



# COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE  
FISCAL YEAR ENDED  
JUNE 30, 2020

SAN FERNANDO,  
CALIFORNIA





**CITY OF SAN FERNANDO, CALIFORNIA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**WITH REPORT ON AUDIT**  
**BY INDEPENDENT**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

**Prepared By:**  
**Finance Department**

**City of San Fernando**  
**Comprehensive Annual Financial Report**  
Year Ended June 30, 2020

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**City of San Fernando**  
**Comprehensive Annual Financial Report**  
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# **SECTION I.**

## **Introductory Section**

**CITY COUNCIL**

**MAYOR**  
**JOEL FAJARDO**

**VICE MAYOR**  
**HECTOR A. PACHECO**

**COUNCILMEMBER**  
**SYLVIA BALLIN**

**COUNCILMEMBER**  
**ROBERT C. GONZALES**

**COUNCILMEMBER**  
**MARY MENDOZA**

December 29, 2020

Honorable Mayor and City Council Members  
Residents of San Fernando

The Comprehensive Annual Financial Report (CAFR) of the City of San Fernando, California for the fiscal year ended June 30, 2020, is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City of San Fernando. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The financial statements are prepared in accordance with Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB). This report consists of management's representations concerning the finances of the City of San Fernando, California. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, City management has established a comprehensive internal control framework that is designed both to protect the City's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's comprehensive framework of internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

**FINANCE**  
**DEPARTMENT**  
  
**117 MACNEIL STREET**  
**SAN FERNANDO**  
**CALIFORNIA**  
**91340**

**ADMINISTRATIVE**  
**DIVISION**  
**(818) 898-1200**

**BUSINESS LICENSE**  
**DIVISION**  
**(818) 898-1245**

**TREASURER DIVISION**  
**(818) 898-1207**

**WATER DIVISION**  
**(818) 898-1213**

**[WWW.SFCITY.ORG](http://WWW.SFCITY.ORG)**

The City of San Fernando City Code requires an annual audit by an independent certified public accountant. The City's financial statements have been audited by Van Lant & Fankhanel, LLP; a public accounting firm fully licensed and qualified to perform audits of the State and local governments within the State of California. The purpose of the independent audit is to provide reasonable assurance that the financial statements of the City of San Fernando for the fiscal year ended June 30, 2020, are free of material misstatements. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of San Fernando's financial statements for the fiscal year ended June 30, 2020, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City is part of a broader, federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. The City is required to undergo the annual single audit in conformance with provisions of the Single Audit Act Amendments of 1996 and the Uniform Guidance. The Single Audit

Report, which is issued separately, includes the schedule of federal expenditures, findings and recommendations, the auditors' reports on the internal control structure and compliance with applicable laws and regulations.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors in the financial section of the CAFR.

#### Profile of the City of San Fernando

The City of San Fernando, which has a residential population of approximately 24,000, was incorporated on August 31, 1911. It is conveniently located in the northeast section of the San Fernando Valley at the southern foot of the San Gabriel Mountains. This compact community of 2.4 square miles is completely surrounded by the City of Los Angeles, including the nearby communities of Sylmar, Mission Hills and Pacoima. Major physiographic features located near the City include the San Gabriel Mountains (located approximately 3 miles to the north), the Pacoima Wash (located along the eastern side of the City), Hansen Lake (located 3 miles to the southeast of the City), and the Los Angeles Reservoir (located approximately 4 miles to the northwest). Regional access to the City of San Fernando is possible from three freeways located in the area: Interstate 5 Freeway (I-5), State Route 118 (SR-118), and Interstate 210 Freeway (I-210).

The City operates under the City Council - City Manager form of government and provides a full range of municipal services, including police protection; construction and maintenance of streets and infrastructure; community development activities; recreational and cultural activities; and general administrative and support services. Fire and ambulance services are provided by contract with the City of Los Angeles Fire Department. In addition, the City provides refuse services through an exclusive franchise agreement and water and sanitary sewer under an Enterprise Fund system whereby customer user fees cover the cost of providing service.

The City adopts an annual budget by July 1st each year. The budget includes detailed allocations by line item for each operating department and special revenue fund. The budget includes, at a minimum, the following expenditure categories for each fund and department:

Personnel Services;  
Contractual Services;  
Maintenance and Operations; and  
Capital Outlay.

The Annual Budget, as adopted by the City Council, establishes the total appropriation provided for each City Department's operations. Expenditures may not legally exceed budgeted appropriations at the Department level within a fund. The Director of Finance is authorized to transfer budget amounts within salary accounts and within Maintenance and Operations accounts at his/her discretion. The City Council may amend or supplement the



budget by motion adopted by the affirmative votes of at least three members. The City's general ledger is maintained by the line item detail or object of expenditure. Revenues are estimated annually and measured against actual revenues earned.

The City Council exercises control over and is financially accountable for the legally separate San Fernando Public Financing Authority, which is included in this report as a blended component unit of the City. The Los Angeles Unified School District and other public bodies have not met the established criteria for inclusion in the reporting entity since independent boards not under City Council control govern them. The City Council does not have any voting power over them; accordingly, they are excluded from this report. Additional information on blended component units can be found in Note 1 of the Notes to the Financial Statements.

### History of San Fernando

When entering the City of San Fernando along picturesque, palm-lined Brand Boulevard, you will discover a community rich in California history dating back almost two centuries. Named in honor of a Spanish Saint/King, San Fernando was selected for settlement long before the rest of Los Angeles. The City grew out of the ranching activities surrounding Mission de San Fernando Rey, whose graceful porticoes still stand today. By the early 1800's the settlement had blossomed into a small trading center where farm crops, olives, wine, and thousands of livestock raised by the resident Indians were bought and sold.

San Fernando enjoyed a brief gold rush in the 1840s when nuggets were discovered in a nearby canyon. In 1874, San Fernando became the valley's first organized community, thus earning the title "First City of the Valley." With the arrival of the railroad two years later, town lots soared from \$10 each to \$150 apiece.

The City of San Fernando is a community of attractive contrasts. What was once a land of farms and ranches adjoining the Mission de San Fernando Rey is now a vibrant center of manufacturing and commerce. San Fernando enjoys a sweeping view of the panoramic San Gabriel foothills and a sense of privacy; yet it is only minutes from downtown Los Angeles and other centers of commercial activity, thanks to a network of freeways and nearby airports. The City combines modern metropolitan conveniences with a close-knit community of friendly, civic-minded residents.

### Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific economic environment within which the City of San Fernando operates.

In a typical year, it is important to understand the projected direction of the economy to develop an accurate budget. Through February 2020, the national and state economies were in the midst of the longest recorded economic expansion that had been on a long, slow recovery since the end of the Great Recession in 2009. As a nation, fundamentals indicators were strong with record low unemployment (3.7%), strong investment in

residential and non-residential construction, personal consumption had been increasing since 2009, and the S&P 500 index was at or near record levels<sup>1</sup>. The prevailing view among economists at the time was that the biggest threat to the economy was a prolonged trade war with China.

Ultimately, the economic threat did originate in China; however, it was not the trade war. Instead, it was the identified 2019 novel coronavirus now known as COVID-19. The first cases of COVID-19 were reported in December 2019 in the Wuhan Province in China. COVID-19 can take up to 14 days to show symptoms, is highly contagious (even when asymptomatic) and has no known vaccine. Due to this long incubation period and lack of treatment, infected individuals traveled globally without knowing they were carrying the virus. Consequently, the disease quickly spread beyond Wuhan, China.

On January 21, 2020, the United States reported the first confirmed case of COVID-19. By mid-March, the state of California declared a state of emergency, the World Health Organization (WHO) declared the virus outbreak a pandemic, and the number of COVID-19 cases was increasing exponentially each day. In response, California (along with many other states) implemented social distancing and the most severe economic restrictions in recent history. All “non-essential” businesses, including bars, clubs, theaters, retail, entertainment centers, and fitness centers were ordered to close. Restaurants were allowed to stay open, but for take-out only.

Locally, the Los Angeles County Department of Public Health issued the Safer at Home Order requiring all non-essential employees stay home and self-quarantine. Although this move was necessary to “flatten the curve” and keep the healthcare system from being overwhelmed by sick patients, it brought the local economy to a standstill.

#### Federal Economy

The federal government is grappling with the dramatic and unprecedented toll the epidemic has had on the economy. Since the beginning of the pandemic, more than 38 million Americans have filed for unemployment benefits and the unemployment rate has exceeded 17%<sup>2</sup>. Countless small businesses have had to close their business and many will never re-open.

On March 27th, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act to provide fast and direct economic assistance for American workers and families, small businesses, and preserves jobs for American industries. Included in this stimulus package were direct payments of up to \$1,200 to most American and funding for

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<sup>1</sup> 2020 LAEDC Economic Forecast & Industry Outlook; <https://laedc.org/2020/02/19/2020-economic-forecast/>

<sup>2</sup> Department of Labor Unemployment Report; May 21, 2020; <https://www.dol.gov/ui/data.pdf> visited 5/25/2020

loans to industry and small businesses. More stimulus funding is anticipated, which will continue to increase the National debt and raise long-term inflationary concerns.

#### State Economy

Once the first COVID-19 cases were confirmed in California, Governor Gavin Newsom acted swiftly to impose social distancing restrictions. Unfortunately, that meant shutting down the nation's largest economy, which has severely impacted the state's core industries, including the tourism, technology and entertainment industries. After seven weeks of strict stay at home orders, the state began implementing a phased re-opening of the economy in mid-May by allowing curbside pickup at smaller retail stores, approving restaurant dine-in plans in less impacted counties, and developing protocol to begin allowing personal services, such as barbershops and nail salons.

The economic cost to the state in lost income and sales tax revenue is not yet known; however, it is expected to be significant. Additionally, the cost to support the response efforts and pay for cleaning, testing, additional healthcare resources, and additional unemployment payments will be substantial.

Fortunately, the state was able to set aside considerable "rainy day" funds during this long economic expansion, which puts the state in a better position in the short term. However, Legislative Analyst Gabriel Petek told members of the state Senate's budget committee on April 16, 2020 to prepare for a projected deficit of as much as \$35 billion in the near future and an additional \$85 billion in the fiscal years to come; on par with California's budget problems during the Great Recession.

As California begins to open up in phases over the coming weeks and months, it is expected that the economy will also begin to rebound. However, many Californians will have amassed personal debt while adhering to stay at home orders and many businesses will never re-open. It may be years before California's economy fully recovers, especially the tourism and travel industry.

#### Local Economy

San Fernando is a working class City and the lifeblood of our local economy is our small business community. Similar to the national and state economies, San Fernando had been experiencing a long economic expansion with new retail, restaurants, and manufacturing businesses opening in the last few years. Unfortunately, the working class and small businesses have been the hardest hit by the economic restrictions in terms of lost jobs, wages, and business income.

Local data related to unemployment, wages, sales tax and business income since the implementation of economic restrictions in mid-March is not yet available. However, many businesses were ordered to close and "essential" businesses that were allowed to stay open experienced a significant decline in customers. As the Governor allows businesses

Honorable Mayor and City Council Members  
Residents of San Fernando  
December 29, 2020

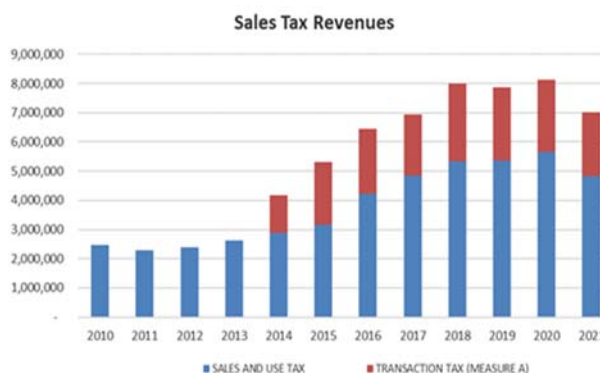
to re-open in phases, the City will work to support promoting local business and supporting their efforts to operate under the new social distancing protocol.

#### Major General Fund Revenue

The City's major sources of General Fund revenue include Sales & Transaction Tax, Charges for Services, Property Tax in Lieu of Motor Vehicle Tax, Property Tax, and Admissions Tax.

##### Sales & Transaction Tax

The sale of all tangible personal property tax is subject to sales or use tax in California, unless exempt or otherwise excluded by law. Since October 1, 2017, the sales and use tax in Los Angeles County is 9.5%, of which 6.25% is distributed to the state, 2.25% to the County of Los Angeles, and 1.0% to the City of San Fernando.

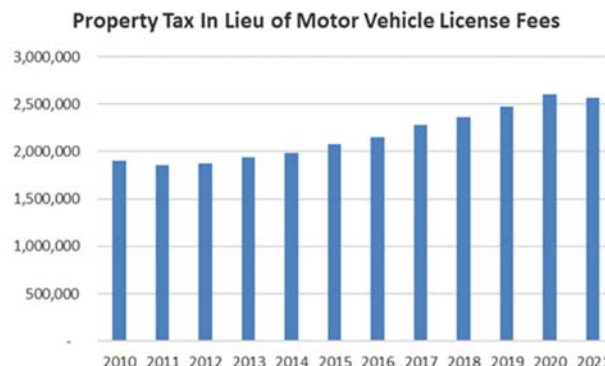


In June 2013, San Fernando voters approved a ½ cent local transaction use tax (Measure A) for a duration of seven years. Funds raised through the transaction tax have been imperative to the City's short-term viability. In November 2018, voters approved extending the transaction tax indefinitely, which is crucial for the City's long-term financial health.

Sales Tax revenue is estimated to decrease by 13% in FY 2020-2021 primarily resulting from the loss of sales tax due to COVID-19. Additionally, long-term revenue projections include the lingering impact of the COVID-19 pandemic combined with a slow revenue growth beginning in 2021. The projection reflects the current economic uncertainty and accounts for a slow economic rebound in the near future.

#### Property Tax In-Lieu of Motor Vehicle License Fee

Prior to 2004, cities in California received a share of the state's Motor Vehicle License Fee (VLF), which is a fee imposed on motor vehicles based on the original sale price of the vehicle. In 2004, the state shifted revenues from the Motor Vehicle License Fee to fund other programs. To make cities whole, the state replaced the loss of VLF revenue with a like amount of property tax revenue.

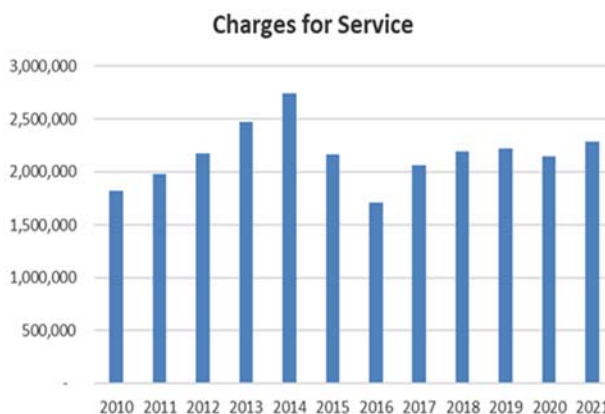


Property tax in-lieu of Motor Vehicle License Fee is the City's second largest revenue as it accounted for almost 12% of General Fund revenues in FY 2019-2020.

Revenue and Taxation Code Section (c)(1)(B)(i) specifies the VLF Adjustment Amount for each city and county is to grow in proportion to the growth of gross assessed valuation in that jurisdiction from the prior year. Property Tax In-lieu of VLF is conservatively projected to decrease by 2% in FY 2020-2021.

#### Charges for Services

San Fernando charges fees for various services it provides to users who derive a direct benefit from the provision of those services. Some examples include construction permit and inspection fees, Livescan fingerprint fees, special police services and administrative charges to the Enterprise and Special Revenue funds. Administrative charges are intended to reimburse the City for administrative costs incurred to support those activities.



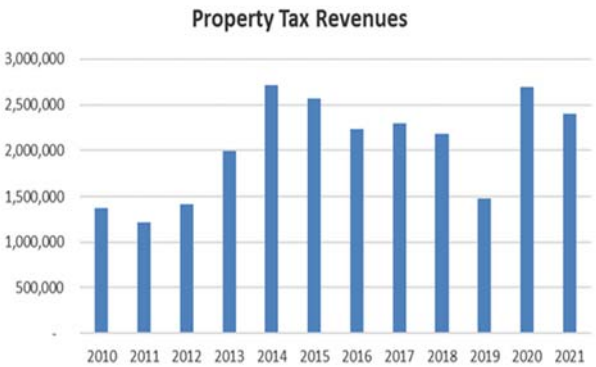
Charges for services are the City's fourth largest revenues source and accounted for 12% of total General Fund revenues.

Charges for Services are projected based on historical trends, known upcoming events (e.g. large development project or special event), and changes in the cost to provide the service (i.e. increase in personnel costs). Charges for Services are projected to increase 2% in FY 2020-2021. This is a result of the updated fee study and cost allocation plan that was

implemented in FY 2018-2019 and adjusted for FY 2019-2020 to adequately recover the costs of providing special services.

**Property Tax**

Property tax, accounting for almost 12% of the General Fund revenue in FY 2020-2021. Property tax is an ad valorem tax levied on property owners in the City of San Fernando. The property tax rate is limited by Proposition 13 to 1% of the property’s assessed value. The City receives approximately fifteen cents for every dollar in property tax paid by property owners in San Fernando. The remaining amount is distributed to Los Angeles County agencies and local school districts.

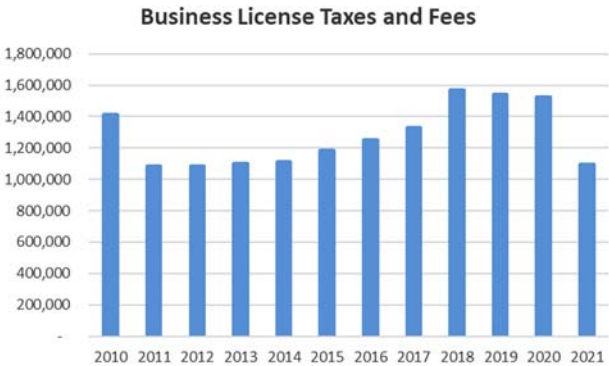


Assessed property values are steadily rebounding since they bottomed out in FY 2010-2011. Additionally, the elimination of redevelopment agencies and tax increment by the State has resulted in additional property tax for the City, which accounts for the large increases in FY 2012-2013 and FY 2013-2014. As the former San Fernando Redevelopment Agency winds down and retires debt, the City will continue to receive additional Property Tax revenue.

Although Proposition 13 limits the annual increase of Assessed Values to 2%, local investment and property turnover are expected to remain flat in FY 2020-2021 resulting in a negligible increase in in FY 2020-2021.

**Business License Fees**

San Fernando imposes a Business License fee on certain businesses, trades, professions and occupations specified in the City’s Municipal Code. There are a number of different fees based on business type, but generally, the fee imposed is \$1.20 per \$1,000 in gross receipts for the sale of goods and \$2.40 per \$1,000 in gross receipts for services. Business License is the City’s fifth largest revenue source, accounting for 7.0% of General Fund revenues in FY 2020-2021.



Business License revenue is also very sensitive to economic conditions and decreased by more than 25% from FY 2009-2010 to FY 2010-2011. Although Business License revenue has rebounded slightly since the recession, it is still well below pre-recession receipts and

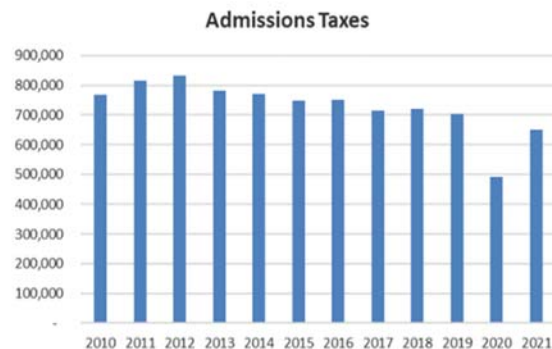
has remained relatively flat. Additionally, staff reductions resulting from the "Great Recession" directed resources away from the Business License compliance efforts, further compounding the reduction in revenue,

In FY 2015-2016, the City partnered with a private firm to provide full Business License Administration services. In FY 2016-2017, the City offered an amnesty program to waive late penalties for delinquent businesses that became current between January 2017 and June 2017. That program generated over \$100,000 in one-time Business License revenue as business owners paid prior year taxes. Due to the increased contract resources dedicated to Business License operations and a successful amnesty program, Business Tax revenues increased by almost 6% from the prior year..

After adjusting for the one-time revenues received in FY 2016-2017 from the amnesty program and increased discovery efforts to recover delinquent revenues in FY 2018-2019, Business License Taxes and Fees are conservatively projected to stabilize and decrease slightly in FY 2020-2021.

#### Admissions Tax

San Fernando imposes a tax on each person who pays an admission fee, commonly known as an Admissions Tax. The tax is collected by the operator at the time admission is paid. Admissions Tax revenue is the City's sixth largest revenue source, accounting for almost 4% of General Fund revenue.



The primary driver for Admissions Tax revenues is the City's Swap Meet. Swap Meet vendors sell new and used goods, typically at deeply discounted prices. Similar to other discount retailers, attendance at the Swap Meet has proven to be anti-cyclical in that, when the economy is depressed, the demand for discount goods increases and as the economy improves the demand for discount goods declines.

Consumers' anti-cyclical behavior is apparent with an increase in attendance, and consequently Admission Tax revenues, during and following the Great Recession. As the economy has steadily improved over the last few years, attendance, and consequently Admission Tax Revenues, has steadily declined. Additionally, continued COVID-19 restrictions prevented the City's Swap Meet from returning to normal full time operations. Therefore, staff has projected Admission Tax revenue remain flat in FY 2020-2021.

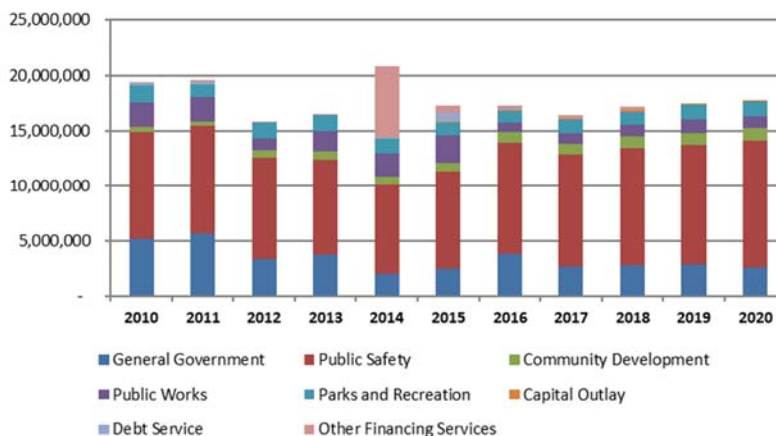
## General Fund Expenditures

Since fiscal year 2009-2010, total General Fund expenditures have decreased by more than 18% as the City has had to make drastic cuts to align on-going expenses with lower on-going revenues.

Excluding Capital Outlay, Debt Service and Transfers Out, General Fund departmental expenditures increased

by 2% from FY 2018-2019. The increase from the prior year is due primarily to increased labor costs and filling vacant positions, including multiple department head and police officer positions.

**General Fund  
Statement of Expenditures**



Public Safety (including the Fire Service contract with City of Los Angeles) expenditures accounted for 65% of General Fund expenditures in FY 2019-2020. The savings realized from vacant Police Officer positions were offset by additional overtime and an increase of approximately 2% in the Fire Services contract with LAFD.

There were no significant changes in expenditures for the General Government and Community Development expenditures from FY 2018-2019 to FY 2019-2020.

Public Works expenditures decreased by 11% from FY 2019-2020. Most of the decrease is due to vacant positions (Director of Public Works/City Engineer, Public Works Supervisor and Public Works Maintenance Workers), reduction in consulting services and consistent capital project activity throughout the City.

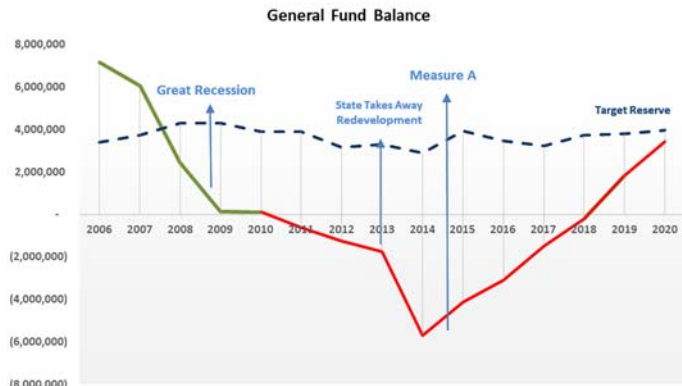
Parks and Recreation expenditures decreased by 5% due to a number of vacant positions, and a reduction in social activities due to the COVID-19 pandemic.

Despite the reductions and concessions that have already been implemented, San Fernando, like many cities through the State, continues to face increasing pension and healthcare costs for both active and retired employees. The City took an important step to restructuring benefits to create a more sustainable benefit package by working with employee groups to eliminate supplemental retiree healthcare benefits for employees hired after July 1, 2015 and converting some active employees to a cafeteria style health plan. The City will continue to work with labor groups to identify opportunities to equitably contain long-term benefit costs.



## Long Term Financial Planning

The City's General Fund has been in a deficit fund balance position since FY 2010-2011. The City took a number of steps to stabilize ongoing finances, including re-negotiating labor contracts, reducing programs and services, reducing professional development and membership opportunities for City staff, implementing layoffs and furloughs, and freezing vacant positions. Many of these were short-term fixes that were necessary to remain solvent; however, continuing these cuts is not sustainable in the long-term.



Many of these were short-term fixes that were necessary to remain solvent; however, continuing these cuts is not sustainable in the long-term.

In FY 2013-2014, the City Council began the development and implementation of a multi-year Deficit Elimination Plan. Put simply, the Deficit Elimination Plan aims to pay off debt, reduce ongoing expenditures and increase ongoing revenue. In 2013, the City declared a fiscal emergency and held a special election for a temporary one-half (½) cent local transaction and use tax, which was approved by sixty percent (60%) of voters. This local transaction tax, also referred to as “Measure A,” was originally set to sunset in October 2020. In November 2018, voters overwhelmingly (69%) approved extending the local transaction tax indefinitely.

The local transaction tax, originally projected to raise less than \$2 million per year, has generated close to \$2.5 million per year in additional general tax revenue and is necessary to fund a number of critical one-time needs. To date, the local transaction tax revenue has been used to fund non-recurring expenditures, including, but not limited to: 1) establishing General Fund, Self-Insurance, Equipment Replacement, and Facility Maintenance fund reserves, 2) paying off existing debt, 3) eliminating recurring deficit fund balances in Grant and other Special Revenue funds, 4) increasing public safety by replacing outdated vehicles and equipment, 5) replacing and updating outdated computer hardware, software and telecommunications systems, and 6) funding capital projects to reduce the City's deferred maintenance backlog.

In addition to short-term actions identified above, the City has taken a number of longer-term actions since the passage of Measure A to address the City's deficit and improve long-term financial stability, including:

- Renegotiated the Fire and Emergency Services contract with the Los Angeles Fire Department to reduce the City's ongoing annual cost without reducing service (saved more than \$500,000/year).

- Transferred operational and financial responsibility of the San Fernando Regional Pool to the County of Los Angeles through a lease of up to 55 years (saved more than \$500,000/year).
- Reduced retiree health benefits to the statutory minimum for new employees to decrease the City's retiree health (OPEB) liability (significant long-term savings).
- Sold surplus land and used the land sale proceeds to reduce the General Fund deficit (generated \$1 million in proceeds).
- Developed a five-year General Fund projection to improve long-term decision making.
- Adopted a Development Agreement Ordinance to provide additional tools to increase economic development efforts and diversify the tax base.
- Re-established reserves for the Self-Insurance and Equipment Replacement Funds (more than \$1 million in reserve to protect against large lawsuits).
- Updated user fees, development fees, and cost allocation calculations to ensure an appropriate cost recovery for City services (more than \$500,000/year in projected ongoing revenue).
- Updated the City's long term financial planning policies, including budget, purchasing, debt management, grant management, investment, and reserve policies, with an emphasis on creating long term fiscal sustainability.

To continue implementation of the deficit reduction plan in FY 2020-2021, the Adopted Budget includes the following:

- Continue to pay down General Fund debt to the Retirement Fund and Enterprise Funds.
- Upgrades to security and functionality of the City's network backbone and software systems, including permitting software upgrades that will allow customers to apply, pay, and receive certain permits online.
- Investment in staff training and education to maximize utilization of existing staff resources.

Despite the progress that has been made since 2013, the City will need to continue to work to establish a reserve fund balance and develop strategies to fund key long-term liabilities, including retiree health and pension costs.

Financial Information

Honorable Mayor and City Council Members  
Residents of San Fernando  
December 29, 2020

The City maintains its accounting system with due consideration given to the adequacy of internal accounting controls. These controls are designed to provide reasonable, but not absolute, assurance that assets are adequately safeguarded from waste, fraud and inefficient use. The financial records maintained allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by management.

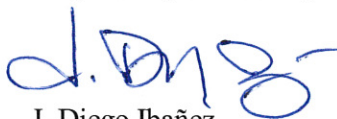
### **Awards and Acknowledgments**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of San Fernando for its comprehensive annual financial report for the fiscal year ended June 30, 2018. This was the 34th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and all applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City believes that the current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and will submit it to the GFOA to determine its eligibility for the 2020 certification.

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire City staff, especially Senior Accountant Sonia Garcia. This report would not have been accomplished without their support and without the dedication of the audit firm Van Lant & Fankhanel, LLP. Each contributing member of the City staff has my sincere appreciation for the contributions made in the preparation of this report. I would also like to thank the members of the current City Council for their interest and commitment to conducting the financial operations of the City in a responsible and fiscally prudent manner and setting a course for the City that is both progressive and positive.

Respectfully submitted,



J. Diego Ibañez  
Director of Finance

## DIRECTORY OF OFFICIALS

FISCAL YEAR 2019-2020

### ELECTED OFFICIALS

#### CITY COUNCIL

MAYOR

JOEL FAJARDO

VICE MAYOR

HECTOR A. PACHECO

#### COUNCILMEMBERS

SYLVIA BALLIN

ROBERT C. GONZALES

MARY MENDOZA

CITY TREASURER

MARGARITA SOLIS

### EXECUTIVE MANAGEMENT

CITY MANAGER

NICK KIMBALL

DEPUTY CITY MANAGER/

DIRECTOR OF COMMUNITY DEVELOPMENT

TIMOTHY HOU

CHIEF OF POLICE

ANTHONY VAIRO

CITY CLERK

JULIA FRITZ

DIRECTOR OF FINANCE

J. DIEGO IBAÑEZ

DIRECTOR OF PUBLIC WORKS

MATT BAUMGARDNER

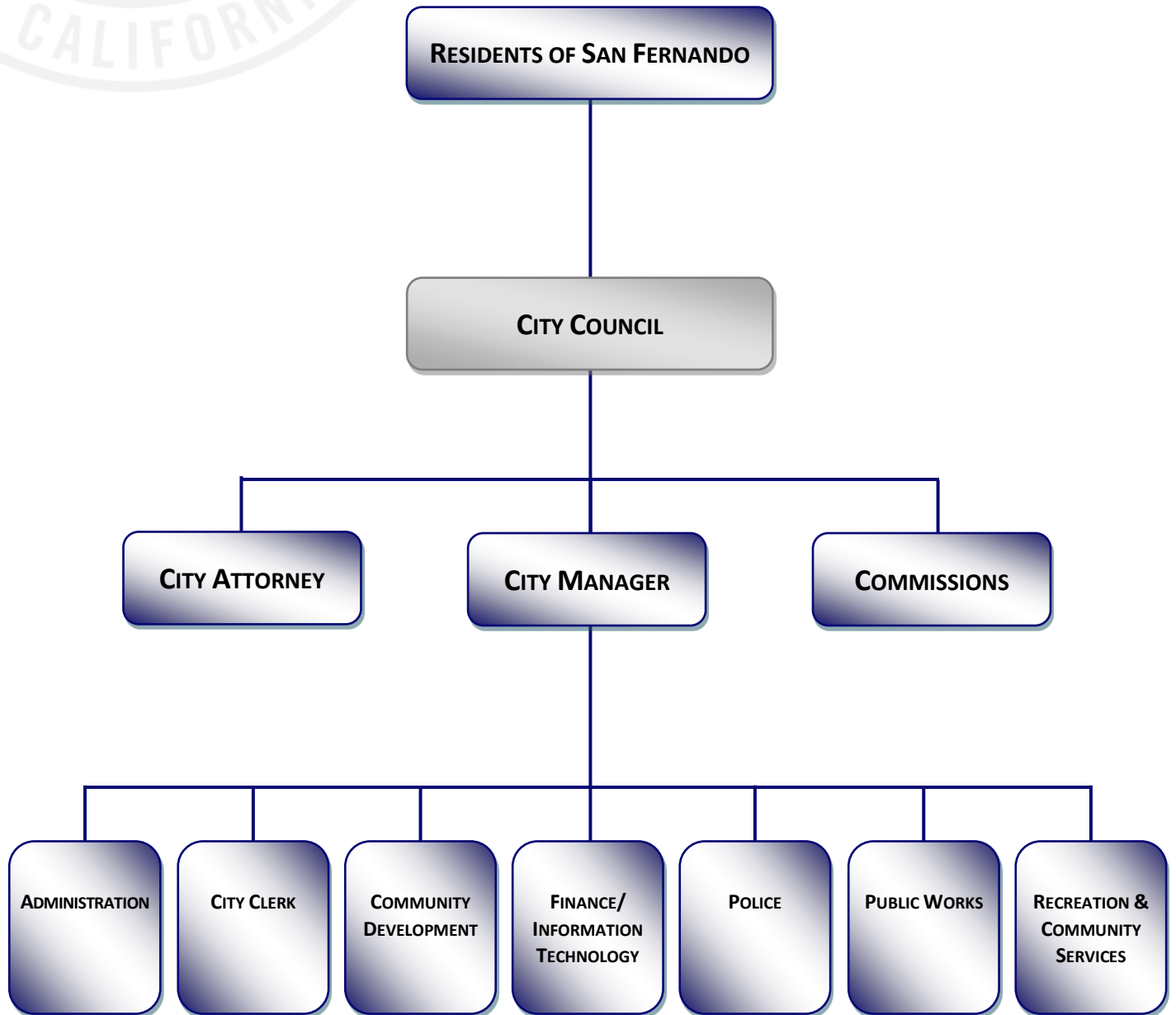
DIRECTOR OF RECREATION AND  
COMMUNITY SERVICES

JULIAN J. VENEGAS

# THE CITY OF SAN FERNANDO

## ORGANIZATIONAL CHART

FISCAL YEAR 2019-2020



ELECTED  
OFFICIAL



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of San Fernando  
California**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morill*

Executive Director/CEO

## **SECTION II.**

# **Financial Section**

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## **Independent Auditor's Report**

The Honorable City Council  
City of San Fernando, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of San Fernando (City), as of and for the year ended June 30, 2020, 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 respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City of San Fernando, as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and other required supplementary information as listed in the table of contents, 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 an opinion on the financial statements that collectively comprise the City's basic financial statements. The introductory section, schedules listed in the Supplementary Information section of the table of contents, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The schedules listed in the Supplementary Information section of the table of contents are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 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 schedules listed in the Supplementary Information section of the table of contents are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

### **Other Reporting Required by *Government Auditing Standards***

In accordance with Government Auditing Standards, we have also issued a report dated December 29, 2020, 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 the 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.

*Van Lant & Fankhaenel, LLP*

December 29, 2020

**CITY OF SAN FERNANDO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020**

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This section of the Comprehensive Annual Financial Report provides a narrative overview and analysis of the financial activities of the City of San Fernando (City) for the fiscal year ended June 30, 2020. As management of the City, we encourage readers to consider the information presented here in conjunction with additional information we have furnished in our letter of transmittal, which can be found beginning on pages i - xiii, and the City's financial statements beginning on page 21.

**FINANCIAL HIGHLIGHTS**

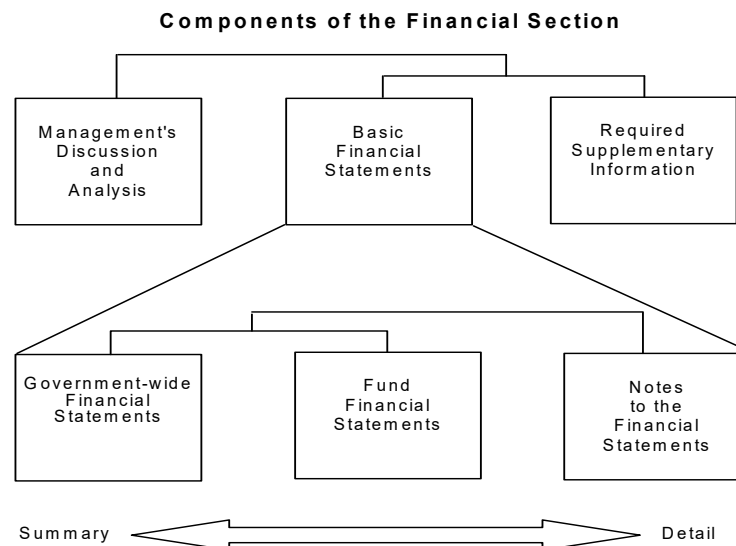
The following are some key financial highlights for the fiscal year ending June 30, 2020:

- ↑ The City's total net position increased from \$4,089,796 as of June 30, 2019 to \$5,108,636 as of June 30, 2020 for a total increase of \$1,018,840, or 24.91%. Additional information on the increase in net position is discussed in more detail in the Government-wide Financial Analysis beginning on page 7.
- ↑ The City's total unrestricted net position increased from (\$71,038,153) at June 30, 2019 to (\$71,710,518) at June 30, 2020 for a total decrease in unrestricted net position of \$672,365, or 0.95%.
- ↑ The City's total fund balances for governmental funds increased from \$22,217,835 as of June 30, 2019 to \$24,261,074 as of June 30, 2020 for a total increase of \$2,043,239, or 9.2%.
- ↑ The total fund balance for the General Fund increased from \$1,821,163 as of June 30, 2019 to \$3,626,544 as of June 30, 2020 for a total increase of \$1,805,381, or 99.13%. Fund balance is classified per GASB Statement No. 54 as Nonspendable: \$1,600, Restricted: \$ - , and Unassigned: \$3,624,944. Additional information on the fund balances is located in Note 1.
- ↑ The combined fund balance for the City's other governmental funds, excluding the General Fund, increased from \$20,396,672 as of June 30, 2019 to \$20,634,530 as of June 30, 2020 for a total increase of \$237,858, or 1.17%.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This annual report consists of four parts: 1) Management's Discussion and Analysis, 2) the basic financial statements, 3) required supplementary information, and 4) *optional* combining statements for non-major governmental funds.

The City's basic financial statements are comprised of three components: 1) Government-wide Financial Statements 2) Fund Financial Statements and 3) Notes to the Financial Statements.



## Government-wide Financial Statements

The Government-wide Financial Statements are designed to present financial information about the City as a whole in a manner similar to a private-sector business, including the use of accrual-based accounting to recognize revenues and expenses. *Governmental activities*, which are principally supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely primarily on user fees and charges to fund operations. *Governmental activities* include those traditionally associated with local government, such as public safety, public works, community development, recreation, and general government (administrative) functions. *Business-type activities* include the City's water and wastewater utility operations and Compressed Natural Gas (CNG) fueling station.

The Statement of Net Position presents information on all of the City's assets, including capital assets, and all related current liabilities and long-term obligations. The difference between total assets and total liabilities is presented as net position, which serves as a measure of the financial health of the City. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. Decreases in net position are presented as "Expenses;" increases in net position are presented as "Revenues." Revenues directly attributable to a particular function within the City are presented as "Program Revenues." Tax revenues, including those restricted to a particular program function, are reported as "General Revenues" unless specifically required to be reported as program revenues.

All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only affect cash flows in future fiscal periods (e.g., revenues pertaining to uncollected taxes, or expenses pertaining to earned, but unused, vacation and sick leave).

The government-wide financial statements include the City (known as the primary government) and the San Fernando Public Financing Authority, which is a legally separate entity. The City is financially accountable for this entity and financial information for this blended component unit is reported within the financial information presented for the primary government itself.

The government-wide financial statements can be found beginning on page 21 of this report.

## Fund Financial Statements

The City, like other state and local governments, uses fund accounting for recording its financial activities. In general, fund accounting provides a mechanism to separately account for a variety of different funding sources and enables the City to demonstrate compliance with legal and/or contractual requirements that may be associated with these funds. Thus, the accompanying fund financial statements present individual funds organized into one of three categories: Governmental, Proprietary, or Fiduciary Funds. Note that the fund financial statements only present information on the most significant (i.e. "major") funds on the face of the statements. Nonmajor funds are grouped and presented in total on the face of the statements. In addition, the fund financial statements include a schedule that reconciles the fund financial statements to the government-wide financial statements. This is designed to explain the differences created by the integrated approach to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. Most of the City's basic services are reported in governmental funds. Governmental funds include the General Fund, Special Revenue, Capital Projects, and Debt Service funds. In the fund financial statements, all governmental fund types are reported using the modified accrual basis of accounting, whereby revenues are generally recognized when measurable and available to finance current operating costs, and expenditures are recognized when the related liability is incurred. In addition, the focus is on inflow (revenues) and outflow (expenditures) of the current period. As such, the balance sheets of governmental funds are intended to present only short-term assets and liabilities.

The fund financial statements include separate columns, by fund type, for all "major" governmental funds of the City. All "Nonmajor" governmental funds are consolidated into a single column labeled "Other Governmental

### Fund Financial Statements (cont.)

Funds.” The details of these funds are included in the Combining and Individual Fund Statements and schedules located in the supplementary information section of this report on pages 68 - 117.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City’s near-term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains 29 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Retirement Tax Fund, and Housing Fund. Data from the other 26 governmental funds are combined into a single, aggregated presentation of “Other Governmental Funds.” Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* in the *non-major governmental funds supplementary information* section of this report.

The City adopts an annual appropriated budget for its General Fund. A budgetary comparison statement has been provided for the General Fund to demonstrate its compliance with this budget.

***Proprietary Funds.*** Proprietary funds are used to account for services provided to external customers or other City departments and funds that are primarily funded from user fees and charges. Proprietary funds use the accrual basis of accounting and measure the balance and change in *total economic* resources. Accordingly, balance sheets of proprietary funds include all assets and liabilities, including long-term receivables, capital assets, and long-term liabilities. The basis of accounting and measurement focus used to prepare proprietary fund statements is the same that is used to prepare the government-wide statements. Thus, proprietary fund statements provide the same, but more detailed, information about these funds, which are included in the “Business-Type Activity” column of the government-wide statements.

The City maintains two different types of proprietary funds: *Enterprise and Internal Service*.

- *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City currently uses enterprise funds to account for the following activities: 1) water operations, 2) wastewater operations, 3) compressed natural gas (CNG) fueling station operations, and 4) refuse operations (inactive).
- *Internal Service funds* are used by the City to account for its intra-city services. The City currently uses three internal service funds: 1) Equipment Maintenance and Replacement Fund, 2) Facility Maintenance Fund and 3) Self Insurance Fund.

Because internal service funds predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements. Internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in the form of *combining statements* in the supplementary information section.

The basic proprietary fund financial statements can be found beginning on page 29 of this report.

***Fiduciary Funds.*** Fiduciary funds are used to account for resources held by the City as trustee on behalf of other agencies or individuals. Fiduciary funds are *not* presented in the accompanying government-wide financial statements since the resources of those funds are *not* available to support the City’s programs. The basis of accounting used for the fiduciary funds is similar to what is used for the proprietary funds. The fiduciary funds financial statements are located in the basic financial statements section of this report.

### Fund Financial Statements (cont.)

The City uses fiduciary funds to account for the activities of the Successor Agency to the San Fernando Redevelopment Agency and one other small agency fund where the City serves as custodian.

### Notes to Basic Financial Statements

The notes to basic financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found beginning on page 33 of this report.

### Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* beginning on page 61 of this report. This section includes a comparison of budgeted to actual results for the general and major special revenue funds.

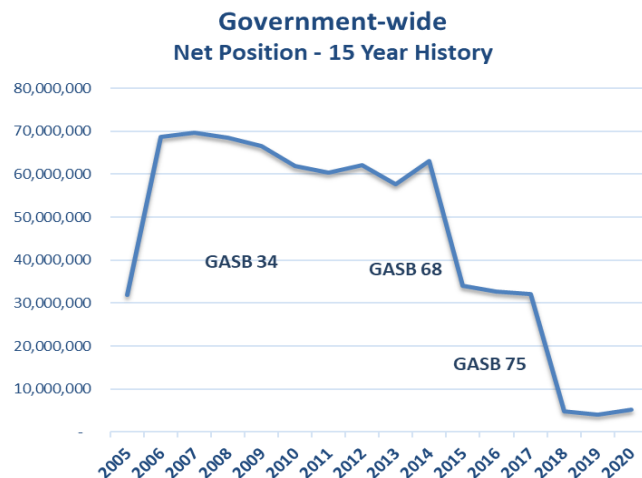
The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following *the required supplementary information*. Combining and individual fund statements and schedules can be found beginning on page 70 of this report.

## Government-wide Financial Analysis

### Statement of Net Position

Over time, net position may serve as a useful indicator of the City's financial position. As the chart shows, the City's net position has been volatile over the last 15 years and has been significantly impacted by a number of changes to financial reporting guidelines implemented by GASB. In fiscal year 2019-2020, the City's net position increased from \$4,089,796 as of June 30, 2019 to \$5,108,636 as of June 30, 2020 for a total increase of \$1,018,840 or 24.91%.

The increase in net position is the result of implementation of a new reporting requirement by the Government Accounting Standards Board, Statement No. 75 (GASB 75). GASB 75 requires governments providing postemployment benefits (i.e. retirement benefits) other than pensions to comprehensively measure the cost of those other postemployment benefits (OPEB) and recognize long-term cost of those obligations as a liability. As a result of the reporting requirements set forth in GASB 75, the City's total OPEB liability reported on the financial statements decreased from \$37,568,297 as of June 30, 2019 to \$37,052,924 as of June 30, 2020 for a total decrease of \$515,373, or 1.37%. Additional information related to the City's pension benefits/liability and OPEB benefits/liability can be found in Notes 7 and 8, respectively.



Total assets increased by \$5,924,994, due primarily to increased Cash and Investments in the General Fund and Retirement Fund. The increase in cash in the General Fund is a result of continued implementation of the Deficit Reduction Plan and the increase in the Retirement Fund is a result of the City accumulating funds to offset increasing future retirement liabilities.

The increase in assets was offset by an increase in liabilities of \$3,501,118 due to significant increases in the City's long-term liabilities. Additional information related to the City's pension benefits/liability and OPEB benefits/liability can be found in Notes 7 and 8, respectively.

**CITY OF SAN FERNANDO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2020**

**Government-wide Financial Analysis (cont.)**

The largest portion of the City's net position, \$55,620,081 reflects its investment in capital assets (e.g., land, buildings, infrastructure, machinery and equipment, etc.) less any related debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending.

A portion of the City's net position, \$21,199,073 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, if any, may be used to meet the government's ongoing obligations to citizens and creditors.

As of June 30, 2020, the City is reporting positive net positions balances in only two categories: 1) Net Investment in Capital Assets, and 2) Restricted; the City's government-wide unrestricted net position reflects a deficit of (\$71,710,153). This large deficit is the result of long-term liabilities, most notably, pension and OPEB liabilities as detailed in Notes 6, 7 and 8.

The following table summarizes the Statement of Net Position for Governmental and Business-Type Activities for the fiscal year ended June 30, 2020, with comparative totals for the fiscal year ended June 30, 2019.

**Summary of Net Position**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2020	2019	2020	2019	2020	2019
Assets:						
Current and other assets	\$ 30,141,391	\$ 26,703,923	\$ 11,392,901	\$ 11,290,282	\$ 41,534,292	\$ 37,994,205
Capital assets	43,406,501	43,594,519	16,153,962	13,581,037	59,560,463	57,175,556
Total assets	73,547,892	70,298,442	27,546,863	24,871,319	101,094,755	95,169,761
Deferred Outflows of Resources:	9,882,968	7,814,861	1,440,768	1,589,537	11,323,736	9,404,398
Liabilities:						
Current and other liabilities	3,704,534	3,838,358	1,098,363	678,972	4,802,897	4,517,330
Long-term liabilities	80,184,285	77,178,188	13,966,944	13,757,490	94,151,229	90,935,678
Total liabilities	83,888,819	81,016,546	15,065,307	14,436,462	98,954,126	95,453,008
Deferred Inflows of Resources:	7,147,502	4,214,894	1,208,227	816,461	8,355,729	5,031,355
Net position:						
Net Investment in Capital Assets	40,816,119	40,925,297	14,803,962	13,581,037	55,620,081	54,506,334
Restricted	21,199,073	20,621,615	-	-	21,199,073	20,621,615
Unrestricted	(69,620,653)	(68,665,049)	(2,089,865)	(2,373,104)	(71,710,518)	(71,038,153)
Total net position	\$ (7,605,461)	\$ (7,118,137)	\$ 12,714,097	\$ 11,207,933	\$ 5,108,636	\$ 4,089,796



## **Government-wide Financial Analysis (cont.)**

### Statement of Activities

As previously discussed, the Statement of Net Position provides a measure of the financial health of an entity at a specific date in time (i.e. year-end). In contrast, the Statement of Activities provides details of how net position changed from the prior year. Generally, it indicates whether the financial health of the City as a whole is better at June 30, 2020, in relation to a year earlier.

The City's total net position increased from \$4,089,796 as of June 30, 2019 to \$5,108,636 as of June 30, 2020 for a total increase of \$1,018,840 or 24.91%. Key elements of this increase are as follows:

- ❖ Net position of governmental activities decreased from (\$7,118,137) as of June 30, 2019 to (\$7,605,461) as of June 30, 2020; a total decrease of (\$487,324), or 6.8%. The decrease is due to long-term net pension liabilities. See Note 6.
- ❖ Net position of business-type activities increased from \$11,207,933 as of June 30, 2019 to \$12,714,097 as of June 30, 2020; a total increase of \$1,506,164 or 13.44%. The increase is due to program revenues, specifically in charges for services.

The table on the following page summarizes the Statement of Activities for Governmental Activities and Business-Type Activities for the fiscal year ended June 30, 2020, with comparative totals for the fiscal year ended June 30, 2019.

**CITY OF SAN FERNANDO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2020**

<b>City of San Fernando</b> <b>Government-wide Financial Statements</b> <b>Summary of Activities</b>						
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
<b>Revenues</b>						
Program revenues						
Charges for services	\$ 3,399,755	\$ 3,505,452	\$ 8,488,194	\$ 8,000,385	\$11,887,949	\$11,505,837
Operating grants and contributions	2,851,522	2,777,539	-	-	2,851,522	2,777,539
Capital grants and contributions	1,059,134	1,154,463	-	-	1,059,134	1,154,463
General revenues						
Taxes	21,239,540	20,640,749	-	-	21,239,540	20,640,749
Investment earnings and other	915,709	652,113	350,106	341,556	1,265,815	993,669
<b>Total revenue</b>	<b>29,465,660</b>	<b>28,730,316</b>	<b>8,838,300</b>	<b>8,341,941</b>	<b>38,303,960</b>	<b>37,072,257</b>
<b>Expenses</b>						
General government	6,695,845	7,604,642	-	-	6,695,845	7,604,642
Public safety	15,706,963	13,844,371	-	-	15,706,963	13,844,371
Community development	1,448,244	1,357,983	-	-	1,448,244	1,357,983
Public works	4,587,387	5,085,991	-	-	4,587,387	5,085,991
Parks and recreation	1,912,396	1,819,230	-	-	1,912,396	1,819,230
Capital Outlay	-	-	-	-	-	-
Interest and fiscal charges	86,044	88,665	-	-	86,044	88,665
Water operations	-	-	4,151,358	4,154,617	4,151,358	4,154,617
Sewer operations	-	-	2,860,657	3,703,978	2,860,657	3,703,978
CNG operations	-	-	136,837	80,355	136,837	80,355
Refuse operations	-	-	3,284	3,227	3,284	3,227
<b>Total expenses</b>	<b>30,436,879</b>	<b>29,800,882</b>	<b>7,152,136</b>	<b>7,942,177</b>	<b>37,589,015</b>	<b>37,743,059</b>
Excess or (deficiency) before transfers	(971,219)	(1,070,566)	1,686,164	399,764	714,945	(670,802)
Transfers in (out)	180,000	180,000	(180,000)	(180,000)	-	-
Change in Net position	(791,219)	(890,566)	1,506,164	219,764	714,945	(670,802)
Net position – beginning	(7,118,137)	(6,227,571)	11,207,933	10,988,169	4,089,796	4,760,598
Prior Period Adjustment	303,895	-	-	-	303,895	-
Net position – ending	<b>\$ (7,605,461)</b>	<b>\$ (7,118,137)</b>	<b>\$12,714,097</b>	<b>\$11,207,933</b>	<b>\$ 5,108,636</b>	<b>\$ 4,089,796</b>

**Governmental Activities**

The City's net position from governmental activities decreased from (\$7,118,137) as of June 30, 2019 to (\$7,605,461) as of June 30, 2020; a total decrease of (487,324), or 6.85%. The decrease is due to long-term liabilities, specifically net pension liabilities. See Note 6.

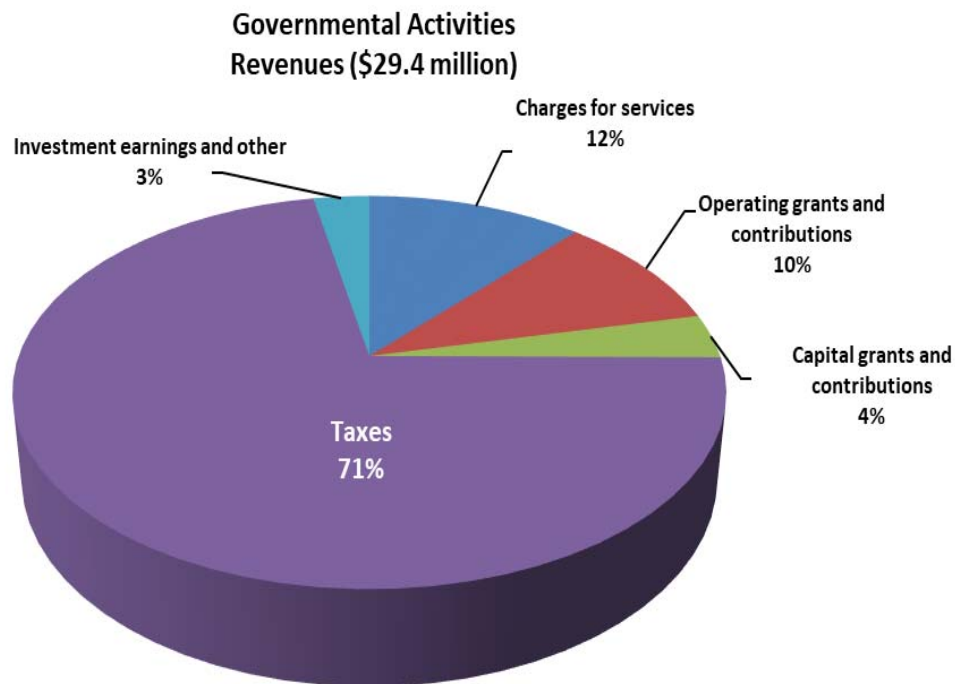
## Government-wide Financial Analysis (cont.)

### *Revenue Highlights*

Total governmental activities revenues were \$29,465,660; an increase of \$735,344, or 2.6%, from 2019. The largest component of governmental activities' revenue are taxes, which generate \$21,239,540 making up 72% of total governmental activities' revenues. This is consistent with the nature and purpose of governmental funds, particularly the General Fund, where programs are largely supported by general taxes. The highest tax revenues received by the General Fund include Property Tax (\$9.7 million), Sales Tax (\$8.7 million), and business license tax (\$1.6 million). Some key changes in revenues include:

- Property tax revenue decreased by .11% and sales tax revenues increased by \$565,333 or 6.89%. Both of these revenue sources are economically sensitive, given the current COVID-19 pandemic, these revenue sources will be heavily impacted going forward by local businesses and community activity.
- Business licenses tax revenues decreased by \$56,332 (3.52%) compared to the prior year. In 2016, the City enhanced the amount of resources dedicated to the business license program by partnering with a private entity to manage the program and approved a 6-month amnesty program to waive penalties for delinquent business license accounts that self-reported past due income.

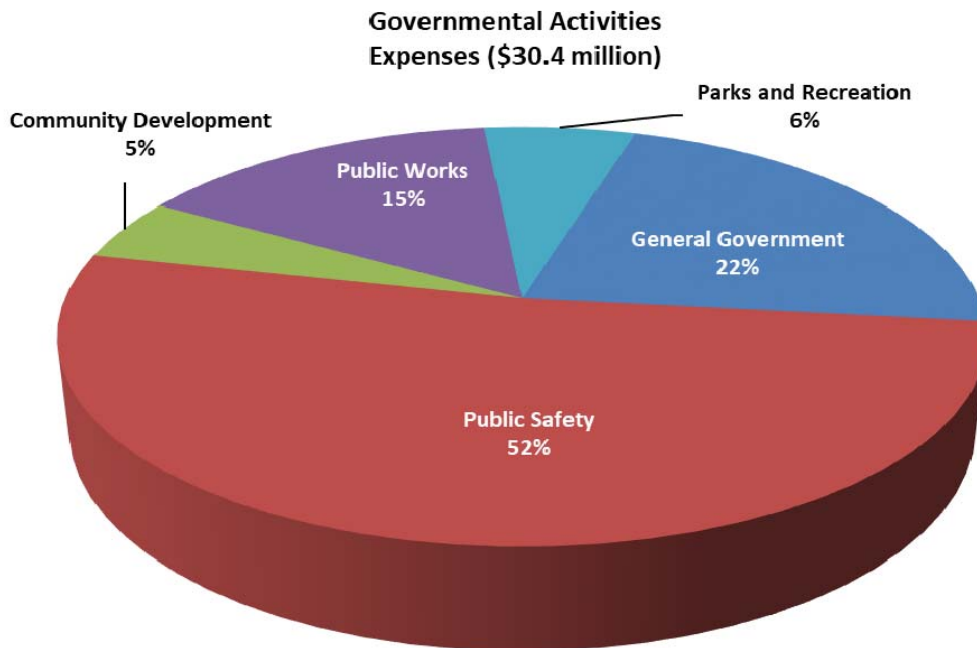
The governmental activities pie chart below illustrates operating revenues by source (excluding transfers). Taxes, which include sales, property, motor vehicle license, business and other taxes are general revenues used to support overall government functions. These sources account for approximately 71% of total governmental revenue. Charges for services make up 12% of revenues while operating and capital grants and contributions amount to 14% of total governmental revenues.



**Governmental Activities (cont.)**

*Expense Highlights*

Functional expenses for fiscal year 2019-2020 governmental activities totaled \$30,436,879 an increase of \$635,997 from the prior year. Public Safety activities, consisting of the San Fernando Police Department and Fire Services contract with the Los Angeles Fire Department, accounted for approximately \$15.7 million (52%) and Public Works activities accounted for approximately \$4.5 million (15%) of the total expenses in the governmental funds. General Government expenses (including City Council, City Manager, City Clerk, Information Technology, Finance, Human Resources, and City Attorney contract) also accounted for approximately 6.6 million (22%) of total expenses. Community Development (\$1.4 million) and Recreation and Community Services (\$1.9 million) account for the remaining 11% of expenses.



**Business-Type Activities**

The net position of business-type activities increased from \$11,207,933 as of June 30, 2019 to \$12,714,097 as of June 30, 2020; a total increase of \$1,506,164, or 13.44%. The increase is due to increase in assets due to purchase of land or reduction in OPEB and pension.

The City's Water Utility and Sewer/Wastewater operations are the two largest business-type operations, with charges for service being the primary funding source. The Summary of Activities chart presented on page 23 shows a comparison of program revenues to expenses to prior year for each of the City's business-type activities.

**CITY OF SAN FERNANDO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020**

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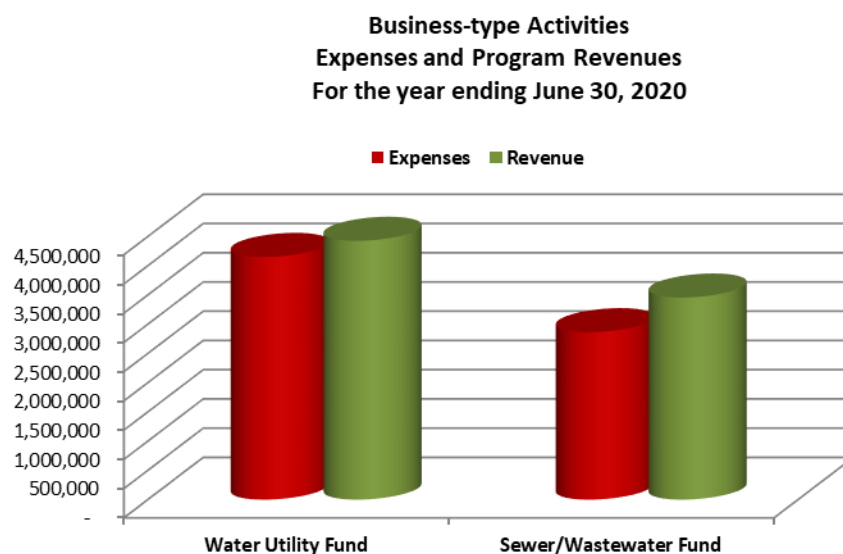
**Business-Type Activities (cont.)**

*Revenue Highlights*

Total program revenues for the fiscal year ended June 30, 2020 were approximately \$8.4 million; an increase of \$487,801 or 6.10%, from 2019.

*Expense Highlights*

Total expenses for the fiscal year ended June 30, 2020 were approximately \$7.1 million; a decrease of \$790,041, or 9.95%, from 2019. The City's water and wastewater (sewer) infrastructure is aging and many sections are in need of replacement. The increase in expenses is related to a number of significant emergency capital expenses to repair multiple collapsed sewer main lines.



**GOVERNMENTAL FUNDS FINANCIAL ANALYSIS**

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds.** The focus of the City's *governmental funds* is to provide information on near-term inflows, outflows and balances of *spendable* resources. Such information may be useful in assessing the City's financing requirements. In particular, *unassigned fund balance* may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

The combined ending fund balances in the City's governmental funds increased from \$22,217,835 as of June 30, 2019 to \$24,261,074 as of June 30, 2020; a total increase of \$2,043,239, or 9.20%. The City's governmental funds report an unassigned fund balance of \$3,060,401, which is a \$1,409,374 increase from June 30, 2019.

**CITY OF SAN FERNANDO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2020**

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**GOVERNMENTAL FUNDS FINANCIAL ANALYSIS (cont.)**

The remainder of the fund balance is either nonspendable or restricted to indicate that it is not available for new spending because it has already been reserved for the following:

- 1) \$1,600 for prepaid items;
- 2) \$21,199,073 restricted for transportation, housing, air pollution, parks and recreation, public safety and retirement.

**Summary of Governmental Funds**  
**Balance Sheet**

	2020	2019
Assets:		
Cash and Investments	\$ 19,193,348	\$ 15,942,675
Other assets	12,105,704	12,952,349
Total assets	<u>31,299,052</u>	<u>28,895,024</u>
Liabilities:		
Accounts Payable	1,210,023	747,590
Other liabilities	5,036,852	5,719,480
Total liabilities	<u>6,246,875</u>	<u>6,467,070</u>
Total deferred Inflows of Resources	<u>791,103</u>	<u>210,119</u>
Fund balances:		
Nonspendable	1,600	1,140
Restricted	21,199,073	20,565,668
Unassigned	<u>3,060,401</u>	<u>1,651,027</u>
Total fund balances	<u>\$ 24,261,074</u>	<u>\$ 22,217,835</u>

The following is a summary of significant changes to fund balance in the major governmental funds.

**General Fund.** The General Fund is the chief operating fund of the City. The General Fund's fund balance increased from 1,821,163 as of June 30, 2019 to \$3,626,544 as of June 30, 2020.

**Retirement Tax Fund.** The Retirement Tax Fund is a special revenue fund used to account for the City's special property tax levy that is restricted to pay City employees' pension obligation to CalPERS. The fund balance increased from \$11,378,091 as of June 30, 2019 to \$11,555,395 as of June 30, 2020; a total increase of \$177,304, or 1.5%. Assets in the Retirement Tax fund are restricted to pay the City's long-term pension obligation to CalPERS.

**Housing Fund.** The Housing Fund is a special revenue fund used to account for the City's moderate to low income housing activity. The fund balance increased from \$3,371,029 as of June 30, 2019 to \$3,388,093 as of June 30, 2020 due to investment earnings and repayment of outstanding housing loans. Assets in the Housing fund are restricted to low/moderate income housing related activities.

**CITY OF SAN FERNANDO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2020**

**PROPRIETARY FUNDS FINANCIAL ANALYSIS**

Unlike governmental funds, proprietary funds use the accrual basis of accounting for financial statement purposes. Accordingly, information reported for the individual fund statements is very similar to that presented as Business-Type Activities in the government-wide statements. Government-wide reporting requires the inclusion of activities of the City's internal service funds related to proprietary fund activities in the Business-Type Activities. Therefore, the following analysis is very similar to that presented for Business-Type Activities.

Enterprise Funds. Total net position increased from \$11,207,933 as of June 30, 2019 to \$12,714,097 as of June 30, 2020; a total increase of \$1,506,164, or 13.44%. The increase is due to program revenues, specifically in charges for services.

Internal Service Funds. The City's internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. Services provided by internal service funds have been allocated to governmental functions, based on user percentages, in the government-wide financial statements. The City uses internal service funds to account for facility maintenance, vehicle maintenance and replacement, and insurance premiums and claims costs. The total net position of the internal service funds increased from (\$1,655,227) as of June 30, 2019 to (\$556,336) as of June 30, 2020; a total increase of \$1,098,891, or 66.38%. The increase in net position is primarily due to a decrease in claims payable for unresolved liability and workers' compensation claims. The City will continue to accumulate assets to further offset the claims liability and reduce the deficit.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

The General Fund is the main operating fund of the City. Its revenues are primarily derived from taxes and charges for services, which are used to pay for the traditional services provided by local government - public safety, parks and recreation, community development (building and planning), and public works.

*Revenues.* Actual General Fund revenues were \$19,359,310 in fiscal year 2019-20, compared to the \$18,510,688 final budget; a difference of \$848,622, or 4.6%. The difference is predominately due to additional sales tax revenue, residual property tax and investment earnings.

**Summary of General Fund Revenues**

**Budget and Actual**

**June 30, 2020**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive(Negative)
	Original	Final		
<b>Revenues</b>				
Taxes	\$ 13,298,000	\$ 13,317,500	\$ 13,859,622	\$ 542,122
Licenses and Permits	295,000	300,000	427,751	127,751
Charges for Services	2,339,039	965,200	797,686	(167,514)
Fines and Forfeitures	607,800	607,800	595,337	(12,463)
Investment Earnings	496,640	486,640	749,692	263,052
Intergovernmental	2,610,048	2,590,548	2,653,489	62,941
Other	293,000	243,000	275,733	32,733
<b>Total Revenues</b>	<b>\$ 19,939,527</b>	<b>\$ 18,510,688</b>	<b>\$ 19,359,310</b>	<b>\$ 848,622</b>

**GENERAL FUND BUDGETARY HIGHLIGHTS (cont.)**

*Expenditures.* Actual General Fund expenditures were \$17,774,234 in fiscal year 2019-2020, compared to the \$19,491,031 final budget; a difference of \$1,716,797 or 9.66%. The largest variance is due to a combination of project deferral due to the vacancy of the Public Works Director position and the COVID-19 pandemic.

**CITY OF SAN FERNANDO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2020**

**Summary of General Fund Expenditures**  
**Budget and Actual**  
**June 30, 2020**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive(Negative)
<b>Expenditures</b>				
General Government:				
City Council	\$ 213,101	\$ 212,442	\$ 193,364	\$ 19,078
Treasurer	77,922	77,922	77,375	547
Administration	243,186	248,186	238,827	9,359
Personnel	239,952	239,952	219,789	20,163
City Attorney (contract)	238,123	213,123	186,965	26,158
City Clerk	195,688	197,987	192,856	5,131
Elections	6,000	71,000	54,139	16,861
Finance	456,408	464,908	391,567	73,341
Information Technology (contract)	274,404	290,404	226,377	64,027
Retirement and Nondepartmental	892,933	890,911	812,877	78,034
Public Safety:				
Police	8,257,123	8,332,123	8,677,704	(345,581)
Fire (contract)	2,850,000	2,850,000	2,916,856	(66,856)
Community Development	1,136,388	1,146,388	1,090,187	56,201
Public Works	1,355,325	1,481,054	1,131,302	349,752
Parks and Recreation	1,360,512	1,360,513	1,283,440	77,073
Capital Outlay	12,000	1,414,118	80,609	1,333,509
<b>Total Expenditures</b>	<b>17,809,065</b>	<b>19,491,031</b>	<b>17,774,234</b>	<b>1,716,797</b>
<b>Other Financing Sources (Uses)</b>				
Transfers In	\$ 518,805	\$ 518,805	\$ 518,805	\$ -
Transfers Out	(543,500)	(623,500)	(298,500)	325,000
<b>Total Other Financing Sources (Uses)</b>	<b>\$ (24,695)</b>	<b>\$ (104,695)</b>	<b>\$ 220,305</b>	<b>\$ 325,000</b>
Net Change in Fund Balance	2,105,767	(1,085,038)	1,805,381	2,890,419
Fund Balance, Beginning of Year	1,821,163	1,821,163	1,821,163	-
Fund Balance, End of Year	3,926,930	736,125	3,626,544	2,890,419



**CITY OF SAN FERNANDO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**JUNE 30, 2020**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets.** The City's investment in capital assets for its governmental activities, net of accumulated depreciation, amounts to \$43,406,501 as of June 30, 2020. This investment in capital assets includes land, buildings, improvements other than building, infrastructure (roads, sidewalks, streetlights, etc.), and machinery and equipment. The total change in the City's investment in capital assets through June 30, 2020 was \$188,018 due to street and other capital improvements completed during the year. Additional information on the City's capital assets can be found in Note 4 to the basic financial statements on pages 46 - 47 of this report.

**Capital Assets (Note 4)**  
**Net of Accumulated Depreciation**  
**June 30, 2020**

	Governmental Activities	Business-type Activities	Total
Capital assets not being depreciated	\$ 7,110,828	\$ 4,124,878	\$ 11,235,706
Capital assets being depreciated	99,937,242	38,535,267	138,472,509
Less accumulated depreciation	(63,641,569)	(26,506,183)	(90,147,752)
<b>Net Capital Assets</b>	<b>43,406,501</b>	<b>16,153,962</b>	<b>59,560,463</b>

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

- *Governmental activities:* Capital asset additions in governmental activities include completion of various street and facility improvement projects.
- *Business-type activities:* Capital asset additions related to the water and sewer operations include: various water and sewer main replacements.

**Debt Administration.** Long-term debts for Governmental Activities increased from \$79,156,790 as of June 30, 2019 to \$81,622,387 as of June 30, 2020; a total increase of \$2,465,597 or 3.11%. Total long-term debts in governmental and business activities consist of the following:

**Long-Term Liabilities (Note 6)**  
**June 30, 2020**

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
2016 Installment Sale Agreement	\$ 2,555,000	\$ -	\$ (85,000)	\$ 2,470,000	\$ 90,000
Premium	114,222	-	(5,711)	108,511	5,711
Claims Payable	3,518,904	636,415	(1,167,424)	2,987,895	775,571
Insurance Assessment Payable	648,456	-	(81,057)	567,399	81,057
Compensated Absences	1,405,857	594,487	(408,465)	1,591,879	485,763
Net Pension Liability (Note 7)	33,346,054	3,497,725	-	36,843,779	-
Net OPEB Liability (Note 8)	37,568,297	-	(515,373)	37,052,924	-
<b>Total</b>	<b>\$ 79,156,790</b>	<b>\$ 4,728,627</b>	<b>\$ (2,263,030)</b>	<b>\$ 81,622,387</b>	<b>\$ 1,438,102</b>
<b>Business-type Activities:</b>					
Compensated Absences	\$ 248,091	\$ 88,832	\$ (99,056)	\$ 237,867	\$ 153,032
Net Pension Liability (Note 7)	7,033,750	-	(929,331)	6,104,419	-
Net OPEB Liability (Note 8)	6,629,699	-	(77,009)	6,552,690	-
Loan Payable from Direct Borrowing					
2020 Installment Sale Agreement	-	1,350,000	-	1,350,000	125,000
<b>Total</b>	<b>\$ 13,911,540</b>	<b>\$ 1,438,832</b>	<b>\$ (1,105,396)</b>	<b>\$ 14,244,976</b>	<b>\$ 278,032</b>

## **CAPITAL ASSET AND DEBT ADMINISTRATION (cont.)**

State statutes limit the amount of general obligation debt a governmental entity may issue to fifteen percent (15%) of its adjusted assessed valuation. The City's total assessed valuation in fiscal year 2019-2020 was \$2,045,544,796. The adjusted assessed valuation (i.e. to account for a change in valuation methodology since the legal debt limit was enacted by the state) is \$511,386,199. Therefore, the legal debt margin is \$76,707,930, which is well in excess of the City's outstanding general obligation debt. Currently, the City does not have any general obligation debt. Additional information on the City's long-term debt can be found in Note 6 to the basic financial statements on pages 48 - 51 of this report.

## **ECONOMIC FACTORS AND NEXT YEARS BUDGET**

*Economy.* Through February 2020, the national and state economies were in the midst of the longest recorded economic expansion that had been on a long, slow recovery since the end of the Great Recession in 2009. As a nation, fundamentals indicators were strong with record low unemployment (3.7%), strong investment in residential and non-residential construction, personal consumption had been increasing since 2009, and the S&P 500 index was at or near record levels. The prevailing view among economists at the time was that the biggest threat to the economy was a prolonged trade war with China.

Ultimately, the economic threat did originate in China; however, it was not the trade war. Instead, it was the identified 2019 novel coronavirus now known as COVID-19. The first cases of COVID-19 were reported in December 2019 in the Wuhan Province in China. COVID-19 can take up to 14 days to show symptoms, is highly contagious (even when asymptomatic) and has no known vaccine. Due to this long incubation period and lack of treatment, infected individuals traveled globally without knowing they were carrying the virus. Consequently, the disease quickly spread beyond Wuhan, China.

On January 21, 2020, the United States reported the first confirmed case of COVID-19. By mid-March, the state of California declared a state of emergency, the World Health Organization (WHO) declared the virus outbreak a pandemic, and the number of COVID-19 cases was increasing exponentially each day. In response, California (along with many other states) implemented social distancing and the most severe economic restrictions in recent history. All "non-essential" businesses, including bars, clubs, theaters, retail, entertainment centers, and fitness centers were ordered to close. Restaurants were allowed to stay open, but for take-out only.

Locally, the Los Angeles County Department of Public Health issued the Safer at Home Order requiring all non-essential employees stay home and self-quarantine. Although this move was necessary to "flatten the curve" and keep the healthcare system from being overwhelmed by sick patients, it brought the local economy to a standstill.

### Federal Economy

The federal government is grappling with the dramatic and unprecedented toll the epidemic has had on the economy. Since the beginning of the pandemic, more than 38 million Americans have filed for unemployment benefits and the unemployment rate has exceeded 17%. Countless small businesses have had to close their business and many will never re-open.

On March 27th, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act to provide fast and direct economic assistance for American workers and families, small businesses, and preserves jobs for American industries. Included in this stimulus package were direct payments of up to \$1,200 to most American and funding for loans to industry and small businesses. More stimulus funding is anticipated, which will continue to increase the National debt and raise long-term inflationary concerns.

### State Economy

Once the first COVID-19 cases were confirmed in California, Governor Gavin Newsom acted swiftly to impose social distancing restrictions. Unfortunately, that meant shutting down the nation's largest economy, which has severely impacted the state's core industries, including the tourism, technology and entertainment industries. After seven weeks of strict stay at home orders, the state began implementing a phased re-opening of the economy in mid-May by allowing curbside pickup at smaller retail stores, approving restaurant dine-in plans in less impacted counties, and developing protocol to begin allowing personal services, such as barbershops and nail salons.

### **ECONOMIC FACTORS AND NEXT YEARS BUDGET (cont.)**

The economic cost to the state in lost income and sales tax revenue is not yet known; however, it is expected to be significant. Additionally, the cost to support the response efforts and pay for cleaning, testing, additional healthcare resources, and additional unemployment payments will be substantial.

Fortunately, the state was able to set aside considerable “rainy day” funds during this long economic expansion, which puts the state in a better position in the short term. However, Legislative Analyst Gabriel Petek told members of the state Senate’s budget committee on April 16, 2020 to prepare for a projected deficit of as much as \$35 billion in the near future and an additional \$85 billion in the fiscal years to come; on par with California’s budget problems during the Great Recession.

As California begins to open up in phases over the coming weeks and months, it is expected that the economy will also begin to rebound. However, many Californians will have amassed personal debt while adhering to stay at home orders and many businesses will never re-open. It may be years before California’s economy fully recovers, especially the tourism and travel industry.

#### Local Economy

San Fernando is a working class City and the lifeblood of our local economy is our small business community. Similar to the national and state economies, San Fernando had been experiencing a long economic expansion with new retail, restaurants, and manufacturing businesses opening in the last few years. Unfortunately, the working class and small businesses have been the hardest hit by the economic restrictions in terms of lost jobs, wages, and business income.

Local data related to unemployment, wages, sales tax and business income since the implementation of economic restrictions in mid-March is not yet available. However, many businesses were ordered to close and “essential” businesses that were allowed to stay open experienced a significant decline in customers. As the Governor allows businesses to re-open in phases, the City will work to support promoting local business and supporting their efforts to operate under the new social distancing protocol.

### **ECONOMIC FACTORS AND NEXT YEARS BUDGET (cont.)**

Budget Outlook. The emphasis of the FY 2020-2021 Budget is to enhance quality of life by maintaining the quality of the services the City currently provides, completing key street resurfacing, water and sewer capital replacement projects, and continuing to make significant strides toward reducing the operating budget deficit and General Fund deficit fund balance; all of these tasks have proven to be challenging since the start of the COVID-19 pandemic. The City still has a long way to go before we truly achieve financial sustainability. The fiscal challenges the City has experienced over the past several years and lingering impact of the pandemic have left a number of unmet needs, which cannot be addressed at this time.

The City’s financial position has stabilized. Creative ways to provide services will need to be explored to address the ongoing structural deficit, build sufficient reserves, fund savings accounts for needed maintenance and equipment replacement, pre-fund long term liabilities, and restore services and programs to the community.

### **Request for Information**

This financial report is designed to provide a general overview of the City’s finances for readers of the financial statements. Questions concerning any of the information in this report or requests for additional financial information should be addressed to Diego Ibanez, Director of Finance at [dibanez@sfcity.org](mailto:dibanez@sfcity.org) or 117 Macneil Street, San Fernando, California, 91340.

## **BASIC FINANCIAL STATEMENTS**

**City of San Fernando**  
**Statement of Net Position**  
June 30, 2020

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and Investments	\$ 22,304,082	\$ 10,428,325	\$ 32,732,407
Restricted Cash and Investments	1,823,574	-	1,823,574
Receivables:			
Taxes	1,920,165	-	1,920,165
Accounts	245,621	1,232,434	1,478,055
Interest	96,194	-	96,194
Grants	744,964	-	744,964
Loans Receivable	1,639,761	-	1,639,761
Due From Fiduciary Fund	1,051,448	-	1,051,448
Internal Balances	267,858	(267,858)	-
Prepaid Items	1,600	-	1,600
Inventories	46,124	-	46,124
Capital Assets, Not Depreciated	7,110,828	4,124,878	11,235,706
Capital Assets, Depreciated, Net	36,295,673	12,029,084	48,324,757
Total Assets	<u>73,547,892</u>	<u>27,546,863</u>	<u>101,094,755</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Outflows Related to OPEB	2,807,841	244,160	3,052,001
Deferred Outflows Related to Pensions	7,075,127	1,196,608	8,271,735
Total Deferred Outflows of Resources	<u>9,882,968</u>	<u>1,440,768</u>	<u>11,323,736</u>
<b>LIABILITIES</b>			
Accounts Payable	1,370,387	566,139	1,936,526
Accrued Liabilities	417,798	52,864	470,662
Interest Payable	7,387	-	7,387
Deposits Payable	210,916	201,328	412,244
Due to Other Agencies	259,944	-	259,944
Long-Term Liabilities:			
Due Within One Year	1,438,102	278,032	1,716,134
Due in More Than One Year	80,184,285	13,966,944	94,151,229
Total Liabilities	<u>83,888,819</u>	<u>15,065,307</u>	<u>98,954,126</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflows Related to OPEB	5,724,237	936,472	6,660,709
Deferred Inflows Related to Pensions	1,423,265	271,755	1,695,020
Total Deferred Inflows of Resources	<u>7,147,502</u>	<u>1,208,227</u>	<u>8,355,729</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	40,816,119	14,803,962	55,620,081
Restricted for:			
Transportation	5,073,635	-	5,073,635
Housing	3,388,093	-	3,388,093
Air Pollution	82,400	-	82,400
Parks & Recreation	24,015	-	24,015
Public Safety	570,754	-	570,754
Retirement	11,555,395	-	11,555,395
Community Development	129,936	-	129,936
Parking	374,845	-	374,845
Unrestricted	(69,620,653)	(2,089,865)	(71,710,518)
Total Net Position	<u>\$ (7,605,461)</u>	<u>\$ 12,714,097</u>	<u>\$ 5,108,636</u>

The accompanying notes are an integral part of this statement.

**City of San Fernando**  
**Statement of Activities**  
Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General Government	\$ 6,695,845	\$ 940,109	\$ -	\$ -
Public Safety	15,706,963	1,185,587	803,417	-
Community Development	1,448,244	575,485	380,200	-
Public Works	4,587,387	415,899	1,608,195	1,059,134
Parks and Recreation	1,912,396	282,675	59,710	-
Interest Expense	86,044	-	-	-
Total Governmental Activities	30,436,879	3,399,755	2,851,522	1,059,134
<b>Business-type Activities:</b>				
Water	4,151,358	4,656,746	-	-
Sewer	2,860,657	3,643,176	-	-
Compressed Natural Gas	136,837	187,994	-	-
Waste Disposal	3,284	278	-	-
Total Business-type Activities	7,152,136	8,488,194	-	-
Total Primary Government	<u>\$ 37,589,015</u>	<u>\$ 11,887,949</u>	<u>\$ 2,851,522</u>	<u>\$ 1,059,134</u>

General Revenues:

Taxes:

Property

Sales and Use

Business License Taxes

Franchise

Other Taxes

Investment Income

Other

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position - Beginning of Year

Prior Period Adjustment

Net Position - End of Year

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (5,755,736)	\$ -	\$ (5,755,736)
(13,717,959)	-	(13,717,959)
(492,559)	-	(492,559)
(1,504,159)	-	(1,504,159)
(1,570,011)	-	(1,570,011)
(86,044)	-	(86,044)
<u>(23,126,468)</u>	<u>-</u>	<u>(23,126,468)</u>
-	505,388	505,388
-	782,519	782,519
-	51,157	51,157
-	(3,006)	(3,006)
<u>-</u>	<u>1,336,058</u>	<u>1,336,058</u>
<u>(23,126,468)</u>	<u>1,336,058</u>	<u>(21,790,410)</u>
9,730,128	-	9,730,128
8,773,312	-	8,773,312
1,658,301	-	1,658,301
710,629	-	710,629
367,170	-	367,170
591,883	350,106	941,989
323,826	-	323,826
180,000	(180,000)	-
<u>22,335,249</u>	<u>170,106</u>	<u>22,505,355</u>
(791,219)	1,506,164	714,945
<u>(7,118,137)</u>	<u>11,207,933</u>	<u>4,089,796</u>
<u>303,895</u>	<u>-</u>	<u>303,895</u>
<u>\$ (7,605,461)</u>	<u>\$ 12,714,097</u>	<u>\$ 5,108,636</u>

**City of San Fernando**  
**Balance Sheet**  
**Governmental Funds**  
June 30, 2020

	General Fund	Special Revenue		Other Governmental Funds	Total
		Retirement Tax	Housing		
<b>ASSETS</b>					
Cash and Investments	\$ 6,175,993	\$ 7,304,568	\$ 956,954	\$ 4,755,833	\$ 19,193,348
Restricted Cash and Investments	-	-	-	1,823,574	1,823,574
Receivables:					
Taxes	1,775,362	70,391	-	74,412	1,920,165
Accounts	196,375	2,029	-	13,205	211,609
Interest	96,194	-	-	-	96,194
Grants	-	-	-	744,964	744,964
Due From Other Funds	432,921	-	-	-	432,921
Loans Receivable	-	-	1,379,817	259,944	1,639,761
Due from Successor Agency	-	-	1,051,448	-	1,051,448
Advances to Other Funds	-	4,183,468	-	-	4,183,468
Prepaid Items	1,600	-	-	-	1,600
Total Assets	<u>\$ 8,678,445</u>	<u>\$ 11,560,456</u>	<u>\$ 3,388,219</u>	<u>\$ 7,671,932</u>	<u>\$ 31,299,052</u>
<b>LIABILITIES</b>					
Accounts Payable	\$ 414,747	\$ 5,061	\$ -	\$ 790,215	\$ 1,210,023
Accrued Liabilities	372,278	-	126	13,846	386,250
Deposits	201,999	-	-	8,917	210,916
Due to Other Funds	-	-	-	432,921	432,921
Due to Other Agencies	-	-	-	259,944	259,944
Advances From Other Funds	3,746,821	-	-	-	3,746,821
Total Liabilities	<u>4,735,845</u>	<u>5,061</u>	<u>126</u>	<u>1,505,843</u>	<u>6,246,875</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable Revenues - Grants	316,056	-	-	475,047	791,103
Total Deferred Inflows of Resources	<u>316,056</u>	<u>-</u>	<u>-</u>	<u>475,047</u>	<u>791,103</u>
<b>FUND BALANCES</b>					
Nonspendable:					
Prepaid Items	1,600	-	-	-	1,600
Restricted For:					
Transportation	-	-	-	5,073,635	5,073,635
Housing	-	-	3,388,093	-	3,388,093
Air Pollution	-	-	-	82,400	82,400
Parks and Recreation	-	-	-	24,015	24,015
Public Safety	-	-	-	570,754	570,754
Retirement	-	11,555,395	-	-	11,555,395
Community Development	-	-	-	129,936	129,936
Parking	-	-	-	374,845	374,845
Unassigned	3,624,944	-	-	(564,543)	3,060,401
Total Fund Balances	<u>3,626,544</u>	<u>11,555,395</u>	<u>3,388,093</u>	<u>5,691,042</u>	<u>24,261,074</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 8,678,445</u>	<u>\$ 11,560,456</u>	<u>\$ 3,388,219</u>	<u>\$ 7,671,932</u>	<u>\$ 31,299,052</u>

The accompanying notes are an integral part of this statement.



**City of San Fernando**  
**Reconciliation of the Balance Sheet of Governmental Funds**  
**to the Statement of Net Position**  
June 30, 2020

Fund Balances for Governmental Funds	\$ 24,261,074
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Amounts reported for Governmental Activities in the Statement of Net Position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Capital Assets	107,048,070
Accumulated Depreciation	(63,641,569)

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position. Balances at June 30, 2020:

Net Pension Liability	(36,843,779)
Compensated Absences	(1,591,879)
Other Post-employment Benefits (OPEB) Liability	(37,052,924)
2016 Installment Sale Agreement	(2,470,000)
Premium on 2016 Installment Sale Agreement	(108,511)
Interest Payable on Long-term Debt	(7,387)

Amounts for deferred outflows and deferred inflows related to the City's Net Pension and OPEB Liabilities are not reported in the funds:

Deferred Outflows Related to Pensions	7,075,127
Deferred Inflows Related to Pensions	(1,423,265)
Deferred Outflows Related to OPEB	2,807,841
Deferred Inflows Related to OPEB	(5,724,237)

Other long-term receivables are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	791,103
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The internal service fund is used by management to charge the costs of equipment purchases to individual funds. The assets and liabilities of the internal service fund are included in Governmental Activities in the Statement of Net Position.	(725,125)
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Net Position of Governmental Activities	\$ <u>(7,605,461)</u>
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The accompanying notes are an integral part of this statement.

**City of San Fernando**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
Year Ended June 30, 2020

	General Fund	Special Revenue		Other Governmental Funds	Total
		Retirement Tax	Housing		
<b>REVENUES</b>					
Taxes	\$ 13,859,622	\$ 4,456,349	\$ -	\$ 1,959,187	\$ 20,275,158
Licenses and Permits	427,751	-	-	-	427,751
Charges for Services	797,686	-	-	293,872	1,091,558
Fines and Forfeitures	595,337	-	-	6,154	601,491
Investment Earnings	749,692	207,465	21,194	178,367	1,156,718
Intergovernmental	2,653,489	-	-	2,124,838	4,778,327
Other	275,733	48,292	-	229,648	553,673
Total Revenues	19,359,310	4,712,106	21,194	4,792,066	28,884,676
<b>EXPENDITURES</b>					
Current:					
General Government	2,594,136	3,060,520	-	99,737	5,754,393
Public Safety	11,594,560	1,162,626	-	104,040	12,861,226
Community Development	1,090,187	147,650	4,130	27,694	1,269,661
Public Works	1,131,302	72,115	-	1,644,352	2,847,769
Parks and Recreation	1,283,440	91,891	-	479,230	1,854,561
Capital Outlay	80,609	-	-	1,882,680	1,963,289
Debt Service:					
Principal	-	-	-	85,000	85,000
Interest and Fiscal Charges	-	-	-	92,038	92,038
Total Expenditures	17,774,234	4,534,802	4,130	4,414,771	26,727,937
Excess of Revenues Over (Under) Expenditures	1,585,076	177,304	17,064	377,295	2,156,739
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	518,805	-	-	65,000	583,805
Transfers Out	(298,500)	-	-	(398,805)	(697,305)
Total Other Financing Sources (Uses)	220,305	-	-	(333,805)	(113,500)
Net Change in Fund Balances	1,805,381	177,304	17,064	43,490	2,043,239
Fund Balances, Beginning of Year	1,821,163	11,378,091	3,371,029	5,647,552	22,217,835
Fund Balances, End of Year	\$ 3,626,544	\$ 11,555,395	\$ 3,388,093	\$ 5,691,042	\$ 24,261,074

The accompanying notes are an integral part of this statement.

**City of San Fernando**  
**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund**  
**Balances of Governmental Funds to the Statement of Activities**  
Year Ended June 30, 2020

Net Change in Fund Balances - Total Governmental Funds \$ 2,043,239

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

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over the estimated useful lives as depreciation expense.

Capital Expenditures	2,154,544
Depreciation Expense	(2,646,457)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The following represent differences in the treatment of long-term debt and related items:

Principal payment on Installment Sale Agreement	85,000
Amortization of Premium on Installment Sale Agreement	5,711

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds, as follows:

Compensated Absences	(186,022)
Net Pension Liability	(3,497,725)
Other Post-employment Benefit Liability	515,373
Accrued Interest Payable	283

Amounts for deferred inflows and deferred outflows related to the City's Net Pension and OPEB Liabilities are not reported in the funds. This is the net change in these deferred outflows and inflows:

Deferred Outflows Related to Pensions	280,884
Deferred Inflows Related to Pensions	(208,006)
Deferred Outflows Related to OPEB	1,787,223
Deferred Inflows Related to OPEB	(2,724,602)

Some revenues reported in the Statement of Activities are not considered to be available to finance current expenditures and, therefore, are not reported as revenues in the governmental funds.

580,984

The change in net position of the internal service fund is reported with governmental activities.

1,018,352

Change in Net Position of Governmental Activities	\$ (791,219)
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The accompanying notes are an integral part of this statement.

**City of San Fernando**  
**Statement of Net Position**  
**Proprietary Funds**  
June 30, 2020

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Water	Sewer	Nonmajor	Totals
<b>ASSETS</b>				
Current Assets:				
Cash and Investments	\$ 6,041,674	\$ 4,193,701	\$ 192,950	\$ 10,428,325
Customer Accounts Receivable, Net	666,755	561,486	4,193	1,232,434
Inventory	-	-	-	-
Total Current Assets	6,708,429	4,755,187	197,143	11,660,759
Noncurrent Assets:				
Advances to Other Funds	-	759,979	-	759,979
Capital Assets:				
Land	981,168	-	-	981,168
Water Rights	624,659	-	-	624,659
Construction in Progress	1,167,668	1,351,383	-	2,519,051
Buildings and Plant	5,630,795	118,500	-	5,749,295
Infrastructure	16,464,066	6,383,431	-	22,847,497
Land Improvements	1,676,392	-	-	1,676,392
Equipment	7,180,127	1,028,299	53,657	8,262,083
Less: Accumulated Depreciation	(21,566,127)	(4,894,167)	(45,889)	(26,506,183)
Total Noncurrent Assets	12,158,748	4,747,425	7,768	16,913,941
Total Assets	18,867,177	9,502,612	204,911	28,574,700
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
OPEB Actuarial Amounts	213,640	30,520	-	244,160
Pension Actuarial Amounts	726,512	470,096	-	1,196,608
Total Deferred Outflows of Resources	940,152	500,616	-	1,440,768
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	366,627	189,828	9,684	566,139
Accrued Liabilities	32,931	19,931	2	52,864
Current Portion of Insurance Payable	-	-	-	-
Current Portion of Claims Payable	-	-	-	-
Current Portion of Compensated Absences	84,107	68,925	-	153,032
Current Portion of Installment Sale Agreement	125,000	-	-	125,000
Customer Deposits	201,328	-	-	201,328
Total Current Liabilities	809,993	278,684	9,686	1,098,363
Noncurrent Liabilities:				
Advances From other Funds	939,912	256,714	-	1,196,626
Insurance Assessment Payable	-	-	-	-
Claims Payable	-	-	-	-
Compensated Absences	62,273	22,562	-	84,835
Installment Sale Agreement	1,225,000	-	-	1,225,000
Net OPEB Liability	3,930,429	2,622,261	-	6,552,690
Net Pension Liability	3,706,254	2,398,165	-	6,104,419
Total Noncurrent Liabilities	9,863,868	5,299,702	-	15,163,570
Total Liabilities	10,673,861	5,578,386	9,686	16,261,933
<b>DEFERRED INFLOWS OF RESOURCES</b>				
OPEB Actuarial Amounts	568,147	368,325	-	936,472
Pension Actuarial Amounts	164,994	106,761	-	271,755
Total Deferred Inflows of Resources	733,141	475,086	-	1,208,227
<b>NET POSITION</b>				
Net Investment In Capital Assets	10,808,748	3,987,446	7,768	14,803,962
Unrestricted	(2,408,421)	(37,690)	187,457	(2,258,654)
Total Net Position	\$ 8,400,327	\$ 3,949,756	\$ 195,225	\$ 12,545,308
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				168,789
Net Position of Business-type Activities				\$ 12,714,097

The accompanying notes are an integral part of this statement.

**City of San Fernando**  
**Statement of Revenues, Expenses, and Changes in Net Position**  
**Proprietary Funds**  
Year Ended June 30, 2020

	Business-type Activities Enterprise Funds			Governmental Activities Internal Service Funds
	Water	Sewer	Nonmajor	Totals
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 4,604,210	\$ 3,580,426	\$ 183,434	\$ 8,368,070
Other	52,536	62,750	4,838	120,124
Total Operating Revenues	4,656,746	3,643,176	188,272	8,488,194
<b>OPERATING EXPENSES</b>				
Contractual Services	111,419	965,110	-	1,076,529
Maintenance and Operations	3,391,424	1,794,435	136,488	5,322,347
Administration and General	-	-	1,004	1,004
Claims	-	-	-	-
Depreciation	664,810	139,643	2,629	807,082
Total Operating Expenses	4,167,653	2,899,188	140,121	7,206,962
Operating Income (Loss)	489,093	743,988	48,151	1,281,232
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest Income	205,879	138,494	5,733	350,106
Interest Expense	(23,975)	(1,738)	-	(25,713)
Total Nonoperating Revenues (Expenses)	181,904	136,756	5,733	324,393
Income (Loss) Before Transfers	670,997	880,744	53,884	1,605,625
Transfers In	-	-	-	-
Transfers Out	(120,000)	(60,000)	-	(180,000)
Change in Net Position	550,997	820,744	53,884	1,425,625
Net Position, Beginning of Year	7,849,330	3,129,012	141,341	(1,655,227)
Net Position, End of Year	\$ 8,400,327	\$ 3,949,756	\$ 195,225	\$ (556,336)
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				80,539
Change in Net Position of Business-type Activities				\$ 1,506,164

The accompanying notes are an integral part of this statement.

**City of San Fernando**  
**Statement of Cash Flows**  
**Proprietary Funds**  
Year Ended June 30, 2020

	Business-type Activities Enterprise Funds				Governmental Activities Internal Service Funds
	Water	Sewer	Nonmajor	Totals	
<b>Cash Flows from Operating Activities</b>					
Receipts from Customers and Users	\$ 4,556,943	\$ 3,514,189	\$ 184,811	\$ 8,255,943	\$ 3,761,894
Payments to Suppliers and Contractors	(2,021,325)	(2,023,948)	(159,258)	(4,204,531)	(1,698,519)
Payments to Employees	(1,548,252)	(850,850)	(1,004)	(2,400,106)	(1,721,361)
Claims Paid	-	-	-	-	(531,009)
Other Operating Income	52,536	62,750	4,838	120,124	270,214
Net Cash Flows from Operating Activities	1,039,902	702,141	29,387	1,771,430	81,219
<b>Cash Flows from Noncapital Financing Activities</b>					
Loans from (to) Other Funds	(126,526)	177,251	-	50,725	-
Interest Expense Paid on Advances	(23,975)	(1,738)	-	(25,713)	-
Transfers from Other Funds	-	-	-	-	293,500
Transfers to Other Funds	(120,000)	(60,000)	-	(180,000)	-
Net Cash Flows from Noncapital Financing Activities	(270,501)	115,513	-	(154,988)	293,500
<b>Cash Flows from Capital Financing Activities</b>					
Debt Proceeds	1,350,000	-	-	1,350,000	-
Acquisition of Capital Assets	(2,036,376)	(1,343,631)	-	(3,380,007)	-
Net Cash Flows from Capital Financing Activities	(686,376)	(1,343,631)	-	(2,030,007)	-
<b>Cash Flows from Investing Activities</b>					
Interest Received	205,879	138,494	5,733	350,106	82,586
Net Increase (Decrease) in Cash and Cash Equivalents	288,904	(387,483)	35,120	(63,459)	457,305
Cash and Cash Equivalents - Beginning of Year	5,752,770	4,581,184	157,830	10,491,784	2,653,429
Cash and Cash Equivalents - End of Year	<u>\$ 6,041,674</u>	<u>\$ 4,193,701</u>	<u>\$ 192,950</u>	<u>\$ 10,428,325</u>	<u>\$ 3,110,734</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>					
Operating Income (Loss)	\$ 489,093	\$ 743,988	\$ 48,151	\$ 1,281,232	\$ 722,805
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:					
Depreciation	664,810	139,643	2,629	807,082	-
Changes in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	(71,484)	(66,237)	1,377	(136,344)	1,817
(Increase) Decrease in Deferred Outflows - OPEB	(135,984)	(19,426)	-	(155,410)	-
(Increase) Decrease in Deferred Outflows - Pensions	150,588	153,591	-	304,179	-
(Increase) Decrease in Prepaids	80	-	-	80	(4,348)
Increase (Decrease) in Accounts Payable	113,831	161,563	(22,770)	252,624	(38,590)
Increase (Decrease) in Accrued Liabilities	11,338	7,230	-	18,568	11,601
Increase (Decrease) in Compensated Absences	(2,475)	(7,749)	-	(10,224)	-
Increase (Decrease) in Net OPEB Liability	(47,390)	(29,619)	-	(77,009)	-
Increase (Decrease) in Net Pension Liability	(404,458)	(524,873)	-	(929,331)	-
Increase (Decrease) in Deferred Inflows - OPEB	250,539	156,586	-	407,125	-
Increase (Decrease) in Deferred Inflows - Pensions	(2,803)	(12,556)	-	(15,359)	-
Increase (Decrease) in Ins. Assessments Payable	-	-	-	-	(81,057)
Increase (Decrease) in Claims Payable	-	-	-	-	(531,009)
Increase (Decrease) in Customer Deposits	24,217	-	-	24,217	-
<b>Net Cash Provided by Operating Activities</b>	<u>\$ 1,039,902</u>	<u>\$ 702,141</u>	<u>\$ 29,387</u>	<u>\$ 1,771,430</u>	<u>\$ 81,219</u>

The accompanying notes are an integral part of this statement.

**City of San Fernando**  
**Statement of Net Position**  
**Fiduciary Funds**  
June 30, 2020

	<u>Agency Funds</u>	<u>Successor Agency Private-purpose Trust Fund</u>
<b>ASSETS</b>		
Cash and Investments	\$ 133,433	\$ 3,890,488
Receivables:		
Accounts	494	-
Other Loans	-	543,678
Land Held for Resale	-	468,733
Restricted Assets:		
Cash and Investments with Fiscal Agents	-	490,334
	<u>          </u>	<u>          </u>
Total Assets	<u>\$ 133,927</u>	<u>5,393,233</u>
<b>LIABILITIES</b>		
Accounts Payable	\$ 2,106	-
Deposits	131,821	-
Interest Payable	-	2,872
Due to City of San Fernando	-	1,051,448
County Deferral	-	-
Bonds Payable	-	446,634
	<u>          </u>	<u>          </u>
Total Liabilities	<u>\$ 133,927</u>	<u>1,500,954</u>
<b>NET POSITION</b>		
Net Position Held in Trust for Successor Agency		<u>\$ 3,892,279</u>

The accompanying notes are an integral part of this statement.

**City of San Fernando**  
**Statement of Changes in Net Position**  
**Fiduciary Funds**  
Year Ended June 30, 2020

	Successor Agency Private-purpose Trust Fund
<b>ADDITIONS</b>	
Taxes	\$ 622,446
Interest Income	<u>2,709</u>
Total Additions	<u>625,155</u>
<b>DEDUCTIONS</b>	
Administrative and Passthrough Costs	252,076
Interest on Bonds	<u>50,200</u>
Total Deductions	<u>302,276</u>
Change in Net Position	322,879
Net Position - Beginning of Year (Restated)	<u>3,569,400</u>
Net Position - End of Year	<u><u>\$ 3,892,279</u></u>

The accompanying notes are an integral part of this statement.



**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A) Description of Reporting Entity**

The City of San Fernando, California was incorporated on August 31, 1911 under the general laws of the State of California and enjoys all the rights and privileges pertaining to "General Law" cities. The financial statements of the City of San Fernando (City) include the financial activities of the City and its component units for which the City is considered to be financially accountable. Financial accountability is determined on the basis of budget adoptions, taxing authority, funding and composition or appointments of the governing board. Blended component units, although legally separate entities, are part of the City's operations and data from these units are therefore combined with data of the City.

Blended Component Units

The City of San Fernando Public Financing Authority is a Joint Exercise of Powers Authority organized and existing under and by virtue of the Joint Exercise of Power Act of the Government Code of the State. The City and the former Redevelopment Agency formed the Authority by the execution of a Joint Exercise of Powers Agreement. The primary purpose of the Authority is to issue bonds and make loans to the Agency. The Authority is accounted for in the City's financial statements in accordance with principles defining the governmental reporting entity adopted by the Governmental Accounting Standards Board (GASB). The City Council members, in separate session, serve as the governing board of the Authority. There are no separate financial statements prepared for the Authority.

**B) Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information about the reporting government as a whole, except for its fiduciary activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government (including its blended component units) is reported separately from discretely presented component units for which the primary government is financially accountable. The City has no discretely presented component units.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are expenses that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items that are properly not included among program revenues are reported instead as general revenues.

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

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

Separate financial statements for the City's governmental and proprietary funds are presented after the Government-wide Financial Statements. These statements display information about major funds individually and other governmental funds in the aggregate for governmental and enterprise funds.

**C) 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*, as are the proprietary fund financial statements. Under the economic resources measurement focus, all assets and liabilities (whether current or noncurrent) associated with their activity are included on their balance sheets. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all the eligibility requirements have been satisfied.

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

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Under the current financial resources measurement focus, only current assets and current liabilities are generally included on their balance sheets. The reported fund balance (net current assets) is considered to be a measure of "available spendable resources". Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period. Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets in spite of their spending measurement focus. However, special reporting treatments are used to indicate that they should not be considered "available spendable resources" since they do not represent net current assets. Recognition of governmental fund type revenue represented by noncurrent receivables is deferred until they become current receivables. Noncurrent portions of other long-term receivables are offset by nonspendable fund balance accounts.

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

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

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

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the government's proprietary funds functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Classifications

The funds designated as major funds are determined by a mathematical calculation consistent with GASB Statement No. 34. The City reports the following major governmental funds:

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

The Retirement Tax Special Revenue Fund accounts for receipts from a voter-approved special tax levy that is used to pay the City's participation in the Public Employees Retirement System.

The Housing Special Revenue Fund accounts for receipts from repayments of low-income housing loans and other housing related revenue. The proceeds are restricted for low income housing purposes.

The City reports the following major enterprise funds:

The Water Enterprise Fund is used to account for the provision of water services to all residents of the City. All activities necessary to provide such services are accounted for in this fund.

The Sewer Enterprise Fund is used to account for the provision of sewer services to all residents of the City. Processing of sewage is done by the City of Los Angeles under contract.

The City also reports the following fund types:

The Internal Service Funds are used to account for the financing of goods and services provided by one City department to other departments on a cost-reimbursement basis. The City uses internal service funds to account for facility maintenance, equipment maintenance, equipment replacements and self-insurance.

The Successor Agency Private-purpose Trust Fund accounts for the revenues and expenditures of the former Redevelopment Agency.

The Agency Fund is used to account for funds received by the City as an agent for the Senior Association.

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**D) Cash and Cash Equivalents**

In order to maximize investment return, the City pools its available cash for investment purposes. The cash management pool is used essentially as a demand deposit account by the participating funds. The City has defined cash and cash equivalents, for purposes of the statement of cash flows, as all deposits and investments purchased with a maturity date of 90 days or less.

**E) Investments**

Investments are stated at fair value (the value at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale).

**F) Inventories**

Inventories of the enterprise funds, consisting primarily of materials and supplies, are stated at cost determined by the first-in, first-out method. Inventories of the governmental funds are recorded as expenditures when purchased.

**G) Land Held for Resale**

Land held for resale is recorded at the lower of acquisition cost or net realizable value.

**H) Capital Assets**

Capital assets, which include land, structures and improvements, machinery and equipment and infrastructure assets, are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. Capital assets are defined as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost if purchased or constructed.

Donated capital assets received prior to the implementation of GASB 72 were recorded at fair value on the date of donation. Donated capital assets received subsequent to the implementation of GASB 72 are recorded at acquisition value as of the date received. Capital outlay is recorded as expenditures in the governmental funds and as assets in the government-wide financial statements to the extent the City's capitalization threshold is met.

Capital assets include additions to public domain (infrastructure) which includes certain improvements such as pavement, curb and gutter, sidewalks, traffic control devices, and right-of-way corridors within the City.

The provision for depreciation is computed by use of the straight-line method over the estimated useful lives of assets, which are as follows:

Buildings	50 years
Infrastructure	Up to 50 years
Improvements Other than Buildings	20 years
Furniture and Equipment	Up to 30 years
Vehicles and Related Equipment	Up to 8 years

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

Water rights are recorded in the Water Enterprise Fund in the amount of \$624,659, which is the net acquisition cost. The asset represents amounts paid to the Metropolitan Water District of Southern California for the right to purchase water. Because the rights have an indefinite life and normally appreciate in value over time, the City has elected not to amortize the cost of water rights. This treatment is in accordance with accounting principles generally accepted in the United States of America.

**I) Unavailable Revenues**

Unavailable revenues in fund financial statements arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period.

**J) Restricted Assets**

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

**K) Compensated Absences**

Employees can accrue vacation, sick leave or annual leave depending on the employee's status (management or non-management). In addition, non-management personnel may earn compensation time in lieu of overtime pay. Vacation, annual leave, and compensation leave are paid out 100% upon employee termination. Sick leave is paid out up to 25% of existing balance up to 160 hours upon retirement only. Both vacation and annual leave are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the fund financial statements only if they have matured, for example, as a result of employee resignations and retirements. Compensated absences are expected to be paid primarily by the General Fund.

**L) Claims and Judgments**

When it is probable that a claim liability has been incurred at year-end, and the amount of the loss can be reasonably estimated, the City records the estimated loss, net of any insurance coverage under its self-insurance program. For governmental funds, if claims will not be liquidated from currently available resources, they are recorded only in the government-wide financial statements.

**M) Interfund Transactions**

Interfund transactions are reflected as loans, services provided reimbursements or transfers. Loans are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances".

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 a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental and proprietary funds are netted as part of the reconciliation of the government-wide presentation.

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

**N) Property Taxes**

Property taxes include assessments on both secured and unsecured property. Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on July 1 and are payable in two installments which are delinquent if not paid by December 10 and April 10. The County of Los Angeles bills and collects the property taxes and remits them to the City in installments during the year. The City records property taxes as revenue when received from the County, except for property taxes received within 60 days after fiscal year-end, which are accrued at June 30<sup>th</sup>.

The County is permitted by State Law (Article XIII A of the California Constitution) to levy taxes at one percent (1%) of full market value (at time of purchases) and can increase the property's value at no more than two percent (2%) per year. The City receives a share of this basic levy.

**O) Use of Estimates**

The presentation 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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates and assumptions.

**P) Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of financial position and balance sheet for the governmental funds will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expense) until then. The City reports deferred outflows relating to OPEB and the Net Pension Liability, which qualify for reporting in this category.

In addition to liabilities, the statement of financial position and balance sheet for the governmental funds will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has certain items, which arise only under the 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 property taxes, special assessments, grant receivables, and other miscellaneous receivables. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In addition, the City reports deferred inflows relating to OPEB and the Net Pension Liability, which qualify for reporting in this category.

**Q) Fund Equity**

In the government-wide, proprietary funds, and fiduciary fund financial statements, net position is classified in the following categories.

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

Net Investment in Capital Assets

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

Restricted Net Position

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

Unrestricted Net Position

This category represents the net position of the City that is not externally restricted for any project or other purpose.

**R) Net Position Flow Assumption**

Sometimes the City 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 statement of net position, a flow assumption must be made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position.

**S) Fund Balances**

Fund balances in governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

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

Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Nonspendable - This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted - This classification includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers or through enabling legislation.

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

Committed - This classification includes amounts that may be specified by the City Council by ordinance or resolution to formally commit part of the City's fund balances or future revenues for a specific purpose(s) or program. To change or repeal any such commitment will require an additional formal City Council action utilizing the same type of action that was originally used.

Assigned - This classification includes amounts that are constrained by the City Council's intent to use specified financial resources for specific purposes, but are neither restricted nor committed. The City's fund balance policy establishes the authority to assign amounts to be used for specific purposes to the City Council. In governmental funds, other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed.

Unassigned - This classification includes the residual balance for the government's general fund and includes all spendable amounts not contained in other classifications. In other funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed or assigned.

The City Council establishes, modifies or rescinds fund balance commitments by passage of a resolution. This is done through adoption of the budget and subsequent budget amendments that occur throughout the year.

**Fund Balance Policy**

The City Council adopted a Comprehensive Financial Policy on December 5, 2016 that includes a detailed Fund Reserves and Fund Balances policy. The City believes that sound financial management principles require that sufficient funds be retained by the City to provide a stable financial base at all times. To retain this stable financial base, the City needs to maintain unrestricted fund balance in its funds sufficient to fund cash flows of the City and to provide financial reserves for unanticipated expenditures and/or revenue shortfalls of an emergency nature. Committed, assigned, and unassigned fund balances are considered unrestricted.

The purpose of the City's fund balance policy is to maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees because of temporary shortfalls or unpredicted one-time expenditures. It is the goal of the City to maintain a contingency reserve of twenty percent (20%) of General Fund "Operating Budget" as originally adopted. Operating Budget for this purpose shall include current expenditure appropriations and shall exclude Capital Improvement Projects and Transfers Out. Appropriation and/or access to these funds are reserved for emergency situations only.

**T) Pensions**

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



**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – Continued**

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

Valuation Date	June 30, 2019
Measurement Date	June 30, 2019
Measurement Period	July 1, 2018 to June 30, 2019

**V) Implementation of Governmental Accounting Standards Board (GASB) Pronouncements**

The Governmental Accounting Standards Board has issued the following Statements, which may affect the City's financial reporting requirements in the future:

*GASB 84 - Fiduciary Activities:* This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

*GASB 87 – Leases:* This Statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

*GASB 89 – Accounting for Interest Cost Incurred before the End of a Construction Period:* This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for reporting periods beginning after December 15, 2020.

*GASB 90 – Majority Equity Interests:* The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The requirements of this Statement are effective for reporting periods beginning after December 15, 2019.

*GASB 91 - Conduit Debt Obligations:* The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice. The requirements of this Statement are effective for reporting periods beginning after December 15, 2021.

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**2) CASH AND INVESTMENTS**

The following is a summary of cash and investments at June 30, 2020:

	Government-wide Statement of Net Position	Fiduciary Fund Statement of Assets and Liabilities	Total
Cash and Investments	\$ 32,732,407	\$ 4,023,921	\$ 36,756,328
Restricted Cash and Investments	1,823,574	490,334	2,313,908
Total Cash and Investments	<u>\$ 34,555,981</u>	<u>\$ 4,514,255</u>	<u>\$ 39,070,236</u>

Cash and investments at June 30, 2020 consisted of the following:

Demand Deposits	\$ 10,529,487
Petty Cash	2,800
Investments	<u>28,537,949</u>
Total Cash and Investments	<u>\$ 39,070,236</u>

The City pools its cash and investments for all fund entities except for cash and investments held by outside fiscal agents under the provisions of bond indentures. Interest income earned on pooled cash and investments is allocated quarterly to the various funds based on the weighted average cash balances. Interest income from cash and investments with fiscal agents is credited directly to the related fund.

**Investment Policies**

The City's investment policy outlines the guidelines required to be used in effectively managing the City's available cash in accordance with the California Government Code. Summarized below are the investment vehicles that are authorized and certain provisions of the policy that address interest rate risk and concentration of credit risk.

Authorized Investment Type	Maximum Maturity	Maximum Allowable % of Portfolio	Maximum Percentage per Issuer
U.S. Treasury Obligations	5 years	None	N/A
U.S. Government Agency Securities	5 years	None	30%
Commercial Paper	270 days	15%	5%
Negotiable Certificates of Deposit	5 years	30%	5%
Banker's Acceptances	180 days	25%	5%
Corporate Medium-term Notes	5 years	30%	5%
Repurchase Agreements	75 days	20%	N/A
Municipal Bonds	5 years	None	N/A
Local Agency Investment Fund (LAIF)	N/A	None	\$65 million
Money Market Mutual Funds	N/A	20%	10%

**Interest Rate Risk**

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

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**2) CASH AND INVESTMENTS – Continued**

interest rates. Most of the City's investments are held in trust by a fiscal agent as required by the bond indenture. A table summarizing distribution of the City's investment by maturity as of June 30, 2020 is as follows:

Investment Type	Remaining Maturity (in Months)			Fair Value
	12 Months or Less	13 to 24 Months	25 to 60 Months	
Local Agency Investment Fund	\$ 12,670,188	\$ -	\$ -	\$ 12,670,188
Money Market Mutual Funds	33,398	-	-	33,398
Certificates of Deposit	248,807	1,259,465	5,056,756	6,565,028
U.S. Treasury Note	-	-	1,022,623	1,022,623
Corporate Medium-term Notes	1,160,935	877,625	3,589,210	5,627,770
Municipal Bonds	-	-	305,034	305,034
Held by Bond Trustees:				
Money Market Mutual Funds	2,313,908	-	-	2,313,908
<b>Total</b>	<b>\$ 16,427,236</b>	<b>\$ 2,137,090</b>	<b>\$ 9,973,623</b>	<b>\$ 28,537,949</b>

**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. Presented below is the minimum rating required (where applicable) by the California Government Code or the City's investment policy and actual rating by S & P as of year-end for each investment type:

Investment Type	Total Investments	Minimum Legal Rating	Rating as of Year End			
			AAA	AA+/A	Not Required to be Rated	Unrated
Local Agency Investment Fund	\$ 12,670,188	N/A	\$ -	\$ -	\$ -	\$12,670,188
Money Market Mutual Funds	33,398	N/A	-	-	-	33,398
Certificates of Deposit	6,565,028	N/A	-	-	-	6,565,028
U.S. Treasury Note	1,022,623	N/A	-	-	1,022,623	-
Corporate Medium-term Notes	5,627,770	AA	487,571	5,140,199	-	-
Municipal Bonds	305,034	AA	305,034	-	-	-
Held by Bond Trustees:						
Money Market Mutual Funds	2,313,908	AAA	2,313,908	-	-	-
<b>Total</b>	<b>\$ 28,537,949</b>		<b>\$ 3,106,513</b>	<b>\$ 5,140,199</b>	<b>\$ 1,022,623</b>	<b>\$19,268,614</b>

**Concentration of Credit Risk**

At June 30, 2020, the City had no investments in any one issuer that represent more than 5% of total City investments.

**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 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, other than the following provision for deposits:

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**2) CASH AND INVESTMENTS – Continued**

The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies.

California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. The City did not have any deposits with financial institutions in excess of Federal depository insurance limits and held in uncollateralized accounts.

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 investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF).

**Investment in State Investment Pool**

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. 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.

**Fair Value of Investments**

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The City has the following recurring fair value measurements as of June 30, 2020:

- U.S. Treasury Notes of \$1,022,623 are valued using quoted market prices (Level 1 inputs).
- Corporate Medium-term Notes of \$5,627,770 are valued using a matrix pricing model (Level 2 inputs).
- Certificates of Deposit of \$6,565,028 are valued using a matrix pricing model (Level 2 inputs).
- Municipal Bonds of \$305,034 are valued using a matrix pricing model (Level 2 inputs).

**3) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

**Due To and Due From Other Funds**

At June 30, 2020, \$432,921 is reported as amounts due from other funds in the General Fund resulting from temporary interfund borrowings to cover temporary operating deficits. This amount consists of \$432,921 loaned to non-major governmental funds.

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**3) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS – Continued**

**Long-term Advances**

At June 30, 2020, the City reported the following interfund long-term advances:

		ADVANCES FROM		
		Retirement Tax Fund	Sewer Fund	Total
ADVANCES TO	General Fund	\$ 3,670,040	\$ 76,781	\$ 3,746,821
	Water Fund	256,714	683,198	939,912
	Sewer Fund	256,714	-	256,714
	Total	<u>\$ 4,183,468</u>	<u>\$ 759,979</u>	<u>\$ 4,943,447</u>

- (1) On May 7, 2001, the Retirement Tax Special Revenue Fund and the Sewer Enterprise Fund advanced \$750,000 each to the Capital Grants Capital Projects Fund. In the 2013-14 fiscal year, the General Fund assumed the advance payable of \$869,150 from the Capital Grants Capital Projects Fund due to the Capital Grants Fund's inability to repay the advance. As of June 30, 2020, the outstanding balance due to the Retirement Tax Special Revenue Fund and the Sewer Enterprise Fund are \$76,781 and \$76,781, respectively.
- (2) On October 18, 1999, the Sewer Enterprise Fund advanced \$1,500,000 to the Water Enterprise Fund. The interest is payable on the unpaid principal of the loan, compounded annually on a 360 day/year basis, at a rate calculated as the average rate earned on the funds deposited by the City into the Local Agency Investment Fund. As of June 30, 2020, the outstanding balance of the advance is \$683,198.
- (3) In November 2013, the City determined that certain amounts paid by the Retirement Tax Special Revenue Fund for postemployment healthcare costs and pension costs related to fire contract services were not in accordance with the "PERS contract" costs as required by the special tax fund. Therefore, as per the payment agreement, a long-term advance to the General Fund, Water Fund, and Sewer Fund of \$4,550,739, \$320,892, and \$320,892, respectively, has been established by City Council Resolution to pay back the disallowed costs. The General Fund will make payments of \$176,333, at 1% for 30 years. The Water and Sewer Funds will split equally, payments of \$24,868, at 1% for 30 years. As of June 30, 2020, the outstanding balance due from the General Fund, Water Fund, and Sewer Fund are \$3,593,259, \$256,714, and \$256,714.

**Due from Successor Agency**

In January 2010, prior to the dissolution of redevelopment agencies in the State of California, the former Low- and Moderate-Income Housing Set-aside fund loaned \$2,063,811 to the former redevelopment agency (now Successor Agency) to pay the SERAF payment to the State in prior years. As of June 30, 2020, the outstanding balance is \$1,051,448.

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**3) INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS – Continued**

**Summary of Transfers In/Out**

Transfers In	Transfers Out	Amount
General Fund	Other Governmental Funds	\$ 398,805
	Water Enterprise Fund	60,000
	Sewer Enterprise Fund	60,000
Other Governmental Funds	General Fund	65,000
Internal Service Fund	General Fund	233,500
	Water Enterprise Fund	60,000
		<u>\$ 877,305</u>

The transfers to the General Fund from the Other Governmental Funds of \$398,805 were to cover costs for public works projects and public safety overtime costs. The transfers to the General Fund from the Water and Sewer funds of \$60,000 and \$60,000 respectively, were for annual lease payments for use of the City's facilities. The General Fund transferred \$65,000 to other governmental funds to fund various project costs and to cover operating deficits. The General Fund also transferred \$233,500 to the Internal Service Fund to cover future vehicle and equipment replacement costs, and the Water Fund transferred \$60,000 to the Internal Service Fund for the Water Fund's portion of property insurance premiums for covered well sites.

**4) CAPITAL ASSETS**

The following is a summary of capital assets activity for the 2019/20 fiscal year:

	Beginning Balance*	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital Assets, Not Depreciated:				
Land	\$ 4,397,105	\$ -	\$ -	\$ 4,397,105
Construction in Progress	1,327,426	1,787,841	401,544	2,713,723
Total Capital Assets Not Depreciated	5,724,531	1,787,841	401,544	7,110,828
Capital Assets, Being Depreciated:				
Buildings	30,059,342	-	-	30,059,342
Improvements Other than Buildings	5,263,941	-	-	5,263,941
Machinery and Equipment	9,123,992	362,315	-	9,486,307
Infrastructure	54,721,720	405,932	-	55,127,652
Total Capital Assets Being Depreciated	99,168,995	768,247	-	99,937,242
Less Accumulated Depreciation:				
Buildings	(11,890,790)	(857,367)	-	(12,748,157)
Improvements Other than Buildings	(3,696,468)	(171,458)	-	(3,867,926)
Machinery and Equipment	(8,008,661)	(344,088)	-	(8,352,749)
Infrastructure	(37,399,193)	(1,273,544)	-	(38,672,737)
Total Accumulated Depreciation	(60,995,112)	(2,646,457)	-	(63,641,569)
Net Capital Assets Being Depreciated	38,173,883	(1,878,210)	-	36,295,673
Total Capital Assets	\$ 43,898,414	\$ (90,369)	\$ 401,544	\$ 43,406,501

\*The beginning balance of accumulated depreciation was reduced by \$303,895 to remove excess depreciation expense reflected in prior years.

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**4) CAPITAL ASSETS – Continued**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type Activities:</b>				
Capital Assets, Not Depreciated:				
Land	\$ 26,345	\$ 954,823	\$ -	\$ 981,168
Water Rights	624,659	-	-	624,659
Construction in Progress	166,319	2,360,712	7,980	2,519,051
Total Capital Assets Not Depreciated	817,323	3,315,535	7,980	4,124,878
Capital Assets, Being Depreciated:				
Buildings	5,749,295	-	-	5,749,295
Improvements Other than Buildings	1,676,392	-	-	1,676,392
Machinery and Equipment	8,197,611	64,472	-	8,262,083
Infrastructure	22,839,517	7,980	-	22,847,497
Total Capital Assets Being Depreciated	38,462,815	72,452	-	38,535,267
Less Accumulated Depreciation:				
Buildings	(3,545,693)	(105,736)	-	(3,651,429)
Improvements Other than Buildings	(32,632)	(82,360)	-	(114,992)
Machinery and Equipment	(6,715,182)	(152,389)	-	(6,867,571)
Infrastructure	(15,405,594)	(466,597)	-	(15,872,191)
Total Accumulated Depreciation	(25,699,101)	(807,082)	-	(26,506,183)
Net Capital Assets Being Depreciated	12,763,714	(734,630)	-	12,029,084
Total Capital Assets	\$ 13,581,037	\$ 2,580,905	\$ 7,980	\$ 16,153,962

Depreciation expense was charged to functions/programs as follows:

Function/Program	Governmental Activities	Business-type Activities
General Government	\$ 8,539	\$ -
Public Safety	357,245	-
Public Works	2,003,025	-
Parks and Recreation	83,604	-
Community Development	194,044	-
Water	-	664,810
Sewer	-	139,643
Waste Disposal	-	2,629
Total Depreciation	\$ 2,646,457	\$ 807,082

**5) LOANS RECEIVABLE**

The City uses Community Development Block Grant (CDBG) funds to provide housing rehabilitation loans to eligible applicants. Such loans are made to low and moderate-income persons to improve, rehabilitate, or replace residences. The CDBG fund's primary asset consists of notes receivable from participants that originated from HUD funds. The CDBG loans totaling \$259,944, when collected, are due back to the granting agency and, therefore, are reported as due to other agencies in the financial statements.

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**6) LONG-TERM LIABILITIES**

The following is a summary of long-term liability transactions for the year ended June 30, 2020.

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
2016 Installment Sale Agreement	\$ 2,555,000	\$ -	\$ 85,000	\$ 2,470,000	\$ 90,000
Premium	114,222	-	5,711	108,511	5,711
Claims Payable	3,518,904	636,415	1,167,424	2,987,895	775,571
Insurance Assessment Payable	648,456	-	81,057	567,399	81,057
Compensated Absences	1,405,857	594,487	408,465	1,591,879	485,763
Net Pension Liability	33,346,054	3,497,725	-	36,843,779	-
Net OPEB Liability	37,568,297	-	515,373	37,052,924	-
Total	\$ 79,156,790	\$ 4,728,627	\$ 2,263,030	\$ 81,622,387	\$ 1,438,102
<b>Business-type Activities:</b>					
Compensated Absences	\$ 248,091	\$ 88,832	\$ 99,056	\$ 237,867	\$ 153,032
Net Pension Liability	7,033,750	-	929,331	6,104,419	-
Net OPEB Liability	6,629,699	-	77,009	6,552,690	-
Loan payable from Direct Borrowing					
2020 Installment Sale Agreement	-	1,350,000	-	1,350,000	125,000
Total	\$ 13,911,540	\$ 1,438,832	\$ 1,105,396	\$ 14,244,976	\$ 278,032

The General Fund and Enterprise Funds have typically been used in prior years to liquidate the compensated absences payable, Net Pension Liability and Net OPEB Liability.

**2016 Installment Sale Agreement**

In March 2016, the City entered into an installment sale agreement with the California Statewide Communities Development Authority (Authority), for the Local Measure R Sales Tax Revenue Certificates of Participation, Series 2016 (Certificates), Total Road Improvement Program. The Authority issued \$6,355,000 in Certificates to finance the design, acquisition, and construction of certain local roadway and street improvement projects for both the City of Azusa and the City of San Fernando. The Certificates are secured by installment payments due from the two cities, with the City of San Fernando's share being \$2,785,000. The installment payments, including principal and interest, are due on June 1 and December 1 of each year, and are to be made from Measure R revenues received by the City. Interest rates on the installment agreement range from 2% to 5%. The Installment Sale Agreement contains a provision that in an event of default, outstanding amounts may become immediately due and payable. The following represents the future debt service requirements:

Fiscal Year Ending June 30,	Principal	Interest	Total
2021	\$ 90,000	\$ 88,638	\$ 178,638
2022	95,000	85,037	180,037
2023	95,000	81,238	176,238
2024	100,000	77,437	177,437
2025	105,000	72,438	177,438
2026 - 2030	600,000	285,537	885,537
2031 - 2036	725,000	174,750	899,750
2037 - 2039	660,000	54,568	714,568
Totals	<u>\$ 2,470,000</u>	<u>\$ 919,643</u>	<u>\$ 3,389,643</u>



**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**6) LONG-TERM LIABILITIES – Continued**

**Net Pension Liability**

On April 9, 1946, the voters of the City of San Fernando approved an ad valorem property tax to raise the funds necessary to pay the City's annual obligation to CalPERS for the retirement benefits of City employees. In 1978, California voters approved Proposition 13, which limited the levy on ad valorem property taxes to one-percent (1%) of assessed value.

In 1985, the State Legislature adopted Revenue and Taxation Code Section 96.31, which authorized a jurisdiction to continue to impose an ad valorem property tax levy to make payments in support of pension programs provided: 1) it was approved by voters prior to July 1, 1978, and 2) the jurisdiction imposed the property tax levy in either FY 1982-1983 or FY 1983-1984. It also capped the rate the jurisdiction could impose to the rate imposed in FY 1982-1983 or FY 1983-1984, whichever is higher. Consequently, the maximum rate that can be levied by the City is \$0.28420 for each \$100 of assessed property value, as established in FY 1982-1983.

Tax revenues raised through this special tax levy are accounted for in the Retirement Tax Special Revenue fund. The City's annual retirement costs are liquidated from this fund. In FY 2019-2020, the levy was \$0.212129 per \$100 of assessed valuation, which was sufficient to fully fund the City's CalPERS retirement costs. If the annual cost exceeds the amount that can be raised through the maximum special retirement tax levy, the remaining cost would be liquidated primarily from the General Fund. More information related to the City's Net Pension Liability is included in Note 7.

**Insurance Assessment Payable**

In 2017, the City was assessed a Liability Program Assessment of \$848,269 for its share of prior year claims payments shortfalls in the insurance pool program, Independent Cities Risk Management Authority (ICRMA). The liability is payable over a 10-year period with the first payment of \$37,699 made in the period ended June 30, 2017, and future annual payments of \$81,057 over the next 10 years. The following represents the future debt service requirements on the Insurance Assessment Payable:

Fiscal Year Ending June 30,	Principal	Interest	Total
2021	\$ 81,057	\$ 88,638	\$ 169,695
2022	81,057	85,037	166,094
2023	81,057	81,238	162,295
2024	81,057	77,437	158,494
2025	81,057	72,438	153,495
2026	81,057	67,187	148,244
2027	81,057	61,688	142,745
Totals	<u>\$ 567,399</u>	<u>\$ 533,663</u>	<u>\$ 1,101,062</u>

**2020 Installment Sale Agreement**

In February 2020, the City entered into an installment sale agreement in the amount of \$1,350,000 with JPMorgan Chase, to finance the acquisition of land to construct a water reservoir and related capital improvements.

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**6) LONG-TERM LIABILITIES – Continued**

Interest rates on the installment payments are 1.90%. The installment payments are payable from and secured by the City's pledge under the indenture of that portion of "Net Revenues" necessary to pay debt service on the debt and any parity obligations issued under the indenture. The installment payments, including principal and interest, are due on June 1 and December 1 of each year, commencing on June 1, 2020, and are to be made from Net Revenues, defined generally as gross revenues received from the City's water system, less maintenance and operation costs. The Installment Sale Agreement contains a provision that in an event of default, outstanding amounts may become immediately due and payable. The following represents the future debt service requirements:

Fiscal Year Ending June 30,	Principal	Interest	Total
2021	\$ 125,000	\$ 25,650	\$ 150,650
2022	125,000	23,275	148,275
2023	130,000	20,900	150,900
2024	130,000	18,430	148,430
2025	135,000	15,960	150,960
2026	135,000	13,395	148,395
2027	140,000	10,830	150,830
2028	140,000	8,170	148,170
2029	145,000	5,510	150,510
2030	145,000	2,755	147,755
Totals	<u>\$ 1,350,000</u>	<u>\$ 144,875</u>	<u>\$ 1,494,875</u>

**Other Post-Employment Benefits (OPEB) Obligation**

OPEB, i.e. retiree medical benefits, are primarily paid from the City's General Fund. In 2015, the City negotiated restructuring retiree medical benefits with all bargaining units. Employees hired after July 1, 2015 receive the minimum retiree medical benefits required by the Public Employees Medical and Health Care Act (PEMHCA), which was \$139 per month for calendar year 2020. The PEMHCA minimum is adjusted by CalPERS annually to account for inflation. In addition, the City established retiree health savings accounts for employees that only qualify for the PEMHCA minimum. The amount contributed by the City is negotiated with each bargaining unit and currently ranges from \$50 - \$150 per month. More information related to the City's OPEB liability is included in Note 8.

**Fiduciary Fund Long-term Liabilities**

Long-term liabilities of the former San Fernando Redevelopment Agency were transferred to the Successor Agency Private-purpose Trust Fund during 2011-12 as a result of the State's action to dissolve redevelopment agencies. The following is a schedule of changes in long-term debt of the Successor Agency for the fiscal year ended June 30, 2020:

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
2016A Tax Allocation Bonds	\$ 955,000	\$ -	\$ 470,000	\$ 485,000	\$ 485,000
Discount on Bonds	(76,733)	-	(38,367)	(38,366)	-
Total	<u>\$ 878,267</u>	<u>\$ -</u>	<u>\$ 431,633</u>	<u>\$ 446,634</u>	<u>\$ 485,000</u>

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**6) LONG-TERM LIABILITIES – Continued**

2016A Tax Allocation Bonds

In February 2016, the Successor Agency issued \$4,350,000 in Tax Allocation Refunding Bonds, Series 2016. Proceeds from the 2016 bonds, along with \$1,149,123 in funds remaining on the 2006 bonds, were used to establish a refunding escrow account to advance refund the 2006 bonds, and also to pay costs of issuance. As a result, the 2006 bonds are considered defeased, and the related debt has been removed from the financial statements of the Successor Agency. Future debt service requirements for the 2016 bonds are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2021	\$ 485,000	\$ 4,923	\$ 489,923
Totals	\$ 485,000	\$ 4,923	\$ 489,923

**7) CITY EMPLOYEES RETIREMENT SYSTEM (DEFINED BENEFIT PENSION PLAN)**

**General Information about the Defined Benefit Pension Plan**

**Plan Description** – All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (Plan) administered by the California Public Employees' Retirement System (CalPERS.) The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police) and a miscellaneous risk pool. Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the miscellaneous or safety risk pools. The City sponsors seven rate plans (three miscellaneous and four safety). Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

**Benefits Provided** – The Plan is a cost-sharing multiple-employer defined benefit pension plan administered by the California Public Employees' Retirement System (CalPERS). A full description of the pension plan benefit provisions, assumptions for funding purposes but not accounting purposes, and membership information is listed in the June 30, 2017 Annual Actuarial Valuation Report. Details of the benefits provided can be obtained in Appendix B of the June 30, 2017 actuarial valuation report. This report is a publicly available valuation report that can be obtained at CalPERS' website under Forms and Publications. The rate plan provisions and benefits in effect at June 30, 2020, are summarized as follows:

	Miscellaneous	Miscellaneous Tier II	Miscellaneous PEPRA
	Prior to November 12, 2005	Prior to January 1, 2013	On or after January 1, 2013
Hire date			
Benefit formula	3% @ 60 single highest year	2% @ 55 36 month average	2% @ 62 36 month average
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	50 - 60	55	62
Monthly benefits, as a % of eligible compensation	2% to 3%	2%	2%
Required employee contribution rates	8%	7%	6.5%
Required employer contribution rates	15.605% + \$1,427,154	11.120% + \$33,980	7.191% + \$1,847

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**7) CITY EMPLOYEES RETIREMENT SYSTEM (DEFINED BENEFIT PENSION PLAN) – Continued**

	Safety Tier I	Safety Tier II	Safety Tier III	Safety PEPRA
	Prior to January 6, 1994	Prior to September 8, 2012	Prior to January 1, 2013	On or after January 1, 2013
Hire date				
Benefit formula	3% @ 50 single highest year	3% @ 50 36 month average	3% @ 55 36 month average	2.7% @ 55 36 month average
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	50	50	55	55
Monthly benefits, as a % of eligible compensation	3%	3%	3%	2.7%
Required employee contribution rates	9%	9%	9%	12.00%
Required employer contribution rates	23.885% + \$1,111,766	20.707% + \$236,100	18.928% + \$2,198	13.034% + \$2,498

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

Beginning in fiscal year 2016, CalPERS collects employer contributions for the Plan as a percentage of payroll for the normal cost portion as noted in the rates above and as a dollar amount for contributions toward the unfunded liability. The dollar amounts are billed on a monthly basis. The City’s required contribution for the unfunded liability was \$2,815,543 in fiscal year 2020.

The City’s contributions to the Plan for the year ended June 30, 2020 were \$4,125,474.

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

As of June 30, 2020, the City reported a liability of \$42,948,198 for its proportionate share of the net pension liability. The City’s net pension liability for the Plan is measured as of June 30, 2019, 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, 2018 rolled forward to June 30, 2019 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 plan relative to the projected contributions of all participating employers, actuarially determined. The City’s proportionate share of the Plan’s net pension liability as of June 30, 2018 and 2019 was as follows:

Proportion - June 30, 2018	0.41904%
Proportion - June 30, 2019	0.41913%
Change - Increase (Decrease)	0.00009%

For the year ended June 30, 2020, the City recognized pension expense of \$6,909,808. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**7) CITY EMPLOYEES RETIREMENT SYSTEM (DEFINED BENEFIT PENSION PLAN) – Continued**

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 4,125,474	\$ -
Differences between actual and expected experience	2,777,575	-
Changes in assumptions	1,368,686	-
Change in employer's proportion	-	778,867
Differences between the employer's contributions and the employer's proportionate share of contributions	-	244,087
Net differences between projected and actual earnings on plan investments	-	672,066
Total	<u>\$ 8,271,735</u>	<u>\$ 1,695,020</u>

The \$4,125,474 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30,	
2021	\$ 2,555,466
2022	(640,303)
2023	402,456
2024	133,622
2025	-
Thereafter	-

**Actuarial Assumptions** – The total pension liabilities in the June 30, 2018 actuarial valuations were determined using the following actuarial assumptions:

Valuation date	June 30, 2018
Measurement date	June 30, 2019
Actuarial cost method	entry-age normal
Actuarial assumptions:	
Discount rate	7.15%
Inflation	2.50%
Projected salary increase	(1)
Investment rate of return	7.15%
Mortality	(2)

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

(2) Derived using CalPERS' Membership Data for all Funds.

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**7) CITY EMPLOYEES RETIREMENT SYSTEM (DEFINED BENEFIT PENSION PLAN) – Continued**

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.

**Long-term Expected Rate of Return** - The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows.

Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund.

The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses. The expected real rates of return by asset class are as follows:

Asset Class	New Strategic Allocation	Real Return Years 1 - 10 (1)	Real Return Years 11+ (2)
Global Equity	50%	4.80%	5.98%
Global Fixed Income	28%	1.00%	2.62%
Inflation Assets	-	0.77%	1.81%
Private Equity	8%	6.30%	7.23%
Real Assets	13%	3.75%	4.93%
Liquidity	1%	-	-0.92%

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

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

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

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

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

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**7) CITY EMPLOYEES RETIREMENT SYSTEM (DEFINED BENEFIT PENSION PLAN) – Continued**

1% Decrease	6.15%
Net Pension Liability	\$ 60,469,038
Current Discount Rate	7.15%
Net Pension Liability	\$ 42,948,198
1% Increase	8.15%
Net Pension Liability	\$ 28,534,131

**Pension Plan Fiduciary Net Position** – Detailed information about the Plan's fiduciary net position is available in the separately issued CalPERS financial reports.

**Payable to the Pension Plan** - At June 30, 2020, the City reported no payables to the pension plan, for outstanding contributions required for the year ended June 30, 2020.

**8) OTHER POST-EMPLOYMENT BENEFITS**

**Plan Description** - For employees hired prior to July 1, 2015, the City contributes to a single-employer defined benefit plan to provide post-employment health care benefits (the "Plan"). Specifically, the City provides health insurance for its retired employees and their dependent spouses (if married and covered on the City's plan at time of retirement), or survivors in accordance with Board resolutions.

**Benefits Provided** - Medical coverage is provided for retired employees who are age 50 or over and who have a minimum of 5 years of service within the PERS system as long as such individuals retire within 120 days of separation from employment and receive a monthly retirement allowance. The City pays 100% of all premiums charged for the retiree and dependents under the health benefit plan administered by CalPERS in which the individual is able to select, on an annual basis, an insurance carrier from a number of insurance carriers. Medical coverage is provided for the surviving spouse of retired employees and the surviving spouse of active employees who upon death had attained age 50 and who had a minimum of 5 years of service within the PERS system in addition to satisfying the requirement to retire within 120 days of separation. The City will pay 100% of the premiums charged until the surviving spouse remarries, becomes enrolled under another group health plan, or cancels coverage. The plan does not provide a publicly available financial report.

For employees hired on or after July 1, 2015, the City will provide the minimum retiree health benefit required by the Public Employees Medical and Health Care Act (PEMHCA), which was \$139 per month for calendar year 2020 and adjusted by CalPERS annually to account for inflation, and \$50 - \$150 per month into a Retiree Health Savings Account (RSA), depending on bargaining unit.

**Employees Covered by Benefit Terms** – As of the June 30, 2019 measurement date, the following current and former employees were covered by the benefit terms under the Plan:

Retirees or spouses of retirees currently receiving benefits	93
Inactive employees entitled to but not yet receiving benefits	9
Active employees	103
	<u>205</u>

**Contributions** - The contribution requirements of plan members and the City are established and may be amended by the City Council, and/or the employee associations. Currently, contributions are not required from plan members. The City is currently funding this OPEB liability on a pay-as-you-go basis.

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**8) OTHER POST-EMPLOYMENT BENEFITS – Continued**

This obligation is typically liquidated from the General Fund and responsible Enterprise Funds.

**Total OPEB Liability** - The City's Total OPEB liability was measured as of June 30, 2019 and was determined by an actuarial valuation dated June 30, 2019, based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2019
Actuarial Cost Method	Entry Age, Level Percent of Pay
Contribution Policy	Pay-as-you-go
Mortality	Mortality projected fully generational with Scale MP-2017 CalPERS 1997-2015 Experience Study
Age at Retirement	52
Health Care Trend Rate	7.25% initial, 4.00% ultimate - Non-Medicare 6.30% initial, 4.00% ultimate - Medicare
Inflation Rate	2.75%
Salary Changes	3.00%
Discount Rate	3.13% - Fidelity GO AA - 20-year Index

**Changes in the Total OPEB Liability**

	Total OPEB Liability (TOL)
Balance at June 30, 2018 (measurement date)	\$ 44,197,996
Changes in the year:	
Service cost	1,398,168
Interest on the total OPEB liability	1,630,542
Differences between expected and actual experience	(4,855,222)
Assumption Changes	2,341,268
Benefit payments, including refunds	(1,107,138)
Net changes	(592,382)
Balance at June 30, 2019 (measurement date)	\$ 43,605,614

**Sensitivity of the Total OPEB Liability to changes in the Discount Rate** - The following presents the total OPEB liability of the City if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (2.13%)	Discount Rate (3.13%)	1% Increase (4.13%)
Total OPEB liability (asset)	\$ 51,806,581	\$ 43,605,614	\$ 37,211,803

**Sensitivity of the Total OPEB Liability to changes in the Healthcare Cost Trend Rates** - The following presents the total OPEB liability of the City, as well as what the City's total OPEB would be if it were calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:



**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**8) OTHER POST-EMPLOYMENT BENEFITS – Continued**

	1% Decrease	Current Healthcare Trend	1% Increase
Total OPEB liability (asset)	\$ 36,531,470	\$ 43,605,614	\$ 52,849,182

**OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB** - For the year ended June 30, 2020, the City recognized OPEB expense of \$1,711,112. The City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB Contributions Subsequent to the Measurement Date	\$ 1,114,400	\$ -
Changes of Assumptions	1,937,601	2,642,594
Net differences between projected and actual earnings on plan investments	-	4,018,115
Total	<u>\$ 3,052,001</u>	<u>\$ 6,660,709</u>

The \$1,114,400 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2019 measurement date will be recognized as a reduction of the total OPEB liability during the fiscal year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30,	
2021	\$ (1,319,828)
2022	(1,319,828)
2023	(1,238,397)
2024	(498,301)
2025	(346,754)
Thereafter	-

**9) SELF-INSURANCE PROGRAM**

The City is self-insured for workers' compensation claims, unemployment insurance, property insurance, and comprehensive general and automobile liability. The City purchases excess workers' compensation and liability insurance through its membership in the Independent Cities Risk Management Authority (ICRMA), a joint powers authority formed to pool the assets of its members to increase excess insurance buying power. ICRMA procures coverage for its members, in excess of each member's selected self-insured retention, for up to \$30,000,000 per insured occurrence for liability claims and statutory limits for workers' compensation claims. ICRMA is considered a self-sustaining risk pool with 16 member cities. Annual premium payments are paid by member cities and are adjusted retrospectively to cover costs.

Each member city self-insures from the first dollar to their selected self-insured retention. Each member city appoints one member and two alternates to the ICRMA Governing Board.

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**9) SELF-INSURANCE PROGRAM – Continued**

At June 30, 2020, the internal service fund had a deficit fund balance of \$556,336. The deficit fund balance is being addressed by increasing charges made to other City funds in future years.

**Workers' Compensation**

The City participates in the Workers' Compensation Program through ICRMA and maintains coverage pursuant to the Workers' Compensation Laws of the State of California. The City is self-insured for the first \$500,000 of each claim. Excess insurance is provided through ICRMA from \$500,001 to the statutory limit per insured occurrence.

Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. At June 30, 2020, the amount of these liabilities was \$1,929,971. This liability is the City's best estimate based on available information.

**General Liability**

The City participates in the Liability Program through ICRMA and maintains coverage for comprehensive general and automobile liability, personal injury, contractual liability, errors and omissions, and certain other coverage. The City is self-insured for the first \$250,000 of each claim. Excess insurance is provided through ICRMA from \$250,001 to \$30,000,000 per insured occurrence. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. At June 30, 2020, the amount of these liabilities was \$1,057,924. This liability is the City's best estimate based on available information.

Annual settlements during each of the last three fiscal years have not exceeded insurance coverage in any year.

**Changes in Self-Insurance Liability**

Changes in the reported claims liabilities resulted from the following:

	FY 2019-20	FY 2018-19
Beginning of Year	\$ 3,518,904	\$ 2,315,000
Claims and Changes in Estimates	636,415	2,214,443
Claim Payments	(1,167,424)	(1,010,539)
End of Year	<u>\$ 2,987,895</u>	<u>\$ 3,518,904</u>

**10) DEFICIT NET POSITION/FUND BALANCES**

The following non-major governmental funds reported fund balance deficits at June 30, 2020:

	Deficit
Non-major Funds:	
Capital Grants	483,916
State Gas Tax	59,970
Community Development Block Grant	2,536
Mall Maintenance Operations	18,121

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2020

**10) DEFICIT NET POSITION/FUND BALANCES – Continued**

These deficits will be eliminated through the collection of revenues in the future, or transfers from other funds.

**11) COMMITMENTS AND CONTINGENCIES**

Various claims and lawsuits have been filed against the City in the normal course of business. Based upon information obtained from the City attorney and the self-insurance administrators, the estimated liability under such claims and litigation will not exceed the accrued self-insurance liability recorded in the government-wide statement of net position.

Also, the City has received State and Federal funds that are subject to review and audit by the grantor agencies. Such audits could generate expenditure disallowances under terms of the grants; however, it is believed that any such reimbursements will not be significant.

**12) PRIOR PERIOD ADJUSTMENTS**

Beginning Net Position for Governmental Activities was increased by \$303,895 due to adjustments relating to accumulated depreciation for capital assets.

Beginning net position of the Successor Agency Private Purpose Trust fund was increased by \$2,525,046 to remove a liability not payable from Successor Agency monies.

**13) SUBSEQUENT EVENTS**

In November 2020, the City finalized an agreement for the purchase of approximately \$2 million of radio equipment. The purchase is financed over a three-year period at a rate of 2.99%, with the first payment due in December 2020.

## **REQUIRED SUPPLEMENTARY INFORMATION**

**City of San Fernando**  
**Required Supplementary Information**  
For the Year Ended June 30, 2020

**CHANGES IN TOTAL OPEB LIABILITY/(ASSETS) AND RELATED RATIOS**

	Measurement Period		
	2019	2018	2017
<b>Total OPEB Liability</b>			
Service cost	\$ 1,398,168	\$ 1,380,011	\$ 1,601,768
Interest on total OPEB liability	1,630,542	1,552,449	1,364,732
Changes in assumptions	(2,513,954)	(425,186)	(4,804,507)
Changes in benefits	-	-	-
Benefit payments, including refunds	(1,107,138)	(1,074,819)	(1,064,148)
Net change in total OPEB liability	(592,382)	1,432,455	(2,902,155)
Total OPEB liability - beginning	44,197,996	42,765,541	45,667,696
Total OPEB liability - ending	<u>\$ 43,605,614</u>	<u>\$ 44,197,996</u>	<u>\$ 42,765,541</u>
Covered payroll	\$ 10,176,564	\$ 8,291,994	\$ 9,645,806
Total OPEB liability as a percentage of covered payroll	428.49%	533.02%	443.36%

Fiscal year 2018 was the first year of implementation; therefore, 10 years of information are not yet available.

**Notes to the Schedule of Changes in the City's Total OPEB Liability**

No assets are accumulated in a trust that meets the criteria in GASBS No. 75, paragraph 4, to pay related benefits

**Benefit Changes:** None

**Changes in Assumptions:**

The discount rate was changed from 3.56% to 3.62% for the June 30, 2018 measurement period.

The discount rate was changed from 3.62% to 3.13% for the June 30, 2019 measurement period

**City of San Fernando**  
**Required Supplementary Information**  
For the Year Ended June 30, 2020

**Schedule of the City's Proportionate Share of the Net Pension Liability**  
**Last 10 Years\***

Measurement Date	Proportion of the Net Pension Liability	Proportionate Share of Net Pension Liability	Covered Payroll	Proportionate Share of the Net Pension Liability as a % of Payroll	Plan Fiduciary Net Position as a % of the Total Pension Liability
2019	0.41913%	\$ 42,948,198	\$ 8,514,403	504.42%	66.73%
2018	0.41904%	40,379,804	7,636,028	528.81%	67.74%
2017	0.40795%	40,457,482	7,744,402	522.41%	66.92%
2016	0.41569%	35,969,636	6,907,444	520.74%	68.39%
2015	0.43391%	29,783,281	6,342,163	469.61%	72.67%
2014	0.43086%	26,809,903	7,129,905	376.02%	75.28%

\*Fiscal year 2015 was the first year of implementation; therefore, 10 years of information are not yet available.

**Notes to the Schedule of the City's Proportionate Share of the Net Pension Liability**

**Benefit Changes:** None

**Changes in Assumptions:** In 2017, the accounting discount rate changed from 7.65% to 7.15%.

**City of San Fernando**  
**Required Supplementary Information**  
For the Year Ended June 30, 2020

**Schedule of Pension Plan Contributions**  
**Last 10 Years\***

Fiscal Year	Contractually Required Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency/ (Excess)	Covered Payroll	Contributions as a % of Covered Payroll
2020	\$ 4,125,474	\$ (4,125,474)	\$ -	\$ 9,116,498	45.25%
2019	3,571,098	(3,571,098)	-	8,514,403	41.94%
2018	3,088,007	(3,088,007)	-	7,636,028	40.44%
2017	2,850,313	(2,850,313)	-	7,744,402	36.80%
2016	3,079,817	(3,079,817)	-	6,907,444	44.59%
2015	2,314,312	(2,314,312)	-	6,342,163	36.49%

\*Fiscal year 2015 was the first year of implementation; therefore, 10 years of information are not yet available.

**Notes to the Schedule of Plan Contributions**

Valuation Date: 6/30/2013, 6/30/2014, 6/30/2015, 6/30/2016, 6/30/2017, and 6/30/2018

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**General Fund**  
Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
<b>REVENUES</b>				
Taxes	\$ 13,298,000	\$ 13,317,500	\$ 13,859,622	\$ 542,122
Licenses and Permits	295,000	300,000	427,751	127,751
Charges for Services	2,339,039	965,200	797,686	(167,514)
Fines and Forfeitures	607,800	607,800	595,337	(12,463)
Investment Earnings	496,640	486,640	749,692	263,052
Intergovernmental	2,610,048	2,590,548	2,653,489	62,941
Other	293,000	243,000	275,733	32,733
Total Revenues	19,939,527	18,510,688	19,359,310	848,622
<b>EXPENDITURES</b>				
Current:				
General Government:				
City Council	213,101	212,442	193,364	19,078
Treasurer	77,922	77,922	77,375	547
Administration	243,186	248,186	238,827	9,359
Personnel	239,952	239,952	219,789	20,163
City Attorney	238,123	213,123	186,965	26,158
City Clerk	195,688	197,987	192,856	5,131
Elections	6,000	71,000	54,139	16,861
Financial Management	456,408	464,908	391,567	73,341
Information Technology	274,404	290,404	226,377	64,027
Retirement and Nondepartmental	892,933	890,911	812,877	78,034
Public Safety:				
Police	8,257,123	8,332,123	8,677,704	(345,581)
Fire	2,850,000	2,850,000	2,916,856	(66,856)
Community Development	1,136,388	1,146,388	1,090,187	56,201
Public Works	1,355,325	1,481,054	1,131,302	349,752
Parks and Recreation	1,360,512	1,360,513	1,283,440	77,073
Capital Outlay	12,000	1,414,118	80,609	1,333,509
Total Expenditures	17,809,065	19,491,031	17,774,234	1,716,797
Excess (Deficiency) of Revenues over Expenditures	2,130,462	(980,343)	1,585,076	2,565,419
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	518,805	518,805	518,805	-
Transfers Out	(543,500)	(623,500)	(298,500)	325,000
Total Other Financing Sources (Uses)	(24,695)	(104,695)	220,305	325,000
Net Change in Fund Balances	2,105,767	(1,085,038)	1,805,381	2,890,419
Fund Balance, Beginning of Year	1,821,163	1,821,163	1,821,163	-
Fund Balance, End of Year	\$ 3,926,930	\$ 736,125	\$ 3,626,544	\$ 2,890,419



**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual - Retirement Tax Fund**  
Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
<b>REVENUES</b>				
Taxes	\$ 4,517,900	\$ 4,517,900	\$ 4,456,349	\$ (61,551)
Investment Earnings	-	-	207,465	207,465
Other	-	-	48,292	48,292
 Total Revenues	 4,517,900	 4,517,900	 4,712,106	 194,206
<b>EXPENDITURES</b>				
Current:				
General Government	3,562,811	3,662,811	3,060,520	602,291
Public Safety	991,141	991,141	1,162,626	(171,485)
Public Works	71,646	71,646	72,115	(469)
Parks and Recreation	92,187	92,187	91,891	296
Community Development	99,436	99,436	147,650	(48,214)
 Total Expenditures	 4,817,221	 4,917,221	 4,534,802	 382,419
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 (299,321)	 (399,321)	 177,304	 576,625
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	274,868	274,868	-	(274,868)
Transfers Out	-	-	-	-
 Total Other Financing Sources (Uses)	 274,868	 274,868	 -	 (274,868)
 Net Change in Fund Balances	 (24,453)	 (124,453)	 177,304	 301,757
Fund Balance, Beginning of Year	11,378,091	11,378,091	11,378,091	-
Fund Balance, End of Year	<u>\$ 11,353,638</u>	<u>\$ 11,253,638</u>	<u>\$ 11,555,395</u>	<u>\$ 301,757</u>

**City of San Fernando**  
**Notes to Required Supplementary Information**  
Year Ended June 30, 2020

**BUDGETS AND BUDGETARY ACCOUNTING**

The budget of the City is a detailed operating plan, which identifies estimated costs and results in relation to estimated revenues. The budget includes (1) the program, projects, series, and activities to be provided during the fiscal year, (2) the estimated resources (inflows) and amounts available for appropriation and (3) the estimated charges to appropriations. The budget represents a process through which policy decisions are made, implemented and controlled. The City Charter prohibits expending funds for which there is no legal appropriation.

The City's procedures for preparing the budgetary data reflected in the financial statements are:

- The annual budget provides for the general operation of the City and is adopted by the City Council after the holding of a public hearing. The budget figures presented in the accompanying required supplementary information financial schedules represent the original and final revised budget and include proposed expenditures and related financing.
- The City Council approves total budget appropriations and may amend the budget by motion during the fiscal year. The City Manager is authorized to transfer within individual fund budgets without the approval of City Council; however, total appropriations may not be exceeded at the department level. The legal level of budgetary control is at the department level. The appropriated budget covers City expenditures in the General Fund, and Special Revenue Funds. Project length plans are adopted for the capital projects funds with unexpended funds at June 30 re-appropriated in the following year. The debt service on bond issues constitutes a legally authorized "non-appropriated budget". During fiscal year 2019-20 supplemental budget appropriations were approved by the City Council. The effects of the supplemental appropriations were minor.
- Formal budgetary integration is employed as a management control device during the year. Commitments for materials and services, such as purchase orders and contracts, are recorded as encumbrances to assist in controlling expenditures. Encumbrances at year-end lapse, and then are added to the following year's budgeted appropriations.
- Annual budgets for the General and Special Revenue Funds are adopted on a basis substantially consistent with generally accepted accounting principles. Actual revenues and expenditures can be compared with related budgeted amounts without any significant reconciling items. No budgetary comparisons are presented for the Proprietary Funds, as the City is not legally required to adopt budgets for this type of fund. In addition, the City did not adopt a budget for the Housing Special Revenue Fund.
- Capital projects are budgeted through the Capital Projects Funds on a project-by-project basis. Appropriations for capital projects authorized but not constructed or completed during the year lapse at year-end, and are then included as part of appropriations in the following year's annual budget.

Budget information is presented as supplementary information for the other governmental special revenue funds. Budgeted revenue amounts represent the original budget modified by Council-authorized adjustments during the year which were contingent upon new, or additional revenue sources. Budgeted expenditure amounts represent original appropriations adjusted for supplemental appropriations during the year. The budgets conform, in all material respects, to generally accepted accounting principles, which serves as the budgeting basis. Appropriations lapse at year-end.

## **SUPPLEMENTARY INFORMATION**

**City of San Fernando**  
**Other Governmental Funds**  
June 30, 2020

**SPECIAL REVENUE FUNDS**

Special revenue funds account for specific revenues that are legally restricted to expenditures for particular purposes. The other special revenue funds include:

**Measure R Special Revenue Fund** - accounts for the receipt of Measure R funds, which is a county-wide half-cent (\$0.50) transaction tax restricted for traffic relief.

**Mall Maintenance** - Accounts for the Downtown Area Parking, and Mall Maintenance and Assessment District. The funds received are used for maintenance and upkeep, including capital improvements, in the downtown area.

**Proposition A Local Transit** - Accounts for receipt and approved Local Transit Fund projects from a voter approved sales tax override for public transportation.

**Proposition C Discretionary** - Accounts for the maintenance of the mile-long bike path along the Metro-link Corridor in San Fernando.

**Traffic Safety** - Accounts for receipts from traffic fines as levied by local courts. Some of these funds are transferred to the General Fund for traffic safety purposes. The fund is required by Section 1463(b) of the California Penal Code.

**Parking Maintenance and Operations** - Accounts for parking receipts and maintenance of Business District parking facilities.

**Local Transportation** - Accounts for state funds allocated by the State for local pedestrian facility development or improvement.

**Recreation** - Accounts for receipts and the related expenditures from various recreation programs to be used for a specific program, such as sport leagues, craft and music classes, special events and concerts.

**Quimby Act Fees** - Accounts for revenues from real estate developers, who are required under state law to provide and support park facilities.

**Street Lighting** - Accounts for revenues and costs associated with the City's street lighting program.

**State Asset Forfeiture** - Accounts for the receipts and disbursements of state seized and forfeited assets from sale of controlled substances.

**State Gas Tax** – Accounts for the City's share of motor fuel tax revenue restricted for street maintenance and repairs.

**Federal Asset Forfeiture** - Accounts for the receipts and disbursements of federal seized and forfeited assets from sale of controlled substances.

**AQMD** - Accounts for South Coast Air Quality Management District revenues. These funds may be used for various programs to reduce air pollution.

**City of San Fernando**  
**Other Governmental Funds – Continued**  
June 30, 2020

**SPECIAL REVENUE FUNDS - Continued**

**Cash-in-Lieu of Parking** - Accounts for revenues and related expenditures from developers or builders who elect to pay a specified amount to the City instead of providing required parking.

**Pavement Management** - Accounts for all of the pavement impact fees that are generated and the expenditures that are made related to the streets and highway infrastructure.

**Proposition C** - Accounts for the receipt of the "half-cent" sales tax administered by Metro. These funds are to be used to reduce traffic congestion, improve air quality, improve conditions of streets/freeways, and reduce foreign fuel dependence.

**Community Development Block Grant (CDBG)** - Accounts for expenses of the Community Development Block Grant received through the County of Los Angeles.

**Community Development Surcharge** – Accounts for receipts of business license and building related surcharges and disbursements which fund building ongoing programs to promote disabled accessibility and the City's land management enterprise software.

**Operating Grants** - Accounts for revenues that are restricted for specific operating purposes, including law enforcement and parks and recreation.

**Surface Transportation Program Local Funding (STP Local Fund)** - Accounts for revenues received from a local sales tax measure to be used for street projects.

**SLESF** - Accounts for revenues received which are restricted for law enforcement.

**Measure M** - Accounts for "half-cent" local return revenues from the County-wide sales tax administered by Metro. These funds are to be used to repave local streets, potholes and traffic signals, as well as expand the rail and rapid transit system with the overall objective of easing traffic congestion.

**Road Maintenance and Rehab** - Accounts for local return revenues received from the State of California (SB1) to address deferred maintenance on the State Highways system and local street and road system.

**CAPITAL PROJECTS FUNDS**

**Capital Outlay** - Accounts for capital projects funded by unrestricted general revenues for specific capital projects.

**Capital Grants** - accounts for revenues that are restricted for specific capital projects.

**City of San Fernando**  
**Combining Balance Sheet**  
**Other Governmental Funds**  
June 30, 2020

	Measure R	Mall Maintenance Operations	Proposition A Local Transit	Proposition C Discretionary
<b>ASSETS</b>				
Cash and Investments	\$ 583,597	\$ -	\$ 127,433	\$ 21,999
Restricted Cash and Investments	1,823,574	-	-	-
Receivables:				
Taxes	-	-	-	-
Accounts	-	-	-	-
Grants	-	-	-	-
Loans Receivable	-	-	-	-
Total Assets	<u>\$ 2,407,171</u>	<u>\$ -</u>	<u>\$ 127,433</u>	<u>\$ 21,999</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 70,808	\$ 41	\$ 55,379	\$ -
Accrued Liabilities	203	2,198	237	-
Deposits	-	-	-	-
Due to Other Funds	-	15,882	-	-
Due to Other Agencies	-	-	-	-
Total Liabilities	<u>71,011</u>	<u>18,121</u>	<u>55,616</u>	<u>-</u>
<b>DEFERRED INFLOWS</b>				
Unavailable Revenues - Grants	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Restricted for:				
Transportation	2,336,160	-	71,817	21,999
Air Pollution	-	-	-	-
Parks and Recreation	-	-	-	-
Public Safety	-	-	-	-
Community Development	-	-	-	-
Parking	-	-	-	-
Unassigned	<u>-</u>	<u>(18,121)</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>2,336,160</u>	<u>(18,121)</u>	<u>71,817</u>	<u>21,999</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ 2,407,171</u>	<u>\$ -</u>	<u>\$ 127,433</u>	<u>\$ 21,999</u>

Traffic Safety	Parking Maintenance and Operations	Local Transportation	Recreation	Quimby Act Fees	Street Lighting	State Asset Forfeiture
\$ 3,158	\$ 398,892	\$ -	\$ 27,431	\$ 160	\$ 246,967	\$ 9,114
-	-	-	-	-	-	-
-	1,232	-	-	-	7,276	-
432	-	-	-	-	-	-
-	-	6,084	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 3,590</u>	<u>\$ 400,124</u>	<u>\$ 6,084</u>	<u>\$ 27,431</u>	<u>\$ 160</u>	<u>\$ 254,243</u>	<u>\$ 9,114</u>
\$ -	\$ 21,804	\$ 668	\$ 2,817	\$ -	\$ 17,126	\$ -
43	2,408	-	607	152	5,006	-
-	1,067	-	-	-	-	-
-	-	5,416	-	-	-	-
-	-	-	-	-	-	-
<u>43</u>	<u>25,279</u>	<u>6,084</u>	<u>3,424</u>	<u>152</u>	<u>22,132</u>	<u>-</u>
-	-	-	-	-	-	-
3,547	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	24,007	8	-	-
-	-	-	-	-	232,111	9,114
-	-	-	-	-	-	-
-	374,845	-	-	-	-	-
-	-	-	-	-	-	-
<u>3,547</u>	<u>374,845</u>	<u>-</u>	<u>24,007</u>	<u>8</u>	<u>232,111</u>	<u>9,114</u>
<u>\$ 3,590</u>	<u>\$ 400,124</u>	<u>\$ 6,084</u>	<u>\$ 27,431</u>	<u>\$ 160</u>	<u>\$ 254,243</u>	<u>\$ 9,114</u>

Continued

**City of San Fernando**  
**Combining Balance Sheet**  
**Other Governmental Funds - Continued**  
June 30, 2020

	State Gas Tax	Federal Asset Forfeiture	AQMD	Cash-in-Lieu of Parking
<b>ASSETS</b>				
Cash and Investments	\$ -	\$ 8,905	\$ 82,400	\$ 455,888
Restricted Cash and Investments	-	-	-	-
Receivables:				
Taxes	-	-	-	-
Accounts	-	-	-	-
Grants	-	-	-	-
Loans Receivable	-	-	-	-
Total Assets	<u>\$ -</u>	<u>\$ 8,905</u>	<u>\$ 82,400</u>	<u>\$ 455,888</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 20,086	\$ -	\$ -	\$ -
Accrued Liabilities	-	-	-	-
Deposits	-	-	-	-
Due to Other Funds	39,884	-	-	-
Due to Other Agencies	-	-	-	-
Total Liabilities	<u>59,970</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>DEFERRED INFLOWS</b>				
Unavailable Revenues - Grants	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES</b>				
Restricted for:				
Transportation	-	-	-	455,888
Air Pollution	-	-	82,400	-
Parks and Recreation	-	-	-	-
Public Safety	-	8,905	-	-
Community Development	-	-	-	-
Parking	-	-	-	-
Unassigned	<u>(59,970)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Fund Balances	<u>(59,970)</u>	<u>8,905</u>	<u>82,400</u>	<u>455,888</u>
Total Liabilities, Deferred Inflows and Fund Balances	<u>\$ -</u>	<u>\$ 8,905</u>	<u>\$ 82,400</u>	<u>\$ 455,888</u>



Pavement Management	Proposition C	Community Development Block Grant	Community Development Surcharge	Operating Grants	STP Local Fund	SLESF
\$ 14,181	\$ 842,916	\$ -	\$ 63,810	\$ 279,497	\$ 5,557	\$ 132,362
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	253	10,000	-	-
-	-	14,580	-	9,630	-	-
-	-	259,944	-	-	-	-
<u>\$ 14,181</u>	<u>\$ 842,916</u>	<u>\$ 274,524</u>	<u>\$ 64,063</u>	<u>\$ 299,127</u>	<u>\$ 5,557</u>	<u>\$ 132,362</u>
\$ -	\$ 101,493	\$ 12,855	\$ 2,080	\$ 102,736	\$ -	\$ -
-	1,799	-	885	279	-	-
-	-	-	-	7,850	-	-
-	-	1,725	-	-	-	-
-	-	259,944	-	-	-	-
-	103,292	274,524	2,965	110,865	-	-
-	-	2,536	-	-	-	-
14,181	739,624	-	-	-	5,557	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	188,262	-	132,362
-	-	-	61,098	-	-	-
-	-	-	-	-	-	-
-	-	(2,536)	-	-	-	-
14,181	739,624	(2,536)	61,098	188,262	5,557	132,362
<u>\$ 14,181</u>	<u>\$ 842,916</u>	<u>\$ 274,524</u>	<u>\$ 64,063</u>	<u>\$ 299,127</u>	<u>\$ 5,557</u>	<u>\$ 132,362</u>

Continued

**City of San Fernando**  
**Combining Balance Sheet**  
**Other Governmental Funds - Continued**  
June 30, 2020

	Measure M	Road Maintenance & Rehab	Capital Outlay	Capital Grants	Total
<b>ASSETS</b>					
Cash and Investments	\$ 740,712	\$ 644,536	\$ 66,318	\$ -	\$ 4,755,833
Restricted Cash and Investments	-	-	-	-	1,823,574
Receivables:					
Taxes	-	65,904	-	-	74,412
Accounts	-	-	2,520	-	13,205
Grants	-	-	-	714,670	744,964
Loans Receivable	-	-	-	-	259,944
<b>Total Assets</b>	<b>\$ 740,712</b>	<b>\$ 710,440</b>	<b>\$ 68,838</b>	<b>\$ 714,670</b>	<b>\$ 7,671,932</b>
<b>LIABILITIES</b>					
Accounts Payable	\$ 8,962	\$ 17,328	\$ -	\$ 356,032	\$ 790,215
Accrued Liabilities	-	-	-	29	13,846
Deposits	-	-	-	-	8,917
Due to Other Funds	-	-	-	370,014	432,921
Due to Other Agencies	-	-	-	-	259,944
<b>Total Liabilities</b>	<b>8,962</b>	<b>17,328</b>	<b>-</b>	<b>726,075</b>	<b>1,505,843</b>
<b>DEFERRED INFLOWS</b>					
Unavailable Revenues - Grants	-	-	-	472,511	475,047
<b>FUND BALANCES</b>					
Restricted for:					
Transportation	731,750	693,112	-	-	5,073,635
Air Pollution	-	-	-	-	82,400
Parks and Recreation	-	-	-	-	24,015
Public Safety	-	-	-	-	570,754
Community Development	-	-	68,838	-	129,936
Parking	-	-	-	-	374,845
Unassigned	-	-	-	(483,916)	(564,543)
<b>Total Fund Balances</b>	<b>731,750</b>	<b>693,112</b>	<b>68,838</b>	<b>(483,916)</b>	<b>5,691,042</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$ 740,712</b>	<b>\$ 710,440</b>	<b>\$ 68,838</b>	<b>\$ 714,670</b>	<b>\$ 7,671,932</b>

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**City of San Fernando**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Other Governmental Funds**  
Year Ended June 30, 2020

	Measure R	Mall Maintenance Operations	Proposition A Local Transit	Proposition C Discretionary
<b>REVENUES</b>				
Taxes	\$ 296,302	\$ 75,917	\$ 476,955	\$ -
Licenses and Permits	-	-	-	-
Charges for Services	-	-	13,005	-
Fines and Forfeitures	-	-	-	-
Investment Earnings	45,188	-	3,947	664
Intergovernmental	-	-	-	-
Other	-	-	-	-
Total Revenues	341,490	75,917	493,907	664
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Community Development	-	-	-	-
Public Works	2,871	94,038	495,692	-
Parks and Recreation	-	-	-	-
Capital Outlay	439,066	-	-	-
Debt Service:				
Principal	85,000	-	-	-
Interest and Fiscal Charges	92,038	-	-	-
Total Expenditures	618,975	94,038	495,692	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(277,485)	(18,121)	(1,785)	664
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	-
Net Change in Fund Balances	(277,485)	(18,121)	(1,785)	664
Fund Balances, Beginning of Year	2,613,645	-	73,602	21,335
Fund Balances, End of Year	\$ 2,336,160	\$ (18,121)	\$ 71,817	\$ 21,999

Traffic Safety	Parking Maintenance and Operations	Local Transportation	Recreation	Quimby Act Fees	Street Lighting	State Asset Forfeiture
\$ -	\$ 57,255	\$ -	\$ -	\$ -	\$ 323,624	\$ -
-	-	-	-	-	-	-
-	118,670	-	126,370	-	-	-
5,662	-	-	-	-	-	492
-	38,720	-	-	5	-	967
-	-	6,034	-	-	-	-
-	-	-	-	-	-	-
5,662	214,645	6,034	126,370	5	323,624	1,459
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	182,477	-	-	-	270,569	-
-	-	-	151,815	-	-	-
-	61,323	6,035	-	-	-	30,296
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	243,800	6,035	151,815	-	270,569	30,296
5,662	(29,155)	(1)	(25,445)	5	53,055	(28,837)
-	-	-	-	-	40,000	-
-	-	-	-	-	-	-
-	-	-	-	-	40,000	-
5,662	(29,155)	(1)	(25,445)	5	93,055	(28,837)
(2,115)	404,000	1	49,452	3	139,056	37,951
\$ 3,547	\$ 374,845	\$ -	\$ 24,007	\$ 8	\$ 232,111	\$ 9,114

Continued

**City of San Fernando**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Other Governmental Funds - Continued**  
Year Ended June 30, 2020

	State Gas Tax	Federal Asset Forfeiture	AQMD	Cash-in-Lieu of Parking
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Investment Earnings	-	270	2,229	13,760
Intergovernmental	569,328	-	23,654	-
Other	-	-	-	-
Total Revenues	569,328	270	25,883	13,760
<b>EXPENDITURES</b>				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Community Development	-	-	-	-
Public Works	289,831	-	-	-
Parks and Recreation	-	-	-	-
Capital Outlay	107,389	-	6,368	-
Debt Service:				
Principal	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Total Expenditures	397,220	-	6,368	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	172,108	270	19,515	13,760
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	(273,805)	-	-	-
Total Other Financing Sources (Uses)	(273,805)	-	-	-
Net Change in Fund Balances	(101,697)	270	19,515	13,760
Fund Balances, Beginning of Year	41,727	8,635	62,885	442,128
Fund Balances, End of Year	\$ (59,970)	\$ 8,905	\$ 82,400	\$ 455,888

<u>Pavement Management</u>	<u>Proposition C</u>	<u>Community Development Block Grant</u>	<u>Community Development Surcharge</u>	<u>Operating Grants</u>	<u>STP Local Fund</u>	<u>SLESF</u>
\$ -	\$ 395,635	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	35,827	-	-	-
-	-	-	-	-	-	-
428	23,614	-	1,727	-	168	4,547
-	-	44,026	15,378	822,124	-	155,948
-	-	-	-	-	-	-
<u>428</u>	<u>419,249</u>	<u>44,026</u>	<u>52,932</u>	<u>822,124</u>	<u>168</u>	<u>160,495</u>
-	-	-	-	99,737	-	-
-	-	-	-	104,040	-	-
-	-	-	-	27,694	-	-
-	186,990	13,860	24,961	70,532	-	-
-	-	-	-	309,040	-	-
-	67,171	13,942	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>-</u>	<u>254,161</u>	<u>27,802</u>	<u>24,961</u>	<u>611,043</u>	<u>-</u>	<u>-</u>
<u>428</u>	<u>165,088</u>	<u>16,224</u>	<u>27,971</u>	<u>211,081</u>	<u>168</u>	<u>160,495</u>
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(125,000)</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(125,000)</u>
428	165,088	16,224	27,971	211,081	168	35,495
<u>13,753</u>	<u>574,536</u>	<u>(18,760)</u>	<u>33,127</u>	<u>(22,819)</u>	<u>5,389</u>	<u>96,867</u>
<u>\$ 14,181</u>	<u>\$ 739,624</u>	<u>\$ (2,536)</u>	<u>\$ 61,098</u>	<u>\$ 188,262</u>	<u>\$ 5,557</u>	<u>\$ 132,362</u>

Continued

**City of San Fernando**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Other Governmental Funds - Continued**  
Year Ended June 30, 2020

	Measure M	Road Maintenance & Rehab	Capital Outlay	Capital Grants	Total
<b>REVENUES</b>					
Taxes	\$ 333,499	\$ -	\$ -	\$ -	\$ 1,959,187
Licenses and Permits	-	-	-	-	-
Charges for Services	-	-	-	-	293,872
Fines and Forfeitures	-	-	-	-	6,154
Investment Earnings	21,977	20,156	-	-	178,367
Intergovernmental	-	431,577	-	56,769	2,124,838
Other	-	-	-	229,648	229,648
Total Revenues	355,476	451,733	-	286,417	4,792,066
<b>EXPENDITURES</b>					
Current:					
General Government	-	-	-	-	99,737
Public Safety	-	-	-	-	104,040
Community Development	-	-	-	-	27,694
Public Works	-	-	-	12,531	1,644,352
Parks and Recreation	-	-	-	18,375	479,230
Capital Outlay	179,234	351,817	5,914	614,125	1,882,680
Debt Service:					
Principal	-	-	-	-	85,000
Interest and Fiscal Charges	-	-	-	-	92,038
Total Expenditures	179,234	351,817	5,914	645,031	4,414,771
Excess (Deficiency) of Revenues Over (Under) Expenditures	176,242	99,916	(5,914)	(358,614)	377,295
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	-	-	25,000	-	65,000
Transfers Out	-	-	-	-	(398,805)
Total Other Financing Sources (Uses)	-	-	25,000	-	(333,805)
Net Change in Fund Balances	176,242	99,916	19,086	(358,614)	43,490
Fund Balances, Beginning of Year	555,508	593,196	49,752	(125,302)	5,647,552
Fund Balances, End of Year	\$ 731,750	\$ 693,112	\$ 68,838	\$ (483,916)	\$ 5,691,042



**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual - Measure R Fund**  
Year Ended June 30, 2020

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Taxes	\$ 309,662	\$ 296,302	\$ (13,360)
Investment Earnings	-	45,188	45,188
	<u>309,662</u>	<u>341,490</u>	<u>31,828</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	-	2,871	(2,871)
Capital Outlay	2,380,371	439,066	1,941,305
Debt Service:			
Principal	80,000	85,000	(5,000)
Interest and Fiscal Charges	97,000	92,038	4,962
	<u>2,557,371</u>	<u>618,975</u>	<u>1,938,396</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,247,709)	(277,485)	1,970,224
Fund Balance, Beginning of Year	<u>2,613,645</u>	<u>2,613,645</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 365,936</u></u>	<u><u>\$ 2,336,160</u></u>	<u><u>\$ 1,970,224</u></u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Mall Maintenance Fund**  
Year Ended June 30, 2020

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget <u></u>
<b>REVENUES</b>			
Taxes	\$ 85,000	\$ 75,917	\$ (9,083)
Total Revenues	<u>85,000</u>	<u>75,917</u>	<u>(9,083)</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	<u>45,129</u>	<u>94,038</u>	<u>(48,909)</u>
Total Expenditures	<u>45,129</u>	<u>94,038</u>	<u>(48,909)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	39,871	(18,121)	(57,992)
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 39,871</u></u>	<u><u>\$ (18,121)</u></u>	<u><u>\$ (57,992)</u></u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Proposition A Local Transit Fund**  
Year Ended June 30, 2020

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Taxes	\$ 497,710	\$ 476,955	\$ (20,755)
Charges for Services	-	13,005	13,005
Investment Earnings	-	3,947	3,947
	<u>497,710</u>	<u>493,907</u>	<u>(3,803)</u>
Total Revenues			
<b>EXPENDITURES</b>			
Current:			
Public Works	<u>525,431</u>	<u>495,692</u>	<u>29,739</u>
Total Expenditures	<u>525,431</u>	<u>495,692</u>	<u>29,739</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(27,721)	(1,785)	25,936
Fund Balance, Beginning of Year	<u>73,602</u>	<u>73,602</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 45,881</u></u>	<u><u>\$ 71,817</u></u>	<u><u>\$ 25,936</u></u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Proposition C Discretionary Fund**  
Year Ended June 30, 2020

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Investment Earnings	\$ -	\$ 664	\$ 664
Intergovernmental	<u>775,376</u>	<u>-</u>	<u>(775,376)</u>
Total Revenues	<u>775,376</u>	<u>664</u>	<u>(774,712)</u>
<b>EXPENDITURES</b>			
Capital Outlay	<u>775,376</u>	<u>-</u>	<u>775,376</u>
Total Expenditures	<u>775,376</u>	<u>-</u>	<u>775,376</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	664	664
Fund Balance, Beginning of Year	<u>21,335</u>	<u>21,335</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 21,335</u></u>	<u><u>\$ 21,999</u></u>	<u><u>\$ 664</u></u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Traffic Safety Fund**  
Year Ended June 30, 2020

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Fines and Forfeitures	\$ 10,000	\$ 5,662	\$ (4,338)
Total Revenues	<u>10,000</u>	<u>5,662</u>	<u>(4,338)</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	-	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	10,000	5,662	(4,338)
Fund Balance, Beginning of Year	<u>(2,115)</u>	<u>(2,115)</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 7,885</u></u>	<u><u>\$ 3,547</u></u>	<u><u>\$ (4,338)</u></u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Parking Maintenance and Operations Fund**  
Year Ended June 30, 2020

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Taxes	\$ 50,000	\$ 57,255	\$ 7,255
Charges for Services	130,000	118,670	(11,330)
Investment Earnings	<u>24,800</u>	<u>38,720</u>	<u>13,920</u>
Total Revenues	<u>204,800</u>	<u>214,645</u>	<u>9,845</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	217,141	182,477	34,664
Capital Outlay	<u>150,000</u>	<u>61,323</u>	<u>88,677</u>
Total Expenditures	<u>367,141</u>	<u>243,800</u>	<u>123,341</u>
Excess (Deficiency) of Revenues Over (under) Expenditures	(162,341)	(29,155)	133,186
Fund Balance, Beginning of Year	<u>404,000</u>	<u>404,000</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 241,659</u></u>	<u><u>\$ 374,845</u></u>	<u><u>\$ 133,186</u></u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Local Transportation Fund**  
Year Ended June 30, 2020

	<u>Budgeted Amounts Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Intergovernmental	\$ 17,761	\$ 6,034	\$ (11,727)
Total Revenues	<u>17,761</u>	<u>6,034</u>	<u>(11,727)</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	-	-	-
Capital Outlay	<u>47,161</u>	<u>6,035</u>	<u>41,126</u>
Total Expenditures	<u>47,161</u>	<u>6,035</u>	<u>41,126</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(29,400)	(1)	29,399
Fund Balance, Beginning of Year	<u>1</u>	<u>1</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ (29,399)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 29,399</u></u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Recreation Fund**  
Year Ended June 30, 2020

	<u>Budgeted Amounts Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Charges for Services	\$ 178,634	\$ 126,370	\$ (52,264)
Total Revenues	<u>178,634</u>	<u>126,370</u>	<u>(52,264)</u>
<b>EXPENDITURES</b>			
Current:			
Parks and Recreation	<u>186,316</u>	<u>151,815</u>	<u>34,501</u>
Total Expenditures	<u>186,316</u>	<u>151,815</u>	<u>34,501</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,682)	(25,445)	(17,763)
Fund Balance, Beginning of Year	<u>49,452</u>	<u>49,452</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 41,770</u></u>	<u><u>\$ 24,007</u></u>	<u><u>\$ (17,763)</u></u>



**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Quimby Act Fees Fund**  
Year Ended June 30, 2020

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Investment Earnings	\$ -	\$ 5	\$ 5
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>-</u>	<u>5</u>	<u>5</u>
<b>EXPENDITURES</b>			
Current:			
Parks and Recreation	-	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (under) Expenditures	-	5	5
Fund Balance, Beginning of Year	<u>3</u>	<u>3</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 3</u></u>	<u><u>\$ 8</u></u>	<u><u>\$ 5</u></u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Street Lighting Fund**  
Year Ended June 30, 2020

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Taxes	\$ 338,000	\$ 323,624	\$ (14,376)
Total Revenues	<u>338,000</u>	<u>323,624</u>	<u>(14,376)</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	<u>408,965</u>	<u>270,569</u>	<u>138,396</u>
Total Expenditures	<u>408,965</u>	<u>270,569</u>	<u>138,396</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(70,965)</u>	<u>53,055</u>	<u>124,020</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Net Change in Fund Balance	(30,965)	93,055	124,020
Fund Balance, Beginning of Year	<u>139,056</u>	<u>139,056</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 108,091</u></u>	<u><u>\$ 232,111</u></u>	<u><u>\$ 124,020</u></u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - State Asset Forfeiture Fund**  
Year Ended June 30, 2020

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Fines and Forfeitures	\$ -	\$ 492	\$ 492
Investment Earnings	<u>-</u>	<u>967</u>	<u>967</u>
Total Revenues	<u>-</u>	<u>1,459</u>	<u>1,459</u>
<b>EXPENDITURES</b>			
Capital Outlay	<u>37,000</u>	<u>30,296</u>	<u>6,704</u>
Total Expenditures	<u>37,000</u>	<u>30,296</u>	<u>6,704</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(37,000)	(28,837)	8,163
Fund Balance, Beginning of Year	<u>37,951</u>	<u>37,951</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 951</u></u>	<u><u>\$ 9,114</u></u>	<u><u>\$ 8,163</u></u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - State Gas Tax Fund**  
Year Ended June 30, 2020

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget <u></u>
<b>REVENUES</b>			
Intergovernmental	\$ 644,771	\$ 569,328	\$ (75,443)
Total Revenues	<u>644,771</u>	<u>569,328</u>	<u>(75,443)</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	290,464	289,831	633
Capital Outlay	<u>175,000</u>	<u>107,389</u>	<u>67,611</u>
Total Expenditures	<u>465,464</u>	<u>397,220</u>	<u>68,244</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>179,307</u>	<u>172,108</u>	<u>(7,199)</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	<u>(273,805)</u>	<u>(273,805)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(273,805)</u>	<u>(273,805)</u>	<u>-</u>
Net Change in Fund Balances	(94,498)	(101,697)	(7,199)
Fund Balance, Beginning of Year	<u>41,727</u>	<u>41,727</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ (52,771)</u></u>	<u><u>\$ (59,970)</u></u>	<u><u>\$ (7,199)</u></u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Federal Asset Forfeiture Fund**  
Year Ended June 30, 2020

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Fines and Forfeitures	\$ -	\$ -	\$ -
Investment Earnings	<u>-</u>	<u>270</u>	<u>270</u>
Total Revenues	<u>-</u>	<u>270</u>	<u>270</u>
<b>EXPENDITURES</b>			
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	270	270
Fund Balance, Beginning of Year	<u>8,635</u>	<u>8,635</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 8,635</u></u>	<u><u>\$ 8,905</u></u>	<u><u>\$ 270</u></u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - AQMD Fund**  
Year Ended June 30, 2020

	<u>Budgeted Amounts Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Investment Earnings	\$ -	\$ 2,229	\$ 2,229
Intergovernmental	<u>30,000</u>	<u>23,654</u>	<u>(6,346)</u>
Total Revenues	<u>30,000</u>	<u>25,883</u>	<u>(4,117)</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	-	-	-
Capital Outlay	<u>7,290</u>	<u>6,368</u>	<u>922</u>
Total Expenditures	<u>7,290</u>	<u>6,368</u>	<u>922</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	22,710	19,515	(3,195)
Fund Balance, Beginning of Year	<u>62,885</u>	<u>62,885</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 85,595</u></u>	<u><u>\$ 82,400</u></u>	<u><u>\$ (3,195)</u></u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Cash-in-Lieu of Parking Fund**  
Year Ended June 30, 2020

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Investment Earnings	\$ -	\$ 13,760	\$ 13,760
Total Revenues	<u>-</u>	<u>13,760</u>	<u>13,760</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	13,760	13,760
Fund Balance, Beginning of Year	<u>442,128</u>	<u>442,128</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 442,128</u></u>	<u><u>\$ 455,888</u></u>	<u><u>\$ 13,760</u></u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Pavement Management Fund**  
Year Ended June 30, 2020

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Investment Earnings	\$ -	\$ 428	\$ 428
Total Revenues	<u>-</u>	<u>428</u>	<u>428</u>
<b>EXPENDITURES</b>			
Current:			
General Government	-	-	-
Capital Outlay	<u>34</u>	<u>-</u>	<u>34</u>
Total Expenditures	<u>34</u>	<u>-</u>	<u>34</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(34)	428	462
Fund Balance, Beginning of Year	<u>13,753</u>	<u>13,753</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 13,719</u></u>	<u><u>\$ 14,181</u></u>	<u><u>\$ 462</u></u>



**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Proposition C Fund**  
Year Ended June 30, 2020

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Taxes	\$ 412,838	\$ 395,635	\$ (17,203)
Investment Earnings	<u>-</u>	<u>23,614</u>	<u>23,614</u>
Total Revenues	<u>412,838</u>	<u>419,249</u>	<u>6,411</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	252,033	186,990	65,043
Capital Outlay	<u>385,841</u>	<u>67,171</u>	<u>318,670</u>
Total Expenditures	<u>637,874</u>	<u>254,161</u>	<u>383,713</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(225,036)	165,088	390,124
Fund Balance, Beginning of Year	<u>574,536</u>	<u>574,536</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 349,500</u></u>	<u><u>\$ 739,624</u></u>	<u><u>\$ 390,124</u></u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Community Development Block Grant Fund**  
Year Ended June 30, 2020

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental	\$ 246,940	\$ 44,026	\$ (202,914)
Total Revenues	<u>246,940</u>	<u>44,026</u>	<u>(202,914)</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	-	13,860	(13,860)
Capital Outlay	<u>288,807</u>	<u>13,942</u>	<u>274,865</u>
Total Expenditures	<u>288,807</u>	<u>27,802</u>	<u>261,005</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(41,867)	16,224	58,091
Fund Balance, Beginning of Year	<u>(18,760)</u>	<u>(18,760)</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ (60,627)</u></u>	<u><u>\$ (2,536)</u></u>	<u><u>\$ 58,091</u></u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Community Development Surcharge Fund**  
Year Ended June 30, 2020

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Charges for Services	\$ 25,000	\$ 35,827	\$ 10,827
Investment Earnings	-	1,727	1,727
Intergovernmental	<u>6,000</u>	<u>15,378</u>	<u>9,378</u>
Total Revenues	<u>31,000</u>	<u>52,932</u>	<u>21,932</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	<u>31,000</u>	<u>24,961</u>	<u>6,039</u>
Total Expenditures	<u>31,000</u>	<u>24,961</u>	<u>6,039</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	27,971	27,971
Fund Balance, Beginning of Year	<u>33,127</u>	<u>33,127</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 33,127</u></u>	<u><u>\$ 61,098</u></u>	<u><u>\$ 27,971</u></u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Operating Grants Fund**  
Year Ended June 30, 2020

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Investment Earnings	\$ -	\$ -	\$ -
Intergovernmental	812,193	822,124	9,931
Other	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>812,193</u>	<u>822,124</u>	<u>9,931</u>
<b>EXPENDITURES</b>			
Current:			
General Government	116,475	99,737	16,738
Public Safety	532,153	104,040	428,113
Community Development	36,657	27,694	8,963
Public Works	105,536	70,532	35,004
Parks and Recreation	<u>280,399</u>	<u>309,040</u>	<u>(28,641)</u>
Total Expenditures	<u>1,071,220</u>	<u>611,043</u>	<u>460,177</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(259,027)	211,081	470,108
Fund Balance, Beginning of Year	<u>(22,819)</u>	<u>(22,819)</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ (281,846)</u></u>	<u><u>\$ 188,262</u></u>	<u><u>\$ 470,108</u></u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - STP Local Fund**  
Year Ended June 30, 2020

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Investment Earnings	\$ -	\$ 168	\$ 168
Total Revenues	<u>-</u>	<u>168</u>	<u>168</u>
<b>EXPENDITURES</b>			
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	168	168
Fund Balance, Beginning of Year	<u>5,389</u>	<u>5,389</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 5,389</u></u>	<u><u>\$ 5,557</u></u>	<u><u>\$ 168</u></u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - SLESF Local Fund**  
Year Ended June 30, 2020

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Investment Earnings	\$ -	\$ 4,547	\$ 4,547
Intergovernmental	<u>125,000</u>	<u>155,948</u>	<u>30,948</u>
Total Revenues	<u>125,000</u>	<u>160,495</u>	<u>35,495</u>
<b>EXPENDITURES</b>			
Current:			
Public Safety	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>125,000</u>	<u>160,495</u>	<u>35,495</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	<u>(125,000)</u>	<u>(125,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(125,000)</u>	<u>(125,000)</u>	<u>-</u>
Net Change in Fund Balances	-	35,495	35,495
Fund Balance, Beginning of Year	<u>96,867</u>	<u>96,867</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 96,867</u></u>	<u><u>\$ 132,362</u></u>	<u><u>\$ 35,495</u></u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Measure M Fund**  
Year Ended June 30, 2020

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Taxes	\$ 350,912	\$ 333,499	\$ (17,413)
Investment Earnings	<u>-</u>	<u>21,977</u>	<u>21,977</u>
Total Revenues	<u>350,912</u>	<u>355,476</u>	<u>4,564</u>
<b>EXPENDITURES</b>			
Capital Outlay	<u>883,455</u>	<u>179,234</u>	<u>704,221</u>
Total Expenditures	<u>883,455</u>	<u>179,234</u>	<u>704,221</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(532,543)	176,242	708,785
Fund Balance, Beginning of Year	<u>555,508</u>	<u>555,508</u>	
Fund Balance, End of Year	<u><u>\$ 22,965</u></u>	<u><u>\$ 731,750</u></u>	<u><u>\$ 708,785</u></u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Road Maintenance & Rehab Fund**  
Year Ended June 30, 2020

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Investment Earnings	\$ -	\$ 20,156	\$ 20,156
Intergovernmental	<u>407,203</u>	<u>431,577</u>	<u>24,374</u>
Total Revenues	<u>407,203</u>	<u>451,733</u>	<u>44,530</u>
<b>EXPENDITURES</b>			
Capital Outlay	<u>893,346</u>	<u>351,817</u>	<u>541,529</u>
Total Expenditures	<u>893,346</u>	<u>351,817</u>	<u>541,529</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(486,143)	99,916	586,059
Fund Balance, Beginning of Year	<u>593,196</u>	<u>593,196</u>	
Fund Balance, End of Year	<u><u>\$ 107,053</u></u>	<u><u>\$ 693,112</u></u>	<u><u>\$ 586,059</u></u>



**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Capital Outlay Fund**  
Year Ended June 30, 2020

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>			
Capital Outlay	25,000	5,914	19,086
Total Expenditures	<u>25,000</u>	<u>5,914</u>	<u>19,086</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(25,000)</u>	<u>(5,914)</u>	<u>19,086</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	25,000	25,000	-
Total Other Financing Sources (Uses)	<u>25,000</u>	<u>25,000</u>	<u>-</u>
Net Change in Fund Balances	-	19,086	19,086
Fund Balance, Beginning of Year	49,752	49,752	-
Fund Balance, End of Year	<u>\$ 49,752</u>	<u>\$ 68,838</u>	<u>\$ 19,086</u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual - Capital Grants Fund**  
Year Ended June 30, 2020

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental	\$ 4,223,453	\$ 56,769	\$ (4,166,684)
Other	251,000	229,648	(21,352)
	<u>4,474,453</u>	<u>286,417</u>	<u>(4,188,036)</u>
<b>EXPENDITURES</b>			
Current:			
Public Safety	12,000	-	12,000
Public Works	12,531	12,531	-
Parks and Recreation	144,000	18,375	125,625
Capital Outlay	11,955,071	614,125	11,340,946
	<u>12,123,602</u>	<u>645,031</u>	<u>11,478,571</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,649,149)	(358,614)	7,290,535
Fund Balance, Beginning of Year	(125,302)	(125,302)	-
Fund Balance, End of Year	<u>\$ (7,774,451)</u>	<u>\$ (483,916)</u>	<u>\$ 7,290,535</u>

## **NONMAJOR ENTERPRISE FUNDS**

**City of San Fernando**  
**Nonmajor Enterprise Funds**  
June 30, 2020

**Compressed Natural Gas Fund** - This fund is used to account for, track, and manage the operations of a publicly accessible CNG fueling station.

**Waste Disposal Fund** - This fund is used to account for the collection of solid waste from all residential utility accounts within the City. As of February 2014, solid waste collection, disposal, and billing services are provided through an exclusive franchise agreement with a private waste disposal company.

**City of San Fernando**  
**Combining Statement of Net Position**  
**Nonmajor Enterprise Funds**  
June 30, 2020

	Compressed Natural Gas	Waste Disposal	Totals
<b>ASSETS</b>			
Current Assets:			
Cash and Investments	\$ 145,851	\$ 47,099	\$ 192,950
Accounts Receivable	1,551	2,642	4,193
Total Current Assets	<u>147,402</u>	<u>49,741</u>	<u>197,143</u>
Noncurrent Assets:			
Capital Assets:			
Equipment	-	53,657	53,657
Accumulated Depreciation	-	(45,889)	(45,889)
Total Noncurrent Assets	<u>-</u>	<u>7,768</u>	<u>7,768</u>
Total Assets	<u>147,402</u>	<u>57,509</u>	<u>204,911</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	9,684	-	9,684
Accrued Liabilities	<u>2</u>	<u>-</u>	<u>2</u>
Total Current Liabilities	<u>9,686</u>	<u>-</u>	<u>9,686</u>
<b>NET POSITION</b>			
Net Investment In Capital Assets	-	7,768	7,768
Unrestricted	<u>137,716</u>	<u>49,741</u>	<u>187,457</u>
Total Net Position	<u><u>\$ 137,716</u></u>	<u><u>\$ 57,509</u></u>	<u><u>\$ 195,225</u></u>

**City of San Fernando**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**Nonmajor Enterprise Funds**  
Year Ended June 30, 2020

	Compressed Natural Gas	Waste Disposal	Totals
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 183,434	\$ -	\$ 183,434
Other	4,560	278	4,838
	<u>187,994</u>	<u>278</u>	<u>188,272</u>
<b>OPERATING EXPENSES</b>			
Administration and General	1,004	-	1,004
Maintenance and Operations	135,833	655	136,488
Depreciation	-	2,629	2,629
	<u>136,837</u>	<u>3,284</u>	<u>140,121</u>
Operating Income (Loss)	<u>51,157</u>	<u>(3,006)</u>	<u>48,151</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest Income	4,303	1,430	5,733
	<u>4,303</u>	<u>1,430</u>	<u>5,733</u>
Total Nonoperating Revenues (Expenses)	<u>4,303</u>	<u>1,430</u>	<u>5,733</u>
Income (Loss) Before Transfers	55,460	(1,576)	53,884
Transfers In	-	-	-
Transfers Out	-	-	-
	<u>55,460</u>	<u>(1,576)</u>	<u>53,884</u>
Change in Net Position	55,460	(1,576)	53,884
Net Position, Beginning of Year	82,256	59,085	141,341
Net Position, End of Year	<u>\$ 137,716</u>	<u>\$ 57,509</u>	<u>\$ 195,225</u>

**City of San Fernando**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
Year Ended June 30, 2020

	Compressed Natural Gas	Waste Disposal	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers and Users	\$ 184,811	\$ -	\$ 184,811
Payments to Suppliers and Contractors	(158,603)	(655)	(159,258)
Payments to Employees	(1,004)	-	(1,004)
Other Operating Income	4,560	278	4,838
Net Cash from Operating Activities	29,764	(377)	29,387
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	-	-
Net Cash from Noncapital Financing Activities	-	-	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition of Capital Assets	-	-	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received	4,303	1,430	5,733
Net Increase (Decrease) in Cash	34,067	1,053	35,120
Cash and Cash Equivalents - Beginning of Year	111,784	46,046	157,830
Cash and Cash Equivalents - End of Year	<u>\$ 145,851</u>	<u>\$ 47,099</u>	<u>\$ 192,950</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities:</b>			
Operating Income (Loss)	\$ 51,157	\$ (3,006)	\$ 48,151
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation	-	2,629	2,629
Changes in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	1,377	-	1,377
Increase (Decrease) in Accounts Payable	(22,770)	-	(22,770)
Net Cash Provided by Operating Activities	<u>\$ 29,764</u>	<u>\$ (377)</u>	<u>\$ 29,387</u>

## **INTERNAL SERVICE FUNDS**



**City of San Fernando**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
June 30, 2020

	Governmental Activities Internal Service Funds			
	Equipment Replacement	Facilities Maintenance	Self Insurance	Totals
<b>ASSETS</b>				
Current Assets:				
Cash and Investments	\$ 943,265	\$ 349,477	\$ 1,817,992	\$ 3,110,734
Accounts Receivable	-	164	33,848	34,012
Inventory	46,124	-	-	46,124
Prepaid Items	-	-	-	-
Due From Other Funds	-	-	-	-
Total Current Assets	<u>989,389</u>	<u>349,641</u>	<u>1,851,840</u>	<u>3,190,870</u>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	57,656	84,859	17,849	160,364
Accrued Liabilities	9,455	22,093	-	31,548
Insurance Assessment Payable - Current	-	-	81,057	81,057
Claims Payable - Current	-	-	775,571	775,571
Total Current Liabilities	<u>67,111</u>	<u>106,952</u>	<u>874,477</u>	<u>1,048,540</u>
Noncurrent Liabilities:				
Insurance Assessment Payable	-	-	486,342	486,342
Claims Payable	-	-	2,212,324	2,212,324
Total Noncurrent Liabilities	<u>-</u>	<u>-</u>	<u>2,698,666</u>	<u>2,698,666</u>
Total Liabilities	<u>67,111</u>	<u>106,952</u>	<u>3,573,143</u>	<u>3,747,206</u>
<b>NET POSITION</b>				
Net Investment In Capital Assets	-	-	-	-
Unrestricted	922,278	242,689	(1,721,303)	(556,336)
Total Net Position	<u>\$ 922,278</u>	<u>\$ 242,689</u>	<u>\$ (1,721,303)</u>	<u>\$ (556,336)</u>

**City of San Fernando**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**Internal Service Funds**  
Year Ended June 30, 2020

	Governmental Activities Internal Service Funds			
	Equipment Replacement	Facilities Maintenance	Self Insurance	Totals
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 865,817	\$ 1,668,477	\$ 1,225,783	\$ 3,760,077
Other	8,753	-	261,461	270,214
Total Operating Revenues	874,570	1,668,477	1,487,244	4,030,291
<b>OPERATING EXPENSES</b>				
Administration and General	376,707	1,356,255	879,802	2,612,764
Maintenance and Operations	488,409	206,313	-	694,722
Total Operating Expenses	865,116	1,562,568	879,802	3,307,486
Operating Income (Loss)	9,454	105,909	607,442	722,805
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest Income	30,382	7,450	44,754	82,586
Total Nonoperating Revenues (Expenses)	30,382	7,450	44,754	82,586
Income (Loss) Before Transfers	39,836	113,359	652,196	805,391
Transfers In	153,500	80,000	60,000	293,500
Transfers Out	-	-	-	-
Change in Net Position	193,336	193,359	712,196	1,098,891
Net Position, Beginning of Year	728,942	49,330	(2,433,499)	(1,655,227)
Net Position, End of Year	\$ 922,278	\$ 242,689	\$ (1,721,303)	\$ (556,336)

**City of San Fernando**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
Year Ended June 30, 2020

	Governmental Activities Internal Service Funds			
	Equipment Replacement	Facilities Maintenance	Self Insurance	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash Received from Interfund Services Provided	\$ 867,631	\$ 1,668,420	\$ 1,225,843	\$ 3,761,894
Cash Paid to Suppliers for Goods and Services	(491,931)	(237,053)	(969,535)	(1,698,519)
Cash Paid to Employees	(373,480)	(1,347,881)	-	(1,721,361)
Claims Paid	-	-	(531,009)	(531,009)
Other Operating Income	8,753	-	261,461	270,214
Net Cash from Operating Activities	10,973	83,486	(13,240)	81,219
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers from Other Funds	153,500	80,000	60,000	293,500
Net Cash from Noncapital Financing Activities	153,500	80,000	60,000	293,500
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest Received	30,382	7,450	44,754	82,586
Net Increase (Decrease) in Cash	194,855	170,936	91,514	457,305
Cash and Cash Equivalents - Beginning of Year	748,410	178,541	1,726,478	2,653,429
Cash and Cash Equivalents - End of Year	<u>\$ 943,265</u>	<u>\$ 349,477</u>	<u>\$ 1,817,992</u>	<u>\$ 3,110,734</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities:</b>				
Operating Income (Loss)	\$ 9,454	\$ 105,909	\$ 607,442	\$ 722,805
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	1,814	(57)	60	1,817
(Increase) Decrease in Inventory	(4,348)	-	-	(4,348)
Increase (Decrease) in Accounts Payable	826	(30,740)	(8,676)	(38,590)
Increase (Decrease) in Accrued Liabilities	3,227	8,374	-	11,601
Increase (Decrease) in Insurance Payable	-	-	(81,057)	(81,057)
Increase (Decrease) in Claims Payable	-	-	(531,009)	(531,009)
Net Cash from Operating Activities	<u>\$ 10,973</u>	<u>\$ 83,486</u>	<u>\$ (13,240)</u>	<u>\$ 81,219</u>

**City of San Fernando**  
**Fiduciary Fund**  
June 30, 2020

*Agency Fund* - This fund is used to account for funds received by the City as an agent for other entities.

**City of San Fernando**  
**Statement of Changes in Assets and Liabilities**  
**Agency Fund**  
Year Ended June 30, 2020

	Beginning Balance	Additions	Deletions	Ending Balance
<b>ASSETS</b>				
Cash and Investments	\$ 127,749	\$ 154,641	\$ 148,957	\$ 133,433
Accounts Receivable	-	494	-	494
Total Assets	<u>\$ 127,749</u>	<u>\$ 155,135</u>	<u>\$ 148,957</u>	<u>\$ 133,927</u>
<b>LIABILITIES</b>				
Accounts Payable	\$ 12,189	\$ 131,599	\$ 141,682	\$ 2,106
Deposits	115,560	155,109	138,848	131,821
Total Liabilities	<u>\$ 127,749</u>	<u>\$ 286,708</u>	<u>\$ 280,530</u>	<u>\$ 133,927</u>

## **SECTION III.**

# **Statistical Section**

**City of San Fernando**  
**Description of Statistical Section Contents**  
**June 30, 2020**

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

Contents:	<u>Pages</u>
<u>Financial Trends</u> these schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time	120
<u>Revenue Capacity</u> these schedules contain information to help the reader assess the City's most significant local revenue source, the property tax	130
<u>Debt Capacity</u> these schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future	139
<u>Demographic and Economic Information</u> these schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place	144
<u>Operating Information</u> these schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs	148

**City of San Fernando**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year			
	2011	2012	2013	2014
Governmental activities:				
Net investment in capital assets	\$ 43,598,683	\$ 50,993,498	\$ 49,532,007	\$ 47,859,172
Restricted	13,040,082	2,533,805	1,802,498	11,909,107
Unrestricted	(19,365,287)	(14,057,614)	(16,643,447)	(20,208,301)
Total governmental activities net position	<u>\$ 37,273,478</u>	<u>\$ 39,469,689</u>	<u>\$ 34,691,058</u>	<u>\$ 39,559,978</u>
Business-type activities:				
Net investment in capital assets	\$ 15,324,618	\$ 14,811,543	\$ 14,420,860	\$ 14,866,478
Restricted	-	-	-	-
Unrestricted	7,733,239	7,887,577	8,492,168	8,626,377
Total business-type activities net position	<u>\$ 23,057,857</u>	<u>\$ 22,699,120</u>	<u>\$ 22,913,028</u>	<u>\$ 23,492,855</u>
Primary government:				
Net investment in capital assets	\$ 58,923,301	\$ 65,805,041	\$ 63,952,867	\$ 62,725,650
Restricted	13,040,082	2,533,805	1,802,498	11,909,107
Unrestricted	(11,632,048)	(6,170,037)	(8,151,279)	(11,581,924)
Total primary government net position	<u>\$ 60,331,335</u>	<u>\$ 62,168,809</u>	<u>\$ 57,604,086</u>	<u>\$ 63,052,833</u>

Source: City Finance Department



Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 45,956,739	\$ 44,313,624	\$ 41,001,890	\$ 42,239,084	\$ 40,925,297	\$ 40,816,119
5,887,197	5,926,880	5,847,710	17,998,631	20,621,615	21,199,073
(40,687,419)	(39,587,196)	(32,938,991)	(66,465,286)	(68,665,049)	(69,620,653)
<u>\$ 11,156,517</u>	<u>\$ 10,653,308</u>	<u>\$ 13,910,609</u>	<u>\$ (6,227,571)</u>	<u>\$ (7,118,137)</u>	<u>\$ (7,605,461)</u>
\$ 14,634,533	\$ 14,592,937	\$ 14,515,239	\$ 14,079,295	\$ 13,581,037	\$ 14,803,962
-	-	-	-	-	-
8,157,375	7,404,904	3,639,086	(3,091,126)	(2,373,104)	(2,089,865)
<u>\$ 22,791,908</u>	<u>\$ 21,997,841</u>	<u>\$ 18,154,325</u>	<u>\$ 10,988,169</u>	<u>\$ 11,207,933</u>	<u>\$ 12,714,097</u>
\$ 60,591,272	\$ 58,906,561	\$ 55,517,129	\$ 56,318,379	\$ 54,506,334	\$ 55,620,081
5,887,197	5,926,880	5,847,710	17,998,631	20,621,615	21,199,073
(32,530,044)	(32,182,292)	(29,299,905)	(69,556,412)	(71,038,153)	(71,710,518)
<u>\$ 33,948,425</u>	<u>\$ 32,651,149</u>	<u>\$ 32,064,934</u>	<u>\$ 4,760,598</u>	<u>\$ 4,089,796</u>	<u>\$ 5,108,636</u>

**City of San Fernando**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**

	Fiscal Year			
	2011	2012	2013	2014
Expenses:				
Governmental activities:				
General government	\$ 9,051,209	\$ 6,397,275	\$ 6,459,914	\$ 4,619,200
Public safety	10,137,119	10,346,561	9,414,862	10,190,441
Community development	3,658,552	1,944,293	999,751	981,236
Public works	4,960,530	5,423,605	5,503,387	6,052,317
Parks and recreation	2,375,034	2,145,767	2,224,370	1,781,749
Interest on long-term debt	1,092,731	509,971	72,425	58,565
Total governmental activities expenses	31,275,175	26,767,472	24,674,709	23,683,508
Business-type activities:				
Water	3,227,843	3,248,148	3,172,962	2,981,710
Sewer	1,867,044	2,445,675	2,802,013	2,893,127
Compressed Natural Gas	-	-	-	-
Waste disposal	1,077,641	1,027,810	1,021,804	827,986
Total business-type activities expenses	6,172,528	6,721,633	6,996,779	6,702,823
Total primary government expenses	37,447,703	33,489,105	31,671,488	30,386,331
Program revenues:				
Governmental activities:				
Charges for services:				
General government	2,503,993	584,356	513,512	820,334
Public safety	1,583,487	1,359,010	1,553,828	1,538,619
Community development	581,323	413,067	295,199	431,884
Public works	903,323	565,723	757,265	912,209
Parks and recreation	526,198	458,090	576,507	564,742
Operating grants and contributions	4,432,649	3,197,798	3,139,513	2,851,032
Capital grants and contributions	1,896,595	930,527	719,000	1,204,330
Total governmental activities program revenues	12,427,568	7,508,571	7,554,824	8,323,150
Business-type activities:				
Charges for services:				
Water	3,064,458	2,769,412	3,291,272	3,806,797
Sewer	2,383,329	2,580,623	2,892,407	3,326,587
Compressed Natural Gas	-	-	-	-
Waste disposal	1,125,037	1,122,709	1,131,929	858,516
Total business-type activities program revenues	6,572,824	6,472,744	7,315,608	7,991,900
Total primary government program revenues	19,000,392	13,981,315	14,870,432	16,315,050
Net revenues (expenses):				
Governmental activities	(18,847,607)	(19,258,901)	(17,119,885)	(15,360,358)
Business-type activities	400,296	(248,889)	318,829	1,289,077
Total net revenues (expenses)	(18,447,311)	(19,507,790)	(16,801,056)	(14,071,281)

Source: City Finance Department

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 4,935,760	\$ 7,744,559	\$ 4,769,539	\$ 5,003,034	\$ 7,604,642	\$ 6,695,845
10,731,526	10,122,343	13,881,037	13,046,118	13,844,371	15,706,963
988,973	1,358,166	1,349,334	1,275,585	1,357,983	1,448,244
7,017,740	5,380,601	5,306,102	4,966,748	5,085,991	4,587,387
1,740,259	1,963,627	1,926,959	1,735,878	1,819,230	1,912,396
170,118	56,803	120,506	128,661	88,665	86,044
25,584,376	26,626,099	27,353,477	26,156,024	29,800,882	30,436,879
3,204,499	3,260,071	3,692,438	3,389,704	4,154,617	4,151,358
2,491,408	4,556,154	3,651,883	4,458,457	3,703,978	2,860,657
-	-	-	42,825	80,355	136,837
16,734	27,550	92,446	5,898	3,227	3,284
5,712,641	7,843,775	7,436,767	7,896,884	7,942,177	7,152,136
31,297,017	34,469,874	34,790,244	34,052,908	37,743,059	37,589,015
758,286	647,141	583,386	595,511	882,306	940,109
1,407,121	2,367,700	1,235,131	1,243,148	1,196,184	1,185,587
412,683	339,593	380,342	400,844	525,102	575,485
763,728	414,979	438,527	423,286	462,055	415,899
397,055	254,491	475,553	445,635	439,805	282,675
3,386,430	2,409,666	2,272,862	3,032,809	2,777,539	2,851,522
704,193	1,042,672	1,732,169	1,910,721	1,154,463	1,059,134
7,829,496	7,476,242	7,117,970	8,051,954	7,437,454	7,310,411
3,849,880	3,813,635	4,274,122	4,411,292	4,426,813	4,656,746
3,401,436	3,336,251	3,368,071	3,435,103	3,449,801	3,643,176
-	-	-	68,467	117,355	187,994
-	6,651	12,984	16,994	6,416	278
7,251,316	7,156,537	7,655,177	7,931,856	8,000,385	8,488,194
15,080,812	14,632,779	14,773,147	15,983,810	15,437,839	15,798,605
(17,754,880)	(19,149,857)	(20,235,507)	(18,104,070)	(22,363,428)	(23,126,468)
1,538,675	(687,238)	218,410	34,972	58,208	1,336,058
(16,216,205)	(19,837,095)	(20,017,097)	(18,069,098)	(22,305,220)	(21,790,410)

(Continued)

**City of San Fernando**  
**Changes in Net Position**  
**Last Ten Fiscal Years - (Continued)**  
**(accrual basis of accounting)**

	Fiscal Year			
	2011	2012	2013	2014
General revenues and other changes in net position:				
Governmental activities:				
Taxes:				
Property	\$ 12,596,288	\$ 10,198,997	\$ 6,650,806	\$ 8,406,309
Sales and use	2,323,994	2,380,675	2,637,297	4,175,825
Property taxes in lieu of sales and use taxes	596,449	603,373	867,581	963,741
Business license taxes	-	1,082,584	1,031,924	1,043,365
Franchise	333,522	307,119	297,319	409,176
Other taxes	-	1,002,816	357,190	374,933
Intergovernmental, unrestricted	115,898	264,443	-	-
Investment income	244,419	918	1,530	16,790
Gain on sale of property	298,411	120,000	-	-
Other	1,467,179	562,404	376,607	573,853
Transfers	121,000	121,000	121,000	4,265,286
Extraordinary gain	-	4,810,783	-	-
Total governmental activities	<u>18,097,160</u>	<u>21,455,112</u>	<u>12,341,254</u>	<u>20,229,278</u>
Business-type activities:				
Investment income	23,897	11,152	16,079	10,458
Other	-	-	-	-
Transfers	(121,000)	(121,000)	(121,000)	(719,708)
Total business-type activities	<u>(97,103)</u>	<u>(109,848)</u>	<u>(104,921)</u>	<u>(709,250)</u>
Total primary government	<u>18,000,057</u>	<u>21,345,264</u>	<u>12,236,333</u>	<u>19,520,028</u>
Changes in net position:				
Governmental activities	(750,447)	2,196,211	(4,778,631)	4,868,920
Business-type activities	303,193	(358,737)	213,908	579,827
Total primary government	<u>\$ (447,254)</u>	<u>\$ 1,837,474</u>	<u>\$ (4,564,723)</u>	<u>\$ 5,448,747</u>

(1) The fluctuations beginning in fiscal year 2012 compared to prior years resulted from reclassifications of certain revenues.

(2) The extraordinary gain in 2012 resulted from the dissolution of the City's Redevelopment Agency in accordance with State law.

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 7,871,457	\$ 8,739,138	\$ 8,867,169	\$ 8,970,624	\$ 9,741,048	\$ 9,730,128 (1)
5,313,426	6,437,739	7,911,392	7,984,731	8,207,979	8,773,312
1,022,777	962,590	-	-	-	-
1,114,416	1,184,994	1,483,606	1,629,779	1,601,969	1,658,301 (1)
613,793	636,652	636,457	663,381	693,474	710,629
315,247	334,419	350,636	371,835	396,279	367,170 (1)
-	-	-	-	-	-
50,748	72,181	102,733	122,016	564,893	591,883
1,033,066	-	-	-	-	-
43,010	107,561	48,101	192,512	87,220	323,826
187,688	181,000	180,000	162,407	180,000	180,000
-	-	-	-	-	- (2)
<u>17,565,628</u>	<u>18,656,274</u>	<u>19,580,094</u>	<u>20,097,285</u>	<u>21,472,862</u>	<u>22,335,249</u>
17,287	64,545	30,788	39,486	341,556	350,106
-	-	-	-	-	-
(187,688)	(181,000)	(180,000)	(162,407)	(180,000)	(180,000)
<u>(170,401)</u>	<u>(116,455)</u>	<u>(149,212)</u>	<u>(122,921)</u>	<u>161,556</u>	<u>170,106</u>
<u>17,395,227</u>	<u>18,539,819</u>	<u>19,430,882</u>	<u>19,974,364</u>	<u>21,634,418</u>	<u>22,505,355</u>
(189,252)	(493,583)	(655,413)	1,993,215	(890,566)	(791,219)
1,368,274	(803,693)	69,198	(87,949)	219,764	1,506,164
<u>\$ 1,179,022</u>	<u>\$ (1,297,276)</u>	<u>\$ (586,215)</u>	<u>\$ 1,905,266</u>	<u>\$ (670,802)</u>	<u>\$ 714,945</u>

**City of San Fernando**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year			
	2011	2012	2013	2014
General fund:				
Nonspendable	\$ 237,378	\$ 335,766	\$ 392,931	\$ 739,783
Unassigned	(856,695)	(1,572,548)	(2,139,983)	(6,433,688)
Total general fund	<u>\$ (619,317)</u>	<u>\$ (1,236,782)</u>	<u>\$ (1,747,052)</u>	<u>\$ (5,693,905)</u>
All other governmental funds:				
Nonspendable	\$ 5,448,274	\$ 492,395	\$ 94,787	\$ 118,720
Restricted	2,890,223	2,199,614	1,836,005	11,840,461
Unassigned	(7,022,933)	(2,508,607)	(164,377)	(238,284)
Total all other governmental funds	<u>\$ 1,315,564</u>	<u>\$ 183,402</u>	<u>\$ 1,766,415</u>	<u>\$ 11,720,897</u>

Source: City Finance Department

Fiscal Year					
2015	2016	2017	2018	2019	2020
\$ 371,547	\$ 329,717	\$ 66,703	\$ 66,308	\$ 1,140	\$ 1,600
(4,485,592)	(3,409,964)	(1,541,792)	(274,561)	1,820,023	3,624,944
<u>\$ (4,114,045)</u>	<u>\$ (3,080,247)</u>	<u>\$ (1,475,089)</u>	<u>\$ (208,253)</u>	<u>\$ 1,821,163</u>	<u>\$ 3,626,544</u>
\$ -	\$ -	\$ 1,000	\$ 1,896	\$ -	\$ -
12,970,716	16,579,665	17,727,008	18,388,470	20,565,668	21,199,073
(86,502)	(423,525)	(480,384)	(759,477)	(168,996)	(564,543)
<u>\$ 12,884,214</u>	<u>\$ 16,156,140</u>	<u>\$ 17,247,624</u>	<u>\$ 17,630,889</u>	<u>\$ 20,396,672</u>	<u>\$ 20,634,530</u>

**City of San Fernando**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**

	Fiscal Year			
	2011	2012	2013	2014
Revenues:				
Taxes	\$ 17,433,856	\$ 14,941,249	\$ 11,120,845	\$ 14,372,140
Licenses and permits	249,754	279,825	337,085	410,512
Charges for services	2,697,601	1,508,783	2,714,937	2,919,857
Fines and forfeitures	1,183,299	888,136	734,210	589,571
Investment earnings	570,661	280,368	218,923	232,404
Intergovernmental	7,005,399	5,234,049	4,467,012	4,615,312
Sale of inventory	-	-	-	-
Other	2,331,930	1,013,941	512,402	1,013,376
Total revenues	<u>31,472,500</u>	<u>24,146,351</u>	<u>20,105,414</u>	<u>24,153,172</u>
Expenditures				
Current:				
General government	7,710,354	4,623,271	4,967,021	2,398,576
Public safety	10,556,689	9,961,760	9,032,340	9,811,572
Community development	2,364,956	1,222,182	791,977	775,446
Public works	3,085,317	3,748,331	4,034,856	4,248,932
Parks and recreation	2,332,198	2,055,715	2,134,851	1,693,085
Pass-throughs	1,712,477	1,067,046	-	-
SERAF	424,902	-	-	-
Capital outlay	2,835,433	-	427,999	464,855
Debt service:				
Principal	1,933,535	-	268,000	384,000
Interest and fiscal charges	870,409	378,568	72,425	58,565
Total expenditures	<u>33,826,270</u>	<u>23,056,873</u>	<u>21,729,469</u>	<u>19,835,031</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,353,770)</u>	<u>1,089,478</u>	<u>(1,624,055)</u>	<u>4,318,141</u>
Other financing sources (uses):				
Transfers in	7,603,439	3,233,411	3,338,164	11,677,345
Transfers out	(7,482,439)	(3,112,411)	(3,217,164)	(7,412,059)
Payment to/from bond escrow agent	-	-	-	-
Issuance of debt	-	-	-	-
Discount	-	-	-	-
Sale of property	178,411	245,000	-	-
Total other financing sources (uses)	<u>299,411</u>	<u>366,000</u>	<u>121,000</u>	<u>4,265,286</u>
Extraordinary gain (loss)	<u>-</u>	<u>(1,723,105)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ (2,054,359)</u>	<u>\$ (267,627)</u>	<u>\$ (1,503,055)</u>	<u>\$ 8,583,427</u>
Debt service as a percentage of noncapital expenditures	8.6%	1.2%	1.5%	2.1%

Source: City Finance Department

The above fluctuations in revenues and expenditures in 2012 are a result of reclassifications and the dissolution of the Redevelopment Agency, previously reported as a blended component unit.



Fiscal Year					
2015	2016	2017	2018	2019	2019
\$ 15,890,424	\$ 18,243,024	\$ 18,814,442	\$ 19,667,257	\$ 18,814,442	\$ 20,275,158
437,765	335,010	243,960	279,620	243,960	427,751
2,403,038	2,115,806	1,282,281	1,238,793	1,282,281	1,091,558
576,778	643,927	576,710	436,941	576,710	601,491
231,535	240,049	268,368	312,908	268,368	1,156,718
4,636,669	3,641,035	4,543,228	5,511,368	4,543,228	4,778,327
-	-	-	-	-	553,673
402,521	423,599	383,686	526,313	383,686	-
<u>24,578,730</u>	<u>25,642,450</u>	<u>26,112,675</u>	<u>27,973,200</u>	<u>26,112,675</u>	<u>28,884,676</u>
2,902,267	5,915,423	4,575,208	5,085,790	4,575,208	5,754,393
10,473,341	10,988,468	10,976,722	11,746,344	10,976,722	12,861,226
779,446	1,021,757	1,093,430	1,056,819	1,093,430	1,269,661
4,675,026	3,284,258	2,890,550	2,849,581	2,890,550	2,847,769
1,649,985	1,774,799	1,730,136	1,604,650	1,730,136	1,854,561
-	-	-	-	-	-
-	-	-	-	-	-
239,126	1,291,817	2,017,716	3,755,234	2,017,716	1,963,289
1,572,692	-	65,000	80,000	65,000	85,000
170,118	27,559	147,271	134,681	147,271	92,038
<u>22,462,001</u>	<u>24,304,081</u>	<u>23,496,033</u>	<u>26,313,099</u>	<u>23,496,033</u>	<u>26,727,937</u>
<u>2,116,729</u>	<u>1,338,369</u>	<u>2,616,642</u>	<u>1,660,101</u>	<u>2,616,642</u>	<u>2,156,739</u>
1,520,854	628,658	424,262	469,234	424,262	583,805
(1,927,472)	(577,658)	(344,262)	(479,234)	(344,262)	(697,305)
-	-	-	-	-	-
-	2,785,000	-	-	-	-
-	131,355	-	-	-	-
1,033,066	-	-	-	-	-
<u>626,448</u>	<u>2,967,355</u>	<u>80,000</u>	<u>(10,000)</u>	<u>80,000</u>	<u>(113,500)</u>
-	-	-	-	-	-
<u>\$ 2,743,177</u>	<u>\$ 4,305,724</u>	<u>\$ 2,696,642</u>	<u>\$ 1,650,101</u>	<u>\$ 2,696,642</u>	<u>\$ 2,043,239</u>
9.0%	0.1%	0.9%	1.0%	0.9%	0.8%

**City of San Fernando**  
**Assessed Value of Taxable Property**  
**Last Ten Fiscal Years**

Fiscal Year Ended June 30	Residential	Commercial	Industrial	Other	Unsecured	Unknown	Taxable Assessed Value	Direct Tax Rate
2011	796,187,198	259,924,017	257,840,462	31,707,331	108,228,918	-	1,453,887,926	0.73507%
2012	810,126,651	261,333,463	254,802,905	36,235,560	108,145,377	-	1,470,643,956	0.73170%
2013	832,506,508	264,733,131	258,909,717	44,405,697	121,871,794	-	1,522,426,847	0.73694%
2014	867,056,835	274,616,719	261,395,589	32,346,933	124,425,059	-	1,559,841,135	0.39186%
2015	923,896,596	279,949,485	263,990,591	41,954,560	122,621,128	-	1,632,412,360	0.38353%
2016	957,625,272	298,635,774	274,576,052	40,631,968	114,207,014	-	1,685,676,080	0.38306%
2017	1,023,912,662	320,409,250	283,710,434	50,016,536	113,200,408	-	1,791,249,290	0.36884%
2018	1,070,024,605	328,575,573	296,848,115	46,781,682	112,403,426	-	1,854,633,401	0.36854%
2019	1,134,933,214	341,339,174	306,565,163	43,828,882	115,627,875		1,942,294,308	0.36433%
2020	1,195,481,281	363,074,783	317,648,622	57,747,212	111,592,898		2,045,544,796	0.34975%

**Notes:**

Exempt values are not included in Total.

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

**City of San Fernando**  
**Direct and Overlapping Property Tax Rates**  
**(Rate per \$100 of assessed value)**  
**Last Ten Fiscal Years**

Agency	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Basic Levy <sup>1</sup>	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
LA Community College District	0.04031	0.03530	0.04875	0.04454	0.04017	0.03575	0.03596	0.04599	0.04621	0.02717
LA Unified School District	0.18695	0.16819	0.17561	0.14644	0.14688	0.12971	0.13110	0.12219	0.12323	0.12552
Metropolitan Water District	0.00370	0.00370	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350
Tax District No. 1	0.28420	0.28420	0.28420	0.25654	0.24832	0.24763	0.23247	0.23238	0.22734	0.21213
Direct and Overlapping Tax Rates <sup>2</sup>	1.51516	1.49139	1.51206	1.45102	1.43887	1.41659	1.40303	1.40406	1.40028	1.36832
City Share of 1% Levy Per Prop 13 <sup>3</sup>	0.14560	0.14560	0.14560	0.14560	0.14560	0.14560	0.14560	0.14560	0.14560	0.14560
Voter Approved City Debt Rate	0.28420	0.28420	0.28420	0.25654	0.24832	0.24763	0.23247	0.23238	0.22734	0.21213
Redevelopment Rate <sup>4</sup>	1.28790	1.28790	-	-	-	-	-	-	-	-
Total Direct Rate <sup>5</sup>	0.73507	0.73170	0.73694	0.39186	0.38353	0.38306	0.36884	0.36854	0.36433	0.34975

**Notes:**

<sup>1</sup> In 1978, California voters passed Proposition 13 which set the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.

<sup>2</sup> Overlapping rates are those of local and county governments that apply to property owners within the City. Not all overlapping rates apply to all city property owners.

<sup>3</sup> *City's Share of 1% Levy* is based on the City's share of the general fund tax rate area with the largest net taxable value within the City. ERAF general fund tax shifts may not be included in tax ratio figures.

<sup>4</sup> Redevelopment Rate is based on the largest RDA tax rate area and only includes rate(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values. The approval of ABX1 26 eliminated Redevelopment from the State of California for the Fiscal year 2012/13 and years thereafter.

<sup>5</sup> Total Direct Rate is the weighted average of all individual direct rates applied by the City/Agency preparing the statistical section information and excludes revenues derived from aircraft. Beginning in 2013/14 the Total Direct Rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13. For the purposes of this report, residual revenue is assumed to be distributed to the City/Agency in same proportions as general fund revenue.

**City of San Fernando**  
**Principal Property Tax Payers**  
**Top Ten Property Owners By Assessed Value**  
**Current and Ten Years Ago**

Taxpayer	2019/20		Taxpayer	2010/11	
	Taxable Assessed Value	Percent of Total City Taxable Assessed Value		Taxable Assessed Value	Percent of Total City Taxable Assessed Value
Pharmavite LLC	\$ 38,226,653	1.87%	CPF San Fernando LLC	\$ 68,836,466	4.73%
SFVS Company LLC	23,791,101	1.16%	Pharmavite LLC	39,821,448	2.74%
315 Partners LLC	23,539,968	1.15%	SFVS Company LLC	19,793,708	1.36%
Rexford Industrial 1150 Aviation LLC	21,639,728	1.06%	Foothill HD Retail Center LLC	18,700,049	1.29%
Foothill HD Retail Center LLC	21,638,805	1.06%	Ahi Glenoaks Inc.	15,200,201	1.05%
Rexford Industrial 1145 Arroyo LLC	20,124,827	0.98%	San Fernando Gateway LLC	14,083,140	0.97%
Rexford Industrial 1245 Aviation LLC	18,336,994	0.90%	315 Partners LLC	13,437,853	0.92%
Ahi Glenoaks Inc	17,588,957	0.86%	San Fernando Associates	9,989,900	0.69%
San Fernando Gateway LLC	16,296,332	0.80%	NNN California Auto Services LLC	9,628,551	0.66%
YNG LLC	14,566,329	0.71%	San Fernando Valley Automotive LI	9,023,998	0.62%
Total Top Ten	<u>\$ 215,749,694</u>	<u>10.55%</u>	Total Top Ten	<u>\$ 218,515,314</u>	<u>15.03%</u>
Total Property Taxes	<u>\$2,045,544,796</u>		Total Property Taxes	<u>\$1,453,887,926</u>	

Data Source: L.A. County Assessor 2010/11 and 2019/20 Combined Tax Rolls and the SBE Non Unitary Tax Roll provided by HdL, Coren and Cone.

**City of San Fernando  
Property Tax Levies and Collections  
Last Ten Fiscal Years**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	*Collected within the Fiscal Year of Levy		*Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2011	9,693,186	11,146,361	114.99%	254,457	11,400,818	117.62%
2012	10,760,744	10,622,934	98.72%	253,124	10,876,058	101.07%
2013	5,612,092	4,501,185	80.21%	(89,102)	4,412,083	78.62%
2014	4,146,929	5,685,040	137.09%	(125,983)	5,559,057	134.05%
2015	4,093,768	5,794,276	141.54%	(1,188)	5,793,088	141.51%
2016	5,660,595	6,559,722	115.88%	(2,899)	6,556,823	115.83%
2017	5,991,659	6,616,033	110.42%	(4,283)	6,611,750	110.35%
2018	5,953,422	6,241,044	104.83%	(20,237)	6,220,807	104.49%
2019	6,232,013	6,785,560	108.88%	(5,328)	6,780,232	108.80%
2020	6,467,481	6,606,745	102.15%	(14,509)	6,592,236	101.93%

**Notes:**

The collections presented include City property taxes, supplemental assessments, and Redevelopment Agency tax increment (through FY 2012), as well as amounts collected by the City and Redevelopment Agency that were passed through to other agencies.

\*Supplemental assessments include voter-approved indebtedness for City employees' retirement, a lighting district, penalties and interest, which are not included in the Taxes levied. The collection of these supplemental assessments often cause the percent of levy to exceed 100%.

\*Beginning in FY 2013, former Redevelopment Agency property tax increment is not included.

**City of San Fernando  
Top 25 Sales Tax Producers**

**For Fiscal Year 2019-20**

<u>Business Name</u>	<u>Business Category</u>
Arco	Service Stations
Arroyo Building Materials	Building Materials
Casco	Contractors
CCAP Auto Lease	Auto Lease
El Pollo Loco	Quick Service Restaurants
El Super	Grocery Stores
Enterprise Rent A Car	Transportation/Rentals
Ferguson Enterprises	Plumbing/Electrical Supplies
Ganas Auto	Used Automotive Dealers
Goodman Distribution	Contractors
Home Depot	Building Materials
Jack in the Box	Quick Service Restaurants
Malbros Ready Mix Concrete	Contractors
McDonald's	Quick Service Restaurants
Nachos Ornamental Supply	Contractors
Pool & Electrical Products	Plumbing/Electrical Supplies
Rydell Chrysler Dodge Jeep Ram	New Motor Vehicle Dealers
Smart & Final	Grocery Stores
Southland Lighting	Plumbing/Electrical Supplies
T Mobile	Electronics/Appliance Stores
Taco Bell	Quick Service Restaurants
Truman Fuel	Service Stations
Vallarta Supermarket	Grocery Stores
Wingstop	Fast-Casual Restaurants
WSS	Shoe Stores

**Percent of Fiscal Year Total Paid By Top 25 Accounts = 69.53%**

\* Firms Listed Alphabetically

Period: July 2019 Thru March 2020

Data Source: State Board of Equalization, California Department of Taxes and Fees Administration,  
State Controller's Office, The HdL Companies

**City of San Fernando  
Top 25 Sales Tax Producers**

**For Fiscal Year 2010-11**

<u>Business Name</u>	<u>Business Category</u>
Acey Decy Lighting	Repair Shop/Equip. Rentals
American Maintenance Supply	Plumbing/Electrical Supplies
Arco	Service Stations
Arroyo Building Materials	Building Materials
AutoZone	Automotive Supply Stores
Casco	Contractors
El Pollo Loco	Quick Service Restaurants
Food 4 Less	Grocery Stores
Goodman Distribution	Contractors
Home Depot	Building Materials
Honda Lease Trust	Auto Lease
Jack in the Box	Quick Service Restaurants
JC Penney	Department Stores
McDonald's	Quick Service Restaurants
Nachos Ornamental Supply	Contractors
Office Depot	Office Supplies/Furniture
Payless Foods	Grocery Stores
Pep Boys	Automotive Supply Stores
Pharmavite	Drugs/Chemicals
Pool & Electrical Products	Plumbing/Electrical Supplies
Sams Club	Discount Dept. Stores
Taco Bell	Quick Service Restaurants
Truman 76	Service Stations
Valu Plus	Grocery Stores
WSS	Shoe Stores

**Percent of Fiscal Year Total Paid By Top 25 Accounts = 70.95%**

\* Firms Listed Alphabetically

Period: July 2010 Thru March 2011

Data Source: State Board of Equalization, California Department of Taxes and Fees Administration,  
State Controller's Office, The HdL Companies

**City of San Fernando  
Taxable Sales by Category  
Last Ten Calendar Years  
(in thousands of dollars)  
Adjusted for Economic Data**

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
Apparel Stores	\$ 8,691	\$ 9,090	\$ 9,728	\$ 9,452	\$ 9,430
Food Stores	11,429	11,838	13,558	15,507	13,755
Eating and Drinking Places	44,841	45,551	48,884	52,953	54,649
Building Materials	69,571	71,170	69,340	86,283	90,292
Auto Dealers and Supplies	32,835	24,743	28,702	47,098	83,375
Service Stations	14,845	17,810	19,006	17,864	16,736
Other Retail Stores	61,900	57,935	56,213	55,186	57,212
All Other Outlets	75,224	79,494	81,687	87,674	100,562
	<hr/>				
Total	\$ 319,336	\$ 317,631	\$ 327,118	\$ 372,017	\$ 426,011
	<hr/>				

**Notes:**

Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the City's revenue.

Data Source: State Board of Equalization, CA Dept. of Taxes and Fees Administration, State Controller's Office and The HDL Companies



**City of San Fernando**  
**Taxable Sales by Category**  
**Last Ten Calendar Years**  
**(in thousands of dollars)**  
**Adjusted for Economic Data**

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Apparel Stores	\$ 10,410	\$ 11,449	\$ 11,793	\$ 12,260	\$ 12,168
Food Stores	14,084	15,033	15,498	16,028	16,123
Eating and Drinking Places	61,166	66,331	72,278	75,158	76,739
Building Materials	96,112	102,799	114,399	121,603	124,495
Auto Dealers and Supplies	89,419	105,827	103,526	110,793	127,846
Service Stations	15,301	13,545	12,927	14,988	14,421
Other Retail Stores	63,782	64,457	65,810	38,466	33,677
All Other Outlets	112,879	125,542	128,114	144,302	147,715
	<hr/>				
Total	\$ 463,153	\$ 504,983	\$ 524,345	\$ 533,598	\$ 553,184
	<hr/>				

Data Source: State Board of Equalization, CA Dept. of Taxes and Fees Administration, State Controller's Office and The HDL Companies

**City of San Fernando  
Water Customers  
Current Year and Ten Years Ago**

Water Customer	2020		Water Customer	2011	
	Water Charges	Percent of Total Water Revenues		Water Charges	Percent of Total Water Revenues
Pharmavite Corporation	\$ 65,482	1.58%	Pharmavite Corporation	26,362	1.09%
Pharmavite Corporation	24,420	0.59%	Pharmavite Corporaton	18,410	0.76%
LA Board of Education	22,494	0.54%	Puretek Corp	17,259	0.72%
Mission Park Apartment	19,212	0.46%	Puretek Corp	10,244	0.42%
Selective IIII Harris, LLC	18,225	0.44%	Mission Park Apartment	10,162	0.42%
Fresenius Medical CA	17,954	0.43%	Olin Majers	9,354	0.39%
City of San Fernando	17,657	0.43%	Fresenius Medical CA	8,837	0.37%
Boris Bruce Bitman	16,651	0.40%	Home Depot No. 609	8,789	0.36%
LA Board of Education	16,027	0.39%	K.V. Mart No. 19	8,224	0.34%
City of San Fernando	<u>15,652</u>	<u>0.38%</u>	LA Board of Education	<u>7,882</u>	<u>0.33%</u>
<b>Total Top Ten</b>	<b>\$ 233,774</b>	<b>5.65%</b>	<b>Total Top Ten</b>	<b>\$ 125,523</b>	<b>5.21%</b>
<b>Total Water Revenue</b>	<b><u>\$ 4,141,003</u></b>		<b>Total Water Revenue</b>	<b><u>2,411,318</u></b>	

Data Source: City of San Fernando Finance Department Eden UB System (Water only).

**City of San Fernando**  
**Ratios of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

Governmental Activities

Fiscal Year Ended June 30	General Obligation Bonds	Tax Allocation Bonds	Loans	Certificates of Participation	Total Governmental Activities	Percentage of Personal Income	Per Capita
2011	-	11,620,158	6,307,069	-	17,927,227	4.94%	756
2012	-	-	2,424,692	-	2,424,692	0.63%	102
2013	-	-	1,956,692	-	1,956,692	0.48%	81
2014	-	-	1,572,692	-	1,572,692	0.37%	65
2015	-	-	-	-	-	0.00%	-
2016	-	-	-	2,916,355	2,916,355	0.66%	117
2017	-	-	-	2,845,644	2,845,644	0.63%	115
2018	-	-	-	2,759,933	2,759,933	0.61%	112
2019	-	-	-	2,669,222	2,669,222	0.58%	109
2020	-	-	-	2,578,511	2,578,511	0.53%	106

**Notes:**

Details regarding the City's outstanding debt can be found in the notes to the financial statements. Personal income and Population numbers from <https://www.census.gov/quickfacts/fact/table/sanfernandocitycalifornia,US/PST045218> visited 11/20/2019.

**City of San Fernando**  
**Direct and Overlapping Debt As Of June 30, 2020**

	<b>Gross Bonded Debt Balance</b>	<b>Percent Applicable To City</b>	<b>Net Bonded Debt</b>
<b>Direct Debt:</b>			
240.01 2016 Installment Sale Agreement	2,470,000	100.000	2,470,000
240.01 Premium	108,511	100.000	108,511
<b>Total Direct Debt</b>			<b>2,578,511</b>
<b>Overlapping Debt:</b>			
* 310.30 Metropolitan Water District	18,151,752	0.103	18,708
805.55 LA CCD DS 2003 Taxable Series 2004B	2,115,000	0.226	4,774
805.56 LA CCD DS 2001 Taxable Series 2004A	31,555,000	0.226	71,233
805.65 LA CCD DS 2008, 2009 Taxable Ser B	75,000,000	0.226	169,307
805.66 LA CCD DS 2008, 2010 Tax Series D	125,000,000	0.226	282,179
805.67 LA CCD DS 2008, 2010 Tax Ser E (BABS)	900,000,000	0.226	2,031,688
805.69 LA CCD DS 2008, 2012 Series F	199,000,000	0.226	449,229
805.70 LA CCD DS 2013 Ref Bonds	35,410,000	0.226	79,936
805.71 LA CCD DS 2008 Series G	205,725,000	0.226	464,410
805.73 LA CCD DS 2015 Ref Series A	1,395,190,000	0.226	3,149,546
805.74 LA CCD DS 2015 Ref Series B	24,305,000	0.226	54,867
805.75 LA CCD DS 2015 Ref Series C	230,015,000	0.226	519,243
805.76 LA CCD DS 2008 Series 1	197,360,000	0.226	445,527
805.78 LA CCD DS 2016 Ref Bonds	813,785,000	0.226	1,837,064
887.86 LA Unif DS 2002 Series E	200,000,000	0.277	553,301
887.89 Los Angeles Unif DS 2005 Series H	80,625,000	0.277	223,049
887.92 Los Angeles Unif Measure R Series KRY BABS	363,005,000	0.277	1,004,255
887.93 Los Angeles Unif Measure Y 2009 Series KRY BABS	806,795,000	0.277	2,232,001
887.95 Los Angeles Unif Measure K 2010 Series KRY	145,250,000	0.277	401,835
887.96 Los Angeles Unif Measure R 2010 Series KRY	143,360,000	0.277	396,606
887.97 Los Angeles Unif Measure Y 2010 Series KRY	95,770,000	0.277	264,948
887.98 Los Angeles Unif Measure R 2010 Series RY BABS	477,630,000	0.277	1,321,365
887.99 Los Angeles Unif Measure Y 2010 Series RY BABS	772,955,000	0.277	2,138,383
888.55 Los Angeles Unif DS 2005 2010 Series J-1 QSCBS	286,760,000	0.277	793,323
888.56 Los Angeles Unif DS 2005 2010 Series J-2 QSCBS	153,350,000	0.277	424,243
888.57 Los Angeles Unif DS 2011 Refunding Bond Series A 1	104,795,000	0.277	289,916
888.58 Los Angeles Unif DS 2011 Refunding Bond Series A 2	141,880,000	0.277	392,512
888.59 Los Angeles Unif DS 2012 Refunding Bond Series A	95,760,000	0.277	264,920
888.60 Los Angeles Unif DS 2014 Ref Bond Series A	58,580,000	0.277	162,062
888.61 Los Angeles Unif DS 2014 Ref Bond Series B	150,940,000	0.277	417,576
888.62 Los Angeles Unif DS 2014 Ref Bond Series C	821,985,000	0.277	2,274,025
888.63 Los Angeles Unif DS 2014 Ref Bond Series D	130,045,000	0.277	359,770
888.68 Los Angeles Unif DS 2015 Ref Bond Series A	269,400,000	0.277	745,296

Data Source: HdL Coren and Cone, L.A. County Assessor and Auditor Combined 2019/20 Lien Date Tax Rolls.

**City of San Fernando**  
**Direct and Overlapping Debt As Of June 30, 2020**

**Overlapping Debt (Continued):**

888.69 Los Angeles Unif DS 2008 Series A 2016	600,270,000	0.277	1,660,649
888.70 Los Angeles Unif DS 2016 Ref Bond Series A	403,410,000	0.277	1,116,035
888.71 Los Angeles Unif DS 2016 Ref Bond Series B	498,240,000	0.277	1,378,383
888.72 Los Angeles Unif DS 2017 Ref Bonds Ser A Prop BB	113,455,000	0.277	313,874
888.73 Los Angeles Unif DS 2017 Ref Bonds Ser A Meas K	921,240,000	0.277	2,548,614
888.74 Los Angeles Unif DS 2005 Series M 1 2018	114,165,000	0.277	315,838
888.76 Los Angeles Unif DS 2008 Series B 1 2018	1,060,780,000	0.277	2,934,652
888.78 Los Angeles Unif DS 2019 Ref 2002 Ser D Meas K	150,055,000	0.277	415,128
888.79 Los Angeles Unif DS 2019 Ref 2004 Ser I Meas R	333,005,000	0.277	921,260
888.80 Los Angeles Unif DS 2019 Ref 2005 Ser F Meas Y	90,085,000	0.277	249,220
888.81 Los Angeles Unif DS 2019 Ref Ser KRY 2009	952,160,000	0.277	2,634,154

<b>Total Overlapping Debt:</b>			<b>38,724,904</b>
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<b>Total Direct and Overlapping Debt</b>			<b>41,303,415</b>
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2019/2020 Assessed Valuation: \$1,327,822,216 After Deducting \$717,722,580 Incremental Value.

Debt to Assessed Valuation Ratios:	Direct Debt	0.19%
	Overlapping Debt	2.92%
	Total Debt	3.11%

**Notes:**

\* This fund is a portion of a larger agency, and is responsible for debt in areas outside the city.

This report reflects debt which is being repaid through voter-approved property tax indebtedness. It excludes mortgage revenue, tax allocation bonds, interim financing obligations, non-bonded capital lease obligations, and certificates of participation, unless provided by the city.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. The percentage of overlapping debt applicable is estimated by using taxable assessed values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

This report is not to be used in support of debt issuance or continuing disclosure statements without the written consent of HdL, Coren & Cone

**City of San Fernando  
Legal Debt Margin Information  
Last Ten Fiscal Years**

Fiscal Year	2011	2012	2013	2014	2015
Assessed Valuation	1,453,887,926	1,470,643,956	1,522,426,847	1,559,841,135	1,632,412,360
Conversion Percentage	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
Adjusted Assessed Valuation	363,471,982	367,660,989	380,606,712	389,960,284	408,103,090
Debt Limit Percentage	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>
Debt Limit	54,520,797	55,149,148	57,091,007	58,494,043	61,215,464
Total Net Debt Applicable To Limit: General obligation bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u>54,520,797</u>	<u>55,149,148</u>	<u>57,091,007</u>	<u>58,494,043</u>	<u>61,215,464</u>
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%

The Government Code of the State of California provides for a legal debt limit of 15% of gross assessed valuation. However, this provision was enacted when assessed valuation was based upon 25% of market value. Effective with the 1981-82 fiscal year, each parcel is now assessed at 100% of market value (as of the most recent change in ownership for that parcel). The computations shown above reflect a conversion of assessed valuation data for each fiscal year from the current full valuation perspective to the 25% level that was in effect at the time that the legal debt margin was enacted by the State of California for local governments located within the state.

Data Source: L.A. County Assessor 2019/20 Combined Tax Rolls, provided by HdL, Coren and Cone and City Finance Department

**City of San Fernando  
Legal Debt Margin Information  
Last Ten Fiscal Years**

Fiscal Year	2016	2017	2018	2019	2020
Assessed Valuation	1,685,676,080	1,791,249,290	1,854,633,401	1,942,294,308	2,045,544,796
Conversion Percentage	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
Adjusted Assessed Valuation	421,419,020	447,812,323	463,658,350	485,573,577	511,386,199
Debt Limit Percentage	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>
Debt Limit	63,212,853	67,171,848	69,548,753	72,836,037	76,707,930
Total Net Debt Applicable To Limit: General obligation bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u>63,212,853</u>	<u>67,171,848</u>	<u>69,548,753</u>	<u>72,836,037</u>	<u>76,707,930</u>
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%

Data Source: L.A. County Assessor 2019/20 Combined Tax Rolls, provided by HdL, Coren and Cone and City Finance Department

**City of San Fernando**  
**Demographic and Economic Statistics**  
**Last Ten Calendar Years**

<u>Calendar Year</u>	<u>Population <sup>1</sup></u>	<u>Calif. Metropolitan Personal Income (in thousands)<sup>2</sup></u>	<u>Calif. Metropolitan Per Capita Personal Income<sup>2</sup></u>	<u>Unemployment Rate<sup>3</sup></u>
2011	23,712	362,556,000	15,290	12.9%
2012	23,818	379,016,000	15,913	11.5%
2013	23,880	403,190,000	16,884	9.2%
2014	24,220	419,684,000	17,328	8.7%
2015	24,587	433,248,000	17,621	7.4%
2016	24,931	442,924,000	17,766	5.6%
2017	24,717	454,373,000	18,383	4.9%
2018	24,714	454,317,000	18,383	4.3%
2019	24,510	463,705,000	18,919	4.2%
2020	24,322	490,404,000	20,163	3.9%

Data Sources:

<sup>1</sup> US Census Bureau

<sup>2</sup> HdL Report/Bureau of Economic Analysis (data shown is for the metropolitan area of L.A.-Long Beach-Santa Ana through 2009; thereafter US Census Bureau Data).

US Bureau Of Labor Statistics (data shown is for the metropolitan area of L.A.-Long Beach-Anaheim).

<sup>3</sup>



**City of San Fernando**  
**Miscellaneous and Demographic Statics**

**Date Incorporated** August 31, 1911

**Form of Government** Council-City Manager

**Land Area** 2.42 square miles

<b>Land Use (Estimated % of City)</b>	Residential	43.2%
	Commercial	10.2%
	Industrial	9.7%
	Public/Institutional	7.4%
	Open space/Recreational	1.7%
	Highway and streets, rights-of-way	26.3%
	Undeveloped land	1.6%
		<u>100.0%</u>

<b>Building Permits</b>	<u>Calendar Year</u>	<u># Permits</u>	<u>Valuation</u>
	1993	307	3,390,293
	1994	383	14,150,921
	1995	650	4,802,623
	1996	354	5,321,998
	1997	379	6,229,912
	1998	241	5,314,484
	1999	277	6,879,355
	2000	481	8,530,618
	2001	499	11,829,627
	2002	527	5,852,529
	2003	985	9,610,033
	2004	551	10,249,858
	2005	1,390	15,845,473
	2006	1,421	13,860,435
	2007	1,137	9,549,375
	2008	1,035	15,742,359
	2009	858	9,888,598
	2010	797	8,024,919
	2011	760	7,146,062
	2012	810	19,328,819
	2013	714	11,262,235
	2014	904	17,514,200
	2015	880	9,313,800
	2016	1,075	10,771,178
	2017	1,078	11,430,654
	2018	1,337	14,314,565
	2019	1,065	12,722,000
	2020	1,192	14,275,431

Date Source: City of San Fernando Community Development Department

**City of San Fernando  
Principal Employers  
Last Fiscal Year and Ten Years Ago**

<b>2019-20</b>			<b>2010-11</b>		
<u>Business Name</u>	Number of Employees	Percent of Total Employment	<u>Business Name</u>	Number of Employees	Percent of Total Employment
Los Angeles Unified School District	1983	18.36%	Los Angeles Unified School District	580	5.49%
Pharmavite LLC	318	2.94%	JT Contractors	400	3.79%
Pepsi Beverages Company	305	2.82%	Puretek Corp	400	3.79%
Home Depot	277	2.56%	Pepsi Bottling Co.	300	2.84%
Los Angeles County Superior Court *	275	2.55%	Los Angeles County	265	2.51%
Puretek Corp ***	210	1.94%	Home Depot	250	2.37%
BrightView Landscape (formerly Valley Crest Landscape Co.)****	140	1.30%	Linzer Products	250	2.37%
Vallarta Supermarkets	140	1.30%	Samco Scientific	250	2.37%
Ricon Corp	135	1.25%	Future Graphics	220	2.08%
Rydell's Chrysler, Dodge, Jeep, Ram	115	1.06%	Bernard Brothers	200	1.89%
Total Top Ten Employers	<u>3,898</u>	<u>36.09%</u>	Total Top Ten Employers	<u>3,115</u>	<u>29.50%</u>
Total City Labor Force <sup>(1)</sup>	<u>10,800</u>		Total City Labor Force	<u>10,560</u>	

**Notes:**

Source: Avenue Insights & Analytics and 2010-2011 previously published CAFR

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

\* Includes all employees at courthouse, including state and county

\*\*\* Includes 2 locations

\*\*\*\* Includes maintenance only, no development side

(1) Total City Labor Force provided by EDD Labor Force Data

*Disclaimer: The City of San Fernando makes no claims concerning the accuracy of data provided nor assume any liability resulting from the use of information herein.*

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City of San Fernando  
Full-Time Equivalent City Employees  
by Function  
Last Ten Fiscal Years

<u>Function</u>	<u>Fiscal Year</u>				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General government	17	15	14	14	14
Community Development	7	5	9	8	8
Public Safety	62	57	50	48	48
Public Works	41	39	36	35	34
Recreation and Community Services	22	31	24	30	32
Total	<u>149</u>	<u>147</u>	<u>133</u>	<u>135</u>	<u>136</u>

Data Source: City of San Fernando Finance and Personnel Records

City of San Fernando  
Full-Time Equivalent City Employees  
by Function  
Last Ten Fiscal Years

<u>Function</u>	<u>Fiscal Year</u>				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General government	15	15	15	15	15
Community Development	8	8	8	8	8
Public Safety	47	48	48	49	49
Public Works	34	34	34	34	36
Recreation and Community Services	24	24	24	24	24
	<u>128</u>	<u>129</u>	<u>129</u>	<u>130</u>	<u>132</u>

Data Source: City of San Fernando Finance and Personnel Records

**City of San Fernando  
Operating Indicators by Function  
Last Ten Years**

Function	Calendar Year				
	2011	2012	2013	2014	2015
Police:					
Arrests	1,424	887	683	581	612
Parking Citations Issued	14,799	13,407	10,699	8,654	10,730

Data Source: City of San Fernando Police Department

**City of San Fernando**  
**Operating Indicators by Function**  
**Last Ten Years**

Function	Calendar Year				
	2016	2017	2018	2019	2020
Police:					
Arrests	1007	965	881	833	903
Parking Citations Issued	9,745	8,691	9,602	12,471	9,683

Data Source: City of San Fernando Police Department

**City of San Fernando  
Capital Asset Statistics  
by Function  
Last Ten Fiscal Years**

Function	Fiscal Year				
	2011	2012	2013	2014	2015
Police:					
Stations	1	1	1	1	1
Fire:					
Fire Stations	0	0	0	0	0
Public Works:					
Streets (miles)	47.20	47.20	47.20	47.20	47.20
Alleyways (miles)	3.20	3.20	3.20	3.20	3.20
Streetlights	1,848	1,848	1,848	1,848	1,848
Traffic Signals Intersections	45	45	45	45	45
Parks and Recreation:					
Parks	6	6	6	8	8
Recreation Centers	2	2	2	2	2
Water:					
Water mains (miles)	66.50	66.88	66.88	66.88	66.88
Maximum Daily Pumping Capacity	600	600	600	600	600
Wastewater:					
Sanitary Sewers (miles)	42.59	42.59	42.59	42.59	42.59
Storm Sewers (miles)	0.68	0.68	0.68	0.68	0.68

Data Source: City of San Fernando Public Works Department



**City of San Fernando  
Capital Asset Statistics  
by Function  
Last Ten Fiscal Years**

Function	Fiscal Year				
	2016	2017	2018	2019	2020
Police:					
Stations	1	1	1	1	1
Fire:					
Fire Stations	0	0	0	0	0
Public Works:					
Streets (miles)	47.20	47.20	47.20	47.20	47.20
Alleyways (miles)	3.20	3.20	3.20	3.20	3.20
Streetlights	1,848	1,848	1,848	1,848	1,848
Traffic Signals Intersections	45	45	45	45	45
Parks and Recreation:					
Parks	8	8	8	8	8
Recreation Centers	2	2	2	2	2
Water:					
Water mains (miles)	66.88	66.88	66.88	66.88	66.88
Maximum Daily Pumping Capacity	3,600	3,600	3,600	3,600	3,600
Wastewater:					
Sanitary Sewers (miles)	42.59	42.59	42.59	42.59	42.59
Storm Sewers (miles)	0.68	0.68	0.68	0.68	0.68

Data Source: City of San Fernando Public Works Department