Improvement	13,000		243,635	(230,635)
Total Expenditures	1,043,000		259,214	(783,786)
Excess (Deficiency) of Revenues Over Expenditures	(1,041,000)		(232,266)	808,734
OTHER FINANCING SOURCES				
Transfers In	6,500,000		6,500,000	-
Total Other Financing Sources	6,500,000		6,500,000	-
CHANGE IN FUND BALANCE	5,459,000		6,267,734	808,734
Fund Balance - Beginning of Year	3,072,544		3,072,544	-
FUND BALANCE - END OF YEAR	\$ 8,531,544	\$	9,340,278	\$ 808,734

Internal service funds are used to account for financing of goods and services provided by one department to other departments of the City.

Employee Benefits Fund – The fund accounts for the costs of providing employer benefits to the various City departments. Such costs are charged to the departments based on a percentage of salaries.

Vehicle Maintenance Fund – This fund accounts for the costs of maintenance of City vehicles used by the various City departments. Such costs are based upon actual usage.

City of Norwalk
Combining Statement of Net Position
Internal Service Funds
June 30, 2022

	Governmental Activities		
	Employee Benefits	Vehicle Maintenance	Total
ASSETS			
Current assets			
Cash and investments	\$ 281	\$ 322,494	\$ 322,775
Inventory of materials and supplies, at cost	-	117,940	117,940
Total current assets	281	440,434	440,715
Capital assets			
Capital assets	-	89,419	89,419
Accumulated depreciation	-	(89,419)	(89,419)
Net capital assets	-	-	-
Total assets	281	440,434	440,715
LIABILITIES			
Current liabilities			
Accounts payable	281	103,707	103,988
Accrued expenses	-	129,761	129,761
Compensated absences payable, current portion	-	52,200	52,200
Total current liabilities	281	285,668	285,949
Noncurrent liabilities			
Compensated absences payable, long-term portion	-	154,766	154,766
Total noncurrent liabilities	-	154,766	154,766
Total liabilities	281	440,434	440,715
NET POSITION			
Net investment in capital assets	-	-	-
Unrestricted	-	-	-
Total net position \$	\$ -	\$ -	\$ -

City of Norwalk
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
Year Ended June 30, 2022

	Governmental Activities		
	Employee Benefits	Vehicle Maintenance	Total
Operating revenues			
Charges for services	\$ 18,178,461	\$ 3,492,227	\$ 21,670,688
Total operating revenues	18,178,461	3,492,227	21,670,688
Operating expenses			
Administrative	-	39,645	39,645
Utilities	-	57,401	57,401
Salaries and benefits	18,178,461	2,634,265	20,812,726
Maintenance and repairs	-	760,916	760,916
Total operating expenses	18,178,461	3,492,227	21,670,688
Operating income	-	-	-
Total net position - beginning	-	-	-
Total net position - ending	\$ -	\$ -	\$ -

City of Norwalk
Combining Statement of Cash Flows
Internal Service Funds
Year Ended June 30, 2022

	Governmental Activities		
	Employee Benefits	Vehicle Maintenance	Total
Cash flows from operating activities			
Receipts from tenants, customers and users	\$ 18,178,461	\$ 3,492,227	\$ 21,670,688
Payments to suppliers	(1,157)	(797,121)	(798,278)
Payments to employees	<u>(18,178,461)</u>	<u>(2,616,657)</u>	<u>(20,795,118)</u>
Net cash provided by (used in) operating activities	<u>(1,157)</u>	<u>78,449</u>	<u>77,292</u>
Net increase (decrease) in cash and cash equivalents	(1,157)	78,449	77,292
Beginning cash and cash equivalents	<u>1,438</u>	<u>244,045</u>	<u>245,483</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 281</u>	<u>\$ 322,494</u>	<u>\$ 322,775</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:			
Operating income	\$ -	\$ -	\$ -
Changes in operating assets and liabilities			
Decrease in inventory	-	15,742	15,742
Decrease in prepaid items	-	5,658	5,658
Increase (Decrease) in accounts payable	(1,157)	33,229	32,072
Increase in accrued expenses	-	6,212	6,212
Increase in compensated absences payable	<u>-</u>	<u>17,608</u>	<u>17,608</u>
Net cash provided by (used in) by operating activities	<u>\$ (1,157)</u>	<u>\$ 78,449</u>	<u>\$ 77,292</u>

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STATISTICAL SECTION

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

<u>Contents</u>	<u>Pages</u>
Financial Trends These tables contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	164-168
Revenue Capacity These tables contain information to help the reader assess the City's most significant local revenue source, the property tax.	169-173
Debt Capacity These tables present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	174-177
Demographic and Economic Information These tables offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	178-179
Operating Information These tables contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	180-182
Water System These schedules contain historical operating and statistical data pertaining to the Continuing Disclosure requirements for the Water Revenue Bonds.	183-191

City of Norwalk
Net Position by Component
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year									
	2012-13	2013-14	2014-15**	2015-16	2016-17	2017-18 ***	2018-19	2019-20	2020-21	2021-22
Governmental Activities:										
Net invested in capital assets	\$ 166,403,726	\$ 142,690,605	\$ 144,602,594	\$ 148,534,353	\$ 145,019,728	\$ 143,865,804	\$ 140,419,300	\$ 134,167,737	\$ 127,752,356	\$ 144,708,454
Restricted	11,877,331	13,781,493	39,771,841	36,213,203	35,568,787	36,620,694	41,213,626	49,364,231	58,219,821	86,562,026
Unrestricted	24,521,888	31,873,166	(6,607,339)	(699,746)	(3,252,013)	(22,928,545)	(25,733,501)	(32,330,770)	(18,624,283)	(38,867,655)
Total governmental activities net position	<u>202,802,945</u>	<u>188,345,264</u>	<u>177,767,096</u>	<u>184,047,810</u>	<u>177,336,502</u>	<u>157,557,953</u>	<u>155,899,425</u>	<u>151,201,198</u>	<u>167,347,894</u>	<u>192,402,825</u>
Business-type Activities:										
Net invested in capital assets	30,689,254	47,316,165	51,992,532	54,796,698	54,862,196	55,392,470	51,928,808	51,993,634	52,516,818	52,922,025
Restricted	-	3,496,405	3,498,268	-	-	-	-	-	-	-
Unrestricted	(1,196,453)	1,841,967	(8,433,036)	(1,812,882)	(2,408,188)	(9,551,914)	(6,570,054)	(4,248,706)	(2,952,610)	4,541,123
Total business-type activities net position	<u>29,492,801</u>	<u>52,654,537</u>	<u>47,057,764</u>	<u>52,983,816</u>	<u>52,454,008</u>	<u>45,840,556</u>	<u>45,358,754</u>	<u>47,744,928</u>	<u>49,564,208</u>	<u>57,463,148</u>
Primary Government:										
Net invested in capital assets	197,092,980	190,006,770	196,595,126	203,331,051	199,881,924	199,258,274	192,348,108	186,161,371	180,269,174	197,630,479
Restricted	11,877,331	17,277,898	43,270,109	36,213,203	35,568,787	36,620,694	41,213,626	49,364,231	58,219,821	86,562,026
Unrestricted	23,325,435	33,715,133	(15,040,375)	(2,512,628)	(5,660,201)	(32,480,459)	(32,303,555)	(36,579,476)	(21,576,893)	(34,326,532)
Total primary government net position	<u>\$ 232,295,746</u>	<u>\$ 240,999,801</u>	<u>\$ 224,824,860</u>	<u>\$ 237,031,626</u>	<u>\$ 229,790,510</u>	<u>\$ 203,398,509</u>	<u>\$ 201,258,179</u>	<u>\$ 198,946,126</u>	<u>\$ 216,912,102</u>	<u>\$ 249,865,973</u>

** GASB 68 was implemented in fiscal year ended June 30, 2015.

*** GASB 75 was implemented in fiscal year ended June 30, 2018.

Source: City of Norwalk

City of Norwalk
Changes in Net Position – Expenses and Program Revenues
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year									
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Expenses:										
Governmental Activities:										
General government	\$ 8,710,567	\$ 9,256,135	\$ 9,020,311	\$ 9,809,460	\$ 10,754,302	\$ 11,784,341	\$ 11,265,337	\$ 12,354,750	\$ 11,308,923	\$ 14,305,570
Public safety	14,249,603	14,234,725	13,759,113	14,273,198	14,848,751	15,885,480	16,839,607	18,547,657	19,009,188	18,478,766
Urban development	3,458,368	3,976,300	3,473,779	3,783,360	4,476,066	4,573,577	5,163,599	4,900,668	4,728,224	4,682,572
Public works	21,803,171	22,923,334	20,726,639	19,925,937	22,369,137	22,811,905	23,969,411	25,195,617	22,717,145	22,364,261
Culture and leisure	3,890,065	4,050,588	4,757,635	5,387,150	5,331,894	5,507,699	4,894,500	4,647,732	2,985,333	4,085,740
Health and welfare	13,203,687	12,864,079	12,588,832	13,851,310	13,682,599	14,900,082	15,789,712	18,099,438	19,381,336	17,765,184
Interest expense	756,657	544,494	479,252	485,817	426,822	387,397	563,307	1,094,395	1,083,084	948,255
Bond Interest Costs	214,454	203,147	-	-	-	-	-	386,656	-	-
Total governmental activities net expenses	<u>66,286,573</u>	<u>68,052,802</u>	<u>64,805,561</u>	<u>67,516,232</u>	<u>71,889,570</u>	<u>75,850,481</u>	<u>78,485,473</u>	<u>85,226,913</u>	<u>81,213,233</u>	<u>82,630,348</u>
Business-type Activities:										
Transit system	13,097,504	13,178,039	12,553,592	12,279,655	14,616,307	15,722,272	15,904,629	17,684,192	17,218,130	16,034,023
Water	4,080,423	4,471,239	4,444,880	4,343,879	4,722,943	5,254,018	5,342,509	5,178,873	5,079,180	4,555,416
Sewer	-	1,574,191	1,749,438	1,579,050	1,777,414	1,973,782	3,158,180	1,898,276	1,849,459	2,038,794
Golf Course	334,630	319,816	218,307	100,336	-	-	-	-	-	-
Total business-type activities	<u>17,512,557</u>	<u>19,543,285</u>	<u>18,966,217</u>	<u>18,302,920</u>	<u>21,116,664</u>	<u>22,950,072</u>	<u>24,405,318</u>	<u>24,761,341</u>	<u>24,146,769</u>	<u>22,628,233</u>
Total primary government expenses	<u>\$ 83,799,130</u>	<u>\$ 87,596,087</u>	<u>\$ 83,771,778</u>	<u>\$ 85,819,152</u>	<u>\$ 93,006,234</u>	<u>\$ 98,800,553</u>	<u>\$ 102,890,791</u>	<u>\$ 109,988,254</u>	<u>\$ 105,360,002</u>	<u>\$ 105,258,581</u>
Program Revenues:										
Governmental Activities:										
Charges for services:										
General government	\$ 3,530,210	\$ 2,627,910	\$ 2,512,428	\$ 2,489,183	\$ 2,416,519	\$ 2,595,457	\$ 2,134,790	\$ 2,045,607	\$ 2,402,382	\$ 2,295,356
Public safety	1,899,542	1,724,933	1,493,944	1,543,117	1,508,425	1,550,296	1,319,144	1,161,698	1,131,942	1,075,815
Urban development	1,952,261	1,967,219	2,484,292	2,458,025	2,596,867	2,313,692	2,421,333	1,600,287	2,183,063	3,400,579
Public works	257,232	270,449	292,171	299,108	298,619	339,800	333,688	461,959	316,521	663,843
Culture and leisure	526,005	749,021	457,254	841,809	591,702	637,317	527,511	600,466	297,017	786,621
Health and welfare	1,332,438	441,309	576,593	543,048	499,164	438,658	409,203	339,588	389,550	240,436
Operating contributions and grants	21,347,543	26,576,829	27,712,357	23,759,966	21,306,532	24,890,640	26,384,136	30,401,900	36,864,163	40,753,755
Capital contributions and grants	-	-	-	-	129,325	311,635	176,220	655,852	41,010	3,178,048
Total governmental activities program revenues	<u>30,845,231</u>	<u>34,357,670</u>	<u>35,529,039</u>	<u>31,934,256</u>	<u>29,347,153</u>	<u>33,077,495</u>	<u>33,706,025</u>	<u>37,267,357</u>	<u>43,625,648</u>	<u>52,394,453</u>
Business-type Activities:										
Charges for services:										
Transit system	1,525,603	1,542,350	1,394,973	1,558,139	1,635,756	1,590,908	1,618,831	1,330,197	234,374	858,966
Water utility	5,172,247	5,303,496	5,051,998	4,953,919	5,147,289	5,704,279	5,659,007	5,792,198	6,141,485	6,308,659
Sewer (2)	-	2,231,922	2,356,627	2,423,016	2,443,276	2,573,946	2,600,121	2,598,408	2,625,416	2,603,255
Golf Course (1)	143,235	153,622	147,956	60,128	-	-	-	-	-	-
Operating contributions and grants	10,526,038	9,222,713	7,984,501	8,377,484	7,613,042	9,021,190	10,019,614	12,651,585	11,751,454	15,331,327
Capital contributions and grants	6,864,247	2,155,536	3,997,176	4,718,164	1,602,839	2,820,413	1,597,917	2,314,285	3,217,655	3,557,594
Total business-type activities program revenues	<u>24,231,370</u>	<u>20,609,639</u>	<u>20,933,231</u>	<u>22,090,850</u>	<u>18,442,202</u>	<u>21,710,736</u>	<u>21,495,490</u>	<u>24,686,673</u>	<u>23,970,384</u>	<u>28,659,801</u>
Primary government program revenues	<u>\$ 55,076,601</u>	<u>\$ 54,967,309</u>	<u>\$ 56,462,270</u>	<u>\$ 54,025,106</u>	<u>\$ 47,789,355</u>	<u>\$ 54,788,231</u>	<u>\$ 55,201,515</u>	<u>\$ 61,954,030</u>	<u>\$ 67,596,032</u>	<u>\$ 81,054,254</u>
Net (Expenses)/Revenues:										
Governmental activities	<u>\$(35,441,342)</u>	<u>\$(33,695,132)</u>	<u>\$(29,276,522)</u>	<u>\$(35,581,976)</u>	<u>\$(42,542,417)</u>	<u>\$(42,772,986)</u>	<u>\$(44,779,448)</u>	<u>\$(47,959,556)</u>	<u>\$(37,587,585)</u>	<u>\$(30,235,895)</u>
Business-type activities	<u>6,718,813</u>	<u>1,066,354</u>	<u>1,967,014</u>	<u>3,787,930</u>	<u>(2,674,462)</u>	<u>(1,239,336)</u>	<u>(2,909,828)</u>	<u>(74,668)</u>	<u>(176,385)</u>	<u>6,031,568</u>
Total primary government net expense ²	<u>\$(28,722,529)</u>	<u>\$(32,628,778)</u>	<u>\$(27,309,508)</u>	<u>\$(31,794,046)</u>	<u>\$(45,216,879)</u>	<u>\$(44,012,322)</u>	<u>\$(47,689,276)</u>	<u>\$(48,034,224)</u>	<u>\$(37,763,970)</u>	<u>\$(24,204,327)</u>

(1) As of January 2016, the Norwalk Golf Center is under the management of Los Angeles County.
(2) City of Norwalk established Sewer as business-type activity as of 7/1/2013.

City of Norwalk
Changes in Net Position – General Revenues
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year									
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Sales taxes	\$ 9,323,299	\$ 9,327,844	\$ 9,525,144	\$ 10,541,304	\$ 10,264,892	\$ 11,078,771	\$ 12,492,890	\$ 11,916,110	\$ 13,110,164	\$ 15,500,005
Sales taxes - Measure P	-	-	-	-	-	-	-	-	9,040,237	10,679,948
Property taxes	6,986,560	6,616,294	6,842,242	7,636,462	7,481,345	8,390,338	8,115,122	8,750,465	9,577,756	9,968,144
Utility users tax	5,354,039	5,256,908	5,287,009	5,296,349	5,093,361	4,848,872	4,461,942	4,228,417	4,454,135	4,867,767
Business operation taxes	782,573	798,659	843,097	844,971	857,171	880,709	911,424	874,725	761,811	938,956
Transient occupancy taxes	1,227,030	1,309,026	1,378,504	1,532,516	1,544,811	1,593,203	1,672,320	1,328,356	1,480,676	1,593,386
Property tax in-lieu of VLF	8,727,028	9,021,481	9,566,153	9,973,472	10,430,453	10,967,928	11,646,200	12,295,865	12,928,583	13,377,135
Franchise fees	1,790,365	1,859,947	1,908,525	1,881,854	1,786,343	1,836,980	3,011,175	3,128,272	3,189,648	3,434,301
Investment income	474,353	338,779	342,057	1,250,061	399,167	211,385	2,892,859	2,844,473	2,317,163	(3,297,758)
Miscellaneous/Extraordinary Items/	(191,395)	(24,270,932)	20,938,417	2,905,701	(2,026,434)	(1,951,033)	(2,083,012)	(2,105,354)	(2,144,797)	(1,771,058)
Total governmental activities	<u>34,473,852</u>	<u>10,258,006</u>	<u>56,631,148</u>	<u>41,862,690</u>	<u>35,831,109</u>	<u>37,857,153</u>	<u>43,120,920</u>	<u>43,261,329</u>	<u>54,715,376</u>	<u>55,290,826</u>
Business-type Activities:										
Investment income	\$ 51,097	\$ 50,866	\$ 76,182	\$ 137,457	\$ 118,220	\$ 192,254	\$ 345,014	\$ 355,488	\$ 167,520	\$ 96,314
Miscellaneous/ Transfers	191,395	22,044,516	2,034,880	2,000,665	2,026,434	1,951,033	2,083,012	2,105,354	2,144,797	1,771,058
Total business-type activities	<u>242,492</u>	<u>22,095,382</u>	<u>2,111,062</u>	<u>2,138,122</u>	<u>2,144,654</u>	<u>2,143,287</u>	<u>2,428,026</u>	<u>2,460,842</u>	<u>2,312,317</u>	<u>1,867,372</u>
Total primary government	<u>\$ 34,716,344</u>	<u>\$ 32,353,388</u>	<u>\$ 58,742,210</u>	<u>\$ 44,000,812</u>	<u>\$ 37,975,763</u>	<u>\$ 40,000,440</u>	<u>\$ 45,548,946</u>	<u>\$ 45,722,171</u>	<u>\$ 57,027,693</u>	<u>\$ 57,158,198</u>
Change in Net Position:										
Governmental activities	\$ (967,490)	\$ (23,437,126)	\$ 27,354,626	\$ 6,280,714	\$ (6,711,308)	\$ (4,915,833)	\$ (1,658,528)	\$ (4,698,227)	\$ 17,127,791	\$ 25,054,931
Business-type activities	6,961,305	23,161,736	4,078,076	5,926,052	(529,808)	903,951	(481,802)	2,386,174	2,135,932	7,898,940
Total primary government	<u>\$ 5,993,815</u>	<u>\$ (275,390)</u>	<u>\$ 31,432,702</u>	<u>\$ 12,206,766</u>	<u>\$ (7,241,116)</u>	<u>\$ (4,011,882)</u>	<u>\$ (2,140,330)</u>	<u>\$ (2,312,053)</u>	<u>\$ 19,263,723</u>	<u>\$ 32,953,871</u>

Source: City of Norwalk

City of Norwalk
Fund Balances – Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year									
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
General Fund:										
Nonspendable	\$ 10,337,174	\$ 9,295,515	\$ 9,093,823	\$ 8,943,056	\$ 8,208,888	\$ 7,524,734	\$ 7,419,818	\$ 6,417,276	\$ 4,166,923	\$ 3,052,894
Restricted	-	-	-	-	-	1,002,530	2,142,296	3,250,800	4,759,234	5,053,233
Committed	283,583	238,865	2,120,000	2,120,000	2,120,000	2,120,000	1,120,000	120,000	-	-
Assigned	776,628	960,316	1,631,006	1,723,843	1,236,546	641,000	603,959	481,865	800,005	835,457
Unassigned	14,728,463	15,572,086	12,270,240	12,803,359	12,489,860	12,668,547	14,809,088	14,719,745	23,183,819	23,422,565
Total General Fund	\$ 26,125,848	\$ 26,066,782	\$ 25,115,069	\$ 25,590,258	\$ 24,055,294	\$ 23,956,811	\$ 26,095,161	\$ 24,989,686	\$ 32,909,981	\$ 32,364,149
All Other Governmental Funds:										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	1,619	21,220	42,350	5,658	96,154
Restricted										
Special revenue funds	7,884,277	9,274,339	11,181,950	9,514,213	11,007,911	11,038,787	13,643,213	15,516,511	18,728,122	24,701,901
Capital projects funds	3,691,069	4,438,886	27,395,889	26,426,351	24,458,851	24,329,448	27,454,360	53,413,426	51,826,811	50,150,150
Debt service funds	301,985	1,144,683	1,145,296	1,147,893	1,153,046	5,430,532	1,191,717	1,208,580	1,209,015	1,209,897
Committed	2,859,188	3,988,035	6,232,327	5,736,166	5,162,810	5,511,717	4,119,185	4,713,257	9,010,524	18,589,678
Unassigned	(752,744)	(3,054,013)	(4,000,645)	(2,647,765)	(616,702)	(1,976,299)	(1,411,737)	(1,585,764)	(3,615,170)	(1,172,684)
Total All Other Governmental Funds	\$ 13,983,775	\$ 15,791,930	\$ 41,954,817	\$ 40,176,858	\$ 41,165,916	\$ 44,335,804	\$ 45,017,958	\$ 73,308,360	\$ 77,164,960	\$ 93,575,096

Source: City of Norwalk

City of Norwalk
Changes in Fund Balances – Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year									
	2012-13	2013-14**	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Revenues:										
Taxes	\$ 34,190,894	\$ 34,190,159	\$ 35,350,674	\$ 37,706,928	\$ 37,458,376	\$ 39,596,801	\$ 42,311,073	\$ 42,522,210	\$ 54,543,010	\$ 60,359,642
Licenses and permits	1,095,276	1,040,872	1,113,986	1,614,302	1,551,485	1,329,636	1,214,109	1,160,152	1,544,374	1,666,265
Fines, forfeiture and penalties	1,558,155	1,503,552	1,532,833	1,397,301	1,343,137	1,453,258	1,271,482	1,045,036	1,011,394	1,024,376
Use of money and Property	454,973	324,026	328,556	1,107,863	673,248	485,468	2,744,380	3,151,186	835,993	(3,220,566)
Intergovernmental	21,578,666	24,305,935	26,861,044	25,068,024	23,540,234	23,943,365	27,115,671	31,354,855	35,522,193	44,848,825
Motor vehicle license fee	46,743	-	45,152	42,340	47,284	55,559	51,623	84,483	77,564	121,936
Charges for services	2,159,938	2,141,011	2,265,887	2,421,325	2,490,649	2,257,391	2,095,689	1,760,794	1,157,474	1,776,746
Rental Income	778,252	779,951	830,042	857,530	867,191	909,372	936,240	833,535	731,215	1,158,391
Other	3,257,486	2,342,477	1,961,656	1,790,392	1,601,975	1,846,296	1,632,294	1,317,248	1,849,261	2,823,703
Total revenues	65,120,383	66,627,983	70,289,830	72,006,005	69,573,579	71,877,146	79,372,561	83,229,499	97,272,477	110,559,318
Expenditures: **										
Current:										
General government	7,353,954	7,827,623	8,014,168	8,815,169	9,602,473	9,815,899	9,462,849	10,174,244	10,164,369	12,281,276
Public safety	14,090,620	14,067,052	13,680,188	14,303,174	14,779,420	15,625,787	16,627,224	18,146,943	18,958,674	20,157,748
Urban development	3,166,086	3,542,137	3,434,550	4,020,686	4,374,534	3,782,414	4,504,903	4,401,382	4,695,872	5,109,800
Public works	14,088,380	14,769,851	13,095,892	13,171,744	13,666,609	13,488,320	14,006,466	15,267,061	12,720,090	15,876,073
Culture and leisure	3,411,316	3,659,354	4,439,395	5,189,356	4,986,157	4,897,808	4,498,463	4,209,576	2,803,381	4,227,049
Health and welfare	12,849,407	12,474,045	12,458,934	13,832,946	13,541,733	14,515,087	15,471,758	17,749,243	19,255,228	19,285,528
Capital outlay and improvement	4,833,258	7,955,265	9,516,262	10,527,154	5,686,645	7,802,435	8,035,964	3,480,547	11,117,959	12,527,183
Debt service:										
Principal retirement	780,000	890,000	900,000	935,000	980,000	1,025,000	1,249,077	2,371,127	2,396,023	2,416,830
Interest and fiscal charges	992,099	741,268	548,881	512,881	475,481	436,281	612,341	1,326,277	1,383,652	1,277,074
Bond issuance cost	214,454	203,147	-	-	-	74,144	-	386,656	-	-
Total expenditures	61,779,575	66,129,742	66,088,270	71,308,110	68,093,051	71,463,175	74,469,045	77,513,056	83,495,248	93,158,561
Excess (deficiency) of revenues over (under) expenditures	3,340,808	498,241	4,201,560	697,895	1,480,528	413,971	4,903,516	5,716,443	13,777,229	17,400,757
Other Financing Sources (Uses):										
Issuance of Debt	-	-	-	-	-	4,337,008	-	19,685,000	-	-
Proceeds from bonds issuances, net	7,120,000	8,630,000	-	-	-	-	-	-	-	-
Defeasance of debt	(7,295,000)	(7,945,000)	-	-	-	-	-	-	-	-
Bond discount	184,115	553,095	-	-	-	-	-	-	-	-
Bond premium	-	-	-	-	-	-	-	3,888,838	-	-
Capital lease issuance	-	-	-	-	-	-	-	-	1,125,558	234,605
Transfers in	3,205,025	3,367,409	5,029,862	2,949,102	2,780,642	2,617,945	6,622,000	29,097,365	11,074,451	19,975,730
Transfers out	(3,396,420)	(3,354,656)	(7,064,742)	(4,949,767)	(4,807,076)	(4,568,978)	(8,705,012)	(31,202,719)	(13,219,248)	(21,746,788)
Total other financing sources (uses)	(182,280)	1,250,848	(2,034,880)	(2,000,665)	(2,026,434)	2,385,975	(2,083,012)	21,468,484	(1,019,239)	(1,536,453)
Extraordinary items	-	71,197	22,973,297	-	-	-	-	-	-	-
Net change in fund balances	3,158,528	1,820,286	25,139,977	(1,302,770)	(545,906)	2,799,946	2,820,504	27,184,927	12,757,990	15,864,304
Fund balances - July 1	36,951,095	40,109,623	41,929,909	67,069,886	65,767,116	65,492,669	68,292,615	71,113,119	97,316,951	110,074,941
Fund balances - June 30	\$ 40,109,623	\$ 41,929,909	\$ 67,069,886	\$ 65,767,116	\$ 65,221,210	\$ 68,292,615	\$ 71,113,119	\$ 98,298,046	\$ 110,074,941	\$ 125,939,245
Debt service (excluding bond issuance costs) as a percentage of noncapital expenditures	3.12%	2.80%	2.54%	2.38%	2.30%	2.28%	2.75%	4.92%	5.06%	4.44%

** GASB 68 was implemented in fiscal year ended June 30, 2015 and GASB 74 was implemented in fiscal year ended June 30, 2022

Source: City of Norwalk

City of Norwalk
Governmental Activities Tax Revenues By Source
Last Ten Fiscal Years
(Accrual Basis of Accounting)

Fiscal Year	Property Tax		Sales and Use Tax	Sales Tax - Measure P	Utility Users Tax	Business Operations Tax	Transient Occupancy Tax	Property Tax in-lieu of VLF	Franchise Fees	Total Taxes
	City	Redevelopment Agency								
2012-13	\$ 6,986,560	\$ -	\$ 9,323,299	\$ -	\$ 5,354,039	\$ 782,573	\$ 1,227,030	\$ 8,727,028	\$ 1,790,365	\$ 34,190,894
2013-14	6,616,294	-	9,327,844	-	5,256,908	798,659	1,309,026	9,021,481	1,859,947	34,190,159
2014-15	6,842,242	-	9,525,144	-	5,287,009	843,097	1,378,504	9,566,153	1,908,525	35,350,674
2015-16	7,636,462	-	10,541,304	-	5,296,349	844,971	1,532,516	9,973,472	1,881,854	37,706,928
2016-17	7,481,345	-	10,264,892	-	5,093,361	857,171	1,544,811	10,430,453	1,786,343	37,458,376
2017-18	8,390,338	-	11,078,771	-	4,848,872	880,709	1,593,203	10,967,928	1,836,980	39,596,801
2018-19	8,115,122	-	12,492,890	-	4,461,942	911,424	1,672,320	11,646,200	3,011,175	42,311,073
2019-20	8,750,465	-	11,916,110	-	4,228,417	874,725	1,328,356	12,295,865	3,128,272	42,522,210
2020-21	9,577,756	-	13,110,164	9,040,237	4,454,135	761,811	1,480,676	12,928,583	3,189,648	54,543,010
2021-22	9,968,144	-	15,500,005	10,679,948	4,867,767	938,956	1,593,386	13,377,135	3,434,301	60,359,642

Source: City of Norwalk

City of Norwalk
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years
(Rate per \$1,000 of Assessed Value)

<u>Fiscal Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Other* Property</u>	<u>Tax-Exempt Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>
2012-13 \$	4,593,039 \$	651,375 \$	233,802 \$	298,414 \$	44,013 \$	5,776,630	0.22158%
2013-14	4,758,897	666,384	247,283	298,845	40,913	5,971,409	0.09311%
2014-15	5,088,372	682,359	252,944	308,032	46,424	6,331,707	0.09306%
2015-16	5,314,858	708,561	260,655	317,233	44,912	6,601,307	0.09304%
2016-17	5,566,383	722,338	275,896	321,168	43,645	6,885,785	0.09301%
2017-18	5,856,328	752,130	287,475	345,253	44,073	7,241,186	0.09296%
2018-19	6,183,342	824,997	360,112	340,452	43,895	7,708,903	0.09294%
2019-20	6,546,701	857,960	370,675	363,596	38,328	8,138,932	0.09294%
2020-21	6,897,213	901,783	379,738	379,010	38,450	8,557,744	0.09291%
2021-22	7,128,110	915,769	400,353	410,420	38,328	8,854,652	0.09289%

*Other property includes government, institutional, unsecured property and vacant land.

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

Source: L.A. County Assessor, HdL Coren & Cone

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

	Fiscal Year									
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Total Direct Rate	0.22158	0.09311	0.09306	0.09304	0.09301	0.09296	0.09294	0.09294	0.09291	0.09289
Overlapping Rates:										
Los Angeles County General	0.23210	0.23210	0.23210	0.23210	0.23210	0.23210	0.23210	0.23210	0.23210	0.23210
Norwalk-La Mirada Unified School District	0.18780	0.18780	0.18780	0.18780	0.18780	0.18780	0.18780	0.18780	0.18780	0.18780
Consolidated Fire Protection District of LA Co.	0.17000	0.17000	0.17000	0.17000	0.17000	0.17000	0.17000	0.17000	0.17000	0.17000
Educational Augmentation Fund Impound	0.13530	0.13530	0.13530	0.13530	0.13530	0.13530	0.13530	0.13530	0.13530	0.13530
Educational Revenue Augmentation Fund	0.06850	0.06850	0.06850	0.06850	0.06850	0.06850	0.06850	0.06850	0.06850	0.06850
City Norwalk Tax District 1	0.06630	0.06630	0.06630	0.06630	0.06630	0.06630	0.06630	0.06630	0.06630	0.06630
Norwalk Southeast Recreation and Park	0.02630	0.02630	0.02630	0.02630	0.02630	0.02630	0.02630	0.02630	0.02630	0.02630
Cerritos Community College District	0.02460	0.02460	0.02460	0.02460	0.02460	0.02460	0.02460	0.02460	0.02460	0.02460
La Mirada Southeast Recreation and Park	0.02440	0.02440	0.02440	0.02440	0.02440	0.02440	0.02440	0.02440	0.02440	0.02440
LA County Library	0.02250	0.02250	0.02250	0.02250	0.02250	0.02250	0.02250	0.02250	0.02250	0.02250
County Sanitation District No. 18 Operating	0.01223	0.01223	0.01223	0.01223	0.01223	0.01223	0.01223	0.01223	0.01223	0.01223
LA County Flood Control Maintenance	0.00936	0.00936	0.00936	0.00936	0.00936	0.00936	0.00936	0.00936	0.00936	0.00936
LA County Fire - Ffw	0.00693	0.00693	0.00693	0.00693	0.00693	0.00693	0.00693	0.00693	0.00693	0.00693
County School Service Fund Norwalk - La Mirada	0.00652	0.00652	0.00652	0.00652	0.00652	0.00652	0.00652	0.00652	0.00652	0.00652
Children's Institutional Tuition Fund	0.00272	0.00272	0.00272	0.00272	0.00272	0.00272	0.00272	0.00272	0.00272	0.00272
LA County Flood Control Dr. Imp. Dist. Maint.	0.00165	0.00165	0.00165	0.00165	0.00165	0.00165	0.00165	0.00165	0.00165	0.00165
County School Services	0.00137	0.00137	0.00137	0.00137	0.00137	0.00137	0.00137	0.00137	0.00137	0.00137
Little Lake Cemetery District	0.00091	0.00091	0.00091	0.00091	0.00091	0.00091	0.00091	0.00091	0.00091	0.00091
Greater LA Co. Vector Control	0.00036	0.00036	0.00036	0.00036	0.00036	0.00036	0.00036	0.00036	0.00036	0.00036
Water Replenishment District of Southern Calif.	0.00017	0.00017	0.00017	0.00017	0.00017	0.00017	0.00017	0.00017	0.00017	0.00017
LA County Accumulative Capital Outlay	0.00011	0.00011	0.00011	0.00011	0.00011	0.00011	0.00011	0.00011	0.00011	0.00011
Total Proposition 13 Rate	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
ABC Unified School District	0.02453	0.02894	0.02916	0.03243	0.03132	0.03107	0.03019	0.08193	0.07798	0.07658
Cerritos Community College District	0.02594	0.02502	0.04809	0.04829	0.04698	0.04370	0.04446	0.04449	0.04348	0.04251
Downey Unified School District	0.07132	0.06603	0.06549	0.11466	0.11473	0.10538	0.10113	0.09708	0.08771	0.09504
Little Lake City School District	0.06942	0.08537	0.07964	0.06522	0.07527	0.07876	0.07611	0.06532	0.06606	0.06200
Metropolitan Water District	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350
Norwalk-La Mirada Unified School District	0.06997	0.07238	0.07063	0.14114	0.13400	0.13818	0.13425	0.14019	0.12220	0.14250
Rio Hondo Community College Dist	0.02812	0.02892	0.02821	0.02712	0.02808	0.02748	0.02554	0.02571	0.01361	0.01526
Whittier Union High School District	0.04556	0.04473	0.05270	0.05063	0.06035	0.05781	0.05822	0.05502	0.05433	0.05395
Total Voter Approved Rate	0.33836	0.35489	0.37742	0.48299	0.49423	0.48588	0.47340	0.51324	0.46886	0.49134
Total Direct & Overlapping Tax Rates	1.33836	1.35489	1.37742	1.48299	1.49423	1.48588	1.47340	1.51324	1.46886	1.49134
City's Share of 1% Levy per Prop 13	0.09255	0.09255	0.09255	0.09255	0.09255	0.09255	0.09255	0.09255	0.09255	0.09255
Redevelopment Rate	-	-	-	-	-	-	-	-	-	-

Notes:

General fund tax rates are representative and based upon the direct and overlapping rates for the largest General Fund rate area (TRA) by net taxable value.

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

City's Share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the city. ERAF portion of the City's Levy has been subtracted where known.

RDA rate is based on the largest RDA tax rate area (TRA) and includes only rate(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the

Total Direct Rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information. The percentages presented in the columns above do not sum across rows.

Source: L.A. County Assessor's Office

City of Norwalk
Principal Property Tax Payers
Current Fiscal Year and Ten Fiscal Years Ago

Taxpayer	2021-22			2012-13		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Sonnenblick Del Rio Norwalk LLC	\$ 83,719,415	1	0.95%	-		-
Veranda Associates LP	74,686,483	2	0.84%	-		-
Norwalk Industrial Sub LLC	62,801,465	3	0.71%	-		-
Solterra at Civic Center LP	61,057,407	4	0.69%	-		-
Pedestal Capital II LLC	46,748,370	5	0.53%	-		-
Target Corporation	42,743,309	6	0.48%	-		-
Hekmatravan Family Norwalk LLC	38,748,497	7	0.44%	-		-
Miracle Mile Properties LP	35,210,247	8	0.40%	-		-
Rexford Industrial Realty LP	32,862,990	9	0.38%	-		-
Global Pacific Imperial LLC	29,655,243	10	0.34%	-		-
Norwalk MM LLC				59,130,000	1	1.02%
Advanced Group				44,277,833	2	0.72%
IMT Capital II Palm Cntry Club				42,567,975	3	0.74%
SRGMF Bloomfield Norwalk LLC				41,544,711	4	0.72%
Target Corporation				37,738,046	5	0.65%
Levian Family Norwalk LLC				33,392,468	6	0.58%
Sam Menlo Trust				30,412,288	7	0.53%
McKenna Norwalk LP				22,483,312	8	0.39%
Norwalk Industrial Sub LLC				22,293,576	9	0.39%
Paddison Associates				21,284,176	10	0.37%
	<u>\$ 508,233,426</u>		<u>5.74%</u>	<u>\$ 355,124,385</u>		<u>6.15%</u>

Excludes government and tax-exempt property owners

Source: L.A. County Assessor 2012/13 and 2021/22 Combined Tax Rolls, SBE NonUnitary Tax Rolls, and HdL Companies

City of Norwalk
Secured Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy	Collected within the fiscal year of the levy		Collections in Subsequent Years	Total collections to date	
		Amount	% of Levy		Amount	% of Levy
2011-12	\$ 2,354,260	\$ 2,162,196	91.84%	\$ 9,720	\$ 2,171,916	92.25%
2012-13	2,413,472	2,332,515	96.65%	3,209	2,335,723	96.78%
2013-14	2,500,671	2,423,743	96.92%	(35,972)	2,387,771	95.49%
2014-15	2,655,207	2,561,063	96.45%	(26,757)	2,534,306	95.45%
2015-16	2,783,387	2,685,240	96.47%	(23,512)	2,661,728	95.63%
2016-17	2,894,814	2,767,579	95.60%	9,041	2,776,620	95.92%
2017-18	3,028,138	2,864,434	94.59%	41,481	2,905,914	95.96%
2018-19	3,172,538	3,047,344	96.05%	(18,725)	3,028,620	95.46%
2019-20	3,390,424	3,236,705	95.47%	(2,892)	3,233,813	95.38%
2020-21	3,564,445	3,391,337	95.14%	7,563	3,398,900	95.36%

Source: L.A. County Auditor/Controller

City of Norwalk
Direct and Overlapping Government Activities Debt
As of June 30, 2022

Governmental Unit	Gross Bonded Debt Balance	Estimated Percentage Applicable ⁽¹⁾	Net Bonded Debt
Direct Debt			
Lease Revenue Refunding Bonds 2013A/B	\$ 6,545,000	100.000%	\$ 6,545,000
Lease Payable	3,463,732	100.000%	3,463,732
Tax Revenue Bonds 2019A/B	16,675,000	100.000%	16,675,000
Total Direct Debt			\$ 26,683,732
Overlapping Debt			
Metropolitan Water District	9,835,780	0.511%	\$ 50,285
Little Lake City SD DS 00SR D-1QSCBS	4,440,000	35.722%	1,586,040
Little Lake City SD DS 2011 Refunding Bond	999,901	35.722%	357,181
Little Lake City SD DS 2012 Series A	7,370,000	35.722%	2,632,684
Little Lake City SD DS 2014 Ref Bonds Series A	4,140,000	35.722%	1,478,875
Little Lake City SD DS 2014 Ref Bonds Series B	2,470,000	35.722%	882,324
Little Lake City SD DS 2012 Series B	11,260,000	35.722%	4,022,255
Whittier Union HSD DS 2008 Series 2014B	4,995,682	6.035%	301,467
Whittier Union HSD DS 2008 Series 2015C	6,190,000	6.035%	373,539
Whittier Union HSD DS 2015 Ref Bonds	20,080,000	6.035%	1,211,739
Whittier Union HSD DS 2016 Ref Bonds	111,533,679	6.035%	6,730,564
Cerritos CCD DS 2004 Series 2012D	30,896,885	12.966%	4,005,982
Cerritos CCD DS 2012 Series 2014A	73,900,000	12.966%	9,581,615
Cerritos CCD DS 2014 REF BONDS SERIES A	72,380,000	12.966%	9,384,537
Cerritos CCD DS 2014 REF BONDS SERIES B	5,255,000	12.966%	681,345
Cerritos CCD DS 2012 Series 2018B	52,770,000	12.966%	6,841,973
Cerritos CCD DS 2012 Series 2019C	93,325,000	12.966%	12,100,192
Cerritos CCD DS 2020 REF Bonds	51,350,000	12.966%	6,657,861
Cerritos CCD DS 2012 Series 2021D	75,000,000	12.966%	9,724,237
Rio Hondo CCD DS Ref 2004 2019 Ser B	113,112,824	3.864%	4,370,912
ABC Unified 2003 Refund Bond Series A	170,000	3.703%	6,295
ABC Unified DS 1997 Series B	21,102,080	3.703%	781,342
ABC Unified DS 2018 Series A	49,310,000	3.703%	1,825,791
Norwalk-La Mirada USD DS 2002 Series 2005B	44,068,655	42.471%	18,716,369
Norwalk-La Mirada USD DS 2002 Series 2009D	9,410,103	42.471%	3,996,559
Norwalk-La Mirada USD DS 2002 Series 2009E	12,392,349	42.471%	5,263,146
Norwalk-La Mirada USD DS 2015 Ref Bonds	9,840,000	42.471%	4,179,140
Norwalk-La Mirada USD DS 2014 Series B	49,190,000	42.471%	20,891,452
Norwalk-La Mirada USD DS 2014 Series C	9,430,000	42.471%	4,005,009
Norwalk-La Mirada USD DS 2014 Series D	134,805,000	42.471%	57,252,942
Total Overlapping Debt			199,893,654
Total Direct and Overlapping Debt			\$ 226,577,386

2021/22 Assessed Valuation: \$7,274,785,695 after deducting \$1,579,865,893 in Incremental Value.
Debt to Assessed Valuation Ratios: Direct Debt-0.37%, Overlapping Debt-2.75% Total Debt- 3.11%

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of outstanding debt of those overlapping governments that is borne by the residents and businesses of the City of Norwalk. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Source: HdL Coren & Cone, L.A. County Assessor and Auditor Combined 2021/22 Lien Date Tax Rolls

**City of Norwalk
Legal Debt Margin Information
Last Ten Fiscal Years**

	Fiscal Year									
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Assessed valuation	\$5,776,629,334	\$5,971,408,845	\$6,331,707,221	\$6,601,306,707	\$6,885,785,316	\$7,241,185,968	\$7,708,902,736	\$8,138,931,975	\$8,557,743,640	\$8,854,651,588
Conversion percentage	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
Adjusted assessed valuation	1,444,157,334	1,492,852,211	1,582,926,805	1,650,326,677	1,721,446,329	1,810,296,492	1,927,225,684	2,034,732,994	2,139,435,910	2,213,662,897
Debt limit percentage	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
Debt limit	216,623,600	223,927,832	237,439,021	247,549,002	258,216,949	271,544,474	289,083,853	305,209,949	320,915,387	332,049,435
Total net debt applicable to limit: General obligation bonds	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 216,623,600</u>	<u>\$ 223,927,832</u>	<u>\$ 237,439,021</u>	<u>\$ 247,549,002</u>	<u>\$ 258,216,949</u>	<u>\$ 271,544,474</u>	<u>\$ 289,083,853</u>	<u>\$ 305,209,949</u>	<u>\$ 320,915,387</u>	<u>\$ 332,049,435</u>
Total net debt applicable to the limit as a percent of debt limit	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Norwalk Long Term Debt Outstanding:	24,950,862	25,261,134	24,445,312	22,755,489	21,522,666	24,571,851	23,054,951	43,720,582	44,896,720	39,088,887
Debt per capita: (2022 Pop 101,645)	235	237	229	216	204	228	216	414	426	385
Debt as a percentage of personal income:	1%	1%	1%	1%	1%	1%	1%	2%	2%	1%

Note: Under state finance law, the City of Norwalk's outstanding general obligation debt should not exceed 15% of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

Sources:
City Finance Department
County of Los Angeles Tax Assessor's Office

**City of Norwalk
Outstanding Debt
Last Ten Fiscal Years**

	Fiscal Year									
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21**	2021-22
Governmental Activities										
Lease Revenue										
Refunding Bonds, 2013A/B	\$ 15,065,000	\$ 14,860,000	\$ 13,960,000	\$ 13,025,000	\$ 12,045,000	\$ 11,020,000	\$ 9,965,000	\$ 8,865,000	\$ 7,725,000	\$ 6,545,000
Tax Revenue										
Bonds, 2019 A/B	-	-	-	-	-	-	-	18,630,000	17,675,000	16,675,000
Tax Allocation Refunding										
Bonds, 2005	-	-	-	-	-	-	-	-	-	-
Lease Payable	-	-	-	-	-	4,337,008	4,142,931	3,926,804	3,700,562	3,463,732
Capital Lease Payable	-	-	-	-	-	-	-	-	1,050,777	1,069,744
Subtotal	15,065,000	14,860,000	13,960,000	13,025,000	12,045,000	15,357,008	14,107,931	31,421,804	30,151,339	27,753,476
Add (deduct) deferred amounts:										
Bond Premium	184,115	679,612	622,014	564,416	506,818	449,220	391,622	3,963,605	3,646,750	3,329,896
Bond discount	-	-	-	-	-	-	-	-	-	-
Deferred charge on refunding	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	\$ 15,249,115	\$ 15,539,612	\$ 14,582,014	\$ 13,589,416	\$ 12,551,818	\$ 15,806,228	\$ 14,499,553	\$ 35,385,409	\$ 33,798,089	\$ 31,083,372
Business-type Activities										
Water Revenue Bonds	\$ 9,395,000	\$ 9,245,000	\$ 9,070,000	\$ 8,890,000	\$ 8,705,000	\$ 8,510,000	\$ 8,310,000	\$ 8,100,000	\$ 7,880,000	\$ 7,650,000
Add (deduct) deferred amounts:										
Bond Premium	306,747	296,522	286,298	276,073	265,848	255,623	245,398	235,173	224,948	214,723
Lease Payable	-	-	-	-	-	-	-	-	37,740	31,467
Right-of-use Lease liability	-	-	-	-	-	-	-	-	160,221	109,325
Total Business-type Activities	\$ 9,701,747	\$ 9,541,522	\$ 9,356,298	\$ 9,166,073	\$ 8,970,848	\$ 8,765,623	\$ 8,555,398	\$ 8,335,173	\$ 8,302,909	\$ 8,005,515
Total long-term liabilities	\$ 24,950,862	\$ 25,081,134	\$ 23,938,312	\$ 22,755,489	\$ 21,522,666	\$ 24,571,851	\$ 23,054,951	\$ 43,720,582	\$ 42,100,998	\$ 39,088,887

Note:

See note to financial statement number 7 and 8 for a detailed explanation of outstanding debt.

** Restated for implementation of GASB 87

Source: City of Norwalk

City of Norwalk
Pledge-Revenue Coverage - Norwalk Community Facilities Authority
Last Ten Fiscal Years

Norwalk Community Facilities Financing Authority - Lease Refunding, Water Revenue and Sales Tax Revenue Bonds						
Fiscal Year	Lease Revenue	Water Revenue	Tax Revenue	Debt Service		Coverage
				Principal	Interest	
2012-13	1,947,099			955,000	992,099	1.00
2013-14	946,268	541,471		355,000	1,132,739	1.00
2014-15	1,448,881	539,963		1,075,000	913,844	1.00
2015-16	1,447,881	539,713		1,115,000	872,594	1.00
2016-17	1,455,481	537,513		1,165,000	827,994	1.00
2017-18	1,461,281	540,113		1,220,000	781,394	1.00
2018-19	1,450,274	537,313		1,255,000	732,588	1.00
2019-20	1,453,081	539,313	1,835,384	2,365,000	1,462,779	1.00
2020-21	1,449,081	538,813	1,835,600	2,315,000	1,508,494	1.00
2021-22	1,451,038	537,813	1,832,850	2,410,000	1,411,701	1.00

Source: City of Norwalk

City of Norwalk
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population	Personal Income (in thousands)	Per Capita Personal Income	Unemployment Rate
2012-13	106,093	\$ 2,041,442	\$ 19,242	9.8%
2013-14	106,630	2,051,561	19,240	8.1%
2014-15	106,679	2,060,398	19,314	8.4%
2015-16	105,292	2,084,810	19,800	6.9%
2016-17	105,526	2,066,616	19,583	5.4%
2017-18	107,546	2,132,084	19,824	4.2%
2018-19	106,744	2,241,544	20,999	4.6%
2019-20	105,717	2,337,575	22,111	4.5%
2020-21	105,393	2,436,616	23,119	13.5%
2021-22	101,645	2,628,874	25,863	9.7%

Source: HdL, Coren & Cone , State of California Department of Finance

**City of Norwalk
Principal Employers
Current Fiscal Year and Ten Fiscal Years Ago**

Employer	2021-22			2012-13		
	Employees	Rank	% of Total City Employment	Employees	Rank	% of Total City Employment
County of Los Angeles	2,280	1	9.34%	1,564	3	6.20%
Metropolitan State Hospital	1,601	2	6.56%	1,466	4	5.81%
Cerritos College	1,364	4	5.59%	1,570	2	6.22%
Norwalk-La Mirada School District	1,237	3	5.07%	2,057	1	8.16%
Freeway Insurance Svc	516	6	2.11%	-		0.00%
Target	482	5	1.97%	442	5	1.75%
City of Norwalk	423	7	1.73%	409	6	1.62%
Little Lake City School District	361	8	1.48%	242	11	0.96%
Costco Wholesale	336	9	1.38%	317	7	1.26%
Coast Plaza Hospital	313	10	1.28%	295	9	1.17%
Los Angeles County Sheriff	310	11	1.27%	240	12	0.95%
Doty Bros Construction Co	300	12	1.23%	300	8	1.19%
Los Angeles Community Hospital	275	13	1.13%	250	10	0.99%
Mc Donald's	213	14	0.87%	168	17	0.67%
Doubletree By Hilton Hotel Los	200	15	0.82%	-		0.00%
Southland Care Center	180	16	0.74%	180	15	0.71%
West Central Produce Inc	167	17	0.68%	-		0.00%
Stater Bros Markets	160	18	0.66%	-		0.00%
Berkshire Hathaway Hmsrvcs	150	19	0.61%	-		0.00%
Ec Hispanic Media	150	20	0.61%	-		0.00%
All Other Employers	13,389		54.86%	15,721		62.33%
Total	<u>24,407</u>		<u>100.00%</u>	<u>25,221</u>		<u>100.00%</u>

Source: *ReferenceUsa* Prepared by: City of Norwalk 10/2022

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

Function	Fiscal Year									
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
General Government	46	47	48	51	55	58	55	56	40	43
Public Safety	49	44	43	47	39	47	59	54	49	51
Public Works	81	82	82	80	85	87	85	79	72	78
Social Services	30	29	32	34	32	28	32	44	48	50
Recreation	85	97	94	90	89	92	94	99	100	79
Community Development	24	25	25	28	14	14	16	14	26	27
Transit	94	98	93	101	97	100	102	103	99	95
Total	409	422	417	431	411	426	443	449	434	423

Source: City of Norwalk

City of Norwalk
Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Police:										
Calls responded	28,265	27,068	27,431	30,134	30,671	30,044	28,841	27,278	25,213	23,688
Response Time: (minutes)										
Emergency	3.8	3.9	3.8	3.3	3.8	4.0	3.8	3.7	3.6	3.7
Non-Emergency	9.3	9.6	9	8.7	8.9	9.3	9.5	8.6	8.0	8.6
Routine	31.8	34.4	33	34.5	37.5	41.8	39.3	42.8	40.7	43.7
Community development:										
Number of residential permits	2,719	2,746	2,835	4,461	4,586	3,360	2,856	2,638	2,085	423
Number of commercial permits	357	447	357	542	470	331	350	285	256	87
Water:										
New connections	3	1	0	4	7	0	3	0	7	7
Average daily consumption (millions of gallons)	198	200	157	131	135	143	133	134	135	135
Sewers:										
New connections	11	11	3	4	15	15	4	13	9	19
Transit:										
Buses-number of riders	1,880,629	1,739,670	1,528,931	1,378,353	1,539,633	1,461,070	1,427,804	1,168,297	695,951	789,462
Dial-A-Ride-number of riders	16,146	21,754	21,908	22,031	21,849	22,344	24,227	18,992	4,941	9,966

Source: City of Norwalk

City of Norwalk
Capital Assets by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Fire:										
Stations	2	2	2	2	2	2	2	2	2	2
Public works:										
Streets (miles)	187	187	187	187	197	197	200	200	200	200
Street lights	5,400	5,400	5,400	5,400	5,373	5,373	4,891	4,989	4,989	4,989
Traffic Lights	81	81	81	80	80	86	85	85	85	85
Parks and recreation:										
Parks	14	14	14	14	14	14	14	14	14	14
Community centers	1	1	1	1	1	1	1	1	1	1
Sports center	1	1	1	1	1	1	1	1	1	1
Water:										
Water mains (miles)	40	40	40	40	40	40	56	59	59	59
Maximum daily capacity (million gallons per day)	4	4	4	4	4	4	4	4	4	4
Waste water:										
Sanitary sewers (miles)	180	180	180	180	180	180	164	164	164	164
Transit:										
Buses	28	33	33	34	33	34	34	31	29	34
Dial-A-Ride Vans	7	7	7	7	7	7	7	7	7	9

Source: City of Norwalk

City of Norwalk
Water System - Statement of Net Position
Last Ten Fiscal Years

	Fiscal Year									
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20 *	2020-21	2021-22
ASSETS										
Current assets										
Pooled Cash and Investments	\$ 5,947,048	\$ 6,682,089	\$ 7,244,665	\$ 7,617,845	\$ 6,350,511	\$ 6,115,383	\$ 6,761,124	\$ 6,347,896	\$ 7,437,561	\$ 7,998,259
Cash With Fiscal Agent	3,497,853	3,496,405	3,498,268	3,505,991	2,605	2,706	315	11	3	57
Accounts receivable	692,235	682,657	633,751	708,259	753,366	829,583	747,776	1,020,659	1,140,425	1,429,773
Prepays	-	-	-	-	-	-	11,662	11,958	-	14,621
Due from other governments	152,500	175,000	-	-	-	226,000	-	-	-	11,031
Other Current Assets	844,735	857,657	633,751	708,259	753,366	1,055,583	759,438	1,032,617	1,140,425	1,455,425
Total Current Assets	10,289,636	11,036,151	11,376,684	11,832,095	7,106,482	7,173,672	7,520,877	7,380,524	8,577,989	9,453,741
Net capital assets	17,171,995	17,062,861	17,189,977	17,217,176	22,685,814	22,800,687	22,482,254	22,769,014	22,634,194	22,692,005
Total Assets	\$27,461,631	\$28,099,012	\$ 28,566,661	\$ 29,049,271	\$ 29,792,296	\$ 29,974,359	\$ 30,003,131	\$ 30,149,538	\$ 31,212,183	\$ 32,145,746
Deferred Outflows of Interest										
Deferred amount from OPEB plans	-	-	-	-	-	61,234	65,387	74,469	88,376	187,742
Deferred amount from pension plans	-	-	94,010	111,365	306,324	379,083	263,217	215,205	237,631	232,500
Total Deferred Outflows of Interest	\$ -	\$ -	\$ 94,010	\$ 111,365	\$ 306,324	\$ 440,317	\$ 328,604	\$ 289,674	\$ 326,007	\$ 420,242
Liabilities										
Current liabilities										
Accounts payable	345,355	296,232	300,518	392,906	674,407	752,698	559,862	467,516	608,856	402,942
Accrued expenses	15,506	19,611	24,949	33,536	39,183	35,486	34,491	33,854	58,579	43,530
Interest Payable	-	-	-	44,064	43,164	43,164	41,164	39,852	38,477	37,102
Deposits payable	92,965	91,345	44,964	156,047	150,865	153,075	150,905	157,465	170,067	165,850
Other liabilities	19,059	21,590	121,748	40,312	284,357	24,706	29,491	27,312	37,181	63,055
Due to other funds	-	-	24,885	-	-	117,130	122,987	129,136	135,593	142,372
Compensated absences payable - current portion	-	-	19,600	19,600	21,130	19,800	20,360	28,490	14,951	10,400
Bond payable - current portion	170,613	200,000	180,000	185,000	195,000	200,000	210,000	220,000	230,000	240,000
Lease payable - current portion	-	-	-	-	-	-	-	-	6,273	6,273
Other Current liabilities	298,143	332,546	416,146	478,559	733,699	593,361	609,398	636,109	691,121	708,582
Total Current Liabilities	643,498	628,778	716,664	871,465	1,408,106	1,346,059	1,169,260	1,103,625	1,299,977	1,111,524
Noncurrent liabilities										
Advances from other funds	3,034,610	2,942,835	2,846,472	2,745,291	2,639,051	2,410,368	2,287,381	2,158,246	2,022,653	1,880,281
Bonds Payable	9,551,747	9,366,522	9,176,298	8,981,073	8,775,848	8,565,623	8,345,398	8,115,173	7,874,948	7,624,723
Lease Payable	-	-	-	-	-	-	-	-	31,467	25,194
Compensated absences payable	106,749	114,460	118,096	85,475	98,064	94,905	89,248	84,259	121,469	86,756
Net OPEB liability	183,740	230,765	248,896	243,643	251,749	1,015,032	944,348	959,042	1,021,693	1,049,848
Net pension liability	-	-	1,008,023	1,144,215	1,391,318	1,576,048	1,545,820	1,646,641	1,746,226	1,036,673
Total Noncurrent Liabilities	12,876,846	12,654,582	13,397,785	13,199,697	13,156,030	13,661,976	13,212,195	12,963,361	12,818,456	11,703,475
Total Liabilities	\$13,520,344	\$13,283,360	\$ 14,114,449	\$ 14,071,162	\$ 14,564,136	\$ 15,008,035	\$ 14,381,455	\$ 14,066,986	\$ 14,118,433	\$ 12,814,999
Deferred Inflow of Resources										
Deferred amount from OPEB plans	-	-	-	-	-	4,758	83,596	65,307	29,383	64,822
Deferred amount from pension plans	-	-	235,601	86,495	41,315	35,035	37,837	36,065	3,212	510,931
Total Deferred Inflow of Resources	-	-	235,601	86,495	41,315	39,793	121,433	101,372	32,595	575,753
Net Position										
Invested in capital assets	11,271,496	7,817,861	11,331,947	11,557,094	13,717,571	14,037,770	13,927,171	14,384,821	14,206,273	14,761,814
Restricted - debt service	3,497,853	3,496,405	3,498,268	3,505,991	2,605	2,706	315	11	-	-
Unrestricted	(828,062)	3,501,386	(519,594)	(60,106)	1,772,994	1,326,372	1,901,361	1,886,022	3,180,889	4,413,422
Total Position	\$13,941,287	\$14,815,652	\$ 14,310,621	\$ 15,002,979	\$ 15,493,170	\$ 15,366,848	\$ 15,828,847	\$ 16,270,854	\$ 17,387,162	\$ 19,175,236

City of Norwalk
Water System - Historic Net Water Revenue and Debt Service Coverage
Last Ten Fiscal Years

	Fiscal Year									
	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Annual Rate Increase										
Fixed Service Charge	2.1%	2.2%	0.50%	0.0%	-1.50%	6.00%	6.00%	6.00%	6.00%	6.00%
Per Unit Consumption Charge	3.1%	2.0%	0.6%	0.0%	12.80%	6.30%	6.20%	6.20%	6.20%	6.20%
Water Revenues										
Charges for Services ⁽¹⁾	\$5,170,527	\$5,302,823	\$5,051,524	\$4,953,919	\$5,147,289	\$5,704,279	\$5,659,007	\$5,792,198	\$6,141,485	\$6,056,825
Investment Income	43,521	42,108	48,833	82,318	65,844	82,160	145,501	145,334	54,003	34,831
Other	1,720	673	474	0	0	0	0	0	0	251,834
Total Revenues	\$5,215,768	\$5,345,604	\$5,100,831	\$5,036,237	\$5,213,133	\$5,786,439	\$5,804,508	\$5,937,532	\$6,195,488	\$6,343,490
Operation & Maintenance Costs										
Administrative	\$398,996	\$434,562	\$462,605	\$411,005	\$452,125	\$421,376	\$414,930	\$492,776	\$557,190	\$524,788
Utilities	128,623	136,040	138,288	129,563	113,163	75,218	65,162	126,233	171,546	172,824
Salaries and Benefits	769,042	858,182	870,467	843,037	1,011,509	1,133,317	987,290	970,717	948,473	523,734
Contractual Services	193,585	267,803	284,846	733,789	653,584	524,343	575,926	779,321	899,339	972,811
Cost of Water	1,466,426	1,569,671	1,535,855	1,383,957	1,679,760	2,177,554	2,229,993	1,840,153	1,268,692	1,435,601
Supplies and Materials	338,686	384,239	315,019	44,967	25,754	57,199	221,693	40,021	141,738	(159,842)
Insurance										
Total Operating Expense	\$3,295,358	\$3,650,497	\$3,607,080	\$3,546,318	\$3,935,895	\$4,389,007	\$4,494,994	\$4,249,221	\$3,986,978	\$3,469,916
Net Water Revenues	\$1,920,410	\$1,695,107	\$1,493,751	\$1,489,919	\$1,277,238	\$1,397,432	\$1,309,514	\$1,688,311	\$2,208,510	\$2,873,574
Debt Service Coverage	N/A	3.13	2.76	2.75	2.36	2.58	2.58	3.12	4.10	5.33

⁽¹⁾ Partial increase - only applicable to former County Water customers, now part of the NMWS Applicable to approximately 1,900 accounts

⁽¹⁾ Includes water billing fees, late fees, fire flow fees, water facilities fees, lease of water rights and other fees.

Source: City of Norwalk

City of Norwalk
Water System - Projected Net Water Revenues and Debt Service Coverage
Last Ten Fiscal Years

	Fiscal Year									
	2013-14 (Actual)	2014-15 (Actual)	2015-16 (Actual)	2016-17 (Actual)	2017-18 (Actual)	2018-19 (Actual)	2019-20 (Actual)	2020-21 (Actual)	2021-22 (Actual)	2022-23 (Projected)
Water Revenues										
Charges for Services	\$5,302,823	\$5,051,524	\$4,953,919	\$5,147,289	\$5,704,279	\$5,659,007	\$5,792,198	\$6,141,485	\$6,056,825	\$5,824,500
Investment income	42,108	48,833	82,318	65,844	82,160	145,501	145,334	54,003	34,831	10,000
Other	673	474	-	-	-	-	-	-	251,834	-
Total Revenues	\$5,345,604	\$5,100,831	\$5,036,237	\$5,213,133	\$5,786,439	\$5,804,508	\$5,937,532	\$6,195,488	\$6,343,490	\$5,834,500
Operation & Maintenance Costs										
Administrative	\$434,562	\$462,605	\$411,005	\$452,125	421,376	414,930	492,776	557,190	524,788	488,402
Utilities	136,040	138,288	129,563	113,163	75,218	65,162	126,233	171,546	172,824	210,000
Salaries and Benefits	858,182	870,467	843,037	1,011,509	1,133,317	987,290	970,717	948,473	523,734	1,070,750
Contractual Services	267,803	284,846	733,789	653,584	524,343	575,926	779,321	899,339	972,811	511,000
Cost of Water	1,569,671	1,535,855	1,383,957	1,679,760	2,177,554	2,229,993	1,840,153	1,268,692	1,435,601	1,774,000
Supplies and Materials	384,239	315,019	44,967	25,754	57,199	221,693	40,021	141,738	(159,842)	778,942
Total Expenses	\$3,650,497	\$3,607,080	\$3,546,318	\$3,935,895	4,389,007	4,494,994	4,249,221	3,986,978	3,469,916	4,833,094
Net Water Revenues	\$1,695,107	\$1,493,751	\$1,489,919	\$1,277,238	\$1,397,432	\$1,309,514	\$1,688,311	\$2,208,510	\$2,873,574	\$1,001,406
<i>Debt Service</i>										
2013A Bond - Maximum Annual Debt service	\$541,213	\$541,213	\$541,213	\$541,213	\$541,213	\$541,213	\$541,213	\$538,813	\$538,813	\$536,313
Debt Service Coverage	3.13	2.76	2.75	2.36	2.58	2.42	3.12	4.10	5.33	1.87

Source: City of Norwalk

City of Norwalk
Water system - Service Charge and per Unit Rates
Last Ten Fiscal Years

CITY OF NORWALK						
Historic Service Charges and Per Unit Rates						
Effective Date	Service Charge 3/4"Meter*	% Increase/ (Decrease)	Service Charge 1"Meter*	% Increase/ (Decrease)	Per Unit Rate	% Increase/ (Decrease)
Jul. 2013	51.23	2.2%	106.92	2.2%	3.10	2.0%
Jul. 2014	51.49	0.5%	107.45	0.5%	3.12	0.6%
Jul. 2015	51.49	0.0%	107.45	0.0%	3.12	0.0%
Jul. 2016	50.74	-1.5%	67.74	-37.0%	3.52	12.8%
Jul. 2017	53.79	6.0%	71.81	6.0%	3.74	6.3%
Jul. 2018	57.02	6.0%	76.12	6.0%	3.97	6.1%
Jul. 2019	60.45	6.0%	80.69	6.0%	4.21	6.0%
Jul. 2020	64.08	6.0%	85.54	6.0%	4.47	6.2%
Jul. 2021	64.08	6.0%	85.54	6.0%	4.47	6.2%
Jul. 2022	64.08	0.0%	85.54	0.0%	4.47	0.0%

Note: 1 unit of water = 100 cubic feet = 748 gallons of water.

* Bi-monthly charge

Source: *City of Norwalk*

City of Norwalk
Water System - Service Charges Revenues
Last Ten Fiscal Years

Historic Charges for Services				
Fiscal Year	Residential Service Charge Revenues	Commercial Service Charge Revenues	Total Service Charge Revenues	% Increase/ (Decrease)
2013	4,488,765	443,944	4,932,709	1.3%
2014	4,497,508	499,723	4,997,231	1.3%
2015	4,299,933	477,770	4,777,703	-4.4%
2016	4,163,822	462,646	4,626,468	-3.2%
2017	4,413,726	490,414	4,904,140	6.0%
2018	4,802,628	533,625	5,336,253	8.8%
2019	4,876,798	541,867	5,418,665	1.5%
2020	5,151,606	572,401	5,724,007	5.6%
2021	5,557,101	617,456	6,174,557	13.9%
2022	5,552,834	616,981	6,169,815	7.8%

Source: City of Norwalk

City of Norwalk
Water System - Water Sources and Service Connections
Current Fiscal Year and Prior Fiscal Year

Fiscal Year 2021-22		Groundwater	Purchased	
Water Source	Number of Connections	Consumption (acre ft.)	Consumption (acre ft.)	Price (per acre ft.)
Santa Fe Springs	721		174	\$1,930
Norwalk Wells	2,434	508	508	\$1,372
City of Cerritos	2,243		296	\$1,448
TOTAL	5,398	508	855	
Total City Groundwater Rights		1,363		

Fiscal Year 2020-21		Groundwater	Purchased	
Water Source	Number of Connections	Consumption (acre ft.)	Consumption (acre ft.)	Price (per acre ft.)
Santa Fe Springs	721		178	\$1,930
Norwalk Wells	2,427	665	250*	\$1,372
City of Cerritos	2,243		465	\$1,268
TOTAL	5,391	665	1,028	
Total City Groundwater Rights		1,693		

* Central service area purchased water derived from the Central Basin Municipal Water District

Source: City of Norwalk

City of Norwalk
Norwalk Municipal Water System - Water Sources
Last Ten Fiscal Years

CITY OF NORWALK Historic Water Sources (In millions of acre-feet per year)					
Fiscal Year	Groundwater	% Increase/ (Decrease)	Imported Water	% Increase/ (Decrease)	Total
2013	899.50	22.6%	1,334.89	-6.2%	2,234.39
2014	943.29	4.9%	1,373.27	2.9%	2,316.56
2015	868.16	-8.0%	1,256.06	-8.5%	2,124.22
2016	787.82	-9.3%	1,137.78	-9.4%	1,925.60
2017	664.98	-15.6%	1,292.93	13.6%	1,957.91
2018	428.22	-35.6%	1,718.18	32.9%	2,146.40
2019	383.87	-10.4%	1,686.68	-1.8%	2,070.55
2020	706.93	84.2%	1,323.05	-21.6%	2,029.98
2021	1060.49	50.0%	893.27	-32.5%	1,953.76
2022	908.69	-14.3%	978.42	9.5%	1,887.11

Source: City of Norwalk

City of Norwalk
Norwalk Municipal Water system - Service Connections by Type
Last Ten Fiscal Years

CITY OF NORWALK					
Historic Water Service Connections					
Fiscal Year	Residential Connections	Commercial Connections	Irrigation Connections	Total Connections	% Increase/ (Decrease)
2013	4,899	463	12	5,374	0.06%
2014	4,899	463	12	5,374	0.00%
2015	4,899	463	12	5,374	0.00%
2016	4,899	463	12	5,374	0.00%
2017	4,902	466	13	5,381	0.13%
2018	4,902	466	13	5,381	0.00%
2019	4,903	466	15	5,384	0.06%
2020	4,903	466	15	5,384	0.00%
2021	4,910	466	15	5,391	0.13%
2022	4,917	466	15	5,398	0.26%

Source: City of Norwalk

City of Norwalk
Norwalk Municipal Water system - Top Ten Customers
Current Fiscal Year and Prior Fiscal Year

CITY OF NORWALK - WATER		
Top Ten Customers—Fiscal Year 2022		
Customer	Total Billed⁽¹⁾	% of Total
Norwalk La Mirada School District	\$264,132	4.28%
Heritage HOA	77,366	1.25%
Shapell Industries	71,248	1.15%
Norwalk Preservation, LP	39,481	0.64%
Pioneer Mobile Estates	35,338	0.57%
Fiesta Coin Laundry	34,456	0.56%
Norwalk Housing Investors	27,927	0.45%
Sunstone Community Association	20,997	0.34%
Weber Distribution	16,396	0.27%
Pine Meadows HOA	12,713	0.21%
TOP TEN TOTAL	\$600,054	9.73%
TOTAL SYSTEM	\$6,169,815	

⁽¹⁾ Total sales to customers
Source: City of Norwalk

CITY OF NORWALK - WATER		
Top Ten Customers—Fiscal Year 2021		
Customer	Total Billed⁽¹⁾	% of Total
Norwalk La Mirada School District	\$222,363	3.60%
Fiesta Coin Laundry	81,390	1.32%
Shapell Industries	75,373	1.22%
Heritage HOA	73,079	1.18%
Norwalk Preservation, LP	39,943	0.65%
Pioneer Mobile Estates	38,301	0.62%
Norwalk Housing Investors	28,597	0.46%
Sunstone Community Association	19,929	0.32%
Weber Distribution	16,556	0.27%
Sparkle Fresh Laundry	13,089	0.21%
TOP TEN TOTAL	\$608,621	9.86%
TOTAL SYSTEM	\$6,174,557	

⁽¹⁾ Total sales to customers
Source: City of Norwalk

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