

CITY OF DUARTE, CALIFORNIA
FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Prepared by:
Finance Department

CITY OF DUARTE
For the Fiscal Year Ended June 30, 2021

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INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and City Council
City of Duarte, California

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2021, and the changes in financial position thereof for the fiscal year then ending in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the budgetary comparison information for the General Fund, the budgetary comparison information for the Low and Moderate Housing Special Revenue Fund, the Schedule of Proportionate Share of the Net Pension Liability, the Schedule of Pension Contributions, the Schedule of Changes in Net OPEB Liability and Related Ratios, and the Schedule of OPEB Contributions on pages 4 through 8 and 51 through 57, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2021, 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 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 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.



Moss, Levy & Hartzheim, LLP
Culver City, California
November 10, 2021

**City of Duarte
Management's Discussion and Analysis
Fiscal Year Ended June 30, 2021**

This discussion and analysis is intended to provide readers with a narrative overview of the City of Duarte's (City's) financial activities for the fiscal year ended June 30, 2021. This information should be considered in conjunction with the accompanying financial statements and the notes to those statements.

Financial Highlights

- At the close of the fiscal year, the City's assets exceeded its liabilities by \$67,517,801 (net position). A significant part of assets is the estimated value of infrastructure, which has been capitalized in accordance with the requirements of GASB 34.
- During the fiscal year, City program revenues exceeded expenses and the City's net position reflects an increase of \$3,665,398.
- The City's governmental funds had ending fund balances of \$32,826,845, which is an increase of \$3,445,285 over the prior year fund balance of \$29,381,560.
- This fiscal year, the City's General Fund experienced a net change in Fund Balance of \$2,555,222. This was primarily due to the increase in revenues such as sales tax and one-time development fees.
- The City's debt decreased by \$333,521 during the fiscal year to \$3,871,052 due to the normal scheduled repayments.
- At June 30, 2021, the City reported a net pension liability of \$15,108,868 and related deferred outflows of \$2,416,091 and deferred inflows of \$107,763. See Note #10 for further details.
- At June 30, 2021, the City reported an OPEB liability of \$6,709,340 and related deferred outflows of \$2,416,460 and deferred inflows of \$1,121,703. See Note #11 for further details.

Overview of the Basic Financial Statements

The City's basic financial statements consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. In addition, required supplementary information is provided relating to the City's budgets for major funds.

Government-wide Financial Statements

The government-wide financial statements are found on pages 9 and 10 of this report. They are designed to give readers an overview of the City's financial position. These statements include all of the City's assets and liabilities, using the full accrual basis of accounting, which is similar to accounting methods used by most private sector companies. All of a fiscal year's revenues and expenses are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. As a result, assets, liabilities, and expenses are reported in these statements for some transactions that will result in cash flow in future fiscal periods.

The "Statement of Net Position" presents all of the City's assets and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator for determining whether the financial position of the City is improving or deteriorating.

The "Statement of Activities" presents information showing the City's revenues and expenses for the fiscal year. Functional activities are identified in this statement; whereby direct and indirect functional

costs are shown net of related program revenue. This statement shows the extent to which the various functions depend on general taxes and non-program revenues for support.

The government-wide financial statements encompass the activities of four different legal entities: the City of Duarte, the Duarte Housing Authority, the Duarte Community Facilities Financing Authority and the Duarte Public Financing Authority. This is in keeping with generally accepted accounting principles, as the City's elected officials have a continuing oversight responsibility for all four entities.

The City of Duarte provides an array of services to the public similar to those of other municipal governments. These include police protection, parks and recreation, planning and development, public works, code enforcement, animal control, transit services, and refuse collection. The Housing Authority is responsible for promoting the development of low and moderate-income housing. The function of both Financing Authorities is to facilitate the issuance of debt by both the City and the Housing Authority.

Fund Financial Statements

The fund financial statements can be found on pages 11 and 13 of this report. 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. Fund accounting is used to demonstrate compliance with finance related legal requirements. All of the funds of the City of Duarte can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds

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

The City maintains twenty individual governmental funds. Two of these funds are considered "major" and, according to generally accepted accounting principles, are reported separately in the fund financial statements. The remaining eighteen funds are reported on a consolidated basis.

Because the focus of fund financial statements is narrower than that of the government-wide financial statements, it can be useful to compare the two. Comparisons may give readers a better understanding of the long-term impact of the City's near-term financial decisions. On pages 12 and 14 of this report, statements are provided reconciling the "Governmental Fund Balance Sheet" and the "Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances" to the government-wide financial statements.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City of Duarte's own programs. The Successor Agency Fund is a fiduciary fund; the City budgets for this fund to reflect the operations of the Successor Agency. Trust funds are set up to account for the resources held for bond payments and for recording transactions performed by appointed trustees. The City does not budget for the trustee activities.

Notes to the Basic Financial Statements

This report includes notes to the basic financial statements. They provide additional information that is important to a complete understanding of the data contained in the government-wide and fund financial statements. The notes can be found on pages 17 through 50 of the report.

Government-wide Financial Analysis

The government-wide financial analysis focuses on net position and changes in net position for the City's governmental activities. A summary of net position as of June 30, 2021 is as follows:

	<u>Governmental Activities</u>	
	<u>2020</u>	<u>2021</u>
Current and other assets	\$ 32,432,648	\$ 36,185,855
Capital assets	<u>55,118,010</u>	<u>56,619,785</u>
Total assets	\$ <u>87,550,658</u>	\$ <u>92,805,640</u>
Deferred Outflows of Resources	\$ <u>5,265,939</u>	\$ <u>4,832,551</u>
Current and other liabilities	\$ 2,753,825	\$ 3,201,664
Long-term debt outstanding	<u>24,965,543</u>	<u>25,689,260</u>
Total liabilities	\$ <u>27,719,368</u>	\$ <u>28,890,924</u>
Deferred Inflows of Resources	\$ <u>1,244,826</u>	\$ <u>1,229,466</u>
Net assets (liabilities):		
Net Investment in capital assets	\$ 53,902,758	\$ 53,790,063
Restricted	14,378,304	15,510,188
Unrestricted	<u>(4,428,659)</u>	<u>(1,782,450)</u>
Total net position	\$ <u>63,852,403</u>	\$ <u>67,517,801</u>

As discussed earlier in this analysis, net position may serve as an indicator of the City's financial position. At the end of the fiscal year 2021, assets exceeded liabilities by \$67,517,801.

The City's primary assets were cash - \$29,627,106, land held for resale - \$3,620,451 and capital assets - \$56,619,785. A significant portion of the City's cash is comprised by reserves and special funds for restricted uses and therefore is unavailable to pay for current general activities. Land held for resale represents the value of properties held by the City and the Housing Authority for future development purposes. The capital assets figure is the estimated value of all the equipment, land, buildings, and infrastructure owned by the City. It conforms to accounting rules requiring such assets be inventoried, valued, and depreciated.

The City's primary liabilities are its net pension liability - \$15,108,868, its OPEB liability - \$6,709,340 and its long-term bonded indebtedness - \$3,871,052.

A summary of the changes in the City's net position for the fiscal year ended June 30, 2021 is as follows:

Changes in Net Position

	<u>Governmental Activities</u>	
	<u>2020</u>	<u>2021</u>
Revenues :		
Program revenues :		
Charges for services	\$6,105,779	\$ 6,279,584
Operating grants	2,283,589	3,031,076
Capital grants	882,933	1,194,469
General revenues:		
Taxes	8,987,866	13,696,738
Use of money and property	580,743	271,147
Intergovernmental	2,377,832	2,456,468
Miscellaneous	<u>817,366</u>	<u>417,603</u>
 Total revenues	 <u>22,036,108</u>	 <u>27,347,085</u>
 Expenses:		
General government	5,319,244	5,732,985
Safety	6,745,363	6,537,795
Development	5,373,244	5,594,497
Recreation and culture	3,965,564	3,047,396
Transportation	2,536,947	2,695,310
Interest expense	<u>64,480</u>	<u>73,704</u>
 Total expenses	 <u>24,004,842</u>	 <u>23,681,687</u>
 Change in net position	 <u>(1,968,734)</u>	 <u>3,665,398</u>
 Net position - beginning of fiscal year	 66,287,378	 63,852,403
 Prior period adjustments	 <u>(466,241)</u>	
Net position – beginning of fiscal year, restated	<u>65,821,137</u>	<u>63,852,403</u>
 Net position - end of fiscal year	 <u>\$63,852,403</u>	 <u>\$67,517,801</u>

At fiscal year-end, the City's net position had increased by \$3,665,398.

City Fund Financial Analysis

The City fund analysis focuses on governmental fund balances and on any restrictions or commitments that limit the availability of fund balances for future use.

As of June 30, 2021, the City's governmental funds had a total ending fund balance of \$32,826,845. This amount represents an increase of \$3,445,285, or 11.7% as compared to the prior fiscal year fund balance of \$29,381,560.

As discussed earlier, the increase in the General Fund was largely due to the increased sales tax revenue. While most of the Special Revenue Funds had minor changes in fund balance, the exceptions are noted as follows. The State Gas Tax, PEG, Measure W and SB1/RMRA Funds spent less on project expenditures and as a result contributed to the respective fund balances. The Housing Authority Fund had a positive net change in fund balance due to the \$671,307 low-income housing transfer from the SA loan repayment. The Prop A Fund had a positive net change in fund balance due to the transfer of \$110,000 from the AQMD Fund for the one-time rebate on the purchase of electric buses. The Lighting

and Landscape, Prop C and Measure R Funds spent more on project expenditures and as a result their respective fund balances had a negative change in fund balance.

Capital Asset and Debt Administration

Capital Assets

At fiscal year-end, the City had \$56.6 million invested in a broad range of capital assets including buildings, parks, streets, sidewalks, traffic signals, sewers, storm drains, curbs and gutters, streetlights, vehicles, medians, and other assets. This amount represents an overall increase (including additions, deductions and depreciation) of \$1,501,775 as compared to the prior fiscal year. Additional information can be found in Note 5.

Debt Administration

At the end of the fiscal year, the City had both bonded and other long-term debt totaling \$3,871,052. A summary of the City’s debt activity for the fiscal year ended is as follows:

Outstanding Debt at Year-end

	<u>2020</u>	<u>2021</u>	<u>Increase (Decrease)</u>
Certificates of participation	\$ 366,453	\$ 222,067	\$(144,386)
US Bancorp Infrastructure Lease	2,750,427	2,596,150	(154,277)
CA Energy Comm Loan	101,806	84,513	(17,293)
Accrued vacation & sick leave	<u>985,887</u>	<u>968,322</u>	<u>(17,565)</u>
Total debt	<u>\$ 4,204,573</u>	<u>\$ 3,871,052</u>	<u>(\$333,521)</u>

Additional information about the City’s debt may be found in Note 7 to the basic financial statements.

Economic Factors and Next Year’s Budget

The General Fund cash balance will end fiscal year 2020/21 with \$17 million, which includes \$2.1 million in funds that are specifically restricted for improvements in the Town Center Specific Plan area, \$320,660 in restricted funds for storm drain, pension, infrastructure modernization, and vehicle replacement expenses.

While this is a \$5.8 million increase in General Fund cash balance, a good portion of the positive change in fund balance is the result of one-time revenues, such as development related fees and loan repayments. We know that ongoing expenses continue to increase, and these cannot be supported in the long term by one-time revenues. The good news is that ongoing revenues such as sales tax grew this year, and this is an important economic indicator of an improving economy. The City is constantly working towards balancing operating expenses with revenues and as a result, this year’s increased ongoing revenues are a positive sign that we are moving towards a more balanced sustainable budget.

Requests for Information

These financial statements are designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the City’s finances and to demonstrate accountability for the money it receives. If there are questions, or a need for more information, please contact the City of Duarte, 1600 Huntington Drive, Duarte, California, 91010, or call (626) 357-7931.

CITY OF DUARTE

STATEMENT OF NET POSITION
JUNE 30, 2021

	Governmental Activities
Assets:	
Cash and investments	\$ 29,627,106
Receivables:	
Accounts	160,878
Taxes	2,304,230
Accrued interest	12,603
Grants	305,042
Land held for resale	3,620,451
Restricted assets:	
Cash and investments with fiscal agent	155,545
Capital assets not being depreciated	24,729,845
Capital assets, net of depreciation	31,889,940
Total Assets	92,805,640
Deferred Outflows of Resources:	
Deferred OPEB related items	2,416,460
Deferred pension related items	2,416,091
Total Deferred Outflows of Resources	4,832,551
Liabilities:	
Accounts payable	1,990,929
Accrued liabilities	162,510
Accrued interest	49,401
Unearned revenue	349,269
Retention payable	160,491
Deposits payable	489,064
Noncurrent liabilities:	
Due within one year	361,861
Due in more than one year	3,509,191
Net OPEB liability	6,709,340
Net pension liability	15,108,868
Total Liabilities	28,890,924
Deferred Inflows of Resources:	
Deferred OPEB related items	1,121,703
Deferred pension related items	107,763
Total Deferred Inflows of Resources	1,229,466
Net Position:	
Net investment in capital assets	53,790,063
Restricted for:	
Development projects	9,672,393
Debt service	213,895
Storm drains	93,704
Transportation	5,277,799
Pensions	111,856
Recreation and cultural	67,533
Infrastructure modernization project	73,008
Unrestricted	(1,782,450)
Total Net Position	\$ 67,517,801

See Accompanying Notes to Financial Statements.

CITY OF DUARTE

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Functions/Programs Primary Government:	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government
					Governmental Activities
Governmental activities:					
General government	\$ 5,732,985	\$ 106,056	\$ 405,951	\$ -	\$ (5,220,978)
Safety	6,537,795	306,874	142,740	-	(6,088,181)
Development	5,594,497	5,765,316	249,799	-	420,618
Recreation and cultural	3,047,396	101,338	-	-	(2,946,058)
Transportation	2,695,310	-	2,232,586	1,194,469	731,745
Interest on long-term debt	73,704	-	-	-	(73,704)
Total Governmental Activities	23,681,687	6,279,584	3,031,076	1,194,469	(13,176,558)
Total Primary Government	\$ 23,681,687	\$ 6,279,584	\$ 3,031,076	\$ 1,194,469	(13,176,558)
General revenues:					
Taxes:					
Property taxes, levied for general purposes					2,594,790
Transient occupancy tax					106,614
Sales taxes					9,528,922
Franchise taxes					1,159,501
Business license taxes					306,911
Motor vehicle in lieu - unrestricted					2,456,468
Use of money and property					271,147
Other					417,603
Total general revenue					16,841,956
Change in net position					3,665,398
Net position, beginning of fiscal year					63,852,403
Net position, end of fiscal year					\$ 67,517,801

See Accompanying Notes to Financial Statements.

CITY OF DUARTE

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

	General	Special Revenue Fund Former RDA Low and Moderate Housing	Other Governmental Funds	Total Governmental Funds
Assets:				
Pooled cash and investments	\$ 17,091,760	\$ 3,173,302	\$ 9,362,044	\$ 29,627,106
Receivables:				
Accounts	160,878	-	-	160,878
Taxes	2,289,836	-	14,394	2,304,230
Notes and loans	-	-	-	-
Accrued interest	12,603	-	-	12,603
Grants	129,799	-	175,243	305,042
Due from other funds	1,014	-	-	1,014
Land held for resale	2,738,698	881,753	-	3,620,451
Restricted assets:				
Cash and investments - fiscal agents	153,661	-	1,884	155,545
Total assets	\$ 22,578,249	\$ 4,055,055	\$ 9,553,565	\$ 36,186,869
Liabilities:				
Accounts payable	\$ 1,610,094	\$ -	\$ 380,835	\$ 1,990,929
Accrued liabilities	159,308	-	3,202	162,510
Unearned revenue	324,569	-	24,700	349,269
Retention payable	140,917	-	19,574	160,491
Deposits payable	489,064	-	-	489,064
Due to other funds	-	-	1,014	1,014
Total liabilities	2,723,952	-	429,325	3,153,277
Deferred inflows of resources:				
Unavailable revenues	120,190	-	86,557	206,747
Total deferred inflows of resources	120,190	-	86,557	206,747
Fund balances:				
Nonspendable:				
Land held for resale	2,738,698	-	-	2,738,698
Restricted for:				
Development projects	2,101,690	4,055,055	3,515,648	9,672,393
Recreation and culture	-	-	67,533	67,533
Transportation	-	-	5,191,242	5,191,242
Storm drains	93,704	-	-	93,704
Pensions	80,653	-	-	80,653
Debt service	-	-	263,296	263,296
Infrastructure modernization project	73,008	-	-	73,008
Committed to:				
Vehicle replacement	73,295	-	-	73,295
Unassigned	14,573,059	-	(36)	14,573,023
Total fund balances	19,734,107	4,055,055	9,037,683	32,826,845
Total liabilities, deferred inflows of resources, and fund balances	\$ 22,578,249	\$ 4,055,055	\$ 9,553,565	\$ 36,186,869

See Accompanying Notes to Financial Statements.

CITY OF DUARTE

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

Fund balances of governmental funds	\$	32,826,845
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>		
Capital assets net of depreciation have not been included as financial resources in governmental fund activity.		56,619,785
Long-term debt and compensated absences that have not been included in the governmental fund activity:		
Bonds payable	\$ (222,067)	
U.S. Bancorp lease	(2,596,150)	
CA Energy Commission loan	(84,513)	
Compensated absences	<u>(968,322)</u>	(3,871,052)
<p>Other post employment 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 OPEB are only reported in the statement of net position as changes to these amounts only effect the government wide statements for governmental activities.</p>		
Deferred outflows of resources	2,416,460	
Deferred inflows of resources	(1,121,703)	
Net OPEB liability	<u>(6,709,340)</u>	(5,414,583)
Accrued interest payable for the current portion of interest due on bonds has not been reported in the governmental funds.		(49,401)
Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental fund activity.		206,747
Governmental funds report all pension contributions as expenditures; however, in the statement of net position, the excess of the total pension liability over the plan fiduciary net position is reported as a net pension liability.		(15,108,868)
Deferred inflows related to pensions		(107,763)
Deferred outflows related to pensions		<u>2,416,091</u>
Net position of governmental activities	\$	<u>67,517,801</u>

See Accompanying Notes to Financial Statements.

CITY OF DUARTE

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

	General	Special Revenue Fund Former RDA Low and Moderate Housing	Other Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$ 13,696,737	\$ -	\$ -	\$ 13,696,737
Assessments	-	-	984,414	984,414
Licenses and permits	4,759,135	-	-	4,759,135
Intergovernmental	2,991,742	-	3,100,221	6,091,963
Charges for services	179,834	-	32,483	212,317
Use of money and property	226,698	11,221	33,370	271,289
Fines and forfeitures	323,718	-	-	323,718
Miscellaneous	416,086	-	1,374	417,460
Total revenues	22,593,950	11,221	4,151,862	26,757,033
Expenditures:				
Current:				
General government	5,334,427	-	-	5,334,427
Safety	6,103,422	-	156,769	6,260,191
Development	3,539,228	-	1,485,053	5,024,281
Recreation and cultural	2,316,828	-	-	2,316,828
Transportation	-	-	1,290,390	1,290,390
Capital outlay	1,918,122	-	773,773	2,691,895
Debt service:				
Principal retirement	17,293	-	298,663	315,956
Interest and fiscal charges	2,926	-	74,854	77,780
Total expenditures	19,232,246	-	4,079,502	23,311,748
Excess (deficiency) of revenues over (under) expenditures	3,361,704	11,221	72,360	3,445,285
Other financing sources (uses):				
Transfers in	701,605	-	1,618,087	2,319,692
Transfers out	(1,508,087)	-	(811,605)	(2,319,692)
Total other financing sources (uses)	(806,482)	-	806,482	-
Net change in fund balances	2,555,222	11,221	878,842	3,445,285
Fund balances, beginning of fiscal year, as originally stated	17,271,064	4,043,834	8,066,662	29,381,560
Prior period adjustment	(92,179)	-	92,179	-
Fund balances, beginning of fiscal, year, as restated	17,178,885	4,043,834	8,158,841	29,381,560
Fund balances, end of fiscal year	\$ 19,734,107	\$ 4,055,055	\$ 9,037,683	\$ 32,826,845

See Accompanying Notes to Financial Statements.

CITY OF DUARTE

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

Net change in fund balances - total governmental funds \$ 3,445,285

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets are allocated over their estimated useful lives and reported as depreciation expense. The amount by which depreciation exceeded capital outlays in the current period.

Capital outlay	\$ 2,691,895	
Donation of traffic signals	600,000	
Donation of streets	134,045	
Capital outlays determined to be repairs and not capitalized	(154,856)	
Depreciation	<u>(1,769,309)</u>	1,501,775

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position

Principal repayments		315,956
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Accrued interest for long-term liabilities. This is the net change in accrued interest for the current period.

4,076

Compensated absence expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. This is the net change for the current period.

17,565

Other post employment benefits reported in the governmental funds includes cash payments made into the trust fund and payments on behalf of retirees. In the statement of activities, OPEB expense includes the change in the net OPEB liability, and related change in OPEB amounts for deferred outflows of resources and deferred inflows of resources.

(422,325)

Revenues reported as unavailable revenue in the governmental funds and recognized in the statement of activities. These are included in the intergovernmental revenues in the governmental activities.

(143,993)

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

(1,052,941)

Change in net position of governmental activities

\$ 3,665,398

CITY OF DUARTE

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2021

	<u>Private-Purpose Trust Fund Successor Agency of the Former RDA</u>
Assets:	
Cash	\$ 55,311
Receivables:	
Notes and loans	<u>1,200,000</u>
Total Assets	<u>1,255,311</u>
Net Position:	
Net position held in trust for other purposes	<u>1,255,311</u>
Total Net Position	<u>\$ 1,255,311</u>

See Accompanying Notes to Financial Statements.

CITY OF DUARTE

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

	<u>Private-Purpose Trust Fund Successor Agency of the Former RDA</u>
Additions:	
Taxes	\$ -
Interest	-
Total Additions	<u>-</u>
Deductions:	
Administrative expenses	-
Interest expense	-
Total Deductions	<u>-</u>
Changes in Net Position	-
Net Position - Beginning of Fiscal Year	<u>1,255,311</u>
Net Position - End of Fiscal Year	<u><u>\$ 1,255,311</u></u>

See Accompanying Notes to Financial Statements.

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2021

Note 1: Summary of Significant Accounting Policies

The City of Duarte, California (the City) was incorporated August 22, 1957. The City operates under a Council-Manager form of government. The City's major operations include police, code enforcement, animal control, parks and recreation, planning and development, public works, transit services, refuse collection, and general administrative services.

The basic financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America 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.

a. Reporting Entity

The reporting entity, "City of Duarte", is comprised of the various funds of the City of Duarte (City), the Duarte Public Finance Authority (Finance Authority), the Duarte Housing Authority (Housing Authority), and the Duarte Community Facilities Financing Authority (DCFFA). As required by generally accepted accounting principles in the United States of America, these financial statements present the City of Duarte (the primary government) and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationship with the City. These entities are legally separate from each other. However, the City of Duarte elected officials have a continuing oversight responsibility over the Finance Authority and Housing Authority.

An organization is fiscally dependent on the primary government if it is unable to adopt its budget, levy taxes or set rates or charges, or issue bond debt without approval by the primary government. In a blended presentation, a component unit's balances and transactions are reported in a manner similar to the balances and transactions of the City. Component unites are presented on a blended basis when the component unit's governing body is substantially the same as the City's or the component unit provides services almost entirely to the City.

Blended Component Units

The Duarte Public Financing Authority (the Authority) was organized in 1988 for the specific purpose of facilitating the issuance of debt instruments. It has no separate existence and has acted as a conduit between the issuer (the City) and the underwriters. Separate financial statements of the Public Financing Authority were not prepared.

The Duarte Housing Authority (the Housing Authority) was established pursuant to California Housing Authorities Law (Health and Safety Code Sections 34200 et seq.) on March 22, 2011. The purpose of the Housing Authority is to provide safe and sanitary housing opportunities for Duarte residents. Although the Housing Authority is legally separate, it is reported as if it were part of the City because the City Council also serves as the governing board of the Housing Authority. Separate financial statements of the Housing Authority were not prepared.

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2021

Note 1: Summary of Significant Accounting Policies (Continued)

The Duarte Community Facilities Financing Authority was established on February 1, 2013 between the City and the Housing Authority for the specific purpose of facilitating the issuance of debt instruments. It has no separate existence and has acted as a conduit between the issuer (the City) and the underwriters. Separate financial statements of the DCFFA Public were not prepared.

Organizations Other Than Component Units:

Other governmental agencies, such as the County of Los Angeles, the Duarte Unified School District, etc. provide services within the City. However, each of these agencies is governed by an independently elected governing board. Accordingly, their financial information is not included within the scope of this financial report, because the City Council does not have a continuing oversight responsibility over them, nor are their financial operation closely related thereto.

b. Government-wide and Fund Financial Statements

The City's government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. The City does not have any business-type activities; therefore, only governmental activities are reported.

These basic financial statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the City's assets and liabilities, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities present changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. Certain types of transactions are reported as program revenues for the City in three categories: (1) charges for services, (2) operating grant and contributions and (3) capital grants and contributions. Certain eliminations have been made as prescribed by GASB Statement No. 34 in regard to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated.

c. Government-wide and Fund Financial Statements

The City uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. These statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for each fund category- governmental and fiduciary- are presented.

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

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2021

Note 1: Summary of Significant Accounting Policies (Continued)

Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The minimum number of funds is maintained consistent with legal and managerial requirements.

d. Funds

The focus of the governmental funds' measurement is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income.

The City reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the City which accounts for all or most of the City's general activities and financial resources except those that are required to be accounted for in another fund.

Former RDA Low and Moderate Income Housing Fund – This fund accounts for resources received from the Redevelopment Property Tax Trust Fund for the implementation, administration and monitoring of the Low and Moderate income housing affordability and other reporting requirements of the State Housing and Redevelopment.

Additionally, the City reports the following fund types:

Special Revenue Funds – Special Revenue Funds are used to account for the revenues derived from specific revenue sources, which are restricted by law or administrative regulation for specified purposes.

Capital Projects Funds – Capital project funds are used to account for financial resources to be used for the acquisition and construction of capital assets.

Debt Service Funds – Debt Service Funds are used to account for the accumulation of resources for the periodic payment of principal and interest on long-term debt.

Private-purpose Trust Funds – The Private-purpose trust funds are used to account for the assets and liabilities of the former redevelopment agency and is allocated revenue to pay estimated installment payments of enforceable obligations until obligations of the former redevelopment agency are paid in full and assets have been liquidated.

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures, and Changes in Fund Balances for all major governmental funds. An accompanying schedule is presented to reconcile and explain the differences in net position as presented in these statements to the net position presented in the government-wide financial statements. The City has presented all major funds that met those qualifications.

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2021

Note 1: Summary of Significant Accounting Policies (Continued)

All governmental funds are accounted for on a spending or *current financial resources* measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures, and Changes in Fund Balance presents increases (revenue and other financing sources) and decreases (expenditures and other financing uses) in net current assets. The Reconciliations of the Fund Financial Statements to the Government-Wide Financial Statements if provided to explain the differences created by the integrated approach of GASB Statement No. 34.

The private-purpose trust funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting*.

e. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and 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. Non-exchange 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, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year for which all eligibility requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized as soon as they are both measurable and available. 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 are recorded when a liability is incurred, except for principal and interest on long-term liabilities, claims and judgments and employee leave benefits, which are recognized as expenditures when they are due and payable.

Property taxes, franchise taxes, licenses, intergovernmental revenue, charges for services, 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. All other revenue items are considered to be measurable and available only when cash is received by the government. Amounts reported as program revenues include 1) charges to members, customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, and then use unrestricted resources as needed.

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 1: Summary of Significant Accounting Policies (Continued)

f. Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Equity

1. Cash and Cash Equivalents

The City has defined cash and cash equivalents to include cash on hand, demand deposits, as well as cash with fiscal agents. Additionally, each fund's equity in the City's investment pool is treated as a cash equivalent because the funds can deposit or effectively withdraw cash at any time without prior notice or penalty.

2. Investments

Investments are stated at fair value, (generally quoted market prices). The City's policy is to hold investments until maturity or until market values equal or exceed cost.

3. Prepaid Items

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

4. Land Held for Resale

Land Held for Resale is an inventory of land purchased, which will be sold. The land is recorded at the lower of the acquisition cost or market.

5. Capital Assets

Capital assets, which include land, intangible assets (e.g., easements and rights of way), buildings, improvements, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the City as assets with a purchase cost of over \$5,000 and have a useful life of two years or more. Assets are recorded at actual historical cost or estimated historical cost. Donated capital assets are recorded at fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Capital assets of the primary government are depreciated using the straight line method over the following estimated useful lives:

Buildings	60 years
Sewer System	60 years
Machinery & Equipment	5 – 35 years
Improvements	10 – 20 years
Other infrastructure	10 – 50 years

GASB Statement No. 34 requires the City to report and depreciate new infrastructure assets. Infrastructure assets include roads, bridges, underground pipe (other than related to utilities), traffic signals, etc. These infrastructure assets are the largest asset class of the City.

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2021

Note 1: Summary of Significant Accounting Policies (Continued)

6. Deferred Inflows and Outflows of Resources

In addition to assets, the Statement of Financial Position and Governmental Fund Balance Sheet will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has two items that qualifies for reporting in this category. They are deferred outflows relating to the net pension obligation and the net OPEB obligation reported in the government-wide statement of net position. These outflows are the results of contributions made after the measurement period, which are expensed in the following year, and of adjustments due to difference in proportions which are deferred and amortized over the expected average remaining service lifetime.

In addition to liabilities, the Statement of Financial Position and Governmental Fund Balance Sheet will sometimes report separate section for deferred inflows of resources. The separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has one item, which arises only under a modified accrual basis of accounting, which qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: sales taxes and grant revenues. These amounts are deferred and recognized as an inflow of resources in the period that amounts become available. In addition, the government has two items that qualifies for reporting in this category which are deferred inflows in relation to the net pension obligation and the net OPEB obligation reported in the government-wide statements of net position. These inflows are the results of the net difference between projected and actual earnings on pension plan investments, difference between actual contributions and plan's share of contributions, and adjustment due to differences in proportions. These amounts are deferred and amortized over the expected remaining service life.

7. Property Tax Revenues

In general, property taxes in California are levied in accordance with Article 13B of the State Constitution at 1% of county-wide assessed valuations. This one percent is allocated pursuant to State law to the appropriate units of local government, including the City.

Property taxes are levied during July of each fiscal year and are due on November 1 and February 1. Property taxes become delinquent after December 10 and April 10 for the first and second installments, respectively. The lien date is January 1. The City accrues property tax received within 60 days after fiscal year- end in the fund financial statements.

8. Net Position Flow Assumption

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

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2021

Note 1: Summary of Significant Accounting Policies (Continued)

9. Fund Balance Flow Assumptions

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

10. Pension Plan

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the CalPERS' Financial Office. For this purpose, benefit payments are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

11. Other Postemployment Benefits (OPEB)

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

12. Compensated Absences

The City accrues accumulated unpaid vacation, sick leave and associated employee-related costs when earned (or estimated to be earned) by the employee. The amount estimated to be used in subsequent fiscal years for governmental funds is maintained separately and represents a reconciling item between the fund and government-wide presentations.

13. Interfund Activities

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as reimbursement. All other interfund transactions are treated as transfers.

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 1: Summary of Significant Accounting Policies (Continued)

14. Net Position and Fund Balances

In the government-wide financial statements, net position is classified in the following categories:

Net Investment in Capital Assets: This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position: This component of net position represents external restrictions imposed by creditors, grantors, contributors, or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position: This component of net position represents the net position that does not meet the definition of “restricted” or “net investment in capital assets.”

In the fund financial statements, governmental funds are classified in the following categories:

Nonspendable Fund Balance – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts, and long-term notes receivable.

Restricted Fund Balance – includes amounts that are restricted for specific purposes stipulated by external resources providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers.

Committed Fund Balance – includes amounts that can only be used for the specific purposes determined by a formal action of the City’s highest level of decision-making authority, the City Council. Commitments may be changed or lifted only by the City taking the same formal action that imposed the constraint originally (for example: resolution).

Assigned Fund Balance – includes amounts intended to be used by the City for specific purposes that are neither restricted nor committed. Intent is expressed by (a) City Council or (b) a body (a budget, finance committee, or management (City Wide Leadership team, which consists of City Manager and Executive Department Heads)) to which the assigned amounts are to be used for specific purposes. Assigned amounts also include all residual amounts in governmental funds (except negative amounts) other than the General Fund that are not classified as nonspendable, restricted, or committed.

Unassigned Fund Balance – the residual classification for the General Fund and includes all amounts not contained in the other classifications. Governmental funds report residual negative balances as unassigned fund balance.

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 1: Summary of Significant Accounting Policies (Continued)

15. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses. Actual results could differ from those estimates.

16. Deficit Fund Balances or Net Position

The following funds have a deficit at June 30, 2021:

Nonmajor Fund - Community Development Block Grant Special Revenue \$ 36

The City expects to eliminate these deficits with anticipated future revenues from grants, deferred payments, and reimbursements.

17. Budgets

The following Nonmajor special revenue funds exceeded appropriation at the fund level and by amount of excess: Lighting and Landscaping fund \$112,681, Measure M Fund \$736, Proposition A Transit fund \$26,692, and Proposition C Transit \$29,223.

18. Prior Period Adjustment Net Position and Fund Balance

The City recorded accounts payable for services provided to the City by LA County in the Lighting and Landscaping Fund as of June 30, 2020. While the costs were appropriately recorded in the fund, the expenditures of the fund during the fiscal year 2019 – 2020 exceeded the revenues of the fund. The City’s General Fund transfers in amounts needed to cover any expenditures beyond the revenues and the City did not record that transfer in the fiscal year 2019 – 2020. Accordingly, the City has corrected the opening fund balance for the General Fund and the Lighting and Landscaping Fund by \$92,179.

	General Fund	Lighting and Landscaping Special Revenue Fund
Fund balance, beginning of fiscal year, as originally stated	\$17,271,064	\$ 53,159
Transfer from General Fund to cover operating costs	(92,179)	92,179
Fund balance, end of fiscal year, as restated	<u>\$17,178,885</u>	<u>\$ 145,338</u>

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 1: Summary of Significant Accounting Policies (Continued)

19. Future Accounting Pronouncements

GASB Statements listed below will be implemented in future financial statements.

The provisions of Statement Number 87 “*Leases*” are effective for fiscal years beginning after June 15, 2021,

The provisions for Statement Number 89 “*Accounting for Interest Cost Incurred before the End of a Construction Period*” are effective for fiscal years beginning after December 15, 2020.

The provisions for Statement Number 91 “*Conduit Debt Obligations*” are effective for fiscal years beginning after December 15, 2021.

The provisions for Statement Number 92 “*Omnibus 2020*” are effective for fiscal years beginning after June 15, 2021.

The provisions for Statement Number 93 “*Replacement of Interbank Offered Rates*” are effective for fiscal years beginning after June 15, 2021.

The provisions for Statement Number 94 “*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*” are effective for fiscal years beginning after June 15, 2022.

The provisions for Statement Number 96 “*Subscription-Based Information Technology Arrangements*” are effective for fiscal years beginning after June 15, 2022.

The provisions for Statement Number 97 “*Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*” are effective for fiscal years beginning after June 15, 2021.

The provisions for Statement Number 98 “*The Annual Comprehensive Financial Report*” are effective for years ending after December 15, 2021.

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 2: Cash and Investments

a. Cash and Investments

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

Statement of Net Position:

Cash on hand	\$ 2,975
Demand deposits	14,187,658
Investments	15,436,473
Restricted:	
Cash and investments with fiscal agents	155,545
Total cash and investments Governmental Activities	<u>\$ 29,782,651</u>

Statement of Fiduciary Net Position:

Demand deposits	\$ 55,311
Total cash and investments Fiduciary	<u>\$ 55,311</u>

b. Deposits

At June 30, 2021, the carrying amount of the City's deposits was \$14,187,658 and the bank balance was \$14,182,574. The \$5,084 difference represents the outstanding checks and outstanding deposits. At June 30, 2021, the carrying amount of the Fiduciary trust's deposits and bank balance was \$55,311.

The California Government Code requires California banks and savings and loans associations to secure the City's deposits by pledging government securities with a fair value of 110% of the City's deposits. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes have a fair value of 150% of the City's total deposits. The City Treasurer may waive the collateral requirement for deposits which are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking. The collateral of deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository are considered to be held or, and in the name of, the local government agency.

c. Investments

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

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 2: Cash and Investments (Continued)

The City’s Investment Policy is reviewed and adopted by the City Council each fiscal year. The investment policy does not address investment of debt proceeds held by a bond trustee investments of debt proceeds held by a bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City’s investment policy. All investments held by a bond trustee are invested in U.S. Treasury Money Market Funds. The table below identifies the allowable investment types authorized by the California Government Code and the City’s adopted Investment Policy (the “Investment Policy”). The table also identifies certain restrictions related to interest rate risk and concentration of credit risk. The Investment Policy restricts the Treasurer to invest in only the types of investments listed herein, which is more restrictive than the Government Code

Investment Types Authorized Investment By State Law	Authorized by Investment Policy	Maximum Maturity		Maximum Percentages of Portfolio		Maximum Investment	
		CGC	City	CGC	City	CGC	City
California State Bonds	Yes	5 years	5 years	None	None	None	None
Federal Agency and U.S- Government Sponsored Enterprise Obligations	Yes	5 years	5 years	None	None	None	None
U.S. Treasury Securities	Yes	5 years	5 years	None	None	None	None
Certificates of Deposit	Yes	5 years	5 years	30%	30%	None	None
Time Deposits	Yes	5 years	5 years	None	None	None	None
Local Agency Investment Fund (LAIF)	Yes	N/A	N/A	None	None	75 million	75 million

Information about the sensitivity of the fair values of the City’s restricted money market investments to market interest rate fluctuations for is provided by the following table that shows the distribution of the city’s investments by maturity:

Investment Type	Remaining Maturity (in months)
	6 Months or Less
Restricted Cash with fiscal agents: U.S. Bank Money Market Mutual Fund	\$ <u>155,545</u>

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The City’s LAIF investment of \$15,436,473 does not have a rating provided by a nationally recognized statistical rating organization. The City’s restricted cash of \$155,545 held in U.S. Bank Money Market Mutual Fund does not have a rating by a nationally recognized statistical rating organization.

Concentration of Credit Risk

The entire investment balance of the City is invested in the LAIF external investment pool.

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2021

Note 2: Cash and Investments (Continued)

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 to deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a fair value of 150% of the secured public deposits.

As of June 30, 2021, \$13,932,574 of the City's deposits with financial institutions in excess of federal depository insurance limits was held in collateralized accounts. As of June 30, 2021, the Fiduciary trust fund's deposits with financial institutions were not in excess of federal depository insurance limits.

Fair Value Measurements

Investments are stated as fair value and are valued on a yearly basis. The City categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. Securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Securities classified in Level 2 of the fair value hierarchy are valued using other observable inputs such as matrix pricing techniques or based on quoted prices for assets in markets that are not active. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices. Level 3 are valued using the income approach such as discounted cash flow techniques. Investment in an external government pool is not subject to reporting within the level hierarchy. The entire balance of investments is in an external government pool. Please see additional information in "Investment in State Investment Pool".

Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. The City's LAIF balance at June 30, 2021 was \$15,436,473.

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 2: Cash and Investments (Continued)

The total amount invested by all public agencies in LAIF as of June 30, 2020 was \$37.1 billion. LAIF is part of the California Pooled Money Investment Account (PMIA), which at June 30, 2021 has a balance of \$175.8 billion (70.21% was invested in government securities). The average maturity of PMIA investments was 291 days as of June 30, 2021.

Note 3: Interfund Receivables, Payables, and Transfers

The composition of interfund balances as of June 30, 2021, is as follows:

Due to/Due from other funds:

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
<u>Major Funds:</u>		
General	\$ 1,014	\$ -
<u>Nonmajor Debt Service Fund:</u>		
Infrastructure Debt Service Fund	-	688
<u>Nonmajor Special Revenue Fund:</u>		
Community Development Block Grant	-	326
Total	<u>\$ 1,014</u>	<u>\$ 1,014</u>

The purpose of Due to/Due from is to eliminate negative cash balances at fiscal year-end in various funds.

Transfers In/Transfers Out:

	<u>(Transfers Out)</u>		
<u>Transfers In</u>	<u>General Fund</u>	<u>Nonmajor Funds</u>	<u>Total</u>
General Fund	\$ -	\$ 1,508,087	\$ 1,508,087
Nonmajor Funds	701,605	110,000	811,605
Total	\$ 701,605	\$ 1,618,087	\$ 2,319,692

Transfers out of the amount of \$1,508,087 were made out of the General Fund into the Lighting and Landscaping Fund (\$611,207), the Housing Authority Fund (\$671,307), and the Air Quality Management Fund (\$4,736) for capital and administrative costs, and the Infrastructure Debt Service fund (\$220,837) for debt payment costs. Transfers In of \$701,605 were made to reimburse the General Fund for expenditures paid on behalf of the Gas Tax Fund (\$57,731), Proposition A Fund (\$74,146), the Proposition C Fund (\$60,665), the Measure M Fund (\$52,147), the SB1/RMRA Fund (\$46,000), Landscaping and Lighting Fund (\$343,200), and the Measure R Fund (\$67,716). Transfer In of \$110,000 were made into the Proposition A Fund from the Air Quality Management Fund to reimburse for the purchase of capital costs.

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 4: Notes Receivable

Notes and loans receivables as of June 30, 2021, are comprised of the following:

Affordable Housing

As part of development agreements with certain builders and in order to assist those individuals and families who are the most in need, the Housing Authority of the City of Duarte provides loans to low-and-moderate-income level residents for the acquisition and rehabilitation of residences. As a part of the agreement, the Housing Authority accepted second trust deeds from eligible buyers so that they could purchase the property. The second trust deeds are cancelable after 25 years should the buyers remain in the housing. If the property is sold, the Housing Authority recovers its second trust deed and interest to be calculated within certain limits. Since the amount, if any, the Housing Authority will receive is unknown, the City has recorded an allowance for doubtful accounts for the full amount of the receivables. The City will record income if the property is sold. The balance of the notes and loans receivable at June 30, 2021 is \$150,000 with an allowance for doubtful accounts of \$150,000 for a net notes and loans receivable of \$0 as of June 30, 2021.

Note 5: Capital Assets

A summary of changes in capital asset activity for the fiscal year ended June 30, 2021 is as follows:

	Balance July 1, 2020	Increases	Decreases	Transfers	Balance June 30, 2021
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 21,737,333	\$ -	\$ -	\$ -	\$ 21,737,333
Construction in progress	1,327,991	2,417,507	-	752,986	2,992,512
Total capital assets, not being depreciated	<u>23,065,324</u>	<u>2,417,507</u>	<u>-</u>	<u>752,986</u>	<u>24,729,845</u>
Capital assets, being depreciated:					
Structures and improvements	8,465,037	103,990	-	-	8,569,027
Machinery and equipment	3,404,019	36,589	159,780	-	3,280,828
Infrastructure	61,591,640	712,998	-	752,986	63,057,624
Total capital assets, being depreciated	<u>73,460,696</u>	<u>853,577</u>	<u>159,780</u>	<u>752,986</u>	<u>74,907,479</u>
Less accumulated depreciation:					
Structures and improvements	3,943,151	142,817	-	-	4,085,968
Machinery and equipment	1,384,768	210,542	159,780	-	1,435,530
Infrastructure	36,080,091	1,415,950	-	-	37,496,041
Total accumulated depreciation	<u>41,408,010</u>	<u>1,769,309</u>	<u>159,780</u>	<u>-</u>	<u>43,017,539</u>
Total capital assets, being depreciated, net	<u>32,052,686</u>	<u>(915,732)</u>	<u>-</u>	<u>752,986</u>	<u>31,889,940</u>
Governmental activities capital assets, net	<u>\$ 55,118,010</u>	<u>\$ 1,501,775</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,619,785</u>

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 5: Capital Assets (Continued)

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

Governmental activities:	
General government	\$ 57,456
Safety	7,310
Recreation and culture	326,516
Transportation	<u>1,378,027</u>
Total	<u>\$ 1,769,309</u>

Note 6: Deferred Inflows/Outflows of Resources

Unavailable revenues are deferred in accordance with GASB Statements No. 23 and No. 65. The City has unavailable revenues of intergovernmental receivables. The balance of unavailable revenues reported as deferred inflows of resources at June 30, 2021, was \$206,747. For information about deferred inflows and outflows related to pensions, see note 10. For information about deferred inflows and outflows related to OPEB, see note 11.

Note 7: Long-Term Liabilities

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

	Balance <u>July 1, 2020</u>	<u>Additions</u>	<u>Deletions</u>	Balance <u>June 30, 2021</u>	Due Within <u>One Year</u>
Governmental Activities					
General Obligation Bond					
2013 COP	\$ 366,453	\$ -	\$ 144,386	\$ 222,067	\$ 147,303
U.S. Bancorp Infrastructure					
Lease	2,750,427	-	154,277	2,596,150	158,010
CA Energy Commission Loan	<u>101,806</u>	<u>-</u>	<u>17,293</u>	<u>84,513</u>	<u>17,815</u>
Total direct placement and					
direct borrowings	3,218,686	-	315,956	2,902,730	323,128
Compensated Absences	<u>985,887</u>	<u>553,175</u>	<u>570,740</u>	<u>968,322</u>	<u>38,733</u>
Total Long term debt	<u>\$ 4,204,573</u>	<u>\$ 553,175</u>	<u>\$ 886,696</u>	<u>\$ 3,871,052</u>	<u>\$ 361,861</u>

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 7: Long-Term Liabilities (Continued)

Debt service payments for direct placement and direct borrowings come due as follows:

Fiscal year ending June 30,	Principal	Interest
2022	\$ 323,128	\$ 68,957
2023	254,952	61,619
2024	184,655	56,400
2025	189,242	51,814
2026	183,829	47,117
2027 - 2031	934,538	169,647
2032 - 2035	<u>832,386</u>	<u>50,962</u>
Totals	<u>\$ 2,902,730</u>	<u>\$ 506,516</u>

a. Certificates of Participation

2013 Certificates of Participation (2001 Refunding)

In April 2013, the City of Duarte issued \$1,337,750 in Certificates of Participation (Series A) with an interest rate of 2.01%. The City issued the bonds to refund \$1,245,000 2001 Certificates of Participation on a current basis and pay for issuance costs. The City pledged as collateral property consisting of the Duarte Civic Center Complex and a Senior Citizens/Community Center. The Civic Center consists of the City Hall, the Community Center, the Fitness Center, two swimming pools and a pool service building, totaling 28,600 square feet. The Senior Center is also located at the Civic Center Complex, and contains approximately 12,000 square feet, with multi-purpose rooms for classes meetings, recreational uses, and meals, and office space for on-site staff, and storage area. The Series A Certificates of Participation mature on August 1, 2022, and bear interest at 2.01% per annum. Interest on the bonds is payable semi-annually every August 1 and February 1.

Fiscal year ending June 30,	2013 Certificates of Participation- (2001 Refunding)	
	Principal	Interest
2022	\$ 147,303	\$ 3,727
2023	<u>74,764</u>	<u>751</u>
Totals	<u>\$ 222,067</u>	<u>\$ 4,478</u>

b. U.S. Bancorp Infrastructure Lease

The City of Duarte entered into a lease/purchase agreement with U.S. Bancorp Government Leasing and Finance, Inc. on September 27, 2019 to fund a project to upgrade lighting systems, HVAC system installation and control upgrades and to install a Solar PV system in various City buildings and structures for \$2,750,427. The City pledged as collateral property

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 7: Long-Term Liabilities (Continued)

consisting of the Duarte Civic Center Complex and a Senior Citizens/Community Center. The Civic Center consists of the City Hall, the Community Center, the Fitness Center, two swimming pools and a pool service building, totaling 28,600 square feet. The Senior Center is also located at the Civic Center Complex, and contains approximately 12,000 square feet, with multi-purpose rooms for classes meetings, recreational uses, and meals, and office space for on-site staff, and storage area. Lease payments are to be unconditional. In the event of a default, the City must provide the leased property back to the U.S. Bancorp or continue to make the lease payments until the property is provided to U.S. Bancorp. The lease matures on September 27, 2034 and bears interest at 2.95% per annum. Interest and principal are due annually every September 27.

Fiscal year ending June 30,	U.S. Bankcorp Infrastructure Lease	
	Principal	Interest
2022	\$ 158,010	\$ 62,827
2023	161,834	59,003
2024	165,750	55,087
2025	169,762	51,075
2026	173,870	46,967
2027 - 2031	934,538	169,647
2032 - 2035	832,386	50,962
Totals	<u>\$ 2,596,150</u>	<u>\$ 495,568</u>

c. California Energy Resources Conservation and Development Commission Loan

The State of California Energy Resources Conservation and Development Commission issued a loan to the City for an Energy Efficiency project to be completed in July 2011. The Loan was issued in October 2011 in the amount of \$218,847. The liability as of June 30, 2021 is \$84,513.

The loan matures on December 22, 2025, and bear interest at 3% per annum. Principal and Interest on the loan is payable semi-annually every December 22 and June 22.

Fiscal year ending June 30,	CA Energy Commission Loan	
	Principal	Interest
2022	\$ 17,815	\$ 2,403
2023	18,354	1,865
2024	18,905	1,313
2025	19,480	739
2026	9,959	150
Totals	<u>\$ 84,513</u>	<u>\$ 6,470</u>

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 7: Long-Term Liabilities (Continued)

d. Compensated Absences

The City accrues accumulated unpaid vacation, sick leave and associated employee-related costs when earned (or estimated to be earned) by the employee as described in Note 1. The City at June 30, 2021, had an outstanding accrued balance of unpaid vacation, sick leave, and associated employee related costs of \$968,322 that will be liquidated from various funding sources in future years.

Note 8: Liability, Worker's Compensation, and Purchased Insurance

a. Description of Self-Insurance Pool Pursuant to Joint Powers Agreement

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

b. Primary Self-Insurance Programs of the Authority

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

Primary Liability Program

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

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

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2021

Note 8: Liability, Worker's Compensation, and Purchased Insurance (Continued)

Workers' Compensation Program

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

For 2020-21 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.

c. 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. 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 \$25,231,541. There is a \$10,000 deductible per occurrence except for non-emergency 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. City property currently has earthquake protection in the amount of \$6,221,410. 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.

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 8: Liability, Worker’s Compensation, and Purchased Insurance (Continued)

Special Event Tenant User Liability Insurance

The City further protects against liability damages by requiring tenant users of certain property to purchase low-cost tenant user liability insurance for certain activities on City property. The insurance premium is paid by the tenant user and is paid to the City according to a schedule. The City then pays for the insurance. The insurance is facilitated by the Authority.

d. Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2020-21.

Note 9: Deferred Compensation Plan

The City has made available to its employees a deferred compensation plan, whereby employees authorize the City to withhold funds from salaries to be invested in individual investment accounts. Funds may be withdrawn by participants upon termination of employment or retirement. The City makes no contributions under the plan. The amount held by trustees for the employees at June 30, 2021, was \$3,208,911. These amounts are not recorded in the books of the City and as such not included in these financial statements.

Note 10: Retirement Plan

a. Plan Description

All qualified employees are eligible to participate in the City’s Miscellaneous Employee Pension Plan, cost-sharing multiple employer defined benefit pension plan administered by the California Public Employees Retirement System (CalPERS). Benefit provisions under the Plan are established by State statute and City resolution. CalPERS’s issues publicly available report that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

b. Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 or 52 with statutorily reduced benefits depending on the retirement tier. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is the Optional Settlement 2W Death Benefit. The cost-of-living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 10: Retirement Plan (Continued)

The Plan’s provisions and benefits in effect at June 30, 2021, are summarized as follows:

	<u>Tier 1*</u>	<u>Tier 2</u>	<u>PEPRA</u>
Hire date/CalPers Enrollment Date	Prior to January 1, 2010	After January 1, 2010	After January 1, 2013
Benefit formula	2.5% @ 55	2% @ 60	2% @ 62
Benefit vesting schedule	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	minimum 50 yrs	minimum 50 yrs	minimum 52 yrs
Monthly benefits as a % of eligible compensation	50 yrs - 63+ yrs 1.425% - 2.418%	50 yrs - 63+ yrs 1.092% - 2.418%	52 yrs - 67+ yrs 1.000% - 2.500%
Required employee contribution rates	7.953%	6.918%	7.250%
Required employer contribution rates	13.146%	9.442%	7.874%

* Plan closed to new entrants

c. Contribution Description

Section 20814 (c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employees be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for the Plan are determined annually on an actuarial basis of June 30 by CalPERS. 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.

For the fiscal year ended June 30, 2021, the contributions recognized as part of pension expense for the Plan were as follow:

Contributions – employer	<u>Miscellaneous</u> \$ 1,301,167
--------------------------	--------------------------------------

d. Pension Liabilities, Pension Expense, and Deferred Outflows, and Deferred Inflows of Resources Related to Pensions

As of June 30, 2021, the City reported net pension liabilities for its proportionate share of the net position liability of the Plan as follows:

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 10: Retirement Plan (Continued)

	<u>Proportionate Share of Net Pension Liability</u>
Miscellaneous	\$ 15,108,868

The City's net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2020, and the total pension liability for the Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2019 rolled forward to June 30, 2020 using standard update procedures. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

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

	<u>Miscellaneous</u>
Proportion – June 30, 2019	0.279000%
Proportion – June 30, 2020	<u>0.278130%</u>
Change - Decrease	<u>0.000870%</u>

For the fiscal year ended June 30, 2021, the City recognized pension expense of \$1,052,941. At June 30, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions made after the measurement date	\$ 1,188,653	\$ -
Difference between expected and actual experience	778,605	-
Change in assumptions	-	107,763
Net difference between projected and actual earnings on pension plan investments	<u>448,833</u>	<u>-</u>
Total	<u>\$ 2,416,091</u>	<u>\$ 107,763</u>

\$1,188,653 reported as deferred outflows of resources related to contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and will be recognized as pension expense as follows:

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 10: Retirement Plan (Continued)

Fiscal year ending <u>June 30,</u>	Deferred Outflows (Inflows) <u>of Resources</u>
2022	\$ 173,129
2023	406,975
2024	324,298
2025	215,273
Totals	<u>\$ 1,119,675</u>

e. Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The total pension liabilities were determined by rolling forward the total pension liability determined in the June 30, 2019 actuarial valuation to June 30, 2020. The June 30, 2020, total pension liability was based on the following actuarial methods and assumptions:

Valuation date	June 30, 2019
Measurement date	June 30, 2020
Actuarial cost method	Entry age normal cost method
Actuarial assumptions	
Discount rate	7.15%
Inflation	2.50%
Payroll growth	Varies by entry age/service
Projected salary increases	Varies by age/service
Investment rate of return	7.15% (1)
Mortality	Data for all Funds (2)

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

f. 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 requires rates, actuarially determined. Based on those assumptions, the Plans 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 pension plan investments was applied to all periods of projects benefit payments to determine the total pension liability.

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

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 10: Retirement Plan (Continued)

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

The expected real rates of return by asset class can be found in CalPERS' Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2020.

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

	<u>Miscellaneous</u>
1.0% Decrease	6.15%
Net Pension Liability	\$ 22,111,760
Current Discount Rate	7.15%
Net Pension Liability	\$ 15,108,868
1.0% Increase	8.15%
Net Pension Liability	\$ 9,322,598

g. 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 11: Other Post-Employment Benefits

a. Plan Description

The City has established a retiree healthcare plan (HC Plan) The HC Plan provides employees healthcare coverage under the California Public Employees Medical and Hospital Care Act (PEMCHA). PEMCHA governs health care provided to employees and retirees under health care plans administered by CalPERS. All public agencies providing health care to their active employees through CalPERS PEMCHA plans are also required to offer health care under those plans to their retirees. The rules regarding retiree health care are found in sections 22892 and 22893 of the Government Code.

Under PEMCHA, the City will provide medical insurance coverage for retirees and their dependents through the PERS system. To be eligible, employees must retire within one hundred and twenty days of their separation from employment with the City. PEMCHA requires the same equal benefit must be provided retirees as active employees. The minimum employer

CITY OF DUARTE

NOTES TO THE BASIC FINANCIAL STATEMENTS JUNE 30, 2021

Note 11: Other Post-Employment Benefits (Continued)

contribution is announced each year by CalPERS. This rate was set at \$143 per month for FY 2020-2021. Currently under the HC Plan, the City pays 100% of the health insurance premium for employees and retirees which exceeds the required minimum employer contribution under PEMCHA. Benefits are paid for the lifetime of the retiree as long as he or she continues to participate in PEMCHA, with continuation to the surviving spouse, if any.

The City also pays an administrative fee of 0.31% of premium on behalf of all active employees and retirees. Retirees who waive medical insurance coverage and provide proof of other coverage will be reimbursed by the City in a tiered schedule from ranging from \$218 to \$566 per month.

The City joined the Public Agencies Post-Retirement Health Care Plan Trust (Trust) in September of 2007 for the purpose of prefunding other post-employment benefits for past services. The Trust is a public agency multiple-employer trust that was established to provide member public agencies economies of scale and efficiency of administration in the funding of each agency's respective other post-employment benefit obligation.

As of the June 30, 2020 actuarial valuation, the Plan was providing benefits to 93 beneficiaries consisting of 50 active employees and 43 inactive employees or their beneficiaries.

A direct employer payment toward the cost of OPEB benefits is referred to as an "explicit subsidy". In addition, if claims experience of employees and retirees are pooled when determining premiums, retiree premiums are based on a pool of members which, on average, are younger and healthier. For certain types of coverage such as medical insurance, this results in an "implicit subsidy" of retiree premiums by active employee premiums since the retiree premiums are lower than they would have been if retirees were insured separately. GASB 75 and Actuarial Standards of Practice generally require that an implicit subsidy of retiree premium rates be valued as an OPEB liability.

b. Contributions

The City Council establishes health care coverage rates each fiscal year by Memoranda of Understanding with the applicable employee bargaining units. The City currently pays the benefits as they come due on behalf of the beneficiaries. In addition, the City makes an additional voluntary contribution to the Trust at a rate set during the budget process. During FY 2020-2021 the City paid \$431,406 in post-employment healthcare costs directly to PERS and an additional contribution of \$445,000 into the Trust during FY 2020-2021 for a total contribution amount of \$876,406.

c. Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2020. Standard actuarial update procedures were used to project/discount from valuation to measurement date. The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 11: Other Post-Employment Benefits (Continued)

Salary increases	2.75%
Investment rate of return	5.85%
Inflation	2.50%
Healthcare cost trend rates	
Pre-Medicare	6.50%
Medicare	4.04%

Demographic actuarial assumptions used in the valuation are based on the CalPERS Pension Assumption Model, revised May 14, 2018 experience study. The mortality rates were those published by CalPERS adjusted to back out 15 years of Scale MP 2016 to central year 2015.

The Trust published an expected return of 6.71% for plan's portfolio prior to offset for non-imbedded investment related fees. This 6.71% expected return rate was determined using a building-block method and best-estimate ranges of expected future real rates of return for each major asset class (expected returns, net of OPEB plan investment expense and inflation). These ranges are combined to produce the long-term expected rate of return by weighting the expected real rates of return by the target asset allocation percentage and by adding expected inflation. To achieve the goal set by the investment policy, plan assets will be managed to earn, on a long-term basis, a rate of return equal to or in excess of the target rate of return of 6.21 percent.

d. Discount Rate and Long-Term Expected Rate of Return

GASB No. 75 allows the use of a discount rate that is up to the expected long-term rate of return on the assets in the OPEB trust set aside to pay benefits, if the plan sponsor makes regular contributions to the trust such that the assets are not depleted at any point in the future. If the OPEB plan's actuary determines that contributions are not sufficient to keep the trust funded, a blend of the long-term rate of return and the yield or index rate for 20-year, tax-exempt municipal bonds will be used for the periods when the trust funds are not sufficient to cover benefit payments. Based on this requirement, the discount rate used to measure the total OPEB liability is 6.21%.

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 11: Other Post-Employment Benefits (Continued)

e. Changes in the OPEB Liability

The following table shows the changes in the net OPEB liability as follows:

Service Cost	\$	389,582
Interest		633,116
Difference between expected and actual experience		1,285,548
Changes of assumptions		(419,273)
Benefit payments		<u>(431,406)</u>
Net change in total OPEB liability		1,457,567
Total OPEB liability - beginning		<u>10,378,042</u>
Total OPEB liability - ending (a)	\$	<u><u>11,835,609</u></u>
 Plan fiduciary net position		
Contributions - employer (1)	\$	876,406
Net investment income		996,936
Administrative expense		(24,255)
Benefit payments (1)		<u>(431,406)</u>
Net Change in plan fiduciary net position		1,417,681
Plan fiduciary net position - beginning		<u>3,708,588</u>
Plan fiduciary net position - ending (b)		<u><u>5,126,269</u></u>
 Net OPEB liability - ending (a) - (b)	\$	<u><u>6,709,340</u></u>

(1) Amount includes implicit subsidy associated with benefits paid.

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

The following presents the Net OPEB liability of the City, as well as what the net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (5.21%) or 1 percentage point higher (7.21%) than the current discount rate:

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Net OPEB Liability	\$ 7,841,837	\$ 6,709,340	\$ 4,519,682

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

The following presents the net OPEB liability, as well as what the net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (5.50% graded down to 3.04%) than the healthcare trend rate or 1 percentage point higher (7.50% graded down to 7.00%) than the current healthcare cost trend rates assumed to be 6.50% effective January 2021 and graded down to 4.04% for years 2024 and thereafter:

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 11: Other Post-Employment Benefits (Continued)

	<u>1% Decrease</u>	<u>Healthcare Cost Rate</u>	<u>1% Increase</u>
Net OPEB liability	\$ 4,371,556	\$ 6,709,340	\$ 8,070,369

h. OPEB Plan Fiduciary Net Position

Statement of Fiduciary Net Position - June 30, 2021

Assets

Investments	
Managed account	\$ 5,126,269
Total Assets	<u>5,126,269</u>

Net position restricted for post-employment benefits other than pensions	<u>\$ 5,126,269</u>
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Statement of Changes in Fiduciary Net Position for the Fiscal Year Ended June 30, 2021

Additions

Employer Contributions (1)	\$ 876,406
Investment income:	
Net increase in fair value of investments	<u>996,936</u>
Total Additions	<u>1,873,342</u>

Deductions

Benefit payments (1)	(431,406)
Administrative expenses	<u>(24,255)</u>
Total Deductions	<u>(455,661)</u>

Net increase in net position	1,417,681
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**Net position restricted for post-employment
benefits other than pensions**

Beginning of fiscal year	<u>3,708,588</u>
End of fiscal year	<u>\$ 5,126,269</u>

(1) Includes \$337,061 of pay-as-you-go contributions made from sources outside of the trust, plus an implicit subsidy amount of \$94,345.

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 11: Other Post-Employment Benefits (Continued)

i. Investments

The City’s policy regarding the allocation of the plan’s invested assets is established and may be amended by management of the City. The primary objective is to maximize total Plan return, subject to the risk and quality constraints set forth in the investment guidelines. The investment objective the City has selected is the Balance Strategy, which seeks to provide growth of principal and income. The asset allocation ranges for this objective as of June 30, 2021, are listed below:

PARS Balanced HighMark Plus Portfolio				
<u>Expected Rate of Return</u>				
	<u>Cash</u>	<u>Fixed Income</u>	<u>Equity</u>	<u>Weight</u>
Large Cap Core			7.5%	32.0%
Mid Cap Core			7.8%	6.0%
Small Cap Core			8.7%	9.0%
Real Estate			6.7%	2.0%
International			7.8%	7.0%
Emerging Markets			7.8%	4.0%
Short Term Bond		3.3%		6.8%
Intermediate Term Bond		4.1%		27.0%
High Yield		1.3%		1.2%
Cash	5.0%			5.0%

Market conditions may cause the account’s asset allocation to vary from the stated range from time to time. The investment manager (assisting the City) will rebalance the portfolio no less than quarterly and/or when the actual weighting differs substantially from the strategic range, if appropriate and consistent with the objectives.

For the fiscal year ended June 30, 2021 the annual money-weighted rate of return on investments, net of investment expense, was 6.21 percent. The money-weighted rate of return expresses investment performance, net of investment expense adjusted for the changing amounts invested.

j. Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time.

Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. Liability changes due to plan experience which differs from what was assumed in the prior measurement period and/or from assumption changes during the period are recognized over the OPEB plan’s Expected Average Remaining Service Life (EARSL). EARSL periods used for changes arising in this current measurement period were 6.66 years. Changes in the Fiduciary Net Position due to

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 11: Other Post-Employment Benefits (Continued)

investment performance different from the assumed earnings rate are always recognized over 5 years. Liability changes attributable to benefit changes occurring during the period are recognized immediately.

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

For the fiscal year ended June 30, 2021, the City recognized OPEB expense of \$422,325 and reported deferred outflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Change of Assumptions	\$ 1,245,969	\$ 591,281
Differences Between Expected and Actual Experience	<u>1,170,491</u>	<u>530,422</u>
Total	<u>\$ 2,416,460</u>	<u>\$ 1,121,703</u>

Amounts reported as deferred outflows of resources related to OPEB will be recognized as expense as follows:

<u>Fiscal Year Ended June 30:</u>	<u>Deferred Outflows (Inflows) of Resources</u>
2022	\$ 321,394
2023	257,114
2024	254,345
2025	229,478
2026	108,669
Thereafter	123,757

Note 12: Conduit Debt Obligations

a. Financial Cooperation Agreements

The City from time to time has provided financial assistance to health care providers for the acquisition of equipment and facilities deemed to be in the public interest. The agreements are secured by the property financed and are payable solely from payments received on the underlying security liens. Upon repayment of the debt, ownership of the property transfers to the private-sector entity served by the loan agreement, neither the Agency, the City of Duarte, nor any political subdivision thereof is obligated in any manner for repayment of the debt. Accordingly, such debt is not reported as liabilities in the accompanying financial statements.

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 13: Commitments and Contingencies

a. Grant Audits

Under the terms of federal and state grants, periodic audits are required, and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. City Management believes disallowance, if any, will be immaterial.

b. Memorandum of Understanding with Foothill Transit

On September 21, 2017, the City entered into a memorandum of understanding (MOU) with Foothill Transit (Transit) in which Transit will purchase three electric 35-foot electric buses for operation of the City's transit service. The City reimbursed the cost of two of the buses utilizing Prop A funds. The City will reimburse Transit for the cost of the third bus through monthly payments financed over a period of ten years at an annual interest rate of three percent. On April 1, 2019, the third bus was acquired by Transit for a base cost of \$731,908 with interest over the next ten years of \$116,175 for a total cost of \$848,083. There is a monthly payment of both principal and interest totaling \$7,067.

The MOU has an initial base term of four years, with two three year extensions. If the MOU is not extended and is terminated before the end of the ten-year financing period, the City will have the choice of either continuing the financing of the bus, paying the remaining balance on the bus; or transferring the ownership of the bus to Transit, who would then reimburse the City for the amount paid to date.

c. Redevelopment Agency Dissolution and Successor Agency

AB X1 26 provided for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit. The Bill provided that upon dissolution of a redevelopment agency, either the city or another unit of local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. On January 16, 2016, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of the City's resolution number 12-R-03(A).

After enactment of the Bill, which occurred on June 28, 2011, redevelopment agencies in the State of California cannot enter into new projects, obligations, or commitments. Subject to the control of a newly established oversight board, remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

In future fiscal years, successor agencies will only be allocated revenue in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the former redevelopment agency until all enforceable obligations of the prior redevelopment agency have been paid in full and all assets have been liquidated.

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 13: Commitments and Contingencies (Continued)

The Bill directs the State Controller of the State of California to review the propriety of any transfers of assets between redevelopment agencies and other public bodies that occurred after January 1, 2011. If the public body that received such transfers is not contractually committed to a third party for the expenditure or encumbrance of those assets, the State Controller is required to order the available assets to be transferred to the public body designated as the successor agency by the Bill.

d. Contractual Commitments

On July 1, 2021, the City entered into a contract with the Los Angeles Sheriff's Department to provide city law enforcement services for the 2021-2022 fiscal year for an estimated cost of \$4.9 million.

Note 14: Successor Agency Trust for Assets of Former Redevelopment Agency

In accordance with the timeline set forth in the Bill (as modified by the California Supreme Court on December 29, 2011) all redevelopment agencies in the State of California were dissolved and ceased to operate as a legal entity as of February 1, 2012.

a. Cash and investments

Cash and investments reported in the accompanying financial statements consisted of the following as of June 30, 2021:

Statement of Fiduciary Net Position:	
Demand deposits	\$ 55,311
	<hr/>
Total cash and investments Fiduciary	<u>\$ 55,311</u>

Please see Note #2, Cash and investments for additional information.

b. Long-Term Debt

A description of long-term debt outstanding (excluding defeased debt) of the Successor Agency as of June 30, 2021, follows:

	Balance July 1, 2020	Additions	Deletions	Balance June 30, 2021	Due Within One Year
Fiduciary Activities					
City Loans	\$ 3,369,653	\$ -	\$ 3,369,653	\$ -	\$ -
Total	<u>\$ 3,369,653</u>	<u>\$ -</u>	<u>\$ 3,369,653</u>	<u>\$ -</u>	<u>\$ -</u>

City Loans

In previous fiscal years, the City made loans to the former Redevelopment Agency. As of June 30, 2021, principal on those loans was \$0. The loans have a zero percent interest rate. The loan was repaid during FY 2020 – 2021.

CITY OF DUARTE

**NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2021**

Note 14: Successor Agency Trust for Assets of Former Redevelopment Agency (Continued)

c. Note Receivable

As part of the Estoppel Certificate, Consent & Agreement, a loan was established on December 4, 2013 between the City, Southern California Presbyterian Homes, and Andres Duarte Terrace II, L.P. for the development of a 43-unit affordable housing project located within the City. The loan was established to be repaid in a matter of 57 years, authorized by the executive director of the Duarte Housing Authority. The balance at June 30, 2021 is \$1,200,000.

CITY OF DUARTE

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 17,178,885	\$ 17,178,885	\$ 17,178,885	\$ -
Resources (Inflows):				
Taxes	10,398,100	10,398,100	13,696,737	3,298,637
Licenses and permits	2,366,500	2,366,500	4,759,135	2,392,635
Intergovernmental	2,833,600	2,833,600	2,991,742	158,142
Charges for services	265,700	265,700	179,834	(85,866)
Use of money and property	297,700	297,700	226,698	(71,002)
Fines and forfeitures	385,000	385,000	323,718	(61,282)
Miscellaneous	200,200	200,200	416,086	215,886
Lease proceeds	1,257,000	1,257,000	-	(1,257,000)
Transfers in	753,900	753,900	701,605	(52,295)
Amounts Available for Appropriations	35,936,585	35,936,585	40,474,440	4,537,855
Charges to Appropriations (Outflows):				
Current:				
General government	5,478,100	5,441,100	5,334,427	106,673
Safety	6,298,800	6,155,800	6,103,422	52,378
Development	2,958,100	3,359,100	3,539,228	(180,128)
Recreation and cultural	2,717,000	2,366,500	2,316,828	49,672
Capital outlay	1,601,200	2,037,200	1,918,122	119,078
Debt service:				
Principal retirement	17,300	17,300	17,293	7
Interest and fiscal charges	3,000	3,000	2,926	74
Transfers out	1,376,500	1,400,500	1,508,087	(107,587)
Total Charges to Appropriations	20,450,000	20,780,500	20,740,333	40,167
Budgetary Fund Balance, June 30	\$ 15,486,585	\$ 15,156,085	\$ 19,734,107	\$ 4,578,022

See Note to Required Supplementary Information

CITY OF DUARTE

**BUDGETARY COMPARISON SCHEDULE
LOW AND MODERATE HOUSING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1 - Restated	\$ 4,043,834	\$ 4,043,834	\$ 4,043,834	\$ -
Resources (Inflows):				
Use of money and property	20,000	20,000	11,221	(8,779)
Amounts Available for Appropriations	4,063,834	4,063,834	4,055,055	(8,779)
Budgetary Fund Balance, June 30	\$ 4,063,834	\$ 4,063,834	\$ 4,055,055	\$ (8,779)

See Note to Required Supplementary Information

CITY OF DUARTE

**REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2021**

**Cost Sharing Multiple-Employer Defined Benefit Pension Plan
Last 10 Fiscal Years (*)**

SCHEDULE OF THE CITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

	FY 15 Measurement Date <u>June 30, 2014</u>	FY 16 Measurement Date <u>June 30, 2015</u>	FY 17 Measurement Date <u>June 30, 2016</u>	FY 18 Measurement Date <u>June 30, 2017</u>
City's proportion of the net pension liability	0.03089%	0.029101%	0.30027%	0.29560%
City's proportionate share of the net pension liability	\$ 8,486,349	\$ 10,578,290	\$ 12,675,786	\$ 14,098,986
City's covered payroll	\$ 2,467,539	\$ 3,706,684	\$ 3,970,085	\$ 4,047,472
City's proportionate share of the net pension liability as a percentage of it's covered payroll	343.9%	285.4%	319.3%	348.3%
Plan's fiduciary net position as a percentage of the total pension liability	78.40%	79.82%	75.87%	73.31%
	FY 19 Measurement Date <u>June 30, 2018</u>	FY 20 Measurement Date <u>June 30, 2019</u>	FY 21 Measurement Date <u>June 30, 2020</u>	
City's proportion of the net pension liability	0.28309%	0.27900%	0.27813%	
City's proportionate share of the net pension liability	\$ 13,503,297	\$ 14,091,516	\$ 15,108,868	
City's covered payroll	\$ 4,004,164	\$ 4,272,231	\$ 4,272,231	
City's proportionate share of the net pension liability as a percentage of it's covered payroll	337.2%	329.8%	353.7%	
Plan's fiduciary net position as a percentage of the total pension liability	77.69%	77.73%	77.71%	

Notes to schedule:

In Fiscal Year 2016-17, the discount rate for the PERF C was lowered from 7.65 percent to 7.15 percent. Deferred outflows of resources for changes of assumptions represent the unamortized portion of this assumption change.

*Fiscal year 2015 was the 1st year of implementation, therefore, only seven years are shown.

CITY OF DUARTE

**REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2021**

**Cost Sharing Multiple-Employer Defined Benefit Pension Plan
Last 10 Fiscal Years (*)**

SCHEDULE OF PENSION CONTRIBUTIONS

	Measurement Date June 30, 2014 <u>Miscellaneous</u>	Measurement Date June 30, 2015 <u>Miscellaneous</u>	Measurement Date June 30, 2016 <u>Miscellaneous</u>	Measurement Date June 30, 2017 <u>Miscellaneous</u>
Actuarially determined contribution (a)	\$ 262,412	\$ 285,477	\$ 400,604	\$ 421,885
Contribution in relation to the actuarially determined contribution (b)	<u>(262,412)</u>	<u>(285,477)</u>	<u>(400,604)</u>	<u>(421,885)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll (c)	\$ 2,352,312	\$ 2,467,539	\$ 3,706,684	\$ 3,970,085
Contributions as a percentage of covered payroll	11.16%	11.57%	10.81%	10.63%
	Measurement Date June 30, 2018 <u>Miscellaneous</u>	Measurement Date June 30, 2019 <u>Miscellaneous</u>	Measurement Date June 30, 2020 <u>Miscellaneous</u>	
Actuarially determined contribution (a)	\$ 449,981	\$ 459,105	\$ 537,636	
Contribution in relation to the actuarially determined contribution (b)	<u>(449,981)</u>	<u>(459,105)</u>	<u>(537,636)</u>	
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Covered payroll (c)	\$ 4,047,472	\$ 4,004,164	\$ 4,272,231	
Contributions as a percentage of covered payroll	11.12%	11.47%	12.58%	

Historical information is required only for measurement periods for which GASB 68 is applicable.

Some employers may choose to make additional contributions towards their unfunded liability. Contributions for such plans exceed the actuarially determined contributions.

Covered payroll represented above is based on pensionable earnings provided by the employer. However, GASB 68 defines covered payroll as the total payroll of employee's pension plan. Accordingly, if pensionable earnings are different than total earnings for covered-employees, the employer should display in the disclosure footnotes the payroll based on total earnings for the covered group and recalculate the required payroll-related ratios.

CITY OF DUARTE

**REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2021**

**Cost Sharing Multiple-Employer Defined Benefit Pension Plan
Last 10 Fiscal Years (*)**

SCHEDULE OF PENSION CONTRIBUTIONS (Continued)

Notes to Schedule

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal year 2019-2020 were from June 30, 2018 public agency valuations.

Actuarial cost method	Entry age normal cost method
Amortization method	Level percent of payroll
Average remaining period	18 years as of the valuation date
Asset valuation method	30 year direct rate smoothing
Actuarial assumptions	
Discount rate	7.00%
Inflation	2.50%
Projected salary increases	Varies by entry age and service
Payroll growth	2.75%
Individual salary growth	A merit scale varying in duration of employment coupled with an assumed annual inflation growth of 2.5% and an annual production growth of 0.25%
Retirement age	The probabilities of retirement are based on the 2015 CalPERS experience study for the period 1997 to 2011.
Mortality	The probabilities of mortality are based on CalPERS' specific data. The table includes 15 years of mortality improvements using Society of Actuaries 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

* Fiscal year 2015 was the 1st year of implementation, therefore, only seven years are shown.

CITY OF DUARTE

REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2021

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
Last Ten Fiscal Years*

	Measurement Period 2018	Measurement Period 2019	Measurement Period 2020	Measurement Period 2021
Total OPEB Liability				
Service cost	\$ 258,408	\$ 266,160	\$ 327,023	\$ 389,582
Interest on the total OPEB liability	464,777	495,518	575,620	633,116
Differences between expected and actual experience	983,161	65,900	-	1,285,548
Changes of assumptions	-	2,167,125	(331,435)	(419,273)
Benefit payments (1)	(662,583)	(359,809)	(365,155)	(431,406)
Net change in total OPEB liability	1,043,763	2,634,894	206,053	1,457,567
Total OPEB liability - beginning	6,493,332	7,537,095	10,171,989	10,378,042
Total OPEB liability - ending (a)	\$ 7,537,095	\$ 10,171,989	\$ 10,378,042	\$ 11,835,609
Plan Fiduciary Net Position				
Contribution - employer (1)	\$ 915,033	\$ 651,809	\$ 741,655	\$ 876,406
Net Increase in fair value of investments	189,196	176,444	81,965	996,936
Benefit payments (1)	(662,583)	(359,809)	(365,155)	(431,406)
Administrative expense	(13,347)	-	-	(24,255)
Net Change in plan fiduciary net position	428,299	468,444	458,465	1,417,681
Plan fiduciary net position - beginning	2,353,380	2,781,679	3,250,123	3,708,588
Plan fiduciary net position - ending (b)	\$ 2,781,679	\$ 3,250,123	\$ 3,708,588	\$ 5,126,269
Net OPEB liability (a) - (b)	\$ 4,755,416	\$ 6,921,866	\$ 6,669,454	\$ 6,709,340
Plan fiduciary net position as a percentage of total OPEB liability	36.91%	31.95%	35.73%	43.31%
Covered-employee payroll	\$ 4,211,793	\$ 3,926,264	\$ 4,325,247	\$ 3,579,723
Net OPEB liability as a percentage of covered- employee payroll	112.91%	176.30%	154.20%	187.43%

(1): Amount includes implicit subsidy associated with benefits paid.

*Fiscal Year 2018 was the 1st year of implementation therefore only 4 years are shown.

CITY OF DUARTE

**REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2021**

**SCHEDULE OF OPEB CONTRIBUTIONS
Last Ten Fiscal Years***

	Fiscal Year <u>6/30/2018</u>	Fiscal Year <u>6/30/2019</u>	Fiscal Year <u>6/30/2020</u>	Fiscal Year <u>6/30/2021</u>
Contractually Determined				
Contribution (CDC)	\$ 1,491,134	\$ 782,535	\$ 803,739	\$ 876,406
Contributions in relation to the CDC	<u>(915,033)</u>	<u>(651,809)</u>	<u>(741,655)</u>	<u>(876,406)</u>
Contribution deficiency (excess)	<u>\$ 576,101</u>	<u>\$ 130,726</u>	<u>\$ 62,084</u>	<u>\$ -</u>
Covered-employee payroll	\$4,211,793	\$3,926,264	\$4,325,247	\$4,325,247
Contributions as a percentage of covered-employee payroll	21.73%	16.60%	17.15%	20.26%

*Fiscal Year 2018 was the 1st year of implementation therefore only 4 years are shown.

CITY OF DUARTE

**NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2021**

Note 1: Budgets and Budgetary Accounting

The City adopts an annual budget prepared in accordance with accounting principles generally accepted in the United States of America and on the modified accrual basis of accounting for its governmental funds. The City Manager or designee is authorized to transfer budgeted amounts between the accounts of any department. Any revisions that alter the total appropriations of any department or fund must be approved by the City Council. Prior year appropriations lapse unless they are approved for carryover into the following fiscal year. Expenditures may not legally exceed appropriations at the fund level.

CITY OF DUARTE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Special Revenue Funds			
	State Gasoline Tax	Lighting and Landscaping	Community Development Block Grant	Supplemental Law Enforcement
Assets:				
Pooled cash and investments	\$ 2,211,025	\$ 232,452	\$ -	\$ 38,044
Receivables:				
Taxes	-	14,394	-	-
Grants	-	-	290	-
Restricted assets:				
Cash and investments fiscal agents	-	-	-	-
Total Assets	\$ 2,211,025	\$ 246,846	\$ 290	\$ 38,044
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 111,161	\$ 116,868	\$ -	\$ 38,044
Accrued liabilities	-	-	-	-
Unearned revenues	-	24,700	-	-
Retention payable	4,399	-	-	-
Due to other funds	-	-	326	-
Total Liabilities	115,560	141,568	326	38,044
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
Fund Balances:				
Restricted for:				
Development projects	-	105,278	-	-
Recreation and culture	-	-	-	-
Transportation	2,095,465	-	-	-
Debt service	-	-	-	-
Unassigned	-	-	(36)	-
Total Fund Balances (deficits)	2,095,465	105,278	(36)	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 2,211,025	\$ 246,846	\$ 290	\$ 38,044

CITY OF DUARTE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Special Revenue Funds			
	Air Quality Management	Measure M	Quimby Act	Prop A
Assets:				
Pooled cash and investments	\$ 122,956	\$ 339,987	\$ 67,533	\$ 855,065
Receivables:				
Taxes	-	-	-	-
Grants	7,196	-	-	38,046
Restricted assets:				
Cash and investments fiscal agents	-	-	-	-
Total Assets	\$ 130,152	\$ 339,987	\$ 67,533	\$ 893,111
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ -	\$ -	\$ -	\$ 28,027
Accrued liabilities	-	-	-	1,761
Unearned revenues	-	-	-	-
Retention payable	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	-	-	-	29,788
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	38,046
Total Deferred Inflows of Resources	-	-	-	38,046
Fund Balances:				
Restricted for:				
Development projects	-	-	-	-
Recreation and culture	-	-	67,533	-
Transportation	130,152	339,987	-	825,277
Debt service	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (deficits)	130,152	339,987	67,533	825,277
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 130,152	\$ 339,987	\$ 67,533	\$ 893,111

CITY OF DUARTE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Special Revenue Funds			
	Housing Authority	Prop C Transit	PEG	Measure R LR Transit
Assets:				
Pooled cash and investments	\$ 2,029,210	\$ 206,729	\$ 28,156	\$ 1,121,058
Receivables:				
Taxes	-	-	-	-
Grants	-	-	7,983	-
Restricted assets:				
Cash and investments fiscal agents	-	-	-	-
Total Assets	<u>\$ 2,029,210</u>	<u>\$ 206,729</u>	<u>\$ 36,139</u>	<u>\$ 1,121,058</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 9,553	\$ 22,762	\$ -	\$ 34,390
Accrued liabilities	-	1,441	-	-
Unearned revenues	-	-	-	-
Retention payable	-	-	-	15,175
Due to other funds	-	-	-	-
Total Liabilities	<u>9,553</u>	<u>24,203</u>	<u>-</u>	<u>49,565</u>
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:				
Restricted for:				
Development projects	2,019,657	-	36,139	-
Recreation and culture	-	-	-	-
Transportation	-	182,526	-	1,071,493
Debt service	-	-	-	-
Unassigned	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances (deficits)	<u>2,019,657</u>	<u>182,526</u>	<u>36,139</u>	<u>1,071,493</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,029,210</u>	<u>\$ 206,729</u>	<u>\$ 36,139</u>	<u>\$ 1,121,058</u>

CITY OF DUARTE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Special Revenue Funds		Capital Project Funds	
	Measure W	SB1/RMRA	Inclusionary Housing	Community Improvement
Assets:				
Pooled cash and investments	\$ 70,484	\$ 473,125	\$ 527,716	\$ 776,404
Receivables:				
Taxes	-	-	-	-
Grants	-	73,217	-	48,511
Restricted assets:				
Cash and investments fiscal agents	-	-	-	-
Total Assets	\$ 70,484	\$ 546,342	\$ 527,716	\$ 824,915
Liabilities, Deferred Inflows of Resources, and Fund Balances:				
Liabilities:				
Accounts payable	\$ 20,030	\$ -	\$ -	\$ -
Accrued liabilities	-	-	-	-
Unearned revenues	-	-	-	-
Retention payable	-	-	-	-
Due to other funds	-	-	-	-
Total Liabilities	20,030	-	-	-
Deferred Inflows of Resources:				
Unavailable revenues	-	-	-	48,511
Total Deferred Inflows of Resources	-	-	-	48,511
Fund Balances:				
Restricted for:				
Development projects	50,454	-	527,716	776,404
Recreation and culture	-	-	-	-
Transportation	-	546,342	-	-
Debt service	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances (deficits)	50,454	546,342	527,716	776,404
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 70,484	\$ 546,342	\$ 527,716	\$ 824,915

CITY OF DUARTE

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	<u>Debt Service Funds</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>Town Center Debt Service</u>	<u>Infrastructure Debt Service</u>	
Assets:			
Pooled cash and investments	\$ 262,100	\$ -	\$ 9,362,044
Receivables:			
Taxes	-	-	14,394
Grants	-	-	175,243
Restricted assets:			
Cash and investments fiscal agents	<u>1</u>	<u>1,883</u>	<u>1,884</u>
Total Assets	<u>\$ 262,101</u>	<u>\$ 1,883</u>	<u>\$ 9,553,565</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:			
Liabilities:			
Accounts payable	\$ -	\$ -	\$ 380,835
Accrued liabilities	-	-	3,202
Unearned revenues	-	-	24,700
Retention payable	-	-	19,574
Due to other funds	<u>-</u>	<u>688</u>	<u>1,014</u>
Total Liabilities	<u>-</u>	<u>688</u>	<u>429,325</u>
Deferred Inflows of Resources:			
Unavailable revenues	<u>-</u>	<u>-</u>	<u>86,557</u>
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>86,557</u>
Fund Balances:			
Restricted for:			
Development projects	-	-	3,515,648
Recreation and culture	-	-	67,533
Transportation	-	-	5,191,242
Debt service	262,101	1,195	263,296
Unassigned	<u>-</u>	<u>-</u>	<u>(36)</u>
Total Fund Balances (deficits)	<u>262,101</u>	<u>1,195</u>	<u>9,037,683</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 262,101</u>	<u>\$ 1,883</u>	<u>\$ 9,553,565</u>

CITY OF DUARTE

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICITS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021

	Special Revenue Funds			
	State Gasoline Tax	Lighting and Landscaping	Community Development Block Grant	Supplemental Law Enforcement
Revenues:				
Assessments	\$ -	\$ 984,414	\$ -	\$ -
Intergovernmental	476,121	-	4,964	156,727
Charges for services	-	-	-	-
Use of money and property	7,696	-	-	143
Miscellaneous	-	-	-	-
Total Revenues	483,817	984,414	4,964	156,870
Expenditures:				
Current:				
Safety	-	-	-	156,769
Development	-	1,292,481	4,300	-
Transportation	314,184	-	-	-
Capital outlay	9,360	-	700	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	323,544	1,292,481	5,000	156,769
Excess (Deficiency) of Revenues Over (Under) Expenditures	160,273	(308,067)	(36)	101
Other Financing Sources (Uses):				
Transfers in	-	611,207	-	-
Transfers out	(57,731)	(343,200)	-	-
Total Other Financing Sources (Uses)	(57,731)	268,007	-	-
Net Changes in Fund Balances	102,542	(40,060)	(36)	101
Fund Balances (DeficitS), Beginning of Fiscal Year	1,992,923	53,159	-	(101)
Prior period adjustments	-	92,179	-	-
Fund balances (Deficits), Beginning of Fiscal Year, as Restated	1,992,923	145,338	-	(101)
Fund Balances (Deficits), End of Fiscal Year	\$ 2,095,465	\$ 105,278	\$ (36)	\$ -

CITY OF DUARTE

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICITS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Special Revenue Funds			
	Air Quality Management	Measure M	Quimby Act	Prop A
Revenues:				
Assessments	\$ -	\$ -	\$ -	\$ -
Intergovernmental	28,300	311,752	-	512,707
Charges for services	-	-	-	-
Use of money and property	666	1,342	238	2,985
Miscellaneous	-	-	-	1,374
Total Revenues	28,966	313,094	238	517,066
Expenditures:				
Current:				
Safety	-	-	-	-
Development	-	-	-	-
Transportation	-	-	-	413,147
Capital outlay	7,576	260,736	-	46,645
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	7,576	260,736	-	459,792
Excess (Deficiency) of Revenues Over (Under) Expenditures	21,390	52,358	238	57,274
Other Financing Sources (Uses):				
Transfers in	4,736	-	-	110,000
Transfers out	(110,000)	(52,147)	-	(74,146)
Total Other Financing Sources (Uses)	(105,264)	(52,147)	-	35,854
Net Changes in Fund Balances	(83,874)	211	238	93,128
Fund Balances (Deficits), Beginning of Fiscal Year	214,026	339,776	67,295	732,149
Prior period adjustments	-	-	-	-
Fund balances (Deficits), Beginning of Fiscal Year, as Restated	214,026	339,776	67,295	732,149
Fund Balances (Deficits), End of Fiscal Year	\$ 130,152	\$ 339,987	\$ 67,533	\$ 825,277

CITY OF DUARTE

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICITS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Special Revenue Funds			
	Housing Authority	Prop C Transit	PEG	Measure R LR Transit
Revenues:				
Assessments	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	366,355	-	275,147
Charges for services	-	-	32,483	-
Use of money and property	7,442	949	57	4,300
Miscellaneous	-	-	-	-
Total Revenues	7,442	367,304	32,540	279,447
Expenditures:				
Current:				
Safety	-	-	-	-
Development	60,863	-	-	-
Transportation	-	333,059	-	-
Capital outlay	-	38,164	-	338,578
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	60,863	371,223	-	338,578
Excess (Deficiency) of Revenues Over (Under) Expenditures	(53,421)	(3,919)	32,540	(59,131)
Other Financing Sources (Uses):				
Transfers in	671,307	-	-	-
Transfers out	-	(60,665)	-	(67,716)
Total Other Financing Sources (Uses)	671,307	(60,665)	-	(67,716)
Net Changes in Fund Balances	617,886	(64,584)	32,540	(126,847)
Fund balances (Deficits), Beginning of of Fiscal Year	1,401,771	247,110	3,599	1,198,340
Prior period adjustments	-	-	-	-
Fund balances (Deficits), Beginning of Fiscal Year, as Restated	1,401,771	247,110	3,599	1,198,340
Fund Balances (Deficits), End of Fiscal Year	\$ 2,019,657	\$ 182,526	\$ 36,139	\$ 1,071,493

CITY OF DUARTE

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICITS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Special Revenue Funds		Capital Project Funds	
	Measure W	SB1/RMRA	Inclusionary Housing	Community Improvement
Revenues:				
Assessments	\$ -	\$ -	\$ -	\$ -
Intergovernmental	249,799	401,786	-	316,563
Charges for services	-	-	-	-
Use of money and property	78	1,859	1,866	2,645
Miscellaneous	-	-	-	-
Total Revenues	249,877	403,645	1,866	319,208
Expenditures:				
Current:				
Safety	-	-	-	-
Development	127,409	-	-	-
Transportation	-	230,000	-	-
Capital outlay	72,014	-	-	-
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	199,423	230,000	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	50,454	173,645	1,866	319,208
Other Financing Sources (Uses):				
Transfers in	-	-	-	-
Transfers out	-	(46,000)	-	-
Total Other Financing Sources (Uses)	-	(46,000)	-	-
Net Changes in Fund Balances	50,454	127,645	1,866	319,208
Fund balances (Deficits), Beginning of of Fiscal Year	-	418,697	525,850	457,196
Prior period adjustments	-	-	-	-
Fund balances (Deficits), Beginning of Fiscal Year, as Restated	-	418,697	525,850	457,196
Fund Balances (Deficits), End of Fiscal Year	\$ 50,454	\$ 546,342	\$ 527,716	\$ 776,404

CITY OF DUARTE

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES (DEFICITS)
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	<u>Debt Service Funds</u>		<u>Total Nonmajor Governmental Funds</u>
	<u>Town Center Debt Service</u>	<u>Infrastructure Debt Service</u>	
Revenues:			
Assessments	\$ -	\$ -	\$ 984,414
Intergovernmental	-	-	3,100,221
Charges for services	-	-	32,483
Use of money and property	1,042	62	33,370
Miscellaneous	-	-	1,374
Total Revenues	<u>1,042</u>	<u>62</u>	<u>4,151,862</u>
Expenditures:			
Current:			
Safety	-	-	156,769
Development	-	-	1,485,053
Transportation	-	-	1,290,390
Capital outlay	-	-	773,773
Debt service:			
Principal retirement	144,386	154,277	298,663
Interest and fiscal charges	8,294	66,560	74,854
Total Expenditures	<u>152,680</u>	<u>220,837</u>	<u>4,079,502</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(151,638)</u>	<u>(220,775)</u>	<u>72,360</u>
Other Financing Sources (Uses):			
Transfers in	-	220,837	1,618,087
Transfers out	-	-	(811,605)
Total Other Financing Sources (Uses)	<u>-</u>	<u>220,837</u>	<u>806,482</u>
Net Changes in Fund Balances	<u>(151,638)</u>	<u>62</u>	<u>878,842</u>
Fund balances (Deficits), Beginning of of Fiscal Year	413,739	1,133	8,066,662
Prior period adjustments	-	-	92,179
Fund balances (Deficits), Beginning of Fiscal Year, as Restated	<u>413,739</u>	<u>1,133</u>	<u>8,158,841</u>
Fund Balances (Deficits), End of Fiscal Year	<u>\$ 262,101</u>	<u>\$ 1,195</u>	<u>\$ 9,037,683</u>

CITY OF DUARTE

**BUDGETARY COMPARISON SCHEDULE
STATE GASOLINE TAX
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,992,923	\$ 1,992,923	\$ 1,992,923	\$ -
Resources (Inflows):				
Intergovernmental	520,100	520,100	476,121	(43,979)
Use of money and property	30,000	30,000	7,696	(22,304)
Amounts Available for Appropriations	<u>2,543,023</u>	<u>2,543,023</u>	<u>2,476,740</u>	<u>(66,283)</u>
Charges to Appropriations (Outflows):				
Transportation	402,000	527,000	314,184	212,816
Capital outlay	10,000	10,000	9,360	640
Transfers out	82,400	107,400	57,731	49,669
Total Charges to Appropriations	<u>494,400</u>	<u>644,400</u>	<u>381,275</u>	<u>263,125</u>
Budgetary Fund Balance, June 30	<u>\$ 2,048,623</u>	<u>\$ 1,898,623</u>	<u>\$ 2,095,465</u>	<u>\$ 196,842</u>

CITY OF DUARTE

**BUDGETARY COMPARISON SCHEDULE
LIGHTING AND LANDSCAPING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 53,159	\$ 53,159	\$ 145,338	\$ 92,179
Resources (Inflows):				
Assessments	977,700	977,700	984,414	6,714
Transfers in	479,300	479,300	611,207	131,907
Amounts Available for Appropriations	<u>1,510,159</u>	<u>1,510,159</u>	<u>1,740,959</u>	<u>230,800</u>
Charges to Appropriations (Outflows):				
Development	1,154,800	1,179,800	1,292,481	(112,681)
Transfers out	343,200	343,200	343,200	-
Total Charges to Appropriations	<u>1,498,000</u>	<u>1,523,000</u>	<u>1,635,681</u>	<u>(112,681)</u>
Budgetary Fund Balance, June 30	<u>\$ 12,159</u>	<u>\$ (12,841)</u>	<u>\$ 105,278</u>	<u>\$ 118,119</u>

CITY OF DUARTE

**BUDGETARY COMPARISON SCHEDULE
COMMUNITY DEVELOPMENT BLOCK GRANT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	151,700	151,700	4,964	(146,736)
Amounts Available for Appropriations	<u>151,700</u>	<u>151,700</u>	<u>4,964</u>	<u>(146,736)</u>
Charges to Appropriations (Outflows):				
Development	-	-	4,300	(4,300)
Capital outlay	50,000	50,000	700	49,300
Total Charges to Appropriations	<u>50,000</u>	<u>50,000</u>	<u>5,000</u>	<u>45,000</u>
Budgetary Fund Balance, June 30	<u>\$ 101,700</u>	<u>\$ 101,700</u>	<u>\$ (36)</u>	<u>\$ (101,736)</u>

CITY OF DUARTE

**BUDGETARY COMPARISON SCHEDULE
 SUPPLEMENTAL LAW ENFORCEMENT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ (101)	\$ (101)	\$ (101)	\$ -
Resources (Inflows):				
Intergovernmental	160,000	160,000	156,727	(3,273)
Use of money and property	1,000	1,000	143	(857)
Amounts Available for Appropriations	<u>160,899</u>	<u>160,899</u>	<u>156,769</u>	<u>(4,130)</u>
Charges to Appropriations (Outflows):				
Safety	<u>160,000</u>	<u>160,000</u>	<u>156,769</u>	<u>3,231</u>
Total Charges to Appropriations	<u>160,000</u>	<u>160,000</u>	<u>156,769</u>	<u>3,231</u>
Budgetary Fund Balance, June 30	<u>\$ 899</u>	<u>\$ 899</u>	<u>\$ -</u>	<u>\$ (899)</u>

CITY OF DURATE

**BUDGETARY COMPARISON SCHEDULE
AIR QUALITY MANAGEMENT DISTRIBUTION
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 214,026	\$ 214,026	\$ 214,026	\$ -
Resources (Inflows):				
Intergovernmental	30,000	30,000	28,300	(1,700)
Use of money and property	700	700	666	(34)
Transfers in	-	-	4,736	4,736
Amounts Available for Appropriations	<u>244,726</u>	<u>244,726</u>	<u>247,728</u>	<u>3,002</u>
Charges to Appropriations (Outflows):				
Capital outlay	6,500	9,000	7,576	1,424
Transfers out	1,300	1,300	110,000	(108,700)
Total Charges to Appropriations	<u>7,800</u>	<u>10,300</u>	<u>117,576</u>	<u>(107,276)</u>
Budgetary Fund Balance, June 30	<u>\$ 236,926</u>	<u>\$ 234,426</u>	<u>\$ 130,152</u>	<u>\$ (104,274)</u>

CITY OF DUARTE

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

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 339,776	\$ 339,776	\$ 339,776	\$ -
Resources (Inflows):				
Intergovernmental	326,200	326,200	311,752	(14,448)
Use of money and property	3,000	3,000	1,342	(1,658)
Amounts Available for Appropriations	<u>668,976</u>	<u>668,976</u>	<u>652,870</u>	<u>(16,106)</u>
Charges to Appropriations (Outflows):				
Capital outlay	260,000	260,000	260,736	(736)
Transfers out	52,000	52,000	52,147	(147)
Total Charges to Appropriations	<u>312,000</u>	<u>312,000</u>	<u>312,883</u>	<u>(883)</u>
Budgetary Fund Balance, June 30	<u>\$ 356,976</u>	<u>\$ 356,976</u>	<u>\$ 339,987</u>	<u>\$ (16,989)</u>

CITY OF DUARTE

**BUDGETARY COMPARISON SCHEDULE
 QUIMBY ACT
 FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 67,295	\$ 67,295	\$ 67,295	\$ -
Resources (Inflows):				
Use of money and property	800	800	238	(562)
Amounts Available for Appropriations	<u>68,095</u>	<u>68,095</u>	<u>67,533</u>	<u>(562)</u>
Budgetary Fund Balance, June 30	<u>\$ 68,095</u>	<u>\$ 68,095</u>	<u>\$ 67,533</u>	<u>\$ (562)</u>

CITY OF DUARTE

**BUDGETARY COMPARISON SCHEDULE
PROPOSITION A TRANSIT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 732,149	\$ 732,149	\$ 732,149	\$ -
Resources (Inflows):				
Intergovernmental	492,700	492,700	512,707	20,007
Use of money and property	12,000	12,000	2,985	(9,015)
Miscellaneous	-	-	1,374	1,374
Transfers in	-	-	110,000	110,000
Amounts Available for Appropriations	<u>1,236,849</u>	<u>1,236,849</u>	<u>1,359,215</u>	<u>122,366</u>
Charges to Appropriations (Outflows):				
Transportation	371,300	386,300	413,147	(26,847)
Capital outlay	46,800	46,800	46,645	155
Transfers out	83,600	83,600	74,146	9,454
Total Charges to Appropriations	<u>501,700</u>	<u>516,700</u>	<u>533,938</u>	<u>(17,238)</u>
Budgetary Fund Balance, June 30	<u>\$ 735,149</u>	<u>\$ 720,149</u>	<u>\$ 825,277</u>	<u>\$ 105,128</u>

CITY OF DUARTE

**BUDGETARY COMPARISON SCHEDULE
HOUSING AUTHORITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,401,771	\$ 1,401,771	\$ 1,401,771	\$ -
Resources (Inflows):				
Use of money and property	97,800	97,800	7,442	(90,358)
Transfers in	673,900	673,900	671,307	(2,593)
Amounts Available for Appropriations	<u>2,173,471</u>	<u>2,173,471</u>	<u>2,080,520</u>	<u>(92,951)</u>
Charges to Appropriations (Outflows):				
Development	95,300	95,300	60,863	34,437
Total Charges to Appropriations	<u>95,300</u>	<u>95,300</u>	<u>60,863</u>	<u>34,437</u>
Budgetary Fund Balance, June 30	<u>\$ 2,078,171</u>	<u>\$ 2,078,171</u>	<u>\$ 2,019,657</u>	<u>\$ (58,514)</u>

CITY OF DUARTE

**BUDGETARY COMPARISON SCHEDULE
PROPOSITION C TRANSIT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 247,110	\$ 247,110	\$ 247,110	\$ -
Resources (Inflows):				
Intergovernmental	383,800	383,800	366,355	(17,445)
Use of money and property	5,000	5,000	949	(4,051)
Amounts Available for Appropriations	<u>635,910</u>	<u>635,910</u>	<u>614,414</u>	<u>(21,496)</u>
Charges to Appropriations (Outflows):				
Transportation	303,700	303,700	333,059	(29,359)
Capital outlay	38,300	38,300	38,164	136
Transfers out	68,400	68,400	60,665	7,735
Total Charges to Appropriations	<u>410,400</u>	<u>410,400</u>	<u>431,888</u>	<u>(21,488)</u>
Budgetary Fund Balance, June 30	<u>\$ 225,510</u>	<u>\$ 225,510</u>	<u>\$ 182,526</u>	<u>\$ (42,984)</u>

CITY OF DUARTE

**BUDGETARY COMPARISON SCHEDULE
PEG
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 3,599	\$ 3,599	\$ 3,599	\$ -
Resources (Inflows):				
Charges for services	33,000	33,000	32,483	(517)
Use of money and property	-	-	57	57
Amounts Available for Appropriations	<u>36,599</u>	<u>36,599</u>	<u>36,139</u>	<u>(460)</u>
Budgetary Fund Balance, June 30	<u>\$ 36,599</u>	<u>\$ 36,599</u>	<u>\$ 36,139</u>	<u>\$ (460)</u>

CITY OF DUARTE

**BUDGETARY COMPARISON SCHEDULE
MEASURE R LR TRANSIT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 1,198,340	\$ 1,198,340	\$ 1,198,340	\$ -
Resources (Inflows):				
Intergovernmental	287,900	287,900	275,147	(12,753)
Use of money and property	15,000	15,000	4,300	(10,700)
Amounts Available for Appropriations	<u>1,501,240</u>	<u>1,501,240</u>	<u>1,477,787</u>	<u>(23,453)</u>
Charges to Appropriations (Outflows):				
Capital outlay	315,000	450,000	338,578	111,422
Transfers out	63,000	90,000	67,716	22,284
Total Charges to Appropriations	<u>378,000</u>	<u>540,000</u>	<u>406,294</u>	<u>133,706</u>
Budgetary Fund Balance, June 30	<u>\$ 1,123,240</u>	<u>\$ 961,240</u>	<u>\$ 1,071,493</u>	<u>\$ 110,253</u>

CITY OF DUARTE

**BUDGETARY COMPARISON SCHEDULE
MEASURE W
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ -	\$ -
Resources (Inflows):				
Intergovernmental	312,000	312,000	249,799	(62,201)
Use of money and property	-	-	78	78
Amounts Available for Appropriations	<u>312,000</u>	<u>312,000</u>	<u>249,877</u>	<u>(62,123)</u>
Charges to Appropriations (Outflows):				
Development	-	-	127,409	(127,409)
Capital outlay	312,000	312,000	72,014	239,986
Total Charges to Appropriations	<u>312,000</u>	<u>312,000</u>	<u>199,423</u>	<u>112,577</u>
Budgetary Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 50,454</u>	<u>\$ 50,454</u>

CITY OF DUARTE

**BUDGETARY COMPARISON SCHEDULE
SB1/RMRA
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 418,697	\$ 418,697	\$ 418,697	\$ -
Resources (Inflows):				
Intergovernmental	377,300	377,300	401,786	24,486
Use of money and property	4,000	4,000	1,859	(2,141)
Amounts Available for Appropriations	<u>799,997</u>	<u>799,997</u>	<u>822,342</u>	<u>22,345</u>
Charges to Appropriations (Outflows):				
Transportation	300,000	300,000	230,000	70,000
Transfers out	60,000	60,000	46,000	14,000
Total Charges to Appropriations	<u>360,000</u>	<u>360,000</u>	<u>276,000</u>	<u>84,000</u>
Budgetary Fund Balance, June 30	<u>\$ 439,997</u>	<u>\$ 439,997</u>	<u>\$ 546,342</u>	<u>\$ 106,345</u>

CITY OF DUARTE

**BUDGETARY COMPARISON SCHEDULE
INCLUSIONARY HOUSING
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 525,850	\$ 525,850	\$ 525,850	\$ -
Resources (Inflows):				
Use of money and property	6,000	6,000	1,866	(4,134)
Amounts Available for Appropriations	<u>531,850</u>	<u>531,850</u>	<u>527,716</u>	<u>(4,134)</u>
Budgetary Fund Balance, June 30	<u>\$ 531,850</u>	<u>\$ 531,850</u>	<u>\$ 527,716</u>	<u>\$ (4,134)</u>

CITY OF DUARTE

**BUDGETARY COMPARISON SCHEDULE
COMMUNITY IMPROVEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 457,196	\$ 457,196	\$ 457,196	\$ -
Resources (Inflows):				
Intergovernmental	-	-	316,563	316,563
Use of money and property	3,000	3,000	2,645	(355)
Amounts Available for Appropriations	<u>460,196</u>	<u>460,196</u>	<u>776,404</u>	<u>316,208</u>
Charges to Appropriations (Outflows):				
Transportation	110,000	110,000	-	110,000
Capital outlay	350,000	350,000	-	350,000
Total Charges to Appropriations	<u>460,000</u>	<u>460,000</u>	<u>-</u>	<u>460,000</u>
Budgetary Fund Balance, June 30	<u>\$ 196</u>	<u>\$ 196</u>	<u>\$ 776,404</u>	<u>\$ 776,208</u>

CITY OF DUARTE

**BUDGETARY COMPARISON SCHEDULE
TOWN CENTER
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ 413,739	\$ 413,739	\$ 413,739	\$ -
Resources (Inflows):				
Use of money and property	8,000	8,000	1,042	(6,958)
Amounts Available for Appropriations	<u>421,739</u>	<u>421,739</u>	<u>414,781</u>	<u>(6,958)</u>
Charges to Appropriations (Outflows):				
Principal retirement	144,400	144,400	144,386	14
Interest and fiscal charges	8,300	8,300	8,294	6
Total Charges to Appropriations	<u>152,700</u>	<u>152,700</u>	<u>152,680</u>	<u>20</u>
Budgetary Fund Balance, June 30	<u>\$ 269,039</u>	<u>\$ 269,039</u>	<u>\$ 262,101</u>	<u>\$ (6,938)</u>

CITY OF DUARTE

**BUDGETARY COMPARISON SCHEDULE
INFRASTRUCTURE
FOR THE FISCAL YEAR ENDED JUNE 30, 2021**

	Budget Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Budgetary Fund Balance, July 1	\$ -	\$ -	\$ 1,133	\$ 1,133
Resources (Inflows):				
Use of money and property	-	-	62	62
Transfers in	223,300	223,300	220,837	(2,463)
Amounts Available for Appropriations	223,300	223,300	222,032	(1,268)
Charges to Appropriations (Outflows):				
Principal retirement	154,300	154,300	154,277	23
Interest and fiscal charges	69,000	69,000	66,560	2,440
Total Charges to Appropriations	223,300	223,300	220,837	2,463
Budgetary Fund Balance, June 30	\$ -	\$ -	\$ 1,195	\$ 1,195