

FOR THE FISCAL YEAR ENDED JUNE 30, 2024

# ANNUAL COMPREHENSIVE FINANCIAL REPORT

THE CITY OF  
**SAN FERNANDO**  
SAN FERNANDO, CALIFORNIA



**CITY OF SAN FERNANDO, CALIFORNIA**  
**ANNUAL COMPREHENSIVE FINANCIAL REPORT**  
**WITH REPORT ON AUDIT**  
**BY INDEPENDENT**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2024**

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

**City of San Fernando**  
**Annual Comprehensive Financial Report**  
Year Ended June 30, 2024

**TABLE OF CONTENTS**

<b>I. INTRODUCTORY SECTION</b>	<b>PAGE</b>
Letter of Transmittal	1 - 7
Directory of Officials	8
Organization Chart	9
Certificate of Achievement for Excellence in Financial Reporting	10
<b>II. FINANCIAL SECTION</b>	
<b>Independent Auditor's Report</b>	11 - 13
<b>Management's Discussion &amp; Analysis</b>	14 -28
<b>Basic Financial Statements:</b>	
Government-wide Financial Statements:	
Statement of Net Position	29
Statement of Activities	30 - 31
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	32
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	33
Statement of Revenues, Expenditures and Changes in Fund Balances	34
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	35
Proprietary Funds:	
Statement of Net Position	36
Statement of Revenues, Expenses and Changes in Net Position	37
Statement of Cash Flows	38
Fiduciary Funds:	
Statement of Net Position	39
Statement of Changes in Net Position	40
Notes to Financial Statements	41 - 69
<b>Required Supplementary Information:</b>	
Schedule of Changes in Total OPEB Liability and Related Ratios	70
Schedule of the City's Proportionate Share of the Net Pension Liability	71
Schedule of Plan Contributions	72
Budgetary Comparison Schedules - Major Governmental Funds:	
General Fund	73
Retirement Tax Fund	74
ARPA Fund	75
Notes to Required Supplementary Information	76
<b>Supplementary Information:</b>	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual:	
Capital Grants Fund	77
Other Governmental Funds:	78 - 79
Combining Balance Sheet - Other Governmental Funds	80 - 84
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Other Governmental Funds	85 - 89
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual:	
Measure R Fund	90
Mall Maintenance Operations Fund	91
Proposition A Local Transit Fund	92
Proposition C Discretionary Fund	93
Traffic Safety Fund	94
Parking Maintenance and Operations Fund	95
Local Transportation Fund	96
Recreation Fund	97
Quimby Act Fees Fund	98

**City of San Fernando**  
**Annual Comprehensive Financial Report**  
Year Ended June 30, 2024

**TABLE OF CONTENTS - Continued**

<b>Supplementary Information - Continued</b>	<b>PAGE</b>
Street Lighting Fund	99
State Asset Forfeiture Fund	100
State Gas Tax Fund	101
Federal Asset Forfeiture Fund	102
AQMD Fund	103
Cash-in-Lieu of Parking Fund	104
Pavement Management Fund	105
Proposition C Fund	106
Community Development Block Grant Fund	107
Community Development Surcharge Fund	108
Operating Grants Fund	109
STP Local Fund	110
SLESF Fund	111
Measure M Fund	112
Road Maintenance & Rehab Fund	113
Measure W Fund	114
Measure H Fund	115
Capital Outlay Fund	116
Combining Statement of Net Position - Nonmajor Enterprise Funds	118
Combining Statement of Revenues, Expenses and Changes in Net Position - Nonmajor Enterprise Funds	119
Combining Statement of Cash Flows - Nonmajor Enterprise Funds	120
Combining Statement of Net Position - Internal Service Funds	121
Combining Statement of Revenues, Expenses and Changes in Net Position - Internal Service Funds	122
Combining Statement of Cash Flows - Internal Service Funds	123
<b>III. STATISTICAL SECTION</b>	
Description of Statistical Section Contents	124
Financial Trends:	
Net Position by Component - Last Ten Fiscal Years	125 - 126
Changes in Net Position - Last Ten Years	127 - 130
Fund Balances of Governmental Funds - Last Ten Fiscal Years	131 - 132
Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years	133 - 134
Revenue Capacity:	
Assessed Value of Taxable Property - Last Ten Fiscal Years	135
Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years	136
Principal Property Taxpayers (Top Ten) - Current Year and Nine Years Ago	137
Property Tax Levies and Collections - Last Ten Fiscal Years	138
Top 25 Sales Tax Producers - Current Year and Nine Years Ago	139 - 140
Taxable Sales by Category - Last Ten Calendar Years	141 - 142
Water Customers - Current Year and Nine Years Ago	143
Debt Capacity:	
Ratios of Outstanding Debt by Type - Last Ten Fiscal Years	144
Direct and Overlapping Debt	145
Legal Debt Margin Information - Last Ten Fiscal Years	146 - 147
Demographic and Economic Information:	
Demographic and Economic Statistics	148
Miscellaneous and Demographic Statistics	149
Principal Employers - Current Year and Nine Years Ago	150
Operating Information:	
Full-time Equivalent City Employees by Function - Last Ten Fiscal Years	151 - 152
Operating Indicators by Function - Last Ten Calendar Year	153 - 154
Capital Asset Statistics by Function - Last Ten Fiscal Years	155 - 156



## **INTRODUCTORY SECTION**

# THE CITY OF SAN FERNANDO

## CITY COUNCIL

February 7, 2025

MAYOR  
CELESTE RODRIGUEZ

Honorable Mayor and City Council Members  
Residents of San Fernando

VICE MAYOR  
MARY MENDOZA

COUNCILMEMBER  
JOEL FAJARDO

COUNCILMEMBER  
VICTORIA GARCIA

COUNCILMEMBER  
MARY SOLORIO

The Annual Comprehensive Financial Report (ACFR) of the City of San Fernando, California for the fiscal year ended June 30, 2024, 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

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, 2023, 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, 2023, 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 ACFR.

## **PROFILE OF THE CITY OF SAN FERNANDO**

The City of San Fernando, which has a residential population of 23,364, 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.

### **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.

### **Federal and State Impact**

In 2024, the U.S. economy exhibited surprising resilience, surpassing earlier projections. The Gross Domestic Product (GDP) grew by 2.7%, which was primarily driven by robust consumer spending and strong business investments. The labor market remained strong, with the economy adding approximately 2.5 million jobs over the year and unemployment ending the year at 4.0%, reflecting a growing labor force participation rate. Monetary policy remained cautious as The Federal Reserve maintained interest rates within a range of 4.25% to 4.5%, emphasizing a data-driven approach to future adjustments to continue slow inflationary impacts.

Economic growth in California moderated in 2024 after a strong rebound in 2023. Factors such as a slowing tech sector, a cooling labor market, and high interest rates contributed to this deceleration. Despite these challenges, the state experienced modest yet positive growth. The State additionally faced significant budget challenges. After experiencing record surpluses in prior years, the state encountered a budget deficit of approximately \$32 billion in 2023-2024. This shortfall was primarily due to lower-than-expected revenue collections, which fell short of projections by \$41 billion from 2021-2022 through 2023-2024. To address this deficit, the state implemented a combination of spending reductions and delays. The final budget agreement avoided tapping into the state's reserves, opting instead for targeted fiscal adjustments.

### **Local Business Economy**

Many of the City of San Fernando’s large employers are essential manufacturing and service business such as LAUSD, Lehman Foods, Pepsi, Pharmavite, Home Depot, Northeast Valley Health Group, and Vallarta. Conversely, small businesses, which are the lifeblood of the City’s unique character and charm, help to round out the City’s solid base of retail, manufacturing, personal service, and restaurant businesses that provide sales and business taxes that have consistently grown over the past 10 years. The City also opened

## Honorable Mayor and City Council Members

Residents of San Fernando

Page 4 of 7

---

its Business & Community Resource Center (BCRC) under the Deputy City Manager/Economic Development to continue focus on developing and implementing economic development programs, supporting local businesses to facilitate a business friendly environment, and leading business recruitment and retention efforts. With affordable lease rates, easy access to major transit routes (i.e. Interstate 5, 210 Freeway, and the 118 Freeway) and access to regional transit from the Sylmar Metrolink Station, the local economy continued to expand with over fifty (50) businesses added to the community. Additional highlights accomplished by the City over the year to make the local economy continue long-term resiliency include:

- Grand openings of several local businesses, including Gain Federal Credit Union, USPS Federal Credit Union, Wild Hare Pilates, UPS Store, Target, Menchie's Frozen Yogurt, and celebrated Papa Juan's Baja Grill five-year anniversary;
- An Entrepreneurship Academy through the City's Small Business Workshop Series, with 35 aspiring entrepreneurs or existing business owners receiving Certificates of Achievement;
- Small business assistance services provided through partnership with Initiating Change in Our Neighborhoods Community Development Corporation (ICON CDC);
- Small Business Assistance Program Grants provided to four (4) local businesses to revitalize commercial corridors with the goal of retaining and attracting new businesses; and
- Phase I of the Downtown Master Plan completed. Development of this Plan includes a significant amount of public outreach to develop a long-term vision for the City's Downtown and Maclay commercial corridors.

### **Population, Housing, and Unemployment**

Similar to the State, the City of San Fernando has experienced declining population over the past five years. In 2024, the City's population was 23,364, a 3.9% decrease from the 2020 population of 24,322. The State's ongoing housing affordability, business and job migration, and environmental challenges continue to drive residents and companies toward more affordable and business-friendly states.

San Fernando's median single-family home sale price for 2024 was \$701,250 compared to 2023 where the median home prices were \$700,000, an increase of 0.18%. This growth was driven by changes of ownership whereby, a parcel changing ownership is reassessed to market value. Preserving beautiful homes and neighborhoods is a strategic priority of the City, including promoting home ownership and first time homeowner programs, particularly programs that provide home ownership opportunities for current San Fernando residents/renters; and exploring programs that provide technical assistance, architectural guidance, and financial support for the preservation and restoration of historic residential homes, and rehabilitation assistance for low-to-moderate-income homeowners.



The City was impacted by State policies with unemployment in 2024 at 5.0% an increase from 4.0% in the year prior. In California, the labor market faced difficulties, with job openings decreasing by 30% over the year and the unemployment rate rising to 5.3%, one of the highest in the nation. Contributing factors included increased taxes, a high cost of living, and a minimum wage hike to \$20 for fast-food workers, leading some businesses to relocate or reduce their workforce.

## **MAJOR INITIATIVES**

The City has a two-year Capital Improvement Program (CIP). Over the 2023-2024 fiscal year, major capital projects completed included the following:

- Layne Park Revitalization Project consisted of park improvements and upgrades at the site such as a new restroom facility, sod turf soccer field, a basketball half-court, a play area shade with ADA equipment upgrades, etc.;
- Reservoir 2A/5 Site Improvement Project extended an existing concrete pad to place a new nitrate treatment unit, performed several electrical improvements and upgraded existing panels, rerouted existing water lines, and modified the gate at the entrance of the property which were necessary in order to receive the new nitrate treatment system;
- The Police Department HVAC Redesign and Replacement project included the demolition and disposal of existing variable air volume system, five rooftop units, mixed air unit and exhaust fans to reduce energy costs to power the system, reducing the City's carbon footprint in alignment with the City's climate goals, and improved indoor air quality; and
- The San Fernando Regional Park Infiltration Project involved diverting storm water from entering the Pacoima Wash by redirecting it through underground pipes to a buried infiltration basin beneath Recreation Park. It is estimated that the Project will capture and infiltrate an average of 446 acre-feet of runoff annually during an average rainfall year.

## **FINANCIAL INFORMATION**

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 judgements by management.

### **Long-term Financial Planning**

The City maintains a General Fund Financial Forecast that looks forward at least five fiscal years into the future. The City considers immediate proactive measures when deficits between recurring revenues and recurring expenditures exist, even in outer years. The Forecast shall be updated at least bi-annually, as part of the mid-year budget review and annual budget process.

The City's 5-year General Fund forecast shows a structurally balanced budget (where revenues are more than expenditures) while also meeting General Fund Reserve requirement for Contingency Funds. The Contingency Funds shall have a target balance 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.

### **Credit Rating**

In August 2024, City Staff met with Standard and Poor's (S&P) Global Ratings to review the City's credit rating. The outcome of this meeting resulted in the S&P raising the City's long-term and underlying rating from 'A+' to 'AA-' on the outstanding pension obligation bonds (POBs). A strong bond rating reflects the city's financial health and management practices. It indicates that the city is capable of meeting its financial obligations, which fosters trust among investors and stakeholders. The upgrade reflects S&P's view that the City will continue to demonstrate positive financial performance, fiscal stability and better creditworthiness.

S&P noted a stable outlook that reflects its expectation that the City will maintain a very strong financial position over the outlook period, anchored by the City's strong management profile.

### **Significant Financial Events**

In February 2024, the City established the Public Agencies Post-Employment Benefits Trust (Section 115 – Pension Trust) to aid in prefunding its pension obligations and have more control over when and how prepayment funds are used. In Fiscal Years 2022-2023 and 2023-2024 Adopted Budgets, the City Council authorized \$500,000 for each year towards the Pension Trust. The Pension Trust Fund balance as of June 30, 2024, was \$1,108,825.

### **OTHER INFORMATION**

#### **Government Finance Officers Association Certificate of Achievement Award**

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

## Honorable Mayor and City Council Members

Residents of San Fernando

Page 7 of 7

---

30, 2024. This was the 40th 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 2024 certification.

### **Acknowledgments**

The preparation of the Annual Comprehensive Financial Report on a timely basis was made possible by the dedicated service of the Finance Department staff. 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,

Erica D. Melton  
Director of Finance/City Treasurer



THE CITY OF  
**SAN FERNANDO**

**DIRECTORY OF OFFICIALS**

FISCAL YEAR 2023-2024

**ELECTED OFFICIALS**

**CITY COUNCIL**

**MAYOR**

CELESTE T. RODRIGUEZ

**VICE MAYOR**

MARY MENDOZA

**COUNCILMEMBERS**

JOEL FAJARDO

VICTORIA GARCIA

MARY SOLORIO

**EXECUTIVE MANAGEMENT**

CITY MANAGER

NICK KIMBALL

DEPUTY CITY MANAGER/  
ECONOMIC DEVELOPMENT

KANIKA KITH

CHIEF OF POLICE

FABIAN VALDEZ

CITY CLERK

JULIA FRITZ

DIRECTOR OF COMMUNITY DEVELOPMENT

ERIKA RAMIREZ

DIRECTOR OF FINANCE/CITY TREASURER

ERICA D. MELTON

DIRECTOR OF PUBLIC WORKS

WENDELL E. JOHNSON

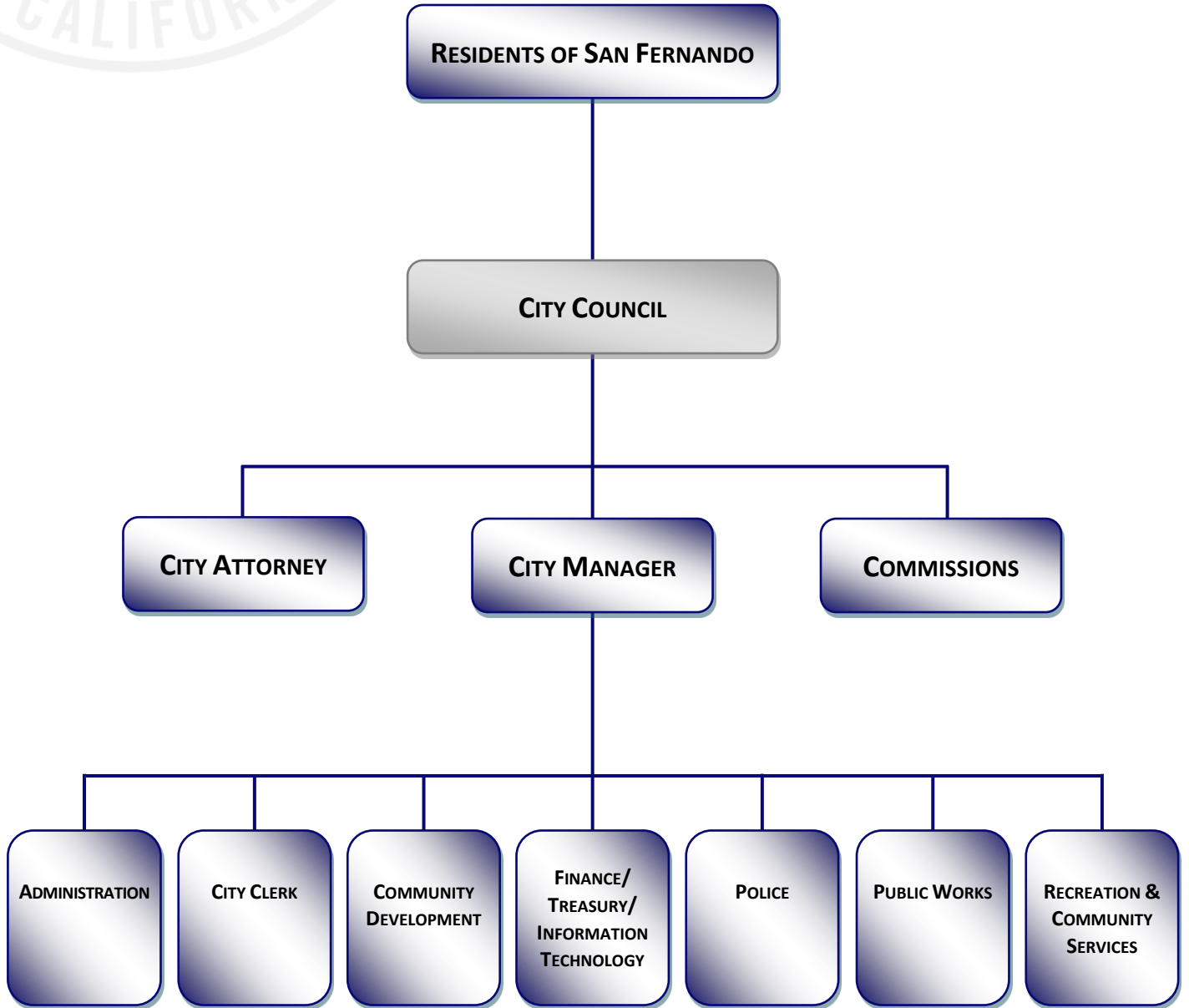
DIRECTOR OF RECREATION AND  
COMMUNITY SERVICES

JULIO SALCEDO

THE CITY OF  
**SAN FERNANDO**

**ORGANIZATIONAL CHART**

FISCAL YEAR 2023-2024



ELECTED  
OFFICIAL





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of San Fernando  
California**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2023

*Christopher P. Morill*

Executive Director/CEO

## **FINANCIAL SECTION**

## Independent Auditor's Report

The Honorable City Council  
City of San Fernando, California

### Report on the Financial Statements

#### ***Opinions***

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, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the 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, 2024, and the respective changes in financial position, and, where applicable, cashflows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

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

#### ***Responsibilities of Management 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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to error or fraud.

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

#### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and

---

#### **Van Lant & Fankhanel, LLP**

29970 Technology Drive, Suite 105 A  
Murrieta, CA 92563  
909.856.6879

therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining statements and budget schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and

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

***Other Information***

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

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

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

In accordance with *Government Auditing Standards*, we have also issued a report dated February 7, 2025, 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.

A handwritten signature in black ink that reads "Van Lant & Fankhanel, LLP". The signature is written in a cursive style.

February 7, 2025



**CITY OF SAN FERNANDO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

This section of the Annual Comprehensive 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, 2024. 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 1-7, and the City's financial statements beginning on page 29.

**FINANCIAL HIGHLIGHTS**

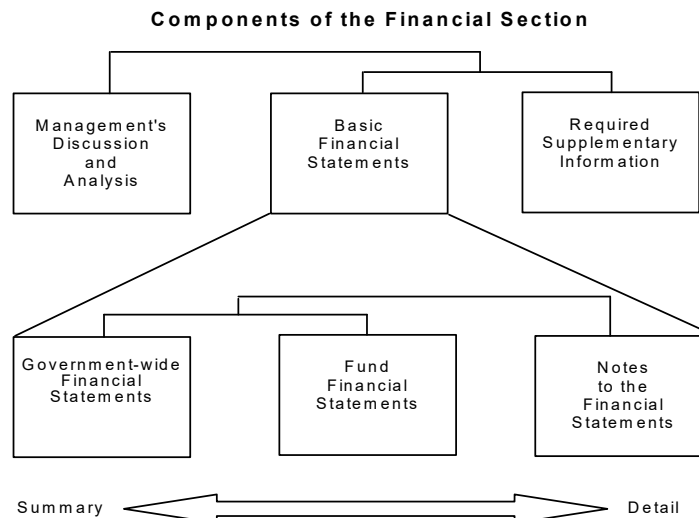
The following are some key financial highlights for the fiscal year ending June 30, 2024:

- ↑ The City's total net position increased from \$14,392,968 as of June 30, 2023 to \$26,877,959 as of June 30, 2024 for a total increase of \$12,484,991 or 86.74%. Additional information on the increase in net position is discussed in more detail in the Government-wide Financial Analysis beginning on page 17.
- ↑ The City's total unrestricted net position improved from (\$88,785,529) at June 30, 2023 to (\$84,835,593) at June 30, 2024 for a total increase of \$3,949,936, or 4.45%.
- ↑ The City's total fund balances for governmental funds increased from \$24,773,307 as of June 30, 2023 to \$27,126,108 as of June 30, 2024 for a total increase of \$2,352,801 or 9.50%.
- ↑ The total fund balance for the General Fund increased from \$10,282,877 as of June 30, 2023 to \$10,988,667 as of June 30, 2024 for a total increase of \$705,790 or 6.42%. Fund balance is classified per GASB Statement No. 54 as Nonspendable: \$28,988 and Unassigned: \$10,959,679. Additional information on fund balances is located in Note 1.
- ↑ The combined fund balance for the City's other governmental funds, excluding the General Fund, increased from \$14,490,430 as of June 30, 2023 to \$16,137,441 as of June 30, 2024 for a total increase of \$1,647,011, or 11.37%.

**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 29 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. Non-major 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 "Non-major" 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 78-116.

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 30 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 Capital Grants. Data from the other 27 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) sewer operations, 3) compressed natural gas (CNG) fueling station operations, and 4) refuse operations.
- *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 36 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 29 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 70 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 80 of this report.

Statement of Net Position

As noted earlier, net position may serve over time as a useful indicator of the City's financial position. In fiscal year 2023-2024, the City's net position increased from \$14,392,968 as of June 30, 2023 to \$26,877,959 as of June 30, 2024 for a total increase of \$12,484,991 or 86.74%.

Total assets increased by \$6,436,645 or 4.42% due primarily to increased Grants and Capital Assets. The increase in Grant funding is attributable to efforts and coordination of City Staff, as directed by the City Council Strategic Priorities and reinforced via the approved City Legislative Platform. The combination of priorities and platform have enabled City staff to formalize appropriation requests to state and federal legislators to secure financial support for City programs and initiatives while building partnerships with other federal and state government entities. Much of the grant-funded areas have focused on capital projects, which has concurrently led to significant enhancements in value to City-wide capital assets.

Total liabilities also increased during the fiscal year by \$1,261,009 or 1.08% from the prior year due to increases in unearned revenue attributable to grants along with increases in the City's long-term liabilities. Long-term liabilities are detailed in Note 7. Additional information related to the City's pension benefits/liability and Other Post-Employment Benefits (OPEB) benefits/liability can be found in Notes 7 and 8, respectively.

The largest portion of the City's net position, \$87,908,243 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, \$23,805,309 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, 2024, 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 \$78,219,708. This large deficit is the result of long-term liabilities, most notably, pension and OPEB liabilities as detailed in Notes 7, 8 and 9.

**CITY OF SAN FERNANDO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

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

The following table summarizes the Statement of Net Position for Governmental and Business-Type Activities for the fiscal year ended June 30, 2024, with comparative totals for the fiscal year ended June 30, 2023.

**Summary of Net Position**

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2024	2023	2024	2023	2024	2023
<b>Assets:</b>						
Current and other assets	\$ 52,397,197	\$ 53,191,569	\$ 8,211,055	\$ 9,875,409	\$ 60,608,252	\$ 63,066,978
Capital assets	68,830,377	66,052,260	22,509,135	16,391,881	91,339,512	82,444,141
<b>Total assets</b>	<b>121,227,574</b>	<b>119,243,829</b>	<b>30,720,190</b>	<b>26,267,290</b>	<b>151,947,764</b>	<b>145,511,119</b>
Deferred Outflows of Resources:	26,171,465	31,687,884	4,200,988	4,738,991	30,372,453	36,426,875
<b>Liabilities:</b>						
Current and other liabilities	16,784,546	16,161,634	2,415,448	2,301,902	19,199,994	18,463,536
Long-term liabilities	85,695,171	85,374,305	12,603,879	12,400,194	98,299,050	97,774,499
<b>Total liabilities</b>	<b>102,479,717</b>	<b>101,535,939</b>	<b>15,019,327</b>	<b>14,702,096</b>	<b>117,499,044</b>	<b>116,238,035</b>
Deferred Inflows of Resources:	33,094,613	44,999,393	4,848,601	6,307,598	37,943,214	51,306,991
<b>Net position:</b>						
Net Investment in Capital Assets	66,239,108	62,004,939	21,669,135	17,187,824	87,908,243	79,192,763
Nonspendable	-	-	-	-	-	-
Restricted	23,805,309	23,985,734	-	-	23,805,309	23,985,734
Unrestricted	(78,219,708)	(83,360,235)	(6,615,885)	(5,425,294)	(84,835,593)	(88,785,529)
<b>Total net position</b>	<b>\$ 11,824,709</b>	<b>\$ 2,630,438</b>	<b>\$ 15,053,250</b>	<b>\$ 11,762,530</b>	<b>\$ 26,877,959</b>	<b>\$ 14,392,968</b>

**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, 2024, in relation to a year earlier.

The City's total net position increased from \$14,392,968 as of June 30, 2023 to \$26,877,959 as of June 30, 2024 for a total increase of \$12,484,991 or 86.74%. Key elements of this increase are as follows:

- ❖ Net position of governmental activities increased from \$2,630,438 as of June 30, 2023 to \$11,824,709 as of June 30, 2024; a total increase of \$9,194,271. The 349.53% change is primarily attributable to \$7,059,947 decrease in total expenses. Note that there was also an adjustment from the prior year for capital assets incorrectly classified to business-type activities (See Note 12).



**CITY OF SAN FERNANDO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

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

- ❖ Net position of business-type activities increased from \$11,762,530 (inclusive of previously mentioned prior year adjustment) as of June 30, 2023 to \$15,053,250 as of June 30, 2024; a total increase of \$3,290,720 or 50.58%. The prior year adjustment in conjunction with transfers, including reallocations associated with water capital projects approved from American Rescue Plan Act (ARPA) funds, are the primary drivers of the year over year increase.

The following table summarizes the Statement of Activities for Governmental Activities and Business-Type Activities for the fiscal year ended June 30, 2024, with comparative totals for the fiscal year ended June 30, 2023.

<b>City of San Fernando Government-wide Financial Statements Summary of Activities</b>						
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	2024	2023	2024	2023	2024	2023
<b>Revenues</b>						
Program revenues						
Charges for services	\$ 3,279,965	\$ 3,273,502	\$ 9,925,863	\$ 9,767,925	\$ 13,205,828	\$ 13,041,427
Operating grants and contributions	4,643,622	9,205,604	-	-	4,643,622	9,205,604
Capital grants and contributions	12,914,213	16,944,785	-	-	12,914,213	16,944,785
General revenues						
Taxes	27,290,431	27,797,731	-	-	27,290,431	27,797,731
Investment loss and other	1,442,971	143,115	433,816	109,415	1,876,787	252,530
<b>Total revenue</b>	<b>49,571,202</b>	<b>57,364,737</b>	<b>10,359,679</b>	<b>9,877,340</b>	<b>59,930,881</b>	<b>67,242,077</b>
<b>Expenses</b>						
General government	5,837,718	8,535,396	-	-	5,837,718	8,535,396
Public safety	14,678,258	23,133,497	-	-	14,678,258	23,133,497
Community development	2,227,822	1,450,838	-	-	2,227,822	1,450,838
Public works	9,023,389	6,732,859	-	-	9,023,389	6,732,859
Parks and recreation	4,077,044	3,039,015	-	-	4,077,044	3,039,015
Capital Outlay	-	-	-	-	-	-
Interest and fiscal charges	804,452	817,025	-	-	804,452	817,025
Water operations	-	-	6,539,570	7,102,186	6,539,570	7,102,186
Sewer operations	-	-	3,960,650	2,602,834	3,960,650	2,602,834
CNG operations	-	-	289,015	496,035	289,015	496,035
Refuse operations	-	-	7,972	10,000	7,972	10,000
<b>Total expenses</b>	<b>36,648,683</b>	<b>43,708,630</b>	<b>10,797,207</b>	<b>10,211,055</b>	<b>47,445,890</b>	<b>53,919,685</b>
Excess or (Deficiency) before transfers	12,922,519	13,656,107	(437,528)	(333,715)	12,484,991	13,322,392
Transfers In (Out)	(3,728,248)	220,008	3,728,248	(220,008)	-	-
Change in Net Position	9,194,271	13,876,115	3,290,720	(553,723)	12,484,991	13,322,392
Net position – beginning	4,396,381	(2,013,344)	9,996,587	10,550,310	14,392,968	8,536,966
Prior Period Adjustment	(1,765,943)	(7,466,390)	1,765,943	-	-	(7,466,390)
Net position – ending	<b>\$ 11,824,709</b>	<b>\$ 4,396,381</b>	<b>\$ 15,053,250</b>	<b>\$ 9,996,587</b>	<b>\$ 26,877,959</b>	<b>\$ 14,392,968</b>

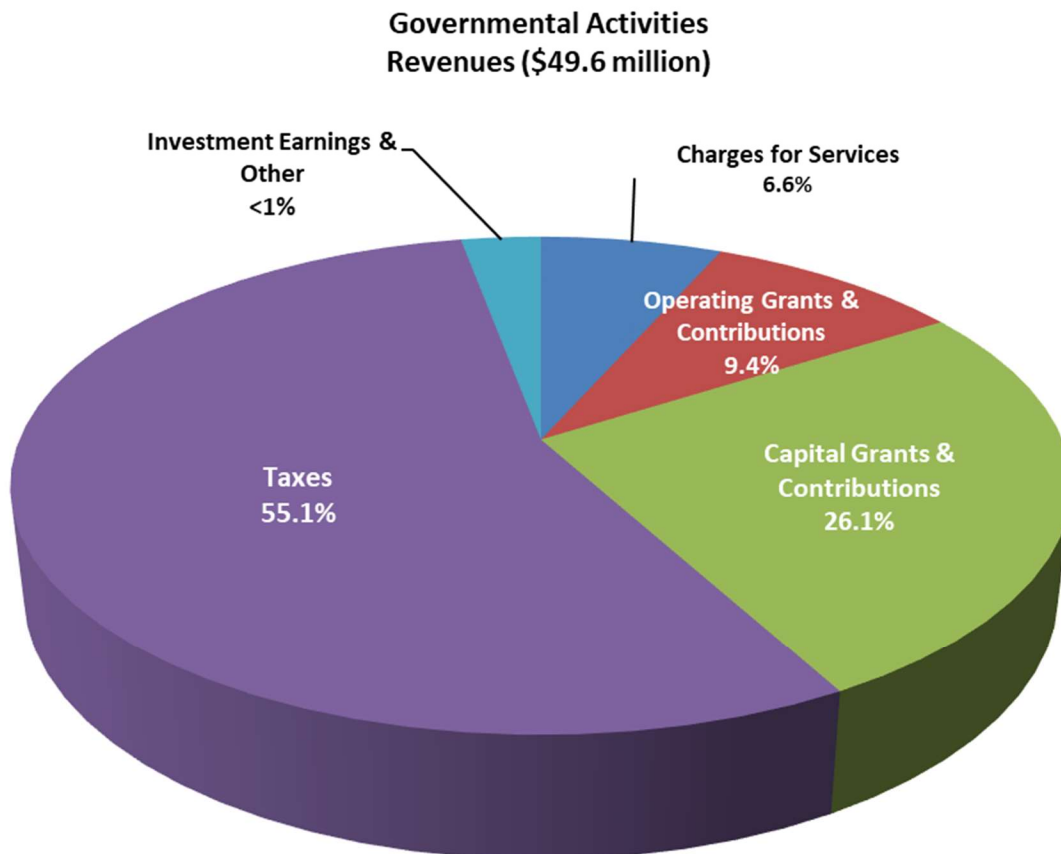
## Government-wide Financial Analysis (cont.)

### Revenue Highlights

Total governmental activities revenues were \$49,571,202; a decrease of \$7,793,535 or 15.72% from 2023 primarily attributable to operating and capital grants. The largest component of governmental activities' revenue are taxes, which generate \$27,290,431 making up 55.05% 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 (\$12.5 million), Sales and Use Tax (\$11.5 million), and Business License Tax (\$1.9 million). Some key changes in revenues include:

- Property tax revenue decreased by \$142,837 or 1.13% compared to the prior year. Property tax revenue continued to increase due to an 8.94% increase in assessment value, largely attributable to commercial property changes in ownership and annual Consumer Price Index (CPI) adjustments per Proposition 13.
- Sales and Use tax revenue decreased by \$486,467 or 4.04% compared to the prior year. Sales taxes were impacted by inflationary pressures, with increased costs in turn constraining receipts in many local sectors.
- While business license revenue is sensitive to economic conditions, 2024 demonstrated continued business resiliency with an increase \$61,817 or 3.41% growth compared to the prior year.

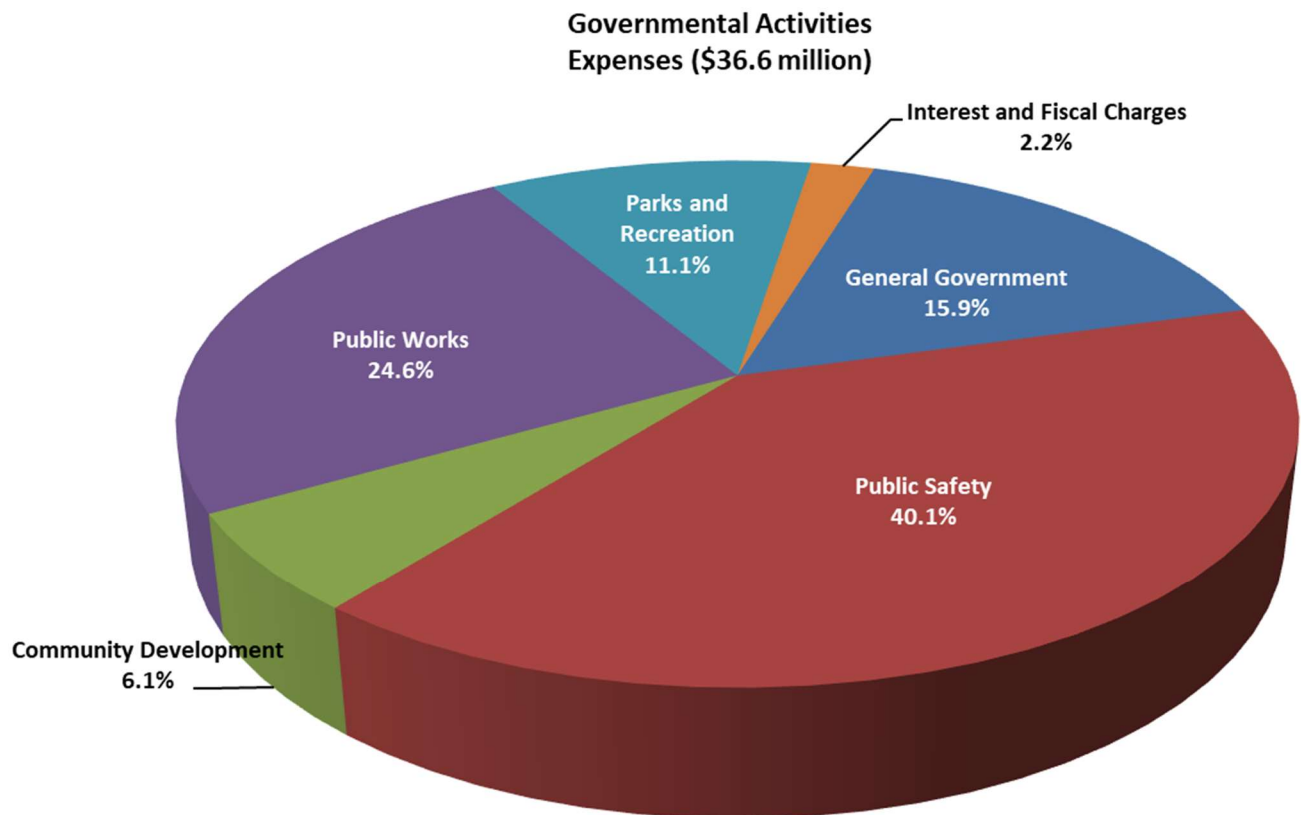
The governmental activities pie chart below illustrates operating revenues by source (excluding transfers). Taxes, which include sales and use, property, motor vehicle license, business and other taxes are general revenues used to support overall government functions. These sources account for approximately 55.1% of total governmental revenue. Charges for services make up 6.6% of revenues while operating and capital grants and contributions amount to 26.1% of total governmental revenues.



**Governmental Activities (cont.)**

*Expense Highlights*

Functional expenses for fiscal year 2023-2024 governmental activities totaled \$36,648,683, a decrease of \$7,059,947 or 16.15% 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 \$14.7 million (40.1%) and Public Works activities accounted for approximately \$9.0 million (24.6%) 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 \$5.8 million (15.9%) of total expenses. Community Development (\$2.2 million), and Recreation and Community Services (\$4.0 million) account for the remaining 17.8% of expenses.



**Business-Type Activities**

The net position increased from \$11,762,530 (inclusive of previously mentioned prior year adjustment) as of June 30, 2023 to \$15,053,250 as of June 30, 2024; a total increase of \$3,290,720 or 50.58%. The increase is due in part to a prior year adjustment in conjunction with transfers associated with Water capital projects approved from American Rescue Plan Act (ARPA) funds. 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 19 shows a comparison of program revenues to expenses to prior year for each of the City's business-type activities.

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

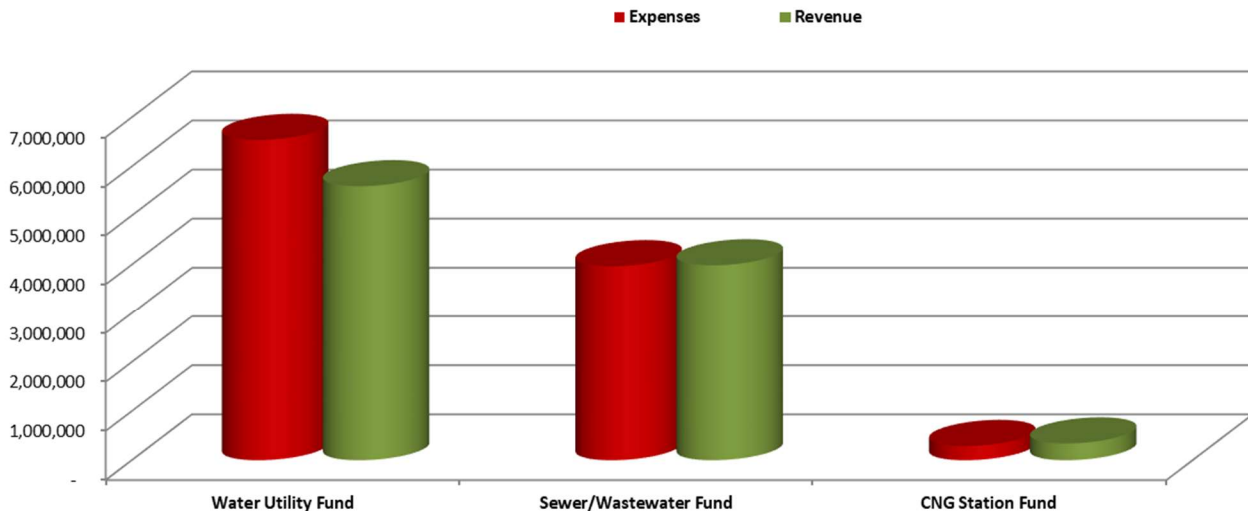
*Revenue Highlights*

Charges for services account for 95.81% of Business-type activities, with the primary aim of enterprise funds to charge sufficient fees to cover costs of operations. For the fiscal year ended June 30, 2024, program revenues totaled approximately \$9.9 million; an increase of \$157,938 or 1.62%, from 2023. Increases are attributable to incremental escalations over the life of the current rate schedule. A water and sewer rate study was last completed in 2019 and new rates were effective on January 1, 2020. While revenue increased over the prior year due to an updated rate schedule that ensures that fees charged to customers are sufficient to meet the cost of operating the water and sewer system, these increases were offset by increased expenditures for capital costs to replace aging water and sewer main lines. With 2023-2024 being the last year of the current rate schedule, a new water and sewer rate study is being planned for 2024-2025. Overall revenues for business-type activities increased by \$482,339 or 4.88% as a result of program revenues coupled with investment gains.

*Expense Highlights*

Total expenses for the fiscal year ended June 30, 2024 were approximately \$10.8 million, an increase of \$586,152 or 5.74%, from 2023. The City's water and wastewater (sewer) infrastructure is aging and many sections are in need of replacement. Many of the significant emergency capital expenditures to repair collapsed water and sewer main lines were initiated in the prior year, with several projects nearing completion.

**Business-type Activities -  
Expenses and Program Revenues -  
For the year ending June 30, 2024**



**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.

**CITY OF SAN FERNANDO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

The combined ending fund balances in the City's governmental funds increased from \$24,773,307 as of June 30, 2023 to \$27,126,108 as of June 30, 2024; a total increase of \$2,352,801 or 8.67%. The City's governmental funds report an *unassigned* fund balance of \$2,800,866, which is an increase of \$2,006,430 or 253.56% from June 30, 2023.

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

- 1) \$28,988 for prepaid items;
- 2) \$24,296,254 restricted for transportation, housing, air pollution, parks and recreation, public safety, parking, community development, and retirement.

**Summary of Governmental Funds  
Balance Sheet**

	2024	2023
Assets:		
Cash and Investments	\$ 28,973,169	\$ 30,878,502
Other assets	32,375,751	27,614,861
Total assets	61,348,920	58,493,363
Liabilities:		
Accounts Payable	2,860,253	8,805,321
Other liabilities	20,061,790	12,069,969
Total liabilities	22,922,043	20,875,290
Total deferred Inflows of Resources	11,300,769	4,399,731
Fund balances:		
Nonspendable	28,988	34,850
Restricted	24,296,254	23,944,021
Unassigned	2,800,866	794,436
Total fund balances	\$ 27,126,108	\$ 24,773,307
<b>Total Fund Bal - Excluding GF</b>	<b>\$ 16,137,441</b>	<b>14,490,430</b>

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 \$10,282,877 as of June 30, 2023 to \$10,988,667 as of June 30, 2024; a total increase \$705,790. Revenues actuals exceeded budgeted amounts, which were higher than anticipated business license tax and property tax revenue. While sales taxes were lower, the benefits of the transaction taxes continued to prove beneficial to the City's overall revenue totals. In 2013, San Fernando voters approved a ½-cent local transaction tax (Measure A) for a period of seven years. In 2018, voters approved to extend the tax indefinitely. In November 2020, voters approved an additional 0.25% local transaction tax (Measure SF). The collection of transaction tax revenues has been imperative to the City's deficit elimination plan, in addition to providing a long-term financial stability.

**CITY OF SAN FERNANDO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

---

***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 \$10,381,204 as of June 30, 2023 to \$10,916,247 as of June 30, 2024; a total increase of \$535,043 or 5.15%. Tax revenues for the year, increased due to higher assessed values in San Fernando and an increase in employee pension contributions implemented through labor negotiations. Assets in the Retirement Tax fund are restricted to pay the City's long-term pension obligation to CalPERS.

***Capital Grants Fund.*** The Capital Grants Fund is a special revenue fund used to account for grants from another governmental agency or other organizations and are restricted for specific capital projects. The fund balance demonstrated slight improvements from a deficit of (\$8,501,762) as of June 30, 2023 to (\$7,224,163) as of June 30, 2024. In most cases grant agencies issue reimbursable grants, for which this is the case as the City has a significant volume of deferred revenue in process as capital projects are completed. As a result of the City receiving increased grant funding, additional procedures and a more in-depth grant policy are under development to enhance management and reporting of funds.

### **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 of business-type increased from \$11,762,530 as of June 30, 2023 to \$15,023,250 as of June 30, 2024; a total increase of \$3,290,720 or 27.98%. The increase is due in part to a prior year adjustment in conjunction with transfers associated with Water capital projects approved from American Rescue Plan Act (ARPA) funds. 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.

**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 improved from (\$2,166,154) as of June 30, 2023 to (\$1,596,984) as of June 30, 2024; for a total increase of \$569,170, or 26.28%. These funds largely represent claims payable for unresolved liability and workers' compensation claims. The City will be developing a plan to offset current claims liabilities to reduce the deficit in addition to mitigating future risks.

### **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 \$26,180,105 in Fiscal Year 2023-2024, compared to the \$24,082,236 final budget; a variance of \$2,097,869, or 8.71%. The difference is predominately due to higher than anticipated business license tax, property tax and investment earnings revenue, as the City was conservative in revenue projections out of an abundance of caution due to inflationary conditions impacting the national economy. While warranted for licenses and permits and charges for services with the economic slowdown, other revenue categories proved surprisingly resilient.

**CITY OF SAN FERNANDO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

**Summary of General Fund Expenditures  
Budget and Actual  
June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive(Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 18,852,475	\$ 18,852,475	\$ 19,500,235	\$ 647,760
Licenses and Permits	486,500	486,500	437,966	(48,534)
Charges for Services	818,000	818,000	752,826	(65,174)
Fines and Forfeitures	444,000	444,000	440,427	(3,573)
Investment Earnings	606,761	606,761	1,554,152	947,391
Intergovernmental	2,825,000	2,825,000	3,428,868	603,868
Other	49,500	49,500	65,631	16,131
Total Revenues	24,082,236	24,082,236	26,180,105	2,097,869

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

*Expenditures.* Actual General Fund expenditures were \$25,917,955 in Fiscal Year 2023-2024, compared to the \$25,180,685 final budget; a difference of \$737,270 or 2.93%. The variance is a result of overages in various categories as follows:

- **Personnel Expenditures:** Personnel expenses represent approximately \$1,241,462 of the total variance. Public Safety represented 95.42% of the personnel variance due to a variety of causes including overtime resulting from injury on duty (IOD) leaves as well as vacation coverage need to ensure minimum scheduling objectives for the City were met.
- **Operations and Maintenance:** The operations and maintenance funding category represent equipment, training, and general departmental supplies for ongoing operations. Final expenditures came in under budget by \$528,180. Underspending in this area assisted in offsetting overages in other categories.
- **Debt Service:** Debt services were \$24,642 or 3.34% of the total variances. This was due to interest expenses, which are an unbudgeted category.

In summary, a majority of the variance is attributable to personnel costs which were higher than planned. Much of this, however, was due to transitioning staff and use of an outdated and manual projections model. For the Fiscal Year 2024-2025, a new projection model was developed and by Fiscal Year 2026-2027, a new enterprise resource planning (ERP) software has been approved to better forecast, monitor and report personnel costs. Despite the higher than planned expenditures, higher revenues than anticipated absorbed impacts and offset any adverse impacts of the deviations.

**CITY OF SAN FERNANDO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

**Summary of General Fund Expenditures  
Budget and Actual  
June 30, 2024**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive(Negative)
	Original	Final		
<b>EXPENDITURES</b>				
Current:				
General Government:				
City Council	246,991	249,491	207,995	41,496
Administration	522,333	522,333	553,549	(31,216)
Personnel	419,842	419,842	446,565	(26,723)
City Attorney	292,813	312,813	319,526	(6,713)
City Clerk	305,118	310,618	309,176	1,442
Elections	3,000	68,000	69,935	(1,935)
Financial Management	773,147	783,872	804,232	(20,360)
Information Technology	542,391	542,391	525,037	17,354
Retirement and Nondepartmental	1,393,763	1,897,771	1,784,404	113,367
Public Safety:				
Police	10,455,536	10,483,684	11,668,395	(1,184,711)
Fire	3,200,000	3,217,325	3,347,418	(130,093)
Community Development	1,777,593	1,890,112	1,628,904	261,208
Public Works	2,440,846	2,584,823	2,199,648	385,175
Parks and Recreation	1,855,870	1,859,029	1,990,602	(131,573)
Capital Outlay	9,000	38,581	37,927	654
Debt Service	-	-	24,642	(24,642)
Total Expenditures	24,238,243	25,180,685	25,917,955	(737,270)
Excess (Deficiency) of Revenues over Expenditures	(156,007)	(1,098,449)	262,150	1,360,599
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	520,000	520,000	520,000	-
Transfers Out	(302,693)	(302,693)	(76,360)	226,333
Total Other Financing Sources (Uses)	217,307	217,307	443,640	226,333
Net Change in Fund Balances	61,300	(881,142)	705,790	1,586,932
Fund Balance, Beginning of Year	10,282,877	10,282,877	10,282,877	-
Fund Balance, End of Year	\$ 10,344,177	\$ 9,401,735	\$ 10,988,667	\$ 1,586,932



**CITY OF SAN FERNANDO  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
JUNE 30, 2024**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets.** The City's investment in capital assets for its governmental activities, net of accumulated depreciation, amounts to \$91,339,512 as of June 30, 2024. 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, 2024 was \$4,544,060 due to street, facility, water and other capital improvements completed during the year. Major projects completed included Phase 2 of the Annual Street Resurfacing Project, the San Fernando Regional Park Infiltration Project, Layne Park Revitalization Project, and the Reservoir 2A-5 Site Improvement Project. Additional information on the City's capital assets can be found in Note 4 to the basic financial statements on pages 55-56 of this report.

**Capital Assets (Note 4)  
Net of Accumulated Depreciation  
June 30, 2024**

	Governmental Activities	Business-type Activities	Total
Capital assets not being depreciated	\$ 12,421,115	\$ 9,259,250	\$ 21,680,365
Capital assets being depreciated	131,266,610	43,560,967	174,827,577
Less accumulated depreciation	<u>(74,857,348)</u>	<u>(30,311,082)</u>	<u>(105,168,430)</u>
<b>Net Capital Assets</b>	<b>\$ 68,830,377</b>	<b>\$ 22,509,135</b>	<b>\$ 91,339,512</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 \$88,879,403 as of June 30, 2023 to \$91,500,007 as of June 30, 2024; a total increase of \$2,620,604 or 2.95%. Long-term debts for Business Activities also increased from \$12,804,949 as of June 30, 2023 to \$13,293,205 as of June 30, 2024; a total increase of \$488,256 or 3.81% which included additional leases obligations, as the City replaced ten (10) vehicles through an open-ended equity lease agreement. Total long-term debts in governmental and business activities consist of the following:

**Long-Term Liabilities (Note 6)  
June 30, 2024**

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
2016 Installment Sale Agreement Premium	\$ 2,190,000	-	\$ 100,000	\$ 2,290,000	\$ 105,000
Pension Obligation Bonds Series 2021A	91,378	-	(5,711)	85,667	5,711
Loans payable from Direct Borrowing:					
Leases	29,510,000	-	(1,035,000)	28,475,000	1,040,000
Claims Payable	-	508,076	(92,484)	415,592	134,845
Insurance Assessment Payable	5,145,197	849,208	(1,297,268)	4,697,137	1,288,917
Compensated Absences	324,228	-	(81,057)	243,171	81,057
Net Pension Liability (Note 7)	1,641,625	1,155,490	(1,029,670)	1,767,445	737,776
Net OPEB Liability (Note 8)	17,469,673	570,175	-	18,039,848	-
<b>Total</b>	<b>\$ 32,507,302</b>	<b>\$ 2,978,845</b>	<b>\$ -</b>	<b>\$ 35,486,147</b>	<b>\$ 2,211,540</b>
<b>Business-type Activities:</b>					
Compensated Absences	\$ 223,857	\$ 157,567	\$ (140,409)	\$ 241,015	\$ 100,605
Net Pension Liability (Note 7)	2,768,277	344,893	-	3,113,170	-
Net OPEB Liability (Note 8)	4,432,815	406,205	-	4,839,020	298,721
Loan Payable from Direct Borrowing:					
2020 Installment Sale Agreement	970,000	-	(130,000)	840,000	165,000
Pension Obligation Bonds Series 2021B	4,410,000	-	(150,000)	4,260,000	155,000
<b>Total</b>	<b>\$ 12,804,949</b>	<b>\$ 908,665</b>	<b>\$ (420,409)</b>	<b>\$ 13,293,205</b>	<b>\$ 719,326</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 2023-2024 was \$2,609,359,578. 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 \$652,339,895. Therefore, the legal debt margin is \$97,850,984, which is well in excess of the City's outstanding 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 56-60 of this report and the City's legal debt margin history can be found in the Statistical Section on page 146 of this report.

**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 Erica Melton, Director of Finance at [emelton@sfcity.org](mailto:emelton@sfcity.org) or 117 Macneil Street, San Fernando, California, 91340.

## **BASIC FINANCIAL STATEMENTS**

**City of San Fernando**  
**Statement of Net Position**

June 30, 2024

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and Investments	\$ 32,134,063	\$ 6,679,710	\$ 38,813,773
Restricted Cash and Investments	939,730	200,069	1,139,799
Receivables:			
Taxes	2,737,275	-	2,737,275
Accounts	479,050	1,764,608	2,243,658
Interest	184,747	-	184,747
Grants	11,291,552	-	11,291,552
Leases	2,639,779	-	2,639,779
Loans Receivable	1,489,249	-	1,489,249
Internal Balances	433,332	(433,332)	-
Prepaid Items	28,988	-	28,988
Inventories	39,432	-	39,432
Capital Assets, Not Depreciated	12,421,115	9,259,250	21,680,365
Capital Assets, Depreciated, Net	56,409,262	13,249,885	69,659,147
Total Assets	<u>121,227,574</u>	<u>30,720,190</u>	<u>151,947,764</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Outflows Related to OPEB	5,971,408	814,283	6,785,691
Deferred Outflows Related to Pensions	20,200,057	3,386,705	23,586,762
Total Deferred Outflows of Resources	<u>26,171,465</u>	<u>4,200,988</u>	<u>30,372,453</u>
<b>LIABILITIES</b>			
Accounts Payable	3,169,030	1,479,497	4,648,527
Accrued Liabilities	850,802	104,826	955,628
Interest Payable	6,036	-	6,036
Deposits Payable	598,604	141,799	740,403
Unearned Revenue	6,327,757	-	6,327,757
Due to Other Agencies	227,471	-	227,471
Long-Term Liabilities:			
Due Within One Year	5,604,846	689,326	6,294,172
Due in More Than One Year	85,695,171	12,603,879	98,299,050
Total Liabilities	<u>102,479,717</u>	<u>15,019,327</u>	<u>117,499,044</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflows Related to Leases	2,521,945	-	2,521,945
Deferred Inflows Related to OPEB	9,397,939	1,281,537	10,679,476
Deferred Inflows Related to Pensions	21,174,729	3,567,064	24,741,793
Total Deferred Inflows of Resources	<u>33,094,613</u>	<u>4,848,601</u>	<u>37,943,214</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	66,239,108	21,669,135	87,908,243
Restricted for:			
Transportation	3,691,099	-	3,691,099
Housing	3,357,041	-	3,357,041
Air Pollution	218,160	-	218,160
Parks & Recreation	40,124	-	40,124
Public Safety	855,421	-	855,421
Retirement	10,916,247	-	10,916,247
Community Development	4,370,524	-	4,370,524
Parking	356,693	-	356,693
Unrestricted	(78,219,708)	(6,615,885)	(84,835,593)
Total Net Position	<u>\$ 11,824,709</u>	<u>\$ 15,053,250</u>	<u>\$ 26,877,959</u>

The accompanying notes are an integral part of this statement.

**City of San Fernando**  
**Statement of Activities**  
Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General Government	\$ 5,837,718	\$ 693,170	\$ -	\$ -
Public Safety	14,678,258	1,202,141	805,167	245,981
Community Development	2,227,822	573,257	825,666	26,695
Public Works	9,023,389	454,442	2,753,978	10,573,542
Parks and Recreation	4,077,044	356,955	258,811	2,067,995
Interest Expense	804,452	-	-	-
Total Governmental Activities	<u>36,648,683</u>	<u>3,279,965</u>	<u>4,643,622</u>	<u>12,914,213</u>
<b>Business-type Activities:</b>				
Water	6,539,570	5,596,863	-	-
Sewer	3,960,650	3,987,489	-	-
Compressed Natural Gas	289,015	341,511	-	-
Waste Disposal	7,972	-	-	-
Total Business-type Activities	<u>10,797,207</u>	<u>9,925,863</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ 47,445,890</u>	<u>\$ 13,205,828</u>	<u>\$ 4,643,622</u>	<u>\$ 12,914,213</u>

General Revenues:

Taxes:

Property  
Sales and Use  
Business License Taxes  
Franchise  
Other Taxes

Investment Income

Gain on Sale of Property

Other

Transfers

Total General Revenues and Transfers

Change in Net Position

Net Position, Beginning, as Previously Reported

Restatement for Correction of an Error

Net Position, Beginning, as Restated

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>
\$ (5,144,548)	\$ -	\$ (5,144,548)
(12,424,969)	-	(12,424,969)
(802,204)	-	(802,204)
4,758,573	-	4,758,573
(1,393,283)	-	(1,393,283)
(804,452)	-	(804,452)
<u>(15,810,883)</u>	<u>-</u>	<u>(15,810,883)</u>
-	(942,707)	(942,707)
-	26,839	26,839
-	52,496	52,496
-	(7,972)	(7,972)
<u>-</u>	<u>(871,344)</u>	<u>(871,344)</u>
<u>(15,810,883)</u>	<u>(871,344)</u>	<u>(16,682,227)</u>
12,513,002	-	12,513,002
11,549,724	-	11,549,724
1,876,766	-	1,876,766
996,481	-	996,481
354,458	-	354,458
1,163,217	433,816	1,597,033
8,400	-	8,400
271,354	-	271,354
(3,728,248)	3,728,248	-
<u>25,005,154</u>	<u>4,162,064</u>	<u>29,167,218</u>
<u>9,194,271</u>	<u>3,290,720</u>	<u>12,484,991</u>
4,396,381	9,996,587	14,392,968
(1,765,943)	1,765,943	-
<u>2,630,438</u>	<u>11,762,530</u>	<u>14,392,968</u>
<u>\$ 11,824,709</u>	<u>\$ 15,053,250</u>	<u>\$ 26,877,959</u>

**City of San Fernando**  
**Balance Sheet**  
**Governmental Funds**  
June 30, 2024

	General Fund	Retirement Tax	ARPA Fund	Capital Grants	Other Governmental Funds	Total
<b>ASSETS</b>						
Cash and Investments	\$ 3,687,400	\$ 7,058,875	\$ 3,615,822	\$ 5,814,623	\$ 8,796,449	\$ 28,973,169
Restricted Cash and Investments	587,367	350,140	-	-	2,223	939,730
Receivables:						
Taxes	2,359,461	86,076	-	-	291,738	2,737,275
Accounts	272,376	8,735	-	-	105,047	386,158
Interest	184,747	-	-	-	-	184,747
Grants	-	-	-	10,268,445	1,023,107	11,291,552
Leases	2,476,337	-	-	-	163,442	2,639,779
Due From Other Funds	9,263,922	-	-	-	-	9,263,922
Loans Receivable	-	-	-	-	1,489,249	1,489,249
Advances to Other Funds	-	3,414,351	-	-	-	3,414,351
Prepaid Items	28,988	-	-	-	-	28,988
Total Assets	<u>\$ 18,860,598</u>	<u>\$ 10,918,177</u>	<u>\$ 3,615,822</u>	<u>\$ 16,083,068</u>	<u>\$ 11,871,255</u>	<u>\$ 61,348,920</u>
<b>LIABILITIES</b>						
Accounts Payable	\$ 591,813	\$ 1,930	\$ 56,335	\$ 1,534,593	\$ 675,582	\$ 2,860,253
Accrued Liabilities	775,272	-	-	551	44,620	820,443
Deposits	587,367	-	-	-	11,237	598,604
Due to Other Funds	-	-	-	8,721,825	379,195	9,101,020
Unearned Revenue	-	-	-	5,826,078	501,679	6,327,757
Due to Other Agencies	-	-	-	-	227,471	227,471
Advances From Other Funds	2,986,495	-	-	-	-	2,986,495
Total Liabilities	<u>4,940,947</u>	<u>1,930</u>	<u>56,335</u>	<u>16,083,047</u>	<u>1,839,784</u>	<u>22,922,043</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Lease Related	2,359,353	-	-	-	162,592	2,521,945
Unavailable Revenues - Grants	571,631	-	-	7,224,184	983,009	8,778,824
Total Deferred Inflows of Resources	<u>2,930,984</u>	<u>-</u>	<u>-</u>	<u>7,224,184</u>	<u>1,145,601</u>	<u>11,300,769</u>
<b>FUND BALANCES</b>						
Nonspendable:						
Prepaid Items	28,988	-	-	-	-	28,988
Restricted For:						
Transportation	-	-	-	-	4,284,609	4,284,609
Housing	-	-	-	-	3,357,041	3,357,041
Air Pollution	-	-	-	-	210,258	210,258
Parks and Recreation	-	-	-	-	40,124	40,124
Public Safety	-	-	-	-	760,758	760,758
Retirement	-	10,916,247	-	-	-	10,916,247
Community Development	-	-	3,559,487	-	811,037	4,370,524
Parking	-	-	-	-	356,693	356,693
Unassigned	10,959,679	-	-	(7,224,163)	(934,650)	2,800,866
Total Fund Balances	<u>10,988,667</u>	<u>10,916,247</u>	<u>3,559,487</u>	<u>(7,224,163)</u>	<u>8,885,870</u>	<u>27,126,108</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 18,860,598</u>	<u>\$ 10,918,177</u>	<u>\$ 3,615,822</u>	<u>\$ 16,083,068</u>	<u>\$ 11,871,255</u>	<u>\$ 61,348,920</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, 2024

Fund Balances for Governmental Funds \$ 27,126,108

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	142,347,759
Accumulated Depreciation	(74,485,128)

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:

Net Pension Liability	(18,039,848)
Compensated Absences	(1,767,445)
Total OPEB Liability	(35,486,147)
2016 Installment Sale Agreement	(2,090,000)
Premium on 2016 Installment Sale Agreement	(85,667)
Pension Obligation Bonds Series 2021A	(28,475,000)
Interest Payable on Long-term Debt	(6,036)

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	20,200,057
Deferred Inflows Related to Pensions	(21,174,729)
Deferred Outflows Related to OPEB	5,971,408
Deferred Inflows Related to OPEB	(9,397,939)

Other long-term receivables are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds. 8,778,824

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. (1,591,508)

Net Position of Governmental Activities	\$ 11,824,709
---	---------------

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, 2024

	General Fund	Retirement Tax	ARPA Fund	Capital Grants	Other Governmental Funds	Total
<b>REVENUES</b>						
Taxes	\$ 19,500,235	\$ 4,968,364	\$ -	\$ -	\$ 2,618,638	\$ 27,087,237
Licenses and Permits	437,966	-	-	-	-	437,966
Charges for Services	752,826	-	-	-	436,007	1,188,833
Fines and Forfeitures	440,427	-	-	-	2,201	442,628
Investment Earnings	1,554,152	227,375	-	-	275,427	2,056,954
Intergovernmental	3,428,868	-	-	12,782,032	2,806,907	19,017,807
Other	65,631	208,923	-	-	5,200	279,754
<b>Total Revenues</b>	<b>26,180,105</b>	<b>5,404,662</b>	<b>-</b>	<b>12,782,032</b>	<b>6,144,380</b>	<b>50,511,179</b>
<b>EXPENDITURES</b>						
Current:						
General Government	4,939,494	1,396,361	245,347	-	4,650	6,585,852
Public Safety	15,015,813	1,353,411	-	-	260,310	16,629,534
Community Development	1,709,829	88,861	-	-	185,854	1,984,544
Public Works	2,199,648	170,837	5,756	170,255	1,967,869	4,514,365
Parks and Recreation	1,990,602	105,661	-	1,143,602	586,998	3,826,863
Capital Outlay	37,927	-	-	7,206,518	1,638,947	8,883,392
Debt Service:						
Principal	-	1,035,000	-	-	100,000	1,135,000
Interest and Fiscal Charges	24,642	708,500	-	-	77,438	810,580
<b>Total Expenditures</b>	<b>25,917,955</b>	<b>4,858,631</b>	<b>251,103</b>	<b>8,520,375</b>	<b>4,822,066</b>	<b>44,370,130</b>
Excess of Revenues Over (Under)						
Expenditures	262,150	546,031	(251,103)	4,261,657	1,322,314	6,141,049
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers In	520,000	-	-	-	76,360	596,360
Transfers Out	(76,360)	-	(501,150)	(2,984,058)	(823,040)	(4,384,608)
<b>Total Other Financing Sources (Uses)</b>	<b>443,640</b>	<b>-</b>	<b>(501,150)</b>	<b>(2,984,058)</b>	<b>(746,680)</b>	<b>(3,788,248)</b>
<b>Net Change in Fund Balances</b>	<b>705,790</b>	<b>546,031</b>	<b>(752,253)</b>	<b>1,277,599</b>	<b>575,634</b>	<b>2,352,801</b>
Fund Balances, Beginning of Year	10,282,877	10,370,216	4,311,740	(8,501,762)	8,310,236	24,773,307
Fund Balances, End of Year	<u>\$ 10,988,667</u>	<u>\$ 10,916,247</u>	<u>\$ 3,559,487</u>	<u>\$ (7,224,163)</u>	<u>\$ 8,885,870</u>	<u>\$ 27,126,108</u>

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, 2024

Net Change in Fund Balances - Total Governmental Funds \$ 2,352,801

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	7,200,986
Depreciation Expense	(2,914,916)
Loss on Disposal	(273,505)

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	100,000
Amortization of Premium on Installment Sale Agreement	5,711
Principal payment on Pension Obligation Bonds Series 2021A	1,035,000

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	(125,820)
Net Pension Liability	(570,175)
Total OPEB Liability	(2,978,845)
Accrued Interest Payable	417

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	(7,701,202)
Deferred Inflows Related to Pensions	8,480,045
Deferred Outflows Related to OPEB	2,184,783
Deferred Inflows Related to OPEB	2,820,714

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. (939,976)

The change in net position of the internal service fund is reported with governmental activities. 518,253

Change in Net Position of Governmental Activities	\$ 9,194,271
---	--------------

The accompanying notes are an integral part of this statement.

**City of San Fernando**  
**Statement of Net Position**  
**Proprietary Funds**  
June 30, 2024

ASSETS	Business-type Activities Enterprise Funds			Totals	Governmental Activities
	Water	Sewer	Nonmajor		Internal Service Funds
<b>Current Assets:</b>					
Cash and Investments	\$ 1,897,189	\$ 4,532,379	\$ 250,142	\$ 6,679,710	\$ 3,160,894
Restricted Cash and Investments	183,893	16,176	-	200,069	-
Customer Accounts Receivable, Net	966,002	798,606	-	1,764,608	92,892
Inventory	-	-	-	-	39,432
<b>Total Current Assets</b>	<b>3,047,084</b>	<b>5,347,161</b>	<b>250,142</b>	<b>8,644,387</b>	<b>3,293,218</b>
<b>Noncurrent Assets:</b>					
Advances to Other Funds	-	191,911	-	191,911	-
Capital Assets, Not Being Depreciated	9,259,250	-	-	9,259,250	-
Capital Assets, Net of Accumulated Depreciation	9,322,028	3,927,857	-	13,249,885	967,746
<b>Total Noncurrent Assets</b>	<b>18,581,278</b>	<b>4,119,768</b>	<b>-</b>	<b>22,701,046</b>	<b>967,746</b>
<b>Total Assets</b>	<b>21,628,362</b>	<b>9,466,929</b>	<b>250,142</b>	<b>31,345,433</b>	<b>4,260,964</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
OPEB Actuarial Amounts	610,712	203,571	-	814,283	-
Pension Actuarial Amounts	2,508,670	878,035	-	3,386,705	-
<b>Total Deferred Outflows of Resources</b>	<b>3,119,382</b>	<b>1,081,606</b>	<b>-</b>	<b>4,200,988</b>	<b>-</b>
<b>LIABILITIES</b>					
<b>Current Liabilities:</b>					
Accounts Payable	740,259	685,681	53,557	1,479,497	308,777
Accrued Liabilities	75,548	29,276	2	104,826	30,359
Due to Other Funds	-	-	-	-	162,902
Current Portion of Leases Payable	-	-	-	-	134,845
Current Portion of Insurance Payable	-	-	-	-	81,057
Current Portion of Claims Payable	-	-	-	-	1,288,917
Current Portion of Compensated Absences	75,454	25,151	-	100,605	-
Current Portion of Installment Sale Agreement	135,000	-	-	135,000	-
Current Portion of Pension Obligation Bonds	112,329	42,671	-	155,000	-
Current Portion of Total OPEB Liability	224,041	74,680	-	298,721	-
Customer Deposits	141,799	-	-	141,799	-
<b>Total Current Liabilities</b>	<b>1,504,430</b>	<b>857,459</b>	<b>53,559</b>	<b>2,415,448</b>	<b>2,006,857</b>
<b>Noncurrent Liabilities:</b>					
Advances From other Funds	405,839	213,928	-	619,767	-
Leases Payable	-	-	-	-	280,757
Insurance Assessment Payable	-	-	-	-	162,114
Claims Payable	-	-	-	-	3,408,220
Compensated Absences	105,307	35,103	-	140,410	-
Installment Sale Agreement	705,000	-	-	705,000	-
Pension Obligation Bonds	2,974,110	1,130,890	-	4,105,000	-
Total OPEB Liability	3,405,224	1,135,075	-	4,540,299	-
Net Pension Liability	2,306,052	807,118	-	3,113,170	-
<b>Total Noncurrent Liabilities</b>	<b>9,901,532</b>	<b>3,322,114</b>	<b>-</b>	<b>13,223,646</b>	<b>3,851,091</b>
<b>Total Liabilities</b>	<b>11,405,962</b>	<b>4,179,573</b>	<b>53,559</b>	<b>15,639,094</b>	<b>5,857,948</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
OPEB Actuarial Amounts	961,153	320,384	-	1,281,537	-
Pension Actuarial Amounts	2,642,270	924,794	-	3,567,064	-
<b>Total Deferred Inflows of Resources</b>	<b>3,603,423</b>	<b>1,245,178</b>	<b>-</b>	<b>4,848,601</b>	<b>-</b>
<b>NET POSITION</b>					
Net Investment In Capital Assets	17,741,278	3,927,857	-	21,669,135	552,144
Unrestricted	(8,002,919)	1,195,927	196,583	(6,610,409)	(2,149,128)
<b>Total Net Position</b>	<b>\$ 9,738,359</b>	<b>\$ 5,123,784</b>	<b>\$ 196,583</b>	<b>15,058,726</b>	<b>\$ (1,596,984)</b>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				(5,476)	
<b>Net Position of Business-type Activities</b>				<b>\$ 15,053,250</b>	

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, 2024

	Business-type Activities Enterprise Funds			Totals	Governmental Activities Internal Service Funds
	Water	Sewer	Nonmajor		
<b>OPERATING REVENUES</b>					
Charges for Services	\$ 5,591,446	\$ 3,979,401	\$ 334,917	\$ 9,905,764	\$ 4,002,363
Other	5,417	8,088	6,594	20,099	2,242,650
Total Operating Revenues	<u>5,596,863</u>	<u>3,987,489</u>	<u>341,511</u>	<u>9,925,863</u>	<u>6,245,013</u>
<b>OPERATING EXPENSES</b>					
Contractual Services	46,895	949,565	-	996,460	-
Maintenance and Operations	5,568,329	2,773,257	296,982	8,638,568	632,791
Administration and General	-	-	5	5	4,869,718
Depreciation	834,177	261,549	-	1,095,726	288,880
Total Operating Expenses	<u>6,449,401</u>	<u>3,984,371</u>	<u>296,987</u>	<u>10,730,759</u>	<u>5,791,389</u>
Operating Income (Loss)	<u>(852,538)</u>	<u>3,118</u>	<u>44,524</u>	<u>(804,896)</u>	<u>453,624</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>					
Interest Income	251,360	177,685	4,771	433,816	97,511
Interest Expense	(115,627)	(1,738)	-	(117,365)	(41,965)
Total Nonoperating Revenues (Expenses)	<u>135,733</u>	<u>175,947</u>	<u>4,771</u>	<u>316,451</u>	<u>55,546</u>
Income (Loss) Before Transfers	(716,805)	179,065	49,295	(488,445)	509,170
Transfers In	3,735,757	172,491	-	3,908,248	60,000
Transfers Out	(120,000)	(60,000)	-	(180,000)	-
Change in Net Position	<u>2,898,952</u>	<u>291,556</u>	<u>49,295</u>	<u>3,239,803</u>	<u>569,170</u>
Net Position, Beginning, as Previously Reported	5,073,464	4,832,228	147,288		(2,166,154)
Restatement for Correction of an Error	1,765,943	-	-		-
Net Position, Beginning, as Restated	<u>6,839,407</u>	<u>4,832,228</u>	<u>147,288</u>		<u>(2,166,154)</u>
Net Position, End of Year	<u>\$ 9,738,359</u>	<u>\$ 5,123,784</u>	<u>\$ 196,583</u>		<u>\$ (1,596,984)</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds				<u>50,917</u>	
Change in Net Position of Business-type Activities				<u>\$ 3,290,720</u>	

The accompanying notes are an integral part of this statement.

**City of San Fernando**  
**Statement of Cash Flows**  
**Proprietary Funds**  
Year Ended June 30, 2024

	Business-type Activities			Governmental	
	Enterprise Funds			Activities	
	Water	Sewer	Nonmajor	Internal Service	
			Totals	Funds	
<b>Cash Flows from Operating Activities</b>					
Receipts from Customers and Users	\$ 5,397,997	\$ 3,866,607	\$ 334,917	\$ 9,599,521	\$ 3,970,232
Payments to Suppliers and Contractors	(4,095,475)	(2,953,190)	(281,709)	(7,330,374)	(4,350,695)
Payments to Employees	(1,980,143)	(649,878)	(5)	(2,630,026)	(1,599,097)
Other Operating Income	5,417	8,088	6,594	20,099	2,241,214
Net Cash Flows from Operating Activities	<u>(672,204)</u>	<u>271,627</u>	<u>59,797</u>	<u>(340,780)</u>	<u>261,654</u>
<b>Cash Flows from Noncapital Financing Activities</b>					
Loans from (to) Other Funds	(136,276)	114,882	-	(21,394)	162,902
Interest Expense Paid	(115,627)	(1,738)	-	(117,365)	-
Transfers from Other Funds	3,735,757	172,491	-	3,908,248	60,000
Transfers to Other Funds	(120,000)	(60,000)	-	(180,000)	-
Net Cash Flows from Noncapital Financing Activities	<u>3,363,854</u>	<u>225,635</u>	<u>-</u>	<u>3,589,489</u>	<u>222,902</u>
<b>Cash Flows from Capital Financing Activities</b>					
Debt Proceeds	-	-	-	-	508,076
Payments on Long-term Debt	(239,500)	(40,500)	-	(280,000)	(92,474)
Interest Expense Paid	-	-	-	-	(41,965)
Acquisition of Capital Assets	(5,447,036)	-	-	(5,447,036)	(820,375)
Net Cash Flows from Capital Financing Activities	<u>(5,686,536)</u>	<u>(40,500)</u>	<u>-</u>	<u>(5,727,036)</u>	<u>(446,738)</u>
<b>Cash Flows from Investing Activities</b>					
Interest Received	251,360	177,685	4,771	433,816	97,511
Net Increase (Decrease) in Cash and Cash Equivalents	(2,743,526)	634,447	64,568	(2,044,511)	135,329
Cash and Cash Equivalents - Beginning of Year	4,824,608	3,914,108	185,574	8,924,290	3,025,565
Cash and Cash Equivalents - End of Year	<u>\$ 2,081,082</u>	<u>\$ 4,548,555</u>	<u>\$ 250,142</u>	<u>\$ 6,879,779</u>	<u>\$ 3,160,894</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>					
Operating Income (Loss)	\$ (852,538)	\$ 3,118	\$ 44,524	\$ (804,896)	\$ 453,624
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:					
Depreciation	834,177	261,549	-	1,095,726	288,880
Changes in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	(196,853)	(112,794)	-	(309,647)	(33,567)
(Increase) Decrease in Deferred Outflows - OPEB	(223,443)	(74,481)	-	(297,924)	-
(Increase) Decrease in Deferred Outflows - Pensions	700,530	135,397	-	835,927	-
(Increase) Decrease in Prepays	1,800	-	-	1,800	5,550
Increase (Decrease) in Accounts Payable	(311,154)	82,631	15,273	(213,250)	85,887
Increase (Decrease) in Accrued Liabilities	25,880	12,941	-	38,821	(9,603)
Increase (Decrease) in Compensated Absences	12,868	4,290	-	17,158	-
Increase (Decrease) in Total OPEB Liability	304,654	101,551	-	406,205	-
Increase (Decrease) in Net Pension Liability	202,161	142,732	-	344,893	-
Increase (Decrease) in Deferred Inflows - OPEB	(288,482)	(96,161)	-	(384,643)	-
Increase (Decrease) in Deferred Inflows - Pensions	(885,208)	(189,146)	-	(1,074,354)	-
Increase (Decrease) in Ins. Assessments Payable	-	-	-	-	(81,057)
Increase (Decrease) in Claims Payable	-	-	-	-	(448,060)
Increase (Decrease) in Customer Deposits	3,404	-	-	3,404	-
<b>Net Cash Provided by Operating Activities</b>	<u>\$ (672,204)</u>	<u>\$ 271,627</u>	<u>\$ 59,797</u>	<u>\$ (340,780)</u>	<u>\$ 261,654</u>

The accompanying notes are an integral part of this statement.

**City of San Fernando**  
**Statement of Net Position**  
**Fiduciary Funds**  
June 30, 2024

	Custodial Fund	OPEB Trust Fund	Successor Agency Private-purpose Trust Fund
<b>ASSETS</b>			
Cash and Investments	\$ 177,403	\$ 11,856	\$ -
Investments:			
Mutual Funds	-	196,744	
Unit Investment Trusts	-	899,149	
Accounts Receivable	577	-	-
Interest Receivable	-	1,076	-
Prepaid Items	1,350	-	-
	<u>179,330</u>	<u>1,108,825</u>	<u>-</u>
Total Assets			
<b>LIABILITIES</b>			
Accounts Payable	14,111	-	-
	<u>14,111</u>	<u>-</u>	<u>-</u>
Total Liabilities			
<b>NET POSITION</b>			
Restricted for OPEB	-	1,108,825	-
Restricted for Successor Agency	-	-	-
Restricted for Individuals and Organizations	165,219	-	-
	<u>\$ 165,219</u>	<u>\$ 1,108,825</u>	<u>\$ -</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, 2024

	Custodial Fund	OPEB Trust Fund	Successor Agency Private-purpose Trust Fund
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<b>ADDITIONS</b>			
Contributions from City	\$ -	\$ 1,000,000	\$ -
Investment Earnings	-	109,750	(29,112)
Miscellaneous Collected for Others	<u>5,514,699</u>	<u>-</u>	<u>-</u>
 Total Additions	 <u>5,514,699</u>	 <u>1,109,750</u>	 <u>(29,112)</u>
<b>DEDUCTIONS</b>			
General and Administrative	-	925	-
Recipient Payments	<u>5,522,968</u>	<u>-</u>	<u>514,566</u>
 Total Deductions	 <u>5,522,968</u>	 <u>925</u>	 <u>514,566</u>
 Change in Net Position	 (8,269)	 1,108,825	 (543,678)
 Net Position - Beginning of Year	 <u>173,488</u>	 <u>-</u>	 <u>543,678</u>
 Net Position - End of Year	 <u>\$ 165,219</u>	 <u>\$ 1,108,825</u>	 <u>\$ -</u>

The accompanying notes are an integral part of this statement.

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2024

**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, 2024

**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 and fiduciary 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, 2024

**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 ARPA Special Revenue Fund is used to account for one-time federal funding source encouraging economic growth and community development post COVID-19.

The Capital Grants Capital Projects Fund accounts for revenues that are restricted for specific capital projects.

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 Custodial 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, 2024

**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 and Prepaids**

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.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed, rather than 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:

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2024

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

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

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 50% of the sick leave bank at a not-to-exceed maximum of the employer's monthly pay. 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".

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2024

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

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.

**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 assets 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 assets 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, the Net Pension Liability, and leases, which qualify for reporting in this category.

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2024

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

**Q) Fund Equity**

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

Net Investment in Capital Assets

This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation 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.

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2024

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

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

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, 2024

**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, 2023
Measurement Date	June 30, 2023
Measurement Period	July 1, 2022 to June 30, 2023

**V) Leases**

The City is a lessor for noncancellable leases of certain property for communications facilities, office space and other City-owned property. The City recognizes a lease receivable and a deferred inflow of resources in the General Fund, non-major governmental funds, and the government-wide financial statements. At the commencement of these leases, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The City uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

The leases of the property and facilities range from 2 to 15 years and the City will receive annual payments of approximately \$600,000. The City recognized approximately \$600,000 in lease revenue, including interest revenue during the current fiscal year related to these leases. As of June 30, 2024, the City's receivable for lease payments was \$2,639,779. Also, the City has a deferred inflows of resources associated with leases that will be recognized as revenue over the lease term. As of June 30, 2024, the balance of the deferred inflows of resources was \$2,521,945.



**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2024

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

Lessee: The City is a lessee for noncancellable leases of equipment. The City recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements and the proprietary funds. The City recognizes lease liabilities with an initial, individual value of \$50,000 or more.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

**W) 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: Statement No. 102, "Certain Risk Disclosures." The requirements of this Statement will take effect for financial statements starting with the fiscal year that ends June 30, 2025.

**2) CASH AND INVESTMENTS**

The following is a summary of cash and investments at June 30, 2024:

	Government-wide Statement of Net Position	Fiduciary Funds Statement of Net Position	Total
Cash and Investments	\$ 39,401,140	\$ 177,403	\$ 39,578,543
Restricted Cash and Investments	552,432	1,107,749	1,660,181
Total Cash and Investments	<u>\$ 39,953,572</u>	<u>\$ 1,285,152</u>	<u>\$ 41,238,724</u>

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2024

**2) CASH AND INVESTMENTS – Continued**

Cash and investments at June 30, 2024 consisted of the following:

Demand Deposits	\$	5,763,291
Petty Cash		2,800
Investments		35,472,633
Total Cash and Investments	\$	41,238,724

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.

**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. The OPEB Trust Fund investments are not covered by the investment policy.

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 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, 2024 is as follows:

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2024

**2) CASH AND INVESTMENTS – Continued**

Investment Type	Remaining Maturity (in Months)			Fair Value
	12 Months or Less	13 to 24 Months	25 to 60 Months	
Local Agency Investment Fund	\$ 7,054,250	\$ -	\$ -	\$ 7,054,250
Certificates of Deposit	1,228,035	2,339,019	3,012,333	6,579,387
U.S. Treasury Notes	-	473,065	459,865	932,930
Federal Agency Securities	3,193,980	2,514,126	2,950,420	8,658,526
Corporate Medium-term Notes	1,794,978	4,439,385	2,606,629	8,840,992
Municipal Bonds	-	981,631	918,390	1,900,021
OPEB Trust Fund:				
Mutual Funds	196,744	-	-	196,744
Unit Investment Trusts	899,149	-	-	899,149
Held by Bond Trustees:				
Money Market Mutual Funds	410,634	-	-	410,634
<b>Total</b>	<b>\$ 14,777,770</b>	<b>\$ 10,747,226</b>	<b>\$ 9,947,637</b>	<b>\$ 35,472,633</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	\$ 7,054,250	N/A	\$ -	\$ -	\$ -	\$ 7,054,250
Certificates of Deposit	6,579,387	N/A	-	-	-	6,579,387
U.S. Treasury Notes	932,930	N/A	932,930	-	-	-
Federal Agency Securities	8,658,526	N/A	-	8,658,526	-	-
Corporate Medium-term Notes	8,840,992	A	932,249	7,908,743	-	-
Municipal Bonds	1,900,021	AA	834,635	1,065,386	-	-
OPEB Trust Fund:						
Mutual Funds	196,744	N/A	-	-	196,744	-
Unit Investment Trusts	899,149	N/A	-	-	899,149	-
Held by Bond Trustees:						
Money Market Mutual Funds	410,634	AAA	410,634	-	-	-
<b>Total</b>	<b>\$ 35,472,633</b>		<b>\$ 3,110,448</b>	<b>\$ 17,632,655</b>	<b>\$ 1,095,893</b>	<b>\$ 13,633,637</b>

**Concentration of Credit Risk**

At June 30, 2024, the City had no investments in any one issuer that represent more than 5% of total City investments, except for investments with Federal Home Loan Bank, which represent 21% of total 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

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2024

**2) CASH AND INVESTMENTS – Continued**

following provision for deposits:

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

California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. The City 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, 2024:

- U.S. Treasury Notes of \$932,930 are valued using quoted market prices (Level 1 inputs).
- Corporate Medium-term Notes of \$8,840,992 are valued using a matrix pricing model (Level 2 inputs).
- Certificates of Deposit of \$6,579,387 are valued using a matrix pricing model (Level 2 inputs).
- Municipal Bonds of \$1,900,021 are valued using a matrix pricing model (Level 2 inputs).

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

The General Fund has loaned \$8,721,825 to the Capital Grants Fund, \$379,195 to non-major governmental funds, and \$162,902 to the internal service funds to cover operating cash deficits. These amounts are reported as Due from Other Funds, and are expected to be paid back in the following fiscal year.

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2024

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

**Long-term Advances**

At June 30, 2024, the City reported the following interfund long-term advances:

		ADVANCES FROM		
		Retirement Tax Fund	Sewer Fund	Total
	General Fund	\$ 2,986,495	\$ -	\$ 2,986,495
ADVANCES	Water Fund	213,928	191,911	405,839
TO	Sewer Fund	213,928	-	213,928
	Total	\$ 3,414,351	\$ 191,911	\$ 3,606,262

- (1) 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, 2024, the outstanding balance of the advance is \$191,911.
- (2) 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, was 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, 2024, the outstanding balance due from the General Fund, Water Fund, and Sewer Fund are \$2,986,495, \$213,928, and \$213,928.

**Summary of Transfers In/Out**

Transfers In	Transfers Out	Amount
General Fund	Other Governmental Funds	\$ 400,000
	Water Enterprise Fund	60,000
	Sewer Enterprise Fund	60,000
Water Enterprise Fund	ARPA Fund	501,150
	Capital Grants Fund	2,984,058
	Other Governmental Funds	250,549
Sewer Enterprise Fund	Other Governmental Funds	172,491
Other Governmental Funds	General Fund	76,360
Internal Service Funds	Water Enterprise Fund	60,000
		\$ 4,564,608

The transfers to the General Fund from the Other Governmental Funds of \$400,000 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 \$76,360 to other governmental funds to fund various project costs. The transfers to the Water and Sewer Enterprise Funds were to help fund capital project costs. The Water Fund transferred \$60,000 to the Internal Service Funds for the Water Fund's portion of property insurance premiums for covered well sites, and for improvements.

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2024

**4) CAPITAL ASSETS ACTIVITY**

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital Assets, Not Depreciated:				
Land	\$ 4,397,105	\$ -	\$ -	\$ 4,397,105
Construction in Progress	18,506,866	5,151,099	15,633,955	8,024,010
Total Capital Assets Not Depreciated	<u>22,903,971</u>	<u>5,151,099</u>	<u>15,633,955</u>	<u>12,421,115</u>
Capital Assets, Being Depreciated:				
Buildings	30,140,610	169,997	-	30,310,607
Improvements Other than Buildings	5,695,843	14,034,092	-	19,729,935
Machinery and Equipment	14,424,783	520,415	179,332	14,765,866
Infrastructure	62,953,994	3,506,208	-	66,460,202
Total Capital Assets Being Depreciated	<u>113,215,230</u>	<u>18,230,712</u>	<u>179,332</u>	<u>131,266,610</u>
Less Accumulated Depreciation:				
Buildings	(15,317,101)	(866,827)	-	(16,183,928)
Improvements Other than Buildings	(4,423,000)	(235,753)	-	(4,658,753)
Machinery and Equipment	(9,467,785)	(561,586)	(179,332)	(9,850,039)
Infrastructure	(42,624,998)	(1,539,630)	-	(44,164,628)
Total Accumulated Depreciation	<u>(71,832,884)</u>	<u>(3,203,796)</u>	<u>(179,332)</u>	<u>(74,857,348)</u>
Net Capital Assets Being Depreciated	41,382,346	15,026,916	-	56,409,262
Total Capital Assets	<u>\$ 64,286,317</u>	<u>\$ 20,178,015</u>	<u>\$ 15,633,955</u>	<u>\$ 68,830,377</u>
<b>Business-type Activities:</b>				
Capital Assets, Not Depreciated:				
Land	\$ 981,168	\$ -	\$ -	\$ 981,168
Water Rights	624,659	-	-	624,659
Construction in Progress	2,427,048	5,447,036	220,661	7,653,423
Total Capital Assets Not Depreciated	<u>4,032,875</u>	<u>5,447,036</u>	<u>220,661</u>	<u>9,259,250</u>
Capital Assets, Being Depreciated:				
Buildings	5,749,295	-	-	5,749,295
Improvements Other than Buildings	2,733,281	220,661	-	2,953,942
Machinery and Equipment	9,190,202	-	159,244	9,030,958
Infrastructure	25,826,772	-	-	25,826,772
Total Capital Assets Being Depreciated	<u>43,499,550</u>	<u>220,661</u>	<u>159,244</u>	<u>43,560,967</u>
Less Accumulated Depreciation:				
Buildings	(3,955,857)	(100,215)	-	(4,056,072)
Improvements Other than Buildings	(365,007)	(153,279)	-	(518,286)
Machinery and Equipment	(7,405,252)	(199,066)	(159,244)	(7,445,074)
Infrastructure	(17,648,484)	(643,166)	-	(18,291,650)
Total Accumulated Depreciation	<u>(29,374,600)</u>	<u>(1,095,726)</u>	<u>(159,244)</u>	<u>(30,311,082)</u>
Net Capital Assets Being Depreciated	14,124,950	(875,065)	-	13,249,885
Total Capital Assets	<u>\$ 18,157,825</u>	<u>\$ 4,571,971</u>	<u>\$ 220,661</u>	<u>\$ 22,509,135</u>

The above beginning balances for Construction in Progress include a reduction of \$1,765,943 in Governmental Activities and an increase for the same amount in Business-type Activities. This is an error correction for a project that was partially reported in Governmental Activities in the prior year, but actually represents an asset of the Water Fund.

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2024

**4) CAPITAL ASSETS ACTIVITY**

Depreciation expense was charged to functions/programs as follows:

Function/Program	Governmental Activities	Business-type Activities
General Government	\$ 10,252	\$ -
Public Safety	432,513	-
Public Works	2,424,955	-
Parks and Recreation	101,238	-
Community Development	234,838	-
Water	-	834,177
Sewer	-	261,549
Waste Disposal	-	-
<b>Total Depreciation</b>	<b>\$ 3,203,796</b>	<b>\$ 1,095,726</b>

**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 \$227,471 when collected, are due back to the granting agency and, therefore, are reported as due to other agencies in the financial statements.

**6) LONG-TERM LIABILITIES ACTIVITY**

	Beginning Balance	Additions	Deletions	Ending Balance	Due Within One Year
<b>Governmental Activities:</b>					
2016 Installment Sale Agreement	\$ 2,190,000	\$ -	\$ 100,000	\$ 2,090,000	\$ 105,000
Premium	91,378	-	5,711	85,667	5,711
Pension Obligation Bonds Series 2021A	29,510,000	-	1,035,000	28,475,000	1,040,000
Loans payable from Direct Borrowing:					
Leases	-	508,076	92,474	415,602	134,845
Claims Payable	5,145,197	849,208	1,297,268	4,697,137	1,288,917
Insurance Assessment Payable	324,228	-	81,057	243,171	81,057
Compensated Absences	1,641,625	1,155,490	1,029,670	1,767,445	737,776
Net Pension Liability	17,469,673	570,175	-	18,039,848	-
Total OPEB Liability	32,507,302	2,978,845	-	35,486,147	2,211,540
Total	<b>\$ 88,879,403</b>	<b>\$ 6,061,794</b>	<b>\$ 3,641,180</b>	<b>\$ 91,300,017</b>	<b>\$ 5,604,846</b>
<b>Business-type Activities:</b>					
Compensated Absences	\$ 223,857	\$ 157,567	\$ 140,409	\$ 241,015	\$ 100,605
Net Pension Liability	2,768,277	344,893	-	3,113,170	-
Total OPEB Liability	4,432,815	406,205	-	4,839,020	298,721
Loans payable from Direct Borrowing:					
2020 Installment Sale Agreement	970,000	-	130,000	840,000	135,000
Pension Obligation Bonds Series 2021B	4,410,000	-	150,000	4,260,000	155,000
Total	<b>\$ 12,804,949</b>	<b>\$ 908,665</b>	<b>\$ 420,409</b>	<b>\$ 13,293,205</b>	<b>\$ 689,326</b>

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2024

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

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
2025	\$ 105,000	\$ 72,438	\$ 177,438
2026	110,000	67,187	177,187
2027	115,000	61,688	176,688
2028	120,000	57,087	177,087
2029	125,000	52,288	177,288
2030 - 2034	700,000	195,937	895,937
2035 - 2039	815,000	80,668	895,668
Totals	<u>\$ 2,090,000</u>	<u>\$ 587,293</u>	<u>\$ 2,677,293</u>

**Pension Obligation Bonds**

In August 2021, the City issued \$31,780,000 and \$4,745,000 in Pension Obligation Bonds (POBs), Series 2021A and 2021B, respectively. The bonds were issued to provide funding for contributions to the City's unfunded pension obligations with the California Public Employee's Retirement System (CalPERS). Interest rates on the 2021 POBs range from 0.242% to 3.172% and is payable semi-annually on January 1 and July 1 of each year, commencing on January 1, 2022 and will mature in 2046. The 2021A POB is liquidated in the General Fund while the 2021B POB is 73% and 27% funded by the Water and Sewer fund, respectively. The City is not required to establish a debt service reserve fund for these bonds because the payment of interest and principal when due is guaranteed under a municipal bond insurance policy.

The annual requirements to amortize the 2021 POBs are as follows:



**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2024

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

**Series 2021A**

Fiscal Year Ending June 30,	Principal	Interest	Total
2025	\$ 1,040,000	\$ 702,518	\$ 1,742,518
2026	1,050,000	693,480	1,743,480
2027	1,060,000	681,836	1,741,836
2028	1,075,000	667,219	1,742,219
2029	1,090,000	650,029	1,740,029
2030 - 2034	5,780,000	2,925,446	8,705,446
2035 - 2039	6,530,000	2,179,722	8,709,722
2040 - 2044	7,520,000	1,184,663	8,704,663
2045 - 2046	3,330,000	150,600	3,480,600
Totals	<u>\$ 28,475,000</u>	<u>\$ 9,835,513</u>	<u>\$ 38,310,513</u>

**Series 2021B**

Fiscal Year Ending June 30,	Principal	Interest	Total
2025	\$ 155,000	\$ 112,688	\$ 267,688
2026	155,000	111,217	266,217
2027	155,000	109,281	264,281
2028	160,000	106,895	266,895
2029	160,000	104,113	264,113
2030 - 2034	860,000	468,269	1,328,269
2035 - 2039	975,000	348,058	1,323,058
2040 - 2044	1,135,000	189,507	1,324,507
2045 - 2046	505,000	24,107	529,107
Totals	<u>\$ 4,260,000</u>	<u>\$ 1,574,135</u>	<u>\$ 5,834,135</u>

**Leases Payable**

The City, at various occasions, enters into lease agreements that qualify as lease liabilities for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. The amount of lease assets reported in governmental activities, net of accumulated amortization, is \$378,315. The following represents the future lease payments to be made:

Fiscal Year Ending June 30,	Principal	Interest	Total
2025	\$ 134,845	\$ 8,303	\$ 143,148
2026	128,281	14,867	143,148
2027	119,512	20,678	140,190
2028	32,964	6,833	39,797
Totals	<u>\$ 415,602</u>	<u>\$ 50,681</u>	<u>\$ 466,283</u>

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2024

**6) LONG-TERM LIABILITIES ACTIVITY – 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 2023-24, the levy was \$0.187613 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. The following represents the future debt service requirements on the Insurance Assessment Payable:

Fiscal Year Ending June 30,	Principal	Interest	Total
2025	\$ 81,057	\$ 72,438	\$ 153,495
2026	81,057	67,187	148,244
2027	81,057	61,688	142,745
Totals	<u>\$ 243,171</u>	<u>\$ 201,313</u>	<u>\$ 444,484</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. 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. For 2023-24, the Net Revenues amounted to approximately (\$18,000) while the required Net Revenues based on the debt agreement approximated \$185,000. Maintenance and Operations expenses increased primarily due to costs of importing water from the Metropolitan Water District (MWD) to meet demand while completing current water treatment projects.

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2024

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

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
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>\$ 840,000</u>	<u>\$ 56,620</u>	<u>\$ 896,620</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 \$157 per month for calendar year 2024. 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.

**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, 2022 Annual Actuarial Valuation Report.

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2024

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

Details of the benefits provided can be obtained in Appendix B of the June 30, 2022 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, 2024, 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	November 12, 2005	January 1, 2013	January 1, 2013	
Benefit formula	3% @ 60	2% @ 55	2% @ 62	
	single highest year	36 month average	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%	7.5%	
Required employer contribution rates	17.96% + \$697,511	13.00%	7.91%	
	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	January 6, 1994	September 8, 2012	January 1, 2013	January 1, 2013
Benefit formula	3% @ 50	3% @ 50	3% @ 55	2.7% @ 55
	single highest year	36 month average	36 month average	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%	13%
Required employer contribution rates	28.30% + \$189,190	25.65%	22.83%	13.54%

**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 \$858,008 in fiscal year 2024.

The City's contributions to the Plan for the year ended June 30, 2024 were \$2,583,891.

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2024

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

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

As of June 30, 2024, the City reported a liability of \$21,153,018 for its proportionate share of the net pension liability. The City's net pension liability for the Plan is measured as of June 30, 2022, 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, 2022 rolled forward to June 30, 2023 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, 2023 and 2024 was as follows:

Proportion - June 30, 2023	0.17521%
Proportion - June 30, 2024	0.16956%
Change - Increase (Decrease)	-0.00565%

For the year ended June 30, 2024, the City recognized pension expense of \$2,481,689. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 2,583,891	\$ -
Differences between actual and expected experience	1,295,516	151,855
Changes in assumptions	1,257,731	-
Change in employer's proportion	-	22,054,505
Differences between the employer's contributions and the employer's proportionate share of contributions	15,265,899	2,535,433
Net differences between projected and actual earnings on plan investments	3,183,725	-
Total	\$ 23,586,762	\$ 24,741,793

The \$2,583,891 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, 2025. 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,		
2025	\$	(3,123,127)
2026		(2,309,971)
2027		1,603,852
2028		90,324
2029		-
Thereafter		-

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2024

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

**Actuarial Assumptions** – The total pension liabilities in the June 30, 2022 actuarial valuations were determined using the following actuarial assumptions:

Valuation date	June 30, 2022
Measurement date	June 30, 2023
Actuarial cost method	entry-age normal
Actuarial assumptions:	
Discount rate	6.90%
Inflation	2.30%
Projected salary increase	(1)
Investment rate of return	6.90%
Mortality	(2)

- (1) Depending on age, service and type of employment
- (2) Derived using CalPERS' Membership Data for all Funds.

The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 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 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 of the funds' asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11+ years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equal to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

The expected real rates of return by asset class are as follows:

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2024

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

Asset Class	New Strategic Allocation	Real Return (1,2)
Global Equity - Cap Weighted	30%	4.54%
Global Equity - Non-Cap Weighted	12%	3.84%
Private Equity	13%	7.28%
Treasury	5%	0.27%
Mortgage-backed Securities	5%	0.50%
Investment Grade Corporates	10%	1.56%
High Yield	5%	2.27%
Emerging Market Debt	5%	2.48%
Private Debt	5%	3.57%
Real Assets	15%	3.21%
Leverage	-5%	-0.59%

(1) An expected inflation of 2.3% used for this period.

(2) Figures are based on the 2021 Asset Liability Management study.

**Discount Rate** – The discount rate used to measure the total pension liability for PERF C was 6.90%. 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:

1% Decrease	5.90%
Net Pension Liability	\$ 42,536,571
Current Discount Rate	6.90%
Net Pension Liability	\$ 21,153,018
1% Increase	7.90%
Net Pension Liability	\$ 3,608,825

**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, 2024, the City reported no payables to the pension plan, for outstanding contributions required for the year ended June 30, 2024.

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2024

**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. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

**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 \$157 per month for calendar year 2024 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, 2023 actuarial valuation date, the following current and former employees were covered by the benefit terms under the Plan:

Retirees or spouses of retirees currently receiving benefits	108
Inactive employees entitled to but not yet receiving benefits	13
Active employees	107
	228
	228

**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. 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, 2023 and was determined by an actuarial valuation dated June 30, 2023, based on the following actuarial methods and assumptions:

Valuation Date	June 30, 2023
Actuarial Cost Method	Entry Age, Level Percent of Pay
Contribution Policy	Pay-as-you-go
Mortality	Mortality projected fully generational with Scale MP-2021 CalPERS 2000-2019 Experience Study
Age at Retirement	52
Health Care Trend Rate	8.50% initial, 3.45% ultimate - Non-Medicare 7.50% initial, 3.75% ultimate - Medicare
Inflation Rate	2.50%
Salary Changes	2.75%
Discount Rate	3.86% - Fidelity GO AA - 20-year Index at June 30, 2022 3.69% - Fidelity GO AA - 20-year Index at June 30, 2022



**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2024

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

**Changes in the Total OPEB Liability**

	Total OPEB Liability (TOL)
Balance at June 30, 2022 (measurement date)	\$ 36,940,117
Changes in the year:	
Service cost	951,859
Interest on the total OPEB liability	1,372,669
Differences between expected and actual experience	(666,232)
Assumption Changes	3,111,320
Benefit payments, including refunds	(1,384,566)
Net changes	3,385,050
Balance at June 30, 2023 (measurement date)	\$ 40,325,167

**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 (2.86%)	Discount Rate (3.86%)	1% Increase (4.86%)
Total OPEB liability (asset)	\$ 46,674,594	\$ 40,325,167	\$ 35,221,854

**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:

	1% Decrease	Current Healthcare Trend	1% Increase
Total OPEB liability (asset)	\$ 34,772,273	\$ 40,325,167	\$ 47,327,723

**OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB** - For the year ended June 30, 2024, the City recognized OPEB expense/(credit) of \$207,247. 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	\$ 2,510,261	\$ -
Changes of Assumptions	4,275,430	8,021,751
Differences between actual and expected experience	-	2,657,725
Total	\$ 6,785,691	\$ 10,679,476

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2024

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

The \$2,510,261 reported as deferred outflows of resources related to contributions subsequent to the June 30, 2023 measurement date will be recognized as a reduction of the total OPEB liability during the fiscal year ended June 30, 2025. 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,		
2025	\$	(1,969,583)
2026		(1,865,934)
2027		(2,105,710)
2028		(800,077)
2029		337,258
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.

At June 30, 2024, the internal service fund had a deficit fund balance of \$2,773,366. 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, 2024, the amount of these liabilities was \$2,544,858. 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.

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2024

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

Excess insurance is provided through ICRMA from \$250,001 to \$35,000,000 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, 2024, the amount of these liabilities was \$2,152,279. 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 2023-24	FY 2022-23	FY 2021-22
Beginning of Year	\$ 5,145,197	\$ 3,452,690	\$ 3,253,932
Claims and Changes in Estimates	849,208	5,500,411	1,970,134
Claim Payments	(1,297,268)	(3,807,904)	(1,771,376)
End of Year	\$ 4,697,137	\$ 5,145,197	\$ 3,452,690

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

The following deficits in non-major governmental funds at June 30, 2024 will be eliminated through the collection of revenues in the future:

	Deficit
Non-major Funds:	
Mall Maintenance Operations	156,124
Operating Grants	773,184
Measure H	5,342

**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.

Outstanding construction commitments amounted to approximately \$18.7 million as of June 30, 2024.

**12) ERROR CORRECTIONS**

Beginning Net Position in Governmental Activities was reduced by \$1,765,943 for amounts reported as construction in progress, which should have been reported in the Water Fund. Beginning Net Positions in Business-type Activities and the Water Fund were increased by this same amount. This error correction is summarized as follows:

**City of San Fernando**  
**Notes to Financial Statements**  
Year Ended June 30, 2024

**12) ERROR CORRECTIONS - Continued**

	Governmental Activities	Business-type Activities	Water Fund
Beginning Net Position	\$ 4,396,381	\$ 9,996,587	\$ 5,073,464
Error Correction	(1,765,943)	1,765,943	1,765,943
Restated Net Position	<u>\$ 2,630,438</u>	<u>\$ 11,762,530</u>	<u>\$ 6,839,407</u>

**REQUIRED SUPPLEMENTARY INFORMATION**

**City of San Fernando**  
**Required Supplementary Information**  
For the Year Ended June 30, 2024

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

Total OPEB Liability	Measurement Period						
	2023	2022	2021	2020	2019	2018	2017
Service cost	\$ 951,859	\$ 1,573,742	\$ 1,832,835	\$ 1,588,774	\$ 1,398,168	\$ 1,380,011	\$ 1,601,768
Interest on total OPEB liability	1,372,669	924,278	1,256,206	1,397,186	1,630,542	1,552,449	1,364,732
Changes in assumptions	3,111,320	(11,402,013)	(1,490,219)	4,619,043	(2,513,954)	(425,186)	(4,804,507)
Differences between expected and actual experience	(666,232)	-	(3,094,378)	-	-	-	-
Benefit payments, including refunds	(1,384,566)	(1,443,225)	(1,315,946)	(1,111,780)	(1,107,138)	(1,074,819)	(1,064,148)
Net change in total OPEB liability	3,385,050	(10,347,218)	(2,811,502)	6,493,223	(592,382)	1,432,455	(2,902,155)
Total OPEB liability - beginning	36,940,117	47,287,335	50,098,837	43,605,614	44,197,996	42,765,541	45,667,696
Total OPEB liability - ending (a)	<u>\$ 40,325,167</u>	<u>\$ 36,940,117</u>	<u>\$ 47,287,335</u>	<u>\$ 50,098,837</u>	<u>\$ 43,605,614</u>	<u>\$ 44,197,996</u>	<u>\$ 42,765,541</u>
Covered Employee payroll	\$ 13,607,060	\$ 10,895,730	\$ 10,053,710	\$ 10,545,654	\$ 10,176,564	\$ 8,291,994	\$ 9,645,806
Total OPEB liability as percentage of covered - employee payroll	296.35%	339.03%	470.35%	475.07%	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.

The discount rate was changed from 3.13% to 2.45% for the June 30, 2020 measurement period.

The discount rate was changed from 2.45% to 1.92% for the June 30, 2021 measurement period.

The discount rate was changed from 1.92% to 3.69% for the June 30, 2022 measurement period.

The discount rate was changed from 3.69% to 3.86% for the June 30, 2023 measurement period.

**City of San Fernando**  
**Required Supplementary Information**  
For the Year Ended June 30, 2024

**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
2023	0.16956%	\$ 21,153,018	\$ 10,478,106	201.88%	86.53%
2022	0.17521%	20,237,950	9,142,756	221.36%	86.26%
2021	0.60739%	32,849,738	9,231,146	355.86%	88.29%
2020	0.41953%	45,646,515	9,116,498	500.70%	65.60%
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%

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

**Benefit Changes:** None

**Changes in Assumptions:** In 2022, the accounting discount rate was changed from 7.15% to 6.90%. 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, 2024

**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
2024	\$ 2,583,891	\$ (2,583,891)	\$ -	\$ 11,827,267	21.85%
2023	2,231,886	(2,231,886)	-	10,478,106	21.30%
2022	40,691,069	(4,417,075)	36,273,994	9,142,756	445.06%
2021	4,417,075	(4,417,075)	-	9,231,146	47.85%
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%

**Notes to the Schedule of Plan Contributions**

Valuation Date: 6/30/2013, 6/30/2014, 6/30/2015, 6/30/2016, 6/30/2017, 6/30/2018, 6/30/2019, 6/30/2020, 6/30/2021, and 6/30/2022



**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**General Fund**  
Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 18,852,475	\$ 18,852,475	\$ 19,500,235	\$ 647,760
Licenses and Permits	486,500	486,500	437,966	(48,534)
Charges for Services	818,000	818,000	752,826	(65,174)
Fines and Forfeitures	444,000	444,000	440,427	(3,573)
Investment Earnings	606,761	606,761	1,554,152	947,391
Intergovernmental	2,825,000	2,825,000	3,428,868	603,868
Other	49,500	49,500	65,631	16,131
<b>Total Revenues</b>	<b>24,082,236</b>	<b>24,082,236</b>	<b>26,180,105</b>	<b>2,097,869</b>
<b>EXPENDITURES</b>				
Current:				
General Government:				
City Council	246,991	249,491	207,995	41,496
Administration	522,333	522,333	553,549	(31,216)
Personnel	419,842	419,842	446,565	(26,723)
City Attorney	292,813	312,813	319,526	(6,713)
City Clerk	305,118	310,618	309,176	1,442
Elections	3,000	68,000	69,935	(1,935)
Financial Management	773,147	783,872	804,232	(20,360)
Information Technology	542,391	542,391	525,037	17,354
Retirement and Nondepartmental	1,393,763	1,897,771	1,784,404	113,367
Public Safety:				
Police	10,455,536	10,483,684	11,668,395	(1,184,711)
Fire	3,200,000	3,217,325	3,347,418	(130,093)
Community Development	1,777,593	1,890,112	1,628,904	261,208
Public Works	2,440,846	2,584,823	2,199,648	385,175
Parks and Recreation	1,855,870	1,859,029	1,990,602	(131,573)
Capital Outlay	9,000	38,581	37,927	654
Debt Service	-	-	24,642	(24,642)
<b>Total Expenditures</b>	<b>24,238,243</b>	<b>25,180,685</b>	<b>25,917,955</b>	<b>(737,270)</b>
Excess (Deficiency) of Revenues over Expenditures	(156,007)	(1,098,449)	262,150	1,360,599
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	520,000	520,000	520,000	-
Transfers Out	(302,693)	(302,693)	(76,360)	226,333
<b>Total Other Financing Sources (Uses)</b>	<b>217,307</b>	<b>217,307</b>	<b>443,640</b>	<b>226,333</b>
<b>Net Change in Fund Balances</b>	<b>61,300</b>	<b>(881,142)</b>	<b>705,790</b>	<b>1,586,932</b>
Fund Balance, Beginning of Year	10,282,877	10,282,877	10,282,877	-
<b>Fund Balance, End of Year</b>	<b>\$ 10,344,177</b>	<b>\$ 9,401,735</b>	<b>\$ 10,988,667</b>	<b>\$ 1,586,932</b>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual - Retirement Tax Fund**  
Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 4,678,922	\$ 4,678,922	\$ 4,968,364	\$ 289,442
Investment Earnings	-	-	227,375	227,375
Other	100,000	100,000	208,923	108,923
<b>Total Revenues</b>	<b>4,778,922</b>	<b>4,778,922</b>	<b>5,404,662</b>	<b>625,740</b>
<b>EXPENDITURES</b>				
Current:				
General Government	2,036,149	2,036,149	1,396,361	639,788
Public Safety	1,280,135	1,280,135	1,353,411	(73,276)
Community Development	84,181	84,181	88,861	(4,680)
Public Works	142,203	142,203	170,837	(28,634)
Parks and Recreation	102,029	102,029	105,661	(3,632)
Debt Service:				
Principal	1,035,000	1,035,000	1,035,000	-
Interest and Fiscal Charges	708,500	708,500	708,500	-
<b>Total Expenditures</b>	<b>5,388,197</b>	<b>5,388,197</b>	<b>4,858,631</b>	<b>529,566</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(609,275)	(609,275)	546,031	1,155,306
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	201,201	201,201	-	(201,201)
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>201,201</b>	<b>201,201</b>	<b>-</b>	<b>(201,201)</b>
<b>Net Change in Fund Balances</b>	<b>(408,074)</b>	<b>(408,074)</b>	<b>546,031</b>	<b>954,105</b>
Fund Balance, Beginning of Year	10,370,216	10,370,216	10,370,216	-
Fund Balance, End of Year	<u>\$ 9,962,142</u>	<u>\$ 9,962,142</u>	<u>\$ 10,916,247</u>	<u>\$ 954,105</u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual - ARPA Fund**  
Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Other	-	-	-	-
Total Revenues	-	-	-	-
<b>EXPENDITURES</b>				
Current:				
General Government	-	934,940	245,347	689,593
Public Works	-	1,404,961	5,756	1,399,205
Capital Outlay	-	1,121,839	-	1,121,839
Total Expenditures	-	3,461,740	251,103	3,210,637
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(3,461,740)	(251,103)	3,210,637
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	-	-	-	-
Transfers Out	-	(850,000)	(501,150)	348,850
Total Other Financing Sources (Uses)	-	(850,000)	(501,150)	348,850
Net Change in Fund Balances	-	(4,311,740)	(752,253)	3,559,487
Fund Balance, Beginning of Year	4,311,740	4,311,740	4,311,740	-
Fund Balance, End of Year	<u>\$ 4,311,740</u>	<u>\$ -</u>	<u>\$ 3,559,487</u>	<u>\$ 3,559,487</u>

**City of San Fernando**  
**Notes to Required Supplementary Information**  
Year Ended June 30, 2024

**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 2023-24, approximately \$1 million in supplemental budget appropriations in the General Fund were approved by the City Council.
- 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**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual - Capital Grants Fund**  
Year Ended June 30, 2024

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental	\$ 12,685,711	\$ 12,782,032	\$ 96,321
Other	-	-	-
	<u>12,685,711</u>	<u>12,782,032</u>	<u>96,321</u>
Total Revenues			
<b>EXPENDITURES</b>			
Current:			
Public Safety	-	-	-
Public Works	300,000	170,255	129,745
Parks and Recreation	1,830,615	1,143,602	687,013
Capital Outlay	39,430,066	7,206,518	32,223,548
	<u>41,560,681</u>	<u>8,520,375</u>	<u>33,040,306</u>
Total Expenditures			
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(28,874,970)</u>	<u>4,261,657</u>	<u>33,136,627</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	-	-	-
Transfers Out	-	(2,984,058)	(2,984,058)
	<u>-</u>	<u>(2,984,058)</u>	<u>(2,984,058)</u>
Total Other Financing Sources (Uses)			
Net Change in Fund Balances	(28,874,970)	1,277,599	30,152,569
Fund Balance, Beginning of Year	(8,501,762)	(8,501,762)	-
Fund Balance, End of Year	<u>\$ (37,376,732)</u>	<u>\$ (7,224,163)</u>	<u>\$ 30,152,569</u>

**City of San Fernando**  
**Other Governmental Funds**  
June 30, 2024

**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, 2024

**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.

**Measure W** - Accounts for revenues from the County-wide parcel tax that provides local, dedicated funding for rainwater and urban runoff management to increase the region's local water supply, improve water quality, and protect public health.

**Measure H** - Accounts for revenues from the County-wide parcel tax that provides local, dedicated funding for the specific purposes of funding homeless services and short-term housing.

**Housing** - Accounts for receipts from repayments of low-income housing loans and other housing related revenue. The proceeds are restricted for low income housing purposes.

**CAPITAL PROJECTS FUNDS**

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



**City of San Fernando**  
**Combining Balance Sheet**  
**Other Governmental Funds - Continued**  
June 30, 2024

	Measure R	Mall Maintenance Operations	Proposition A Local Transit	Proposition C Discretionary	Traffic Safety
<b>ASSETS</b>					
Cash and Investments	\$ 381,180	\$ -	\$ 522,233	\$ 22,079	\$ 14,710
Restricted Cash and Investments	2,223	-	-	-	-
Receivables:					
Taxes	30,563	-	-	-	-
Accounts	-	665	-	-	137
Grants	-	-	-	-	-
Leases	-	-	-	-	-
Loans	-	-	-	-	-
Prepaid Items	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 413,966</b>	<b>\$ 665</b>	<b>\$ 522,233</b>	<b>\$ 22,079</b>	<b>\$ 14,847</b>
<b>LIABILITIES</b>					
Accounts Payable	\$ 12,705	\$ 79	\$ 112,226	\$ -	\$ -
Accrued Liabilities	203	3,734	2,480	-	43
Deposits	10	-	-	-	-
Due to Other Funds	-	152,976	-	-	-
Unearned Revenue	-	-	-	-	-
Due to Other Agencies	-	-	-	-	-
<b>Total Liabilities</b>	<b>12,918</b>	<b>156,789</b>	<b>114,706</b>	<b>-</b>	<b>43</b>
<b>DEFERRED INFLOWS</b>					
Lease Related	-	-	-	-	-
Unavailable Revenues - Grants	-	-	-	-	-
<b>Total Deferred Inflows</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES</b>					
Prepaid Items	-	-	-	-	-
Restricted for:					
Transportation	401,048	-	407,527	22,079	14,804
Housing	-	-	-	-	-
Air Pollution	-	-	-	-	-
Parks and Recreation	-	-	-	-	-
Public Safety	-	-	-	-	-
Community Development	-	-	-	-	-
Parking	-	-	-	-	-
Unassigned	-	(156,124)	-	-	-
<b>Total Fund Balances</b>	<b>401,048</b>	<b>(156,124)</b>	<b>407,527</b>	<b>22,079</b>	<b>14,804</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$ 413,966</b>	<b>\$ 665</b>	<b>\$ 522,233</b>	<b>\$ 22,079</b>	<b>\$ 14,847</b>

Parking Maintenance and Operations	Local Transportation	Recreation	Quimby Act Fees	Street Lighting	State Asset Forfeiture	State Gas Tax
\$ 383,808	\$ -	\$ 37,140	\$ 35,231	\$ 535,183	\$ 319	\$ 54,460
-	-	-	-	-	-	-
1,639	-	-	-	6,412	-	55,427
-	-	9,276	-	-	-	-
-	42,417	-	-	-	-	-
163,442	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 548,889</u>	<u>\$ 42,417</u>	<u>\$ 46,416</u>	<u>\$ 35,231</u>	<u>\$ 541,595</u>	<u>\$ 319</u>	<u>\$ 109,887</u>
\$ 24,756	\$ -	\$ 21,689	\$ -	\$ 29,608	\$ -	\$ 17,443
3,781	-	19,682	152	4,782	-	-
1,067	-	-	-	-	-	-
-	37,305	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>29,604</u>	<u>37,305</u>	<u>41,371</u>	<u>152</u>	<u>34,390</u>	<u>-</u>	<u>17,443</u>
162,592	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>162,592</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
-	5,112	-	-	-	-	92,444
-	-	-	-	-	-	-
-	-	5,045	35,079	-	-	-
-	-	-	-	507,205	319	-
-	-	-	-	-	-	-
356,693	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>356,693</u>	<u>5,112</u>	<u>5,045</u>	<u>35,079</u>	<u>507,205</u>	<u>319</u>	<u>92,444</u>
<u>\$ 548,889</u>	<u>\$ 42,417</u>	<u>\$ 46,416</u>	<u>\$ 35,231</u>	<u>\$ 541,595</u>	<u>\$ 319</u>	<u>\$ 109,887</u>

Continued

**City of San Fernando**  
**Combining Balance Sheet**  
**Other Governmental Funds - Continued**  
June 30, 2024

	Federal Asset Forfeiture	AQMD	Cash-in-Lieu of Parking	Pavement Management	Proposition C
<b>ASSETS</b>					
Cash and Investments	\$ 180	\$ 202,101	\$ 515,545	\$ 14,232	\$ 437,507
Restricted Cash and Investments	-	-	-	-	-
Receivables:					
Taxes	-	16,059	-	-	40,632
Accounts	-	-	-	-	-
Grants	-	-	-	-	-
Leases	-	-	-	-	-
Loans	-	-	-	-	-
Prepaid Items	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 180</b>	<b>\$ 218,160</b>	<b>\$ 515,545</b>	<b>\$ 14,232</b>	<b>\$ 478,139</b>
<b>LIABILITIES</b>					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 30,357
Accrued Liabilities	-	-	-	-	-
Deposits	-	-	-	-	-
Due to Other Funds	-	-	-	-	-
Unearned Revenue	-	-	-	-	-
Due to Other Agencies	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,357</b>
<b>DEFERRED INFLOWS</b>					
Lease Related	-	-	-	-	-
Unavailable Revenues - Grants	-	7,902	-	-	-
	-	7,902	-	-	-
<b>FUND BALANCES</b>					
Prepaid Items	-	-	-	-	-
Restricted for:					
Transportation	-	-	515,545	14,232	447,782
Housing	-	-	-	-	-
Air Pollution	-	210,258	-	-	-
Parks and Recreation	-	-	-	-	-
Public Safety	180	-	-	-	-
Community Development	-	-	-	-	-
Parking	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total Fund Balances</b>	<b>180</b>	<b>210,258</b>	<b>515,545</b>	<b>14,232</b>	<b>447,782</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$ 180</b>	<b>\$ 218,160</b>	<b>\$ 515,545</b>	<b>\$ 14,232</b>	<b>\$ 478,139</b>

Community Development Block Grant	Community Development Surcharge	Operating Grants	STP Local Fund	SLESF	Measure M	Road Maintenance & Rehab
\$ -	\$ 237,897	\$ -	\$ 255,766	\$ 253,054	\$ 733,543	\$ 685,672
-	-	-	-	-	-	-
-	-	-	-	-	34,651	106,355
-	306	-	-	94,663	-	-
87,246	-	893,444	-	-	-	-
-	-	-	-	-	-	-
227,471	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 314,717</u>	<u>\$ 238,203</u>	<u>\$ 893,444</u>	<u>\$ 255,766</u>	<u>\$ 347,717</u>	<u>\$ 768,194</u>	<u>\$ 792,027</u>
\$ 55,385	\$ 7,494	\$ 118,160	\$ -	\$ -	\$ 34,849	\$ 5,500
-	9,179	176	-	-	-	-
-	-	10,160	-	-	-	-
31,857	-	156,009	-	-	-	-
-	-	501,679	-	-	-	-
227,471	-	-	-	-	-	-
<u>314,713</u>	<u>16,673</u>	<u>786,184</u>	<u>-</u>	<u>-</u>	<u>34,849</u>	<u>5,500</u>
-	-	-	-	-	-	-
-	-	880,444	-	94,663	-	-
-	-	880,444	-	94,663	-	-
-	-	-	-	-	-	-
-	-	-	255,766	-	733,345	786,527
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	253,054	-	-
4	221,530	-	-	-	-	-
-	-	-	-	-	-	-
-	-	(773,184)	-	-	-	-
<u>4</u>	<u>221,530</u>	<u>(773,184)</u>	<u>255,766</u>	<u>253,054</u>	<u>733,345</u>	<u>786,527</u>
<u>\$ 314,717</u>	<u>\$ 238,203</u>	<u>\$ 893,444</u>	<u>\$ 255,766</u>	<u>\$ 347,717</u>	<u>\$ 768,194</u>	<u>\$ 792,027</u>

Continued

**City of San Fernando**  
**Combining Balance Sheet**  
**Other Governmental Funds - Continued**  
June 30, 2024

	Measure W	Measure H	Housing	Capital Outlay	Total
<b>ASSETS</b>					
Cash and Investments	\$ 600,776	\$ -	\$ 2,095,671	\$ 778,162	\$ 8,796,449
Restricted Cash and Investments	-	-	-	-	2,223
Receivables:					
Taxes	-	-	-	-	291,738
Accounts	-	-	-	-	105,047
Grants	-	-	-	-	1,023,107
Leases	-	-	-	-	163,442
Loans	-	-	1,261,778	-	1,489,249
Prepaid Items	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 600,776</b>	<b>\$ -</b>	<b>\$ 3,357,449</b>	<b>\$ 778,162</b>	<b>\$ 11,871,255</b>
<b>LIABILITIES</b>					
Accounts Payable	\$ 12,378	\$ 4,294	\$ -	\$ 188,659	\$ 675,582
Accrued Liabilities	-	-	408	-	44,620
Deposits	-	-	-	-	11,237
Due to Other Funds	-	1,048	-	-	379,195
Unearned Revenue	-	-	-	-	501,679
Due to Other Agencies	-	-	-	-	227,471
<b>Total Liabilities</b>	<b>12,378</b>	<b>5,342</b>	<b>408</b>	<b>188,659</b>	<b>1,839,784</b>
<b>DEFERRED INFLOWS</b>					
Lease Related	-	-	-	-	162,592
Unavailable Revenues - Grants	-	-	-	-	983,009
	-	-	-	-	1,145,601
<b>FUND BALANCES</b>					
Prepaid Items	-	-	-	-	-
Restricted for:					
Transportation	588,398	-	-	-	4,284,609
Housing	-	-	3,357,041	-	3,357,041
Air Pollution	-	-	-	-	210,258
Parks and Recreation	-	-	-	-	40,124
Public Safety	-	-	-	-	760,758
Community Development	-	-	-	589,503	811,037
Parking	-	-	-	-	356,693
Unassigned	-	(5,342)	-	-	(934,650)
<b>Total Fund Balances</b>	<b>588,398</b>	<b>(5,342)</b>	<b>3,357,041</b>	<b>589,503</b>	<b>8,885,870</b>
<b>Total Liabilities, Deferred Inflows and Fund Balances</b>	<b>\$ 600,776</b>	<b>\$ -</b>	<b>\$ 3,357,449</b>	<b>\$ 778,162</b>	<b>\$ 11,871,255</b>

THIS PAGE INTENTIONALLY LEFT BLANK

**City of San Fernando**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Other Governmental Funds**  
Year Ended June 30, 2024

	Measure R	Mall Maintenance Operations	Proposition A Local Transit	Proposition C Discretionary	Traffic Safety
<b>REVENUES</b>					
Taxes	\$ 387,849	\$ 47,200	\$ 623,639	\$ -	\$ -
Licenses and Permits	-	-	-	-	-
Charges for Services	-	-	996	-	-
Fines and Forfeitures	-	-	-	-	2,201
Investment Earnings	35,885	-	7,650	774	-
Intergovernmental	-	-	-	-	-
Other	-	-	-	-	-
<b>Total Revenues</b>	<b>423,734</b>	<b>47,200</b>	<b>632,285</b>	<b>774</b>	<b>2,201</b>
<b>EXPENDITURES</b>					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Community Development	-	-	-	-	-
Public Works	3,514	44,801	575,001	-	-
Parks and Recreation	-	-	-	-	-
Capital Outlay	340,652	-	-	-	-
Debt Service:					
Principal	100,000	-	-	-	-
Interest and Fiscal Charges	77,438	-	-	-	-
<b>Total Expenditures</b>	<b>521,604</b>	<b>44,801</b>	<b>575,001</b>	<b>-</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(97,870)	2,399	57,284	774	2,201
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>(97,870)</b>	<b>2,399</b>	<b>57,284</b>	<b>774</b>	<b>2,201</b>
Fund Balances, Beginning	498,918	(158,523)	350,243	21,305	12,603
<b>Fund Balances, End of Year</b>	<b>\$ 401,048</b>	<b>\$ (156,124)</b>	<b>\$ 407,527</b>	<b>\$ 22,079</b>	<b>\$ 14,804</b>

Parking Maintenance and Operations	Local Transportation	Recreation	Quimby Act Fees	Street Lighting	State Asset Forfeiture	State Gas Tax
\$ -	\$ -	\$ -	\$ -	\$ 327,099	\$ -	\$ -
-	-	-	-	-	-	-
185,187	-	194,783	-	-	-	-
-	-	-	-	-	-	-
52,734	-	-	1,235	-	11	-
-	42,417	-	-	-	-	644,102
4,850	-	-	-	-	-	-
<u>242,771</u>	<u>42,417</u>	<u>194,783</u>	<u>1,235</u>	<u>327,099</u>	<u>11</u>	<u>644,102</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
226,996	-	-	-	289,051	-	301,658
-	-	209,955	-	-	-	-
-	-	469	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>226,996</u>	<u>-</u>	<u>210,424</u>	<u>-</u>	<u>289,051</u>	<u>-</u>	<u>301,658</u>
<u>15,775</u>	<u>42,417</u>	<u>(15,641)</u>	<u>1,235</u>	<u>38,048</u>	<u>11</u>	<u>342,444</u>
-	-	51,360	-	-	-	-
-	-	-	-	-	-	(250,000)
-	-	51,360	-	-	-	(250,000)
15,775	42,417	35,719	1,235	38,048	11	92,444
340,918	(37,305)	(30,674)	33,844	469,157	308	-
<u>\$ 356,693</u>	<u>\$ 5,112</u>	<u>\$ 5,045</u>	<u>\$ 35,079</u>	<u>\$ 507,205</u>	<u>\$ 319</u>	<u>\$ 92,444</u>

Continued



**City of San Fernando**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Other Governmental Funds - Continued**  
Year Ended June 30, 2024

	Federal Asset Forfeiture	AQMD	Cash-in-Lieu of Parking	Pavement Management	Proposition C
<b>REVENUES</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 517,294
Licenses and Permits	-	-	-	-	-
Charges for Services	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-
Investment Earnings	6	5,531	18,061	498	25,999
Intergovernmental	-	31,535	-	-	-
Other	-	350	-	-	-
<b>Total Revenues</b>	<b>6</b>	<b>37,416</b>	<b>18,061</b>	<b>498</b>	<b>543,293</b>
<b>EXPENDITURES</b>					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	-
Community Development	-	-	-	-	-
Public Works	-	-	-	-	234,138
Parks and Recreation	-	-	-	-	-
Capital Outlay	-	-	-	-	133,485
Debt Service:					
Principal	-	-	-	-	-
Interest and Fiscal Charges	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>367,623</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>6</b>	<b>37,416</b>	<b>18,061</b>	<b>498</b>	<b>175,670</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	-	-	-	-	-
Transfers Out	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>6</b>	<b>37,416</b>	<b>18,061</b>	<b>498</b>	<b>175,670</b>
Fund Balances, Beginning	174	172,842	497,484	13,734	272,112
<b>Fund Balances, End of Year</b>	<b>\$ 180</b>	<b>\$ 210,258</b>	<b>\$ 515,545</b>	<b>\$ 14,232</b>	<b>\$ 447,782</b>

Community Development Block Grant	Community Development Surcharge	Operating Grants	STP Local Fund	SLESF	Measure M	Road Maintenance & Rehab
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 437,964	\$ -
-	-	-	-	-	-	-
-	55,041	-	-	-	-	-
-	-	-	-	-	-	-
-	5,353	-	8,960	7,600	76,323	49,894
90,894	25,748	1,175,790	-	186,159	-	610,262
-	-	-	-	-	-	-
<u>90,894</u>	<u>86,142</u>	<u>1,175,790</u>	<u>8,960</u>	<u>193,759</u>	<u>514,287</u>	<u>660,156</u>
-	-	4,650	-	-	-	-
-	-	260,310	-	-	-	-
41,502	-	110,968	-	-	-	-
4,833	30,660	117,191	-	-	-	-
44,555	-	332,488	-	-	-	-
-	-	-	-	-	169,477	76,960
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>90,890</u>	<u>30,660</u>	<u>825,607</u>	<u>-</u>	<u>-</u>	<u>169,477</u>	<u>76,960</u>
<u>4</u>	<u>55,482</u>	<u>350,183</u>	<u>8,960</u>	<u>193,759</u>	<u>344,810</u>	<u>583,196</u>
-	-	25,000	-	-	-	-
-	-	(423,040)	-	(150,000)	-	-
-	-	(398,040)	-	(150,000)	-	-
4	55,482	(47,857)	8,960	43,759	344,810	583,196
-	166,048	(725,327)	246,806	209,295	388,535	203,331
<u>\$ 4</u>	<u>\$ 221,530</u>	<u>\$ (773,184)</u>	<u>\$ 255,766</u>	<u>\$ 253,054</u>	<u>\$ 733,345</u>	<u>\$ 786,527</u>

Continued

**City of San Fernando**  
**Combining Statement of Revenues, Expenditures and Changes in Fund Balances**  
**Other Governmental Funds - Continued**  
Year Ended June 30, 2024

	Measure W	Measure H	Housing	Capital Outlay	Total
<b>REVENUES</b>					
Taxes	\$ 273,453	\$ 4,140	\$ -	\$ -	\$ 2,618,638
Licenses and Permits	-	-	-	-	-
Charges for Services	-	-	-	-	436,007
Fines and Forfeitures	-	-	-	-	2,201
Investment Earnings	14,616	-	(35,703)	-	275,427
Intergovernmental	-	-	-	-	2,806,907
Other	-	-	-	-	5,200
<b>Total Revenues</b>	<b>288,069</b>	<b>4,140</b>	<b>(35,703)</b>	<b>-</b>	<b>6,144,380</b>
<b>EXPENDITURES</b>					
Current:					
General Government	-	-	-	-	4,650
Public Safety	-	-	-	-	260,310
Community Development	-	9,482	23,902	-	185,854
Public Works	140,026	-	-	-	1,967,869
Parks and Recreation	-	-	-	-	586,998
Capital Outlay	23,769	-	-	894,135	1,638,947
Debt Service:					
Principal	-	-	-	-	100,000
Interest and Fiscal Charges	-	-	-	-	77,438
<b>Total Expenditures</b>	<b>163,795</b>	<b>9,482</b>	<b>23,902</b>	<b>894,135</b>	<b>4,822,066</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	124,274	(5,342)	(59,605)	(894,135)	1,322,314
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers In	-	-	-	-	76,360
Transfers Out	-	-	-	-	(823,040)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(746,680)</b>
<b>Net Change in Fund Balances</b>	<b>124,274</b>	<b>(5,342)</b>	<b>(59,605)</b>	<b>(894,135)</b>	<b>575,634</b>
Fund Balances, Beginning	464,124	-	3,416,646	1,483,638	8,310,236
<b>Fund Balances, End of Year</b>	<b>\$ 588,398</b>	<b>\$ (5,342)</b>	<b>\$ 3,357,041</b>	<b>\$ 589,503</b>	<b>\$ 8,885,870</b>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance**  
**Budget and Actual - Measure R Fund**  
Year Ended June 30, 2024

	Budgeted Amounts <u>Final</u>	Actual Amounts <u>Final</u>	Variance with Final Budget <u>Final</u>
<b>REVENUES</b>			
Taxes	\$ 422,860	\$ 387,849	\$ (35,011)
Investment Earnings	-	35,885	35,885
	<u>422,860</u>	<u>423,734</u>	<u>874</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	2,584	3,514	(930)
Capital Outlay	665,120	340,652	324,468
Debt Service:			
Principal	100,000	100,000	-
Interest and Fiscal Charges	77,438	77,438	-
	<u>845,142</u>	<u>521,604</u>	<u>323,538</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(422,282)	(97,870)	324,412
Fund Balance, Beginning of Year	<u>498,918</u>	<u>498,918</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 76,636</u>	<u>\$ 401,048</u>	<u>\$ 324,412</u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Mall Maintenance Fund**  
Year Ended June 30, 2024

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Taxes	\$ 53,000	\$ 47,200	\$ (5,800)
Total Revenues	53,000	47,200	(5,800)
<b>EXPENDITURES</b>			
Current:			
Public Works	9,050	44,801	(35,751)
Total Expenditures	9,050	44,801	(35,751)
Excess (Deficiency) of Revenues Over (Under) Expenditures	43,950	2,399	(41,551)
Fund Balance, Beginning of Year	(158,523)	(158,523)	-
Fund Balance, End of Year	\$ (114,573)	\$ (156,124)	\$ (41,551)

**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, 2024

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget <u></u>
<b>REVENUES</b>			
Taxes	\$ 679,724	\$ 623,639	\$ (56,085)
Charges for Services	9,500	996	(8,504)
Investment Earnings	-	7,650	7,650
	<u>689,224</u>	<u>632,285</u>	<u>(56,939)</u>
Total Revenues			
<b>EXPENDITURES</b>			
Current:			
Public Works	<u>669,570</u>	<u>575,001</u>	<u>94,569</u>
Total Expenditures	<u>669,570</u>	<u>575,001</u>	<u>94,569</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	19,654	57,284	37,630
Fund Balance, Beginning of Year	<u>350,243</u>	<u>350,243</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 369,897</u>	<u>\$ 407,527</u>	<u>\$ 37,630</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, 2024

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Investment Earnings	\$ -	\$ 774	\$ 774
Intergovernmental	-	-	-
Total Revenues	<u>-</u>	<u>774</u>	<u>774</u>
<b>EXPENDITURES</b>			
Capital Outlay	<u>775,376</u>	-	<u>775,376</u>
Total Expenditures	<u>775,376</u>	-	<u>775,376</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(775,376)	774	776,150
Fund Balance, Beginning of Year	<u>21,305</u>	<u>21,305</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ (754,071)</u></u>	<u><u>\$ 22,079</u></u>	<u><u>\$ 776,150</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, 2024

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Fines and Forfeitures	\$ 2,500	\$ 2,201	\$ (299)
Total Revenues	2,500	2,201	(299)
<b>EXPENDITURES</b>			
Current:			
Public Works	-	-	-
Capital Outlay	-	-	-
Total Expenditures	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,500	2,201	(299)
Fund Balance, Beginning of Year	12,603	12,603	-
Fund Balance, End of Year	\$ 15,103	\$ 14,804	\$ (299)



**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, 2024

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Charges for Services	178,500	185,187	6,687
Investment Earnings	26,050	52,734	26,684
Other	-	4,850	4,850
	<u>204,550</u>	<u>242,771</u>	<u>38,221</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	238,049	226,996	11,053
Capital Outlay	100,000	-	100,000
	<u>338,049</u>	<u>226,996</u>	<u>111,053</u>
Total Expenditures			
	<u>338,049</u>	<u>226,996</u>	<u>111,053</u>
Excess (Deficiency) of Revenues Over (under) Expenditures	(133,499)	15,775	149,274
Fund Balance, Beginning of Year	<u>340,918</u>	<u>340,918</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 207,419</u></u>	<u><u>\$ 356,693</u></u>	<u><u>\$ 149,274</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, 2024

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental	\$ -	\$ 42,417	\$ 42,417
Total Revenues	-	42,417	42,417
<b>EXPENDITURES</b>			
Current:			
Public Works	-	-	-
Capital Outlay	5,641	-	5,641
Total Expenditures	5,641	-	5,641
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,641)	42,417	48,058
Fund Balance, Beginning of Year	(37,305)	(37,305)	-
Fund Balance, End of Year	\$ (42,946)	\$ 5,112	\$ 48,058

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Recreation Fund**  
Year Ended June 30, 2024

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Charges for Services	\$ 264,300	\$ 194,783	\$ (69,517)
Total Revenues	<u>264,300</u>	<u>194,783</u>	<u>(69,517)</u>
<b>EXPENDITURES</b>			
Current:			
Parks and Recreation	261,403	209,955	51,448
Capital Outlay	<u>49,360</u>	<u>469</u>	<u>48,891</u>
Total Expenditures	<u>310,763</u>	<u>210,424</u>	<u>100,339</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(46,463)</u>	<u>(15,641)</u>	<u>30,822</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	51,360	51,360	-
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>51,360</u>	<u>-</u>
Net Change in Fund Balances	(46,463)	35,719	82,182
Fund Balance, Beginning of Year	<u>(30,674)</u>	<u>(30,674)</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ (77,137)</u>	<u>\$ 5,045</u>	<u>\$ 82,182</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, 2024

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Charges for Services	\$ -	\$ -	-
Investment Earnings	-	1,235	1,235
Other	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>-</u>	<u>1,235</u>	<u>1,235</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	-	1,235	1,235
Fund Balance, Beginning of Year	<u>33,844</u>	<u>33,844</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 33,844</u>	<u>\$ 35,079</u>	<u>\$ 1,235</u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Street Lighting Fund**  
Year Ended June 30, 2024

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Taxes	\$ 325,000	\$ 327,099	\$ 2,099
Total Revenues	<u>325,000</u>	<u>327,099</u>	<u>2,099</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	345,388	289,051	56,337
Total Expenditures	<u>345,388</u>	<u>289,051</u>	<u>56,337</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(20,388)</u>	<u>38,048</u>	<u>58,436</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(20,388)	38,048	58,436
Fund Balance, Beginning of Year	<u>469,157</u>	<u>469,157</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 448,769</u>	<u>\$ 507,205</u>	<u>\$ 58,436</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, 2024

	<u>Budgeted Amounts Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Fines and Forfeitures	\$ -	\$ -	\$ -
Investment Earnings	-	11	11
Total Revenues	<u>-</u>	<u>11</u>	<u>11</u>
<b>EXPENDITURES</b>			
Capital Outlay	-	-	-
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	11	11
Fund Balance, Beginning of Year	<u>308</u>	<u>308</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 308</u></u>	<u><u>\$ 319</u></u>	<u><u>\$ 11</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, 2024

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Intergovernmental	\$ 674,693	\$ 644,102	\$ (30,591)
Total Revenues	<u>674,693</u>	<u>644,102</u>	<u>(30,591)</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	298,458	301,658	(3,200)
Capital Outlay	144,243	-	144,243
Total Expenditures	<u>442,701</u>	<u>301,658</u>	<u>141,043</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>231,992</u>	<u>342,444</u>	<u>110,452</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	(250,000)	(250,000)	-
Total Other Financing Sources (Uses)	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>
Net Change in Fund Balances	(18,008)	92,444	110,452
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	<u>\$ (18,008)</u>	<u>\$ 92,444</u>	<u>\$ 110,452</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, 2024

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Fines and Forfeitures	\$ -	\$ -	\$ -
Investment Earnings	-	6	6
	<u>-</u>	<u>6</u>	<u>6</u>
Total Revenues	<u>-</u>	<u>6</u>	<u>6</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	-	6	6
Fund Balance, Beginning of Year	<u>174</u>	<u>174</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 174</u></u>	<u><u>\$ 180</u></u>	<u><u>\$ 6</u></u>



**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - AQMD Fund**  
Year Ended June 30, 2024

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Investment Earnings	\$ -	\$ 5,531	\$ 5,531
Intergovernmental	<u>28,000</u>	<u>31,535</u>	<u>3,535</u>
Total Revenues	<u>28,000</u>	<u>37,416</u>	<u>9,416</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	28,000	37,416	9,416
Fund Balance, Beginning of Year	<u>172,842</u>	<u>172,842</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 200,842</u></u>	<u><u>\$ 210,258</u></u>	<u><u>\$ 9,416</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, 2024

	<u>Budgeted Amounts Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Investment Earnings	\$ -	\$ 18,061	\$ 18,061
Other	-	-	-
Total Revenues	<u>-</u>	<u>18,061</u>	<u>18,061</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	-	18,061	18,061
Fund Balance, Beginning of Year	<u>497,484</u>	<u>497,484</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 497,484</u>	<u>\$ 515,545</u>	<u>\$ 18,061</u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Pavement Management Fund**  
Year Ended June 30, 2024

	<u>Budgeted Amounts Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Investment Earnings	\$ -	\$ 498	\$ 498
Total Revenues	<u>-</u>	<u>498</u>	<u>498</u>
<b>EXPENDITURES</b>			
Current:			
General Government	-	-	-
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	498	498
Fund Balance, Beginning of Year	<u>13,734</u>	<u>13,734</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 13,734</u></u>	<u><u>\$ 14,232</u></u>	<u><u>\$ 498</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, 2024

	Budgeted Amounts <u>Final</u>	Actual Amounts <u></u>	Variance with Final Budget <u></u>
<b>REVENUES</b>			
Taxes	\$ 563,814	\$ 517,294	\$ (46,520)
Investment Earnings	-	25,999	25,999
Total Revenues	<u>563,814</u>	<u>543,293</u>	<u>(20,521)</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	234,138	234,138	-
Capital Outlay	<u>462,704</u>	<u>133,485</u>	<u>329,219</u>
Total Expenditures	<u>696,842</u>	<u>367,623</u>	<u>329,219</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(133,028)	175,670	308,698
Fund Balance, Beginning of Year	<u>272,112</u>	<u>272,112</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 139,084</u></u>	<u><u>\$ 447,782</u></u>	<u><u>\$ 308,698</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, 2024

	<u>Budgeted Amounts Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Intergovernmental	\$ 86,503	\$ 90,894	\$ 4,391
Total Revenues	<u>86,503</u>	<u>90,894</u>	<u>4,391</u>
<b>EXPENDITURES</b>			
Current:			
Community Development	41,503	41,502	1
Public Works	-	4,833	(4,833)
Parks and Recreation	245,000	44,555	200,445
Capital Outlay	-	-	-
Total Expenditures	<u>286,503</u>	<u>90,890</u>	<u>195,613</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(200,000)	4	200,004
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ (200,000)</u>	<u>\$ 4</u>	<u>\$ 200,004</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, 2024

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Charges for Services	\$ 30,000	\$ 55,041	\$ 25,041
Investment Earnings	-	5,353	5,353
Intergovernmental	<u>20,000</u>	<u>25,748</u>	<u>5,748</u>
Total Revenues	<u>50,000</u>	<u>86,142</u>	<u>36,142</u>
<b>EXPENDITURES</b>			
Current:			
Community Development	-	-	-
Public Works	<u>38,102</u>	<u>30,660</u>	<u>7,442</u>
Total Expenditures	<u>38,102</u>	<u>30,660</u>	<u>7,442</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	11,898	55,482	43,584
Fund Balance, Beginning of Year	<u>166,048</u>	<u>166,048</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ 177,946</u></u>	<u><u>\$ 221,530</u></u>	<u><u>\$ 43,584</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, 2024

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Investment Earnings	\$ -	\$ -	\$ -
Intergovernmental	2,033,948	1,175,790	(858,158)
Other	-	-	-
	<u>2,033,948</u>	<u>1,175,790</u>	<u>(858,158)</u>
<b>EXPENDITURES</b>			
Current:			
General Government	10,000	4,650	5,350
Public Safety	1,714,222	260,310	1,453,912
Community Development	718,770	110,968	607,802
Public Works	278,015	117,191	160,824
Parks and Recreation	373,687	332,488	41,199
	<u>3,094,694</u>	<u>825,607</u>	<u>2,269,087</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,060,746)</u>	<u>350,183</u>	<u>1,410,929</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers In	25,000	25,000	-
Transfers Out	-	(423,040)	(423,040)
	<u>25,000</u>	<u>(398,040)</u>	<u>(423,040)</u>
Net Change in Fund Balances	(1,035,746)	(47,857)	987,889
Fund Balance, Beginning of Year	<u>(725,327)</u>	<u>(725,327)</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ (1,761,073)</u></u>	<u><u>\$ (773,184)</u></u>	<u><u>\$ 987,889</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, 2024

	<u>Budgeted Amounts Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Investment Earnings	\$ -	\$ 8,960	\$ 8,960
Intergovernmental	-	-	-
Total Revenues	<u>-</u>	<u>8,960</u>	<u>8,960</u>
<b>EXPENDITURES</b>			
Capital Outlay	<u>250,887</u>	<u>-</u>	<u>250,887</u>
Total Expenditures	<u>250,887</u>	<u>-</u>	<u>250,887</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(250,887)	8,960	259,847
Fund Balance, Beginning of Year	<u>246,806</u>	<u>246,806</u>	<u>-</u>
Fund Balance, End of Year	<u><u>\$ (4,081)</u></u>	<u><u>\$ 255,766</u></u>	<u><u>\$ 259,847</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, 2024

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Investment Earnings	\$ -	\$ 7,600	\$ 7,600
Intergovernmental	<u>150,000</u>	<u>186,159</u>	<u>36,159</u>
Total Revenues	<u>150,000</u>	<u>193,759</u>	<u>43,759</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>150,000</u>	<u>193,759</u>	<u>43,759</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers Out	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>
Net Change in Fund Balances	-	43,759	43,759
Fund Balance, Beginning of Year	<u>209,295</u>	<u>209,295</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 209,295</u>	<u>\$ 253,054</u>	<u>\$ 43,759</u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Measure M Fund**  
Year Ended June 30, 2024

	<u>Budgeted Amounts Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Taxes	\$ 450,000	\$ 437,964	\$ (12,036)
Investment Earnings	-	76,323	76,323
Total Revenues	<u>450,000</u>	<u>514,287</u>	<u>64,287</u>
<b>EXPENDITURES</b>			
Capital Outlay	<u>709,777</u>	<u>169,477</u>	<u>540,300</u>
Total Expenditures	<u>709,777</u>	<u>169,477</u>	<u>540,300</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(259,777)	344,810	604,587
Fund Balance, Beginning of Year	<u>388,535</u>	<u>388,535</u>	
Fund Balance, End of Year	<u><u>\$ 128,758</u></u>	<u><u>\$ 733,345</u></u>	<u><u>\$ 604,587</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, 2024

	Budgeted Amounts <u>Final</u>	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Investment Earnings	\$ -	\$ 49,894	\$ 49,894
Intergovernmental	<u>584,584</u>	<u>610,262</u>	<u>25,678</u>
Total Revenues	<u>584,584</u>	<u>660,156</u>	<u>75,572</u>
<b>EXPENDITURES</b>			
Capital Outlay	<u>872,429</u>	<u>76,960</u>	<u>795,469</u>
Total Expenditures	<u>872,429</u>	<u>76,960</u>	<u>795,469</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(287,845)	583,196	871,041
Fund Balance, Beginning of Year	<u>203,331</u>	<u>203,331</u>	
Fund Balance, End of Year	<u><u>\$ (84,514)</u></u>	<u><u>\$ 786,527</u></u>	<u><u>\$ 871,041</u></u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Measure W Fund**  
Year Ended June 30, 2024

	<u>Budgeted Amounts Final</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
<b>REVENUES</b>			
Taxes	\$ 283,000	273,453	\$ (9,547)
Investment Earnings	-	14,616	14,616
Total Revenues	<u>283,000</u>	<u>288,069</u>	<u>5,069</u>
<b>EXPENDITURES</b>			
Current:			
Public Works	178,144	140,026	38,118
Capital Outlay	511,715	23,769	487,946
Total Expenditures	<u>689,859</u>	<u>163,795</u>	<u>526,064</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(406,859)	124,274	531,133
Fund Balance, Beginning of Year	<u>464,124</u>	<u>464,124</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 57,265</u>	<u>\$ 588,398</u>	<u>\$ 531,133</u>

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Measure H Fund**  
Year Ended June 30, 2024

	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ -
Investment Earnings	25,576	4,140	(21,436)
Total Revenues	25,576	4,140	(21,436)
<b>EXPENDITURES</b>			
Current:			
Housing	25,576	9,482	16,094
Total Expenditures	25,576	9,482	16,094
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(5,342)	(5,342)
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	\$ -	\$ (5,342)	\$ (5,342)

**City of San Fernando**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances**  
**Budget and Actual - Capital Outlay Fund**  
Year Ended June 30, 2024

	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	1,427,290	894,135	533,155
Total Expenditures	<u>1,427,290</u>	<u>894,135</u>	<u>533,155</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,427,290)</u>	<u>(894,135)</u>	<u>533,155</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	(1,427,290)	(894,135)	533,155
Fund Balance, Beginning of Year	1,483,638	1,483,638	-
Fund Balance, End of Year	<u>\$ 56,348</u>	<u>\$ 589,503</u>	<u>\$ 533,155</u>

**NONMAJOR ENTERPRISE FUNDS**

**City of San Fernando**  
**Nonmajor Enterprise Funds**  
June 30, 2024

**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, 2024

	<u>Compressed Natural Gas</u>	<u>Waste Disposal</u>	<u>Totals</u>
<b>ASSETS</b>			
Current Assets:			
Cash and Investments	\$ 206,589	\$ 43,553	\$ 250,142
Total Current Assets	<u>206,589</u>	<u>43,553</u>	<u>250,142</u>
Noncurrent Assets:			
Capital Assets:			
Equipment	-	53,657	53,657
Accumulated Depreciation	-	(53,657)	(53,657)
Total Noncurrent Assets	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>206,589</u>	<u>43,553</u>	<u>250,142</u>
<b>LIABILITIES</b>			
Current Liabilities:			
Accounts Payable	47,090	6,467	53,557
Accrued Liabilities	2	-	2
Total Current Liabilities	<u>47,092</u>	<u>6,467</u>	<u>53,559</u>
<b>NET POSITION</b>			
Net Investment In Capital Assets	-	-	-
Unrestricted	<u>159,497</u>	<u>37,086</u>	<u>196,583</u>
Total Net Position	<u>\$ 159,497</u>	<u>\$ 37,086</u>	<u>\$ 196,583</u>

**City of San Fernando**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**Nonmajor Enterprise Funds**  
Year Ended June 30, 2024

	<u>Compressed Natural Gas</u>	<u>Waste Disposal</u>	<u>Totals</u>
<b>OPERATING REVENUES</b>			
Charges for Services	\$ 334,917	\$ -	\$ 334,917
Other	6,594	-	6,594
	<u>341,511</u>	<u>-</u>	<u>341,511</u>
<b>OPERATING EXPENSES</b>			
Administration and General	5	-	5
Maintenance and Operations	289,010	7,972	296,982
Depreciation	-	-	-
	<u>289,015</u>	<u>7,972</u>	<u>296,987</u>
Total Operating Expenses	<u>289,015</u>	<u>7,972</u>	<u>296,987</u>
Operating Income (Loss)	<u>52,496</u>	<u>(7,972)</u>	<u>44,524</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
Interest Income	<u>2,833</u>	<u>1,938</u>	<u>4,771</u>
Total Nonoperating Revenues (Expenses)	<u>2,833</u>	<u>1,938</u>	<u>4,771</u>
Income (Loss) Before Transfers	55,329	(6,034)	49,295
Transfers In	-	-	-
Transfers Out	-	-	-
	<u>55,329</u>	<u>(6,034)</u>	<u>49,295</u>
Change in Net Position	<u>55,329</u>	<u>(6,034)</u>	<u>49,295</u>
Net Position, Beginning of Year	<u>104,168</u>	<u>43,120</u>	<u>147,288</u>
Net Position, End of Year	<u><u>\$ 159,497</u></u>	<u><u>\$ 37,086</u></u>	<u><u>\$ 196,583</u></u>

**City of San Fernando**  
**Combining Statement of Cash Flows**  
**Nonmajor Enterprise Funds**  
Year Ended June 30, 2024

	Compressed Natural Gas	Waste Disposal	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from Customers and Users	\$ 334,917	\$ -	\$ 334,917
Payments to Suppliers and Contractors	(273,674)	(8,035)	(281,709)
Payments to Employees	(5)	-	(5)
Other Operating Income	6,594	-	6,594
Net Cash from Operating Activities	<u>67,832</u>	<u>(8,035)</u>	<u>59,797</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers from Other Funds	-	-	-
Transfers to Other Funds	-	-	-
Net Cash from Noncapital Financing Activities	<u>-</u>	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition of Capital Assets	-	-	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received	2,833	1,938	4,771
Net Increase (Decrease) in Cash	70,665	(6,097)	64,568
Cash and Cash Equivalents - Beginning of Year	135,924	49,650	185,574
Cash and Cash Equivalents - End of Year	<u>\$ 206,589</u>	<u>\$ 43,553</u>	<u>\$ 250,142</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities:</b>			
Operating Income (Loss)	\$ 52,496	\$ (7,972)	\$ 44,524
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation	-	-	-
Changes in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	-	-	-
Increase (Decrease) in Accounts Payable	15,336	(63)	15,273
Net Cash Provided by Operating Activities	<u>\$ 67,832</u>	<u>\$ (8,035)</u>	<u>\$ 59,797</u>

## **INTERNAL SERVICE FUNDS**

**City of San Fernando**  
**Combining Statement of Net Position**  
**Internal Service Funds**  
June 30, 2024

	Governmental Activities			Totals
	Internal Service Funds			
	Equipment Replacement	Facilities Maintenance	Self Insurance	
<b>ASSETS</b>				
Current Assets:				
Cash and Investments	\$ 1,074,574	\$ -	\$ 2,086,320	\$ 3,160,894
Accounts Receivable	-	1,812	91,080	92,892
Inventory	39,432	-	-	39,432
Total Current Assets	<u>1,114,006</u>	<u>1,812</u>	<u>2,177,400</u>	<u>3,293,218</u>
Noncurrent Assets:				
Capital Assets - Buildings	-	251,265	-	251,265
Capital Assets - Equipment	894,987	193,714	-	1,088,701
Less: Accumulated Depreciation	(273,390)	(98,830)	-	(372,220)
Total Noncurrent Assets	<u>621,597</u>	<u>346,149</u>	<u>-</u>	<u>967,746</u>
Total Assets	<u>1,735,603</u>	<u>347,961</u>	<u>2,177,400</u>	<u>4,260,964</u>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	213,829	84,490	10,458	308,777
Accrued Liabilities	8,742	21,617	-	30,359
Due to Other Funds	-	162,902	-	162,902
Lease Payable - Current	134,845	-	-	134,845
Insurance Assessment Payable - Current	-	-	81,057	81,057
Claims Payable - Current	-	-	1,288,917	1,288,917
Total Current Liabilities	<u>357,416</u>	<u>269,009</u>	<u>1,380,432</u>	<u>2,006,857</u>
Noncurrent Liabilities:				
Leases Payable	280,757	-	-	280,757
Insurance Assessment Payable	-	-	162,114	162,114
Claims Payable	-	-	3,408,220	3,408,220
Total Noncurrent Liabilities	<u>280,757</u>	<u>-</u>	<u>3,570,334</u>	<u>3,851,091</u>
Total Liabilities	<u>638,173</u>	<u>269,009</u>	<u>4,950,766</u>	<u>5,857,948</u>
<b>NET POSITION</b>				
Net Investment In Capital Assets	205,995	346,149	-	552,144
Unrestricted	891,435	(267,197)	(2,773,366)	(2,149,128)
Total Net Position	<u>\$ 1,097,430</u>	<u>\$ 78,952</u>	<u>\$ (2,773,366)</u>	<u>\$ (1,596,984)</u>

**City of San Fernando**  
**Combining Statement of Revenues, Expenses, and Changes in Net Position**  
**Internal Service Funds**  
Year Ended June 30, 2024

	Governmental Activities Internal Service Funds			Totals
	Equipment Replacement	Facilities Maintenance	Self Insurance	
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 814,525	\$ 1,576,964	\$ 1,610,874	\$ 4,002,363
Other	36,800	1,436	2,204,414	2,242,650
 Total Operating Revenues	 <u>851,325</u>	 <u>1,578,400</u>	 <u>3,815,288</u>	 <u>6,245,013</u>
<b>OPERATING EXPENSES</b>				
Administration and General	284,685	1,304,809	3,280,224	4,869,718
Maintenance and Operations	371,315	261,476	-	632,791
Depreciation	252,654	36,226	-	288,880
 Total Operating Expenses	 <u>908,654</u>	 <u>1,602,511</u>	 <u>3,280,224</u>	 <u>5,791,389</u>
 Operating Income (Loss)	 <u>(57,329)</u>	 <u>(24,111)</u>	 <u>535,064</u>	 <u>453,624</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>				
Interest Income	38,113	2,619	56,779	97,511
Interest Expense	(41,965)	-	-	(41,965)
 Total Nonoperating Revenues (Expenses)	 <u>(3,852)</u>	 <u>2,619</u>	 <u>56,779</u>	 <u>55,546</u>
 Income (Loss) Before Transfers	 <u>(61,181)</u>	 <u>(21,492)</u>	 <u>591,843</u>	 <u>509,170</u>
Transfers In	-	-	60,000	60,000
Transfers Out	-	-	-	-
 Change in Net Position	 <u>(61,181)</u>	 <u>(21,492)</u>	 <u>651,843</u>	 <u>569,170</u>
 Net Position, Beginning of Year	 <u>1,158,611</u>	 <u>100,444</u>	 <u>(3,425,209)</u>	 <u>(2,166,154)</u>
 Net Position, End of Year	 <u>\$ 1,097,430</u>	 <u>\$ 78,952</u>	 <u>\$ (2,773,366)</u>	 <u>\$ (1,596,984)</u>

**City of San Fernando**  
**Combining Statement of Cash Flows**  
**Internal Service Funds**  
Year Ended June 30, 2024

	Governmental Activities			Totals
	Internal Service Funds			
	Equipment Replacement	Facilities Maintenance	Self Insurance	
<b>Cash Flows from Operating Activities</b>				
Cash Received from Interfund Services Provided	\$ 814,525	\$ 1,576,849	\$ 1,578,858	\$ 3,970,232
Cash Paid to Suppliers for Goods and Services	(249,085)	(285,676)	(3,815,934)	(4,350,695)
Cash Paid to Employees	(283,431)	(1,315,666)	-	(1,599,097)
Other Operating Income	36,800	-	2,204,414	2,241,214
Net Cash from Operating Activities	<u>318,809</u>	<u>(24,493)</u>	<u>(32,662)</u>	<u>261,654</u>
<b>Cash Flows from Noncapital Financing Activities</b>				
Loans to/from Other Funds	-	162,902	-	162,902
Transfers from Other Funds	-	-	60,000	60,000
Net Cash from Noncapital Financing Activities	<u>-</u>	<u>162,902</u>	<u>60,000</u>	<u>222,902</u>
<b>Cash Flows from Capital Financing Activities</b>				
Debt Proceeds	508,076	-	-	508,076
Payments on Long-term Debt	(92,474)	-	-	(92,474)
Interest Paid	(41,965)	-	-	(41,965)
Acquisition of Capital Assets	(650,378)	(169,997)	-	(820,375)
Net Cash Flows from Capital Financing Activities	<u>(276,741)</u>	<u>(169,997)</u>	<u>-</u>	<u>(446,738)</u>
<b>Cash Flows from Investing Activities</b>				
Interest Received	38,113	2,619	56,779	97,511
Net Increase (Decrease) in Cash	80,181	(28,969)	84,117	135,329
Cash and Cash Equivalents - Beginning of Year	994,393	28,969	2,002,203	3,025,565
Cash and Cash Equivalents - End of Year	<u>\$ 1,074,574</u>	<u>\$ -</u>	<u>\$ 2,086,320</u>	<u>\$ 3,160,894</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities:</b>				
Operating Income (Loss)	\$ (57,329)	\$ (24,111)	\$ 535,064	\$ 453,624
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Depreciation	252,654	36,226	-	288,880
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	-	(1,551)	(32,016)	(33,567)
(Increase) Decrease in Inventory	5,550	-	-	5,550
Increase (Decrease) in Accounts Payable	116,680	(24,200)	(6,593)	85,887
Increase (Decrease) in Accrued Liabilities	1,254	(10,857)	-	(9,603)
Increase (Decrease) in Insurance Payable	-	-	(81,057)	(81,057)
Increase (Decrease) in Claims Payable	-	-	(448,060)	(448,060)
Net Cash from Operating Activities	<u>\$ 318,809</u>	<u>\$ (24,493)</u>	<u>\$ (32,662)</u>	<u>\$ 261,654</u>

THIS PAGE INTENTIONALLY LEFT BLANK



## **STATISTICAL SECTION**

**City of San Fernando**  
**Description of Statistical Section Contents**  
**June 30, 2024**

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			
	2015	2016	2017	2018
<b>Governmental activities:</b>				
Net investment in capital assets	\$ 45,956,739	\$ 44,313,624	\$ 41,001,890	\$ 42,239,084
Restricted	5,887,197	5,926,880	5,847,710	17,998,631
Unrestricted	(40,687,419)	(39,587,196)	(32,938,991)	(66,465,286)
<b>Total governmental activities net position</b>	<b>\$ 11,156,517</b>	<b>\$ 10,653,308</b>	<b>\$ 13,910,609</b>	<b>\$ (6,227,571)</b>
<b>Business-type activities:</b>				
Net investment in capital assets	\$ 14,634,533	\$ 14,592,937	\$ 14,515,239	\$ 14,079,295
Restricted	-	-	-	-
Unrestricted	8,157,375	7,404,904	3,639,086	(3,091,126)
<b>Total business-type activities net position</b>	<b>\$ 22,791,908</b>	<b>\$ 21,997,841</b>	<b>\$ 18,154,325</b>	<b>\$ 10,988,169</b>
<b>Primary government:</b>				
Net investment in capital assets	\$ 60,591,272	\$ 58,906,561	\$ 55,517,129	\$ 56,318,379
Restricted	5,887,197	5,926,880	5,847,710	17,998,631
Unrestricted	(32,530,044)	(32,182,292)	(29,299,905)	(69,556,412)
<b>Total primary government net position</b>	<b>\$ 33,948,425</b>	<b>\$ 32,651,149</b>	<b>\$ 32,064,934</b>	<b>\$ 4,760,598</b>

Source: City Finance Department

Fiacal Year					
2019	2020	2021	2022	2023	2024
\$ 40,925,297	\$ 40,816,119	\$ 41,717,958	\$ 40,754,134	\$ 63,770,882	\$ 66,239,108
20,621,615	21,199,073	24,260,931	32,145,559	23,985,734	23,805,309
(68,665,049)	(69,620,653)	(68,432,940)	(74,913,031)	(83,360,235)	(78,237,708)
<u>\$ (7,118,137)</u>	<u>\$ (7,605,461)</u>	<u>\$ (2,454,051)</u>	<u>\$ (2,013,338)</u>	<u>\$ 4,396,381</u>	<u>\$ 11,806,709</u>
\$ 13,581,037	\$ 14,803,962	\$ 14,643,543	\$ 13,946,274	\$ 15,421,881	\$ 21,669,135
-	-	-	-	-	-
(2,373,104)	(2,089,865)	(410,665)	(3,395,964)	(5,425,294)	(6,615,885)
<u>\$ 11,207,933</u>	<u>\$ 12,714,097</u>	<u>\$ 14,232,878</u>	<u>\$ 10,550,310</u>	<u>\$ 9,996,587</u>	<u>\$ 15,053,250</u>
\$ 54,506,334	\$ 55,620,081	\$ 56,361,501	\$ 54,700,408	\$ 79,192,763	\$ 87,908,243
20,621,615	21,199,073	24,260,931	32,145,559	23,985,734	23,805,309
(71,038,153)	(71,710,518)	(68,843,605)	(78,308,995)	(88,785,529)	(84,853,593)
<u>\$ 4,089,796</u>	<u>\$ 5,108,636</u>	<u>\$ 11,778,827</u>	<u>\$ 8,536,972</u>	<u>\$ 14,392,968</u>	<u>\$ 26,859,959</u>

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

	Fiscal Year			
	2015	2016	2017	2018
Expenses:				
Governmental activities:				
General government	\$ 4,935,760	\$ 7,744,559	\$ 4,769,539	\$ 5,003,034
Public safety	10,731,526	10,122,343	13,881,037	13,046,118
Community development	988,973	1,358,166	1,349,334	1,275,585
Public works	7,017,740	5,380,601	5,306,102	4,966,748
Parks and recreation	1,740,259	1,963,627	1,926,959	1,735,878
Interest on long-term debt	170,118	56,803	120,506	128,661
Total governmental activities expenses	<u>25,584,376</u>	<u>26,626,099</u>	<u>27,353,477</u>	<u>26,156,024</u>
Business-type activities:				
Water	3,204,499	3,260,071	3,692,438	3,389,704
Sewer	2,491,408	4,556,154	3,651,883	4,458,457
Compressed Natural Gas	-	-	-	42,825
Waste disposal	16,734	27,550	92,446	5,898
Total business-type activities expenses	<u>5,712,641</u>	<u>7,843,775</u>	<u>7,436,767</u>	<u>7,896,884</u>
Total primary government expenses	<u>31,297,017</u>	<u>34,469,874</u>	<u>34,790,244</u>	<u>34,052,908</u>
Program revenues:				
Governmental activities:				
Charges for services:				
General government	758,286	647,141	583,386	595,511
Public safety	1,407,121	2,367,700	1,235,131	1,243,148
Community development	412,683	339,593	380,342	400,844
Public works	763,728	414,979	438,527	423,286
Parks and recreation	397,055	254,491	475,553	445,635
Operating grants and contributions	3,386,430	2,409,666	2,272,862	3,032,809
Capital grants and contributions	704,193	1,042,672	1,732,169	1,910,721
Total governmental activities program revenues	<u>7,829,496</u>	<u>7,476,242</u>	<u>7,117,970</u>	<u>8,051,954</u>
Business-type activities:				
Charges for services:				
Water	3,849,880	3,813,635	4,274,122	4,411,292
Sewer	3,401,436	3,336,251	3,368,071	3,435,103
Compressed Natural Gas	-	-	-	68,467
Waste disposal	-	6,651	12,984	16,994
Total business-type activities program revenues	<u>7,251,316</u>	<u>7,156,537</u>	<u>7,655,177</u>	<u>7,931,856</u>
Total primary government program revenues	<u>15,080,812</u>	<u>14,632,779</u>	<u>14,773,147</u>	<u>15,983,810</u>
Net revenues (expenses):				
Governmental activities	(17,754,880)	(19,149,857)	(20,235,507)	(18,104,070)
Business-type activities	1,538,675	(687,238)	218,410	34,972
Total net revenues (expenses)	<u>(16,216,205)</u>	<u>(19,837,095)</u>	<u>(20,017,097)</u>	<u>(18,069,098)</u>

Source: City Finance Department

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 7,604,642	\$ 6,695,845	\$ 8,331,758	\$ 11,508,546	\$ 8,535,396	\$ 5,763,993
13,844,371	15,706,963	12,449,356	20,651,820	23,133,497	14,689,058
1,357,983	1,448,244	1,791,458	3,047,990	1,450,838	2,308,747
5,085,991	4,587,387	5,856,079	2,872,863	6,732,859	9,023,389
1,819,230	1,912,396	1,965,303	2,134,123	3,039,015	4,077,044
88,665	86,044	100,653	417,763	817,025	804,452
<u>29,800,882</u>	<u>30,436,879</u>	<u>30,494,607</u>	<u>40,633,105</u>	<u>43,708,630</u>	<u>36,666,683</u>
4,154,617	4,151,358	4,354,894	6,855,816	7,102,186	6,539,570
3,703,978	2,860,657	3,011,816	5,312,532	2,602,834	3,960,650
80,355	136,837	95,615	164,488	496,035	289,015
3,227	3,284	5,961	3,403	10,000	7,972
<u>7,942,177</u>	<u>7,152,136</u>	<u>7,468,286</u>	<u>12,336,239</u>	<u>10,211,055</u>	<u>10,797,207</u>
<u>37,743,059</u>	<u>37,589,015</u>	<u>37,962,893</u>	<u>52,969,344</u>	<u>53,919,685</u>	<u>47,463,890</u>
882,306	940,109	836,190	110,542	743,378	693,170
1,196,184	1,185,587	958,218	1,036,628	1,081,023	1,202,141
525,102	575,485	492,207	498,787	643,162	573,257
462,055	415,899	489,028	490,496	448,638	454,442
439,805	282,675	131,349	268,658	357,301	356,955
2,777,539	2,851,522	3,927,950	6,089,498	9,205,604	4,643,622
1,154,463	1,059,134	5,194,218	7,390,400	16,944,785	12,914,213
<u>7,437,454</u>	<u>7,310,411</u>	<u>12,029,160</u>	<u>15,885,009</u>	<u>29,423,891</u>	<u>20,837,800</u>
4,426,813	4,656,746	4,993,300	5,234,121	5,228,074	5,596,863
3,449,801	3,643,176	4,025,086	3,866,293	4,088,886	3,987,489
117,355	187,994	140,910	133,450	450,965	341,511
6,416	278	114	6,467	-	-
<u>8,000,385</u>	<u>8,488,194</u>	<u>9,159,410</u>	<u>9,240,331</u>	<u>9,767,925</u>	<u>9,925,863</u>
<u>15,437,839</u>	<u>15,798,605</u>	<u>21,188,570</u>	<u>25,125,340</u>	<u>39,191,816</u>	<u>30,763,663</u>
(22,363,428)	(23,126,468)	(18,465,447)	(24,748,096)	(14,284,739)	(15,828,883)
58,208	1,336,058	1,691,124	(3,095,908)	(443,130)	(871,344)
<u>(22,305,220)</u>	<u>(21,790,410)</u>	<u>(16,774,323)</u>	<u>(27,844,004)</u>	<u>(14,727,869)</u>	<u>(16,700,227)</u>

(Continued)

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

	Fiscal Year			
	2015	2016	2017	2018
General revenues and other changes in net position:				
Governmental activities:				
Taxes:				
Property	\$ 7,871,457	\$ 8,739,138	\$ 8,867,169	\$ 8,970,624
Sales and use	5,313,426	6,437,739	7,911,392	7,984,731
Property taxes in lieu of sales and use taxes	1,022,777	962,590	-	-
Business license taxes	1,114,416	1,184,994	1,483,606	1,629,779
Franchise	613,793	636,652	636,457	663,381
Other taxes	315,247	334,419	350,636	371,835
Investment income	50,748	72,181	102,733	122,016
Gain on sale of property	1,033,066	-	-	-
Other	43,010	107,561	48,101	192,512
Transfers	187,688	181,000	180,000	162,407
Extraordinary gain	-	-	-	-
Total governmental activities	<u>17,565,628</u>	<u>18,656,274</u>	<u>19,580,094</u>	<u>20,097,285</u>
Business-type activities:				
Investment income	17,287	64,545	30,788	39,486
Transfers	(187,688)	(181,000)	(180,000)	(162,407)
Total business-type activities	<u>(170,401)</u>	<u>(116,455)</u>	<u>(149,212)</u>	<u>(122,921)</u>
Total primary government	<u>17,395,227</u>	<u>18,539,819</u>	<u>19,430,882</u>	<u>19,974,364</u>
Changes in net position:				
Governmental activities	(189,252)	(493,583)	(655,413)	1,993,215
Business-type activities	1,368,274	(803,693)	69,198	(87,949)
Total primary government	<u>\$ 1,179,022</u>	<u>\$ (1,297,276)</u>	<u>\$ (586,215)</u>	<u>\$ 1,905,266</u>

Source: City Finance Department

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 9,741,048	\$ 9,730,128	\$ 10,725,774	\$ 10,196,178	\$ 12,655,839	\$ 12,513,002
8,207,979	8,773,312	10,186,845	11,912,920	12,036,191	11,549,724
-	-	-	-	-	-
1,601,969	1,658,301	1,554,102	1,669,084	1,814,949	1,876,766
693,474	710,629	741,355	775,995	933,936	996,481
396,279	367,170	341,780	453,278	356,816	354,458
564,893	591,883	7,759	(167,636)	(121,784)	1,163,217
-	-	-	-	-	8,400
87,220	323,826	239,242	187,967	264,899	271,354
180,000	180,000	180,000	161,023	220,008	(3,728,248)
-	-	-	-	-	-
<u>21,472,862</u>	<u>22,335,249</u>	<u>23,976,857</u>	<u>25,188,809</u>	<u>28,160,854</u>	<u>25,005,154</u>
341,556	350,106	7,657	(425,637)	109,415	433,816
(180,000)	(180,000)	(180,000)	(161,023)	(220,008)	3,728,248
<u>161,556</u>	<u>170,106</u>	<u>(172,343)</u>	<u>(586,660)</u>	<u>(110,593)</u>	<u>4,162,064</u>
<u>21,634,418</u>	<u>22,505,355</u>	<u>23,804,514</u>	<u>24,602,149</u>	<u>28,050,261</u>	<u>29,167,218</u>
(890,566)	(791,219)	5,511,410	440,713	13,876,115	9,176,271
219,764	1,506,164	1,518,781	(3,682,568)	(553,723)	3,290,720
<u>\$ (670,802)</u>	<u>\$ 714,945</u>	<u>\$ 7,030,191</u>	<u>\$ (3,241,855)</u>	<u>\$ 13,322,392</u>	<u>\$ 12,466,991</u>



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

	Fiscal Year			
	2015	2016	2017	2018
General fund:				
Nonspendable	\$ 371,547	\$ 329,717	\$ 66,703	\$ 66,308
Unassigned	(4,485,592)	(3,409,964)	(1,541,792)	(274,561)
Total general fund	<u>\$ (4,114,045)</u>	<u>\$ (3,080,247)</u>	<u>\$ (1,475,089)</u>	<u>\$ (208,253)</u>
All other governmental funds:				
Nonspendable	\$ -	\$ -	\$ 1,000	\$ 1,896
Restricted	12,970,716	16,579,665	17,727,008	18,388,470
Unassigned	(86,502)	(423,525)	(480,384)	(759,477)
Total all other governmental funds	<u>\$ 12,884,214</u>	<u>\$ 16,156,140</u>	<u>\$ 17,247,624</u>	<u>\$ 17,630,889</u>

Source: City Finance Department

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 1,140	\$ 1,600	\$ 234,225	\$ 7,384	\$ 33,955	\$ 28,988
1,820,023	3,624,944	7,525,244	10,223,657	10,248,922	10,959,679
<u>\$ 1,821,163</u>	<u>\$ 3,626,544</u>	<u>\$ 7,759,469</u>	<u>\$ 10,231,041</u>	<u>\$ 10,282,877</u>	<u>\$ 10,988,667</u>
\$ -	\$ -	\$ -	\$ -	\$ 895	\$ -
20,565,668	21,199,073	24,249,648	29,075,891	23,944,021	24,296,254
(168,996)	(564,543)	(100,585)	(318,386)	(9,454,486)	(8,158,813)
<u>\$ 20,396,672</u>	<u>\$ 20,634,530</u>	<u>\$ 24,149,063</u>	<u>\$ 28,757,505</u>	<u>\$ 14,490,430</u>	<u>\$ 16,137,441</u>

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

	Fiscal Year			
	2015	2016	2017	2018
<b>Revenues:</b>				
Taxes	\$ 15,890,424	\$ 18,243,024	\$ 18,814,442	\$ 19,667,257
Licenses and permits	437,765	335,010	243,960	279,620
Charges for services	2,403,038	2,115,806	1,282,281	1,238,793
Fines and forfeitures	576,778	643,927	576,710	436,941
Investment earnings	231,535	240,049	268,368	312,908
Intergovernmental	4,636,669	3,641,035	4,543,228	5,511,368
Other	402,521	423,599	383,686	526,313
Total revenues	<u>24,578,730</u>	<u>25,642,450</u>	<u>26,112,675</u>	<u>27,973,200</u>
<b>Expenditures</b>				
<b>Current:</b>				
General government	2,902,267	5,915,423	4,575,208	5,085,790
Public safety	10,473,341	10,988,468	10,976,722	11,746,344
Community development	779,446	1,021,757	1,093,430	1,056,819
Public works	4,675,026	3,284,258	2,890,550	2,849,581
Parks and recreation	1,649,985	1,774,799	1,730,136	1,604,650
Capital outlay	239,126	1,291,817	2,017,716	3,755,234
<b>Debt service:</b>				
Principal	1,572,692	-	65,000	80,000
Interest and fiscal charges	170,118	27,559	147,271	134,681
Total expenditures	<u>22,462,001</u>	<u>24,304,081</u>	<u>23,496,033</u>	<u>26,313,099</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,116,729</u>	<u>1,338,369</u>	<u>2,616,642</u>	<u>1,660,101</u>
<b>Other financing sources (uses):</b>				
Transfers in	1,520,854	628,658	424,262	469,234
Transfers out	(1,927,472)	(577,658)	(344,262)	(479,234)
Issuance of debt	-	2,785,000	-	-
Discount	-	131,355	-	-
Sale of property	1,033,066	-	-	-
Total other financing sources (uses)	<u>626,448</u>	<u>2,967,355</u>	<u>80,000</u>	<u>(10,000)</u>
Net change in fund balances	<u>\$ 2,743,177</u>	<u>\$ 4,305,724</u>	<u>\$ 2,696,642</u>	<u>\$ 1,650,101</u>
Debt service as a percentage of noncapital expenditures	9.0%	0.1%	0.9%	1.0%

Source: City Finance Department

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 18,814,442	\$ 20,275,158	\$ 23,389,661	\$ 25,511,611	\$ 28,085,804	\$ 27,087,237
243,960	427,751	326,352	307,168	477,454	437,966
1,282,281	1,091,558	804,704	1,704,485	1,065,063	1,188,833
576,710	601,491	507,441	436,977	423,285	442,628
268,368	1,156,718	652,506	(1,003,052)	621,498	2,056,954
4,543,228	4,778,327	9,724,347	13,828,362	18,461,268	19,017,807
383,686	553,673	492,219	186,920	265,104	279,754
<u>26,112,675</u>	<u>28,884,676</u>	<u>35,897,230</u>	<u>40,972,471</u>	<u>49,399,476</u>	<u>50,511,179</u>
4,575,208	5,754,393	6,088,117	38,525,520	5,184,899	6,585,852
10,976,722	12,861,226	12,462,556	13,761,519	15,250,518	16,629,534
1,093,430	1,269,661	1,395,892	1,152,739	1,503,550	1,984,544
2,890,550	2,847,769	2,870,545	3,140,952	4,210,011	4,514,365
1,730,136	1,854,561	1,552,613	2,198,823	3,381,727	3,826,863
2,017,716	1,963,289	4,444,583	4,379,872	23,132,102	8,883,392
65,000	85,000	604,174	1,819,761	1,624,254	1,135,000
147,271	92,038	89,481	427,290	832,933	810,580
<u>23,496,033</u>	<u>26,727,937</u>	<u>29,507,961</u>	<u>65,406,476</u>	<u>55,119,994</u>	<u>44,370,130</u>
<u>2,616,642</u>	<u>2,156,739</u>	<u>6,389,269</u>	<u>(24,434,005)</u>	<u>(5,720,518)</u>	<u>6,141,049</u>
424,262	583,805	470,000	2,859,602	3,573,194	596,360
(344,262)	(697,305)	(350,000)	(3,125,583)	(3,508,194)	(4,384,608)
-	-	1,498,189	31,780,000	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>80,000</u>	<u>(113,500)</u>	<u>1,618,189</u>	<u>31,514,019</u>	<u>65,000</u>	<u>(3,788,248)</u>
<u>\$ 2,696,642</u>	<u>\$ 2,043,239</u>	<u>\$ 8,007,458</u>	<u>\$ 7,080,014</u>	<u>\$ (5,655,518)</u>	<u>\$ 2,352,801</u>
0.9%	0.8%	2.8%	3.8%	8.3%	6.6%

**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
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%
2021	1,253,423,537	380,580,840	361,668,495	62,315,377	118,512,081	-	2,176,500,330	0.34140%
2022	1,302,779,137	399,672,614	370,612,016	66,056,507	114,603,029	-	2,253,723,303	0.30870%
2023	1,382,246,065	420,482,447	403,488,602	70,144,463	118,828,851	-	2,395,190,428	0.34683%
2024	1,477,433,745	425,085,185	427,117,342	120,178,176	159,545,130	-	2,609,359,578	0.34431%

**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 Taxable Value)**  
**Last Ten Fiscal Years**

Agency	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
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	0.04017	0.03575	0.03596	0.04599	0.04621	0.02717	0.04016	0.04376	0.02488	0.06023
LA Unified School District	0.14688	0.12971	0.13110	0.12219	0.12323	0.12552	0.13993	0.11323	0.12107	0.12422
Metropolitan Water District	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350
Tax District No. 1	0.24832	0.24763	0.23247	0.23238	0.22734	0.21213	0.20357	0.16997	0.19033	0.18761
Direct and Overlapping Tax Rates <sup>2</sup>	1.43887	1.41659	1.40303	1.40406	1.40028	1.36832	1.38716	1.33046	1.33978	1.37556
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	0.24832	0.24763	0.23247	0.23238	0.22734	0.21213	0.20357	0.16997	0.19033	0.18761
Redevelopment Rate <sup>4</sup>	-	-	-	-	-	-	-	-	-	-
Total Direct Rate <sup>5</sup>	0.38353	0.38306	0.36884	0.36854	0.36433	0.34975	0.34140	0.30870	0.34683	0.34431

**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. The ERAF portion of the City's Levy has been subtracted where know.

<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 statue. 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

**City of San Fernando**  
**Principal Property Tax Payers**  
**Top Ten Property Owners Based On Net Values**  
**Current and Ten Years Ago**

Taxpayer	2023/24		Taxpayer	2014/15	
	Net Assessed Value	Percent of City's Total Net Assessed Value		Net Assessed Value	Percent of City's Total Net Assessed Value
American Fruits & Flavors San Fernando	\$ 68,441,426	2.62%	CPF San Fernando LLC	\$ 72,484,310	4.44%
Pharmavite LLC	39,624,968	1.52%	Pharmavite LLC	56,831,078	3.48%
1150 San Fernando Road LLC	32,967,645	1.26%	SFVS Company LLC	20,956,653	1.28%
Rexford Industrial 1145 Arroyo LLC	32,017,883	1.23%	Foothill HD Retail Center LLC	19,691,021	1.21%
Rexford Industrial 1150 Aviation LLC	31,837,966	1.22%	Ahi Glenoaks Inc.	16,005,715	0.98%
San Fernando Community Housing LP	28,362,829	1.09%	San Fernando Gateway LLC	14,829,444	0.91%
Rexford Industrial - 1245 Aviation LLC	27,936,758	1.07%	315 Partners LLC	14,750,903	0.90%
315 Partners LLC Lessor	26,223,424	1.00%	San Fernando Community Housing LP	13,981,066	0.86%
GC San Fernando LLC	25,508,856	0.98%	San Fernando Associates	10,519,283	0.64%
Foothill HD Retail Center LLC	23,201,169	0.89%	San Fernando Valley Automotive LLC	8,862,752	0.54%
<b>Total Top Ten</b>	<b>\$ 336,122,924</b>	<b>12.88%</b>	<b>Total Top Ten</b>	<b>\$ 248,912,225</b>	<b>15.25%</b>
<b>Total Property Taxes</b>	<b>\$ 2,609,359,578</b>		<b>Total Property Taxes</b>	<b>\$ 1,632,412,360</b>	

Data Source: Los Angeles County Assessor 2014/15 and 2023/24 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
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%
2021	6,527,995	7,063,096	108.20%	(7,427)	7,055,669	108.08%
2022	5,853,804	6,471,752	110.56%	(9,270)	6,462,482	110.40%
2023	8,307,310	9,431,853	113.54%	(73,932)	9,357,921	112.65%
2024	8,984,364	9,330,406	103.85%	(29,279)	9,301,127	103.53%

**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 2023-24**

<u>Business Name</u>	<u>Business Category</u>
Ally Financial	Auto Lease
Arco	Service Stations
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
Ganas Auto	Used Automotive Dealers
Goodman Distribution	Contractors
Home Depot	Building Materials
IHOP	Casual Dining
Maclay Shell & Circle K	Service Stations
McDonalds	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
Smart Main Panel	Contractors
T Mobile	Electronics/Appliance Stores
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 = 65.60%**

Firms Listed Alphabetically, Period: July 2023 Thru June 2024

Allocations Adjusted for Economic Data

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 2014-15**

<u>Business Name</u>	<u>Business Category</u>
Acey Decy Lighting	Repair Shop/Equip. Rentals
Araca Merchandise	Art/Gift/novelty Stores
Arco	Service Stations
Arroyo Building Materials	Building Materials
Casco	Contractors
El Pollo Loco	Quick Service Restaurants
El Super	Grocery Stores
Ferguson Enterprises	Plumbing/Electrical Supplies
Goodman Distribution	Contractors
Home Depot	Building Materials
Honda Lease Trust	Auto Lease
McDonalds	Quick Service Restaurants
Nachos Ornamental Supply	Contractors
Pool & Electrical Products	Plumbing/Electrical Supplies
PRG	Repair Shop/Equip. Rentals
Rydell Chrysler Dodge Jeep Ram	New Motor Vehicle Dealers
Sams Club	Discount Department Stores
Smart & Final	Grocery Stores
Southland Lighting	Plumbing/Electrical Supplies
T Mobile	Electronics/Appliance Stores
TMB Production Supplies & Services	Electrical Equipment
Truman 76	Service Stations
Vallarta Supermarket	Grocery Stores
Western Motor Sport	Used Automotive Dealers
WSS	Shoe Stores

**Percent of Fiscal Year Total Paid By Top 25 Accounts = 69.18%**

Firms Listed Alphabetically, Period: July 2014 Thru June 2015

Allocations Adjusted for Economic Data

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>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Apparel Stores	\$ 9,430	\$ 10,410	\$ 11,449	\$ 11,799	\$ 12,361
Food Stores	13,755	14,084	15,033	15,638	16,028
Eating and Drinking Places	54,660	61,175	66,313	72,031	75,973
Building Materials	90,292	96,112	102,799	114,471	121,603
Auto Dealers and Supplies	83,207	89,543	105,405	102,604	109,902
Service Stations	16,736	15,301	13,545	12,927	14,988
Other Retail Stores	57,238	63,804	64,745	64,723	39,534
All Other Outlets	94,765	111,902	123,989	126,499	144,155
<b>Total</b>	<b>\$ 420,083</b>	<b>\$ 462,331</b>	<b>\$ 503,278</b>	<b>\$ 520,692</b>	<b>\$ 534,544</b>

**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. As of 2023, Service Stations will be categorized with "Other Retail Stores".

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

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Apparel Stores	\$ 12,393	\$ 11,244	\$ 15,098	\$ 15,743	\$ 13,908
Food Stores	16,168	16,725	16,881	17,652	18,423
Eating and Drinking Places	79,178	73,790	86,124	91,012	98,004
Building Materials	124,136	128,863	143,209	145,483	144,815
Auto Dealers and Supplies	127,894	139,414	167,705	161,623	132,982
Service Stations	14,421	9,974	19,911	25,544	-
Other Retail Stores	34,860	36,976	42,380	42,174	68,115
All Other Outlets	154,162	193,892	198,055	213,428	198,371
<b>Total</b>	<b>\$ 563,212</b>	<b>\$ 610,878</b>	<b>\$ 689,363</b>	<b>\$ 712,659</b>	<b>\$ 674,618</b>

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	2024		Water Customer	2015	
	Water Charges	Percent of Total Water Revenues		Water Charges	Percent of Total Water Revenues
Pharmavite Corporation	\$ 72,695	1.41%	Pharmavite Corporation	\$ 49,681	1.42%
County Of Los Angeles	36,163	0.70%	Pharmavite Corporaton	23,606	0.68%
Soo Bin IM	35,394	0.69%	Mission Park Apartment	21,545	0.62%
LA Board of Education	31,037	0.60%	MRCA	21,147	0.61%
Pharmavite Corporation	30,567	0.59%	Bitman, Boris Bruce	18,111	0.52%
MSN Holdings	29,906	0.58%	Martin & Denise Rile	17,800	0.51%
LA Board of Education	26,934	0.52%	LA Board of Education	15,525	0.44%
Puretek Corp.	23,125	0.45%	LA Board of Education	15,102	0.43%
Bodega Latina Corp.	21,250	0.41%	Puretek Corp.	13,756	0.39%
San Fernando City	<u>21,237</u>	<u>0.41%</u>	Fresenius Medical CA	<u>13,445</u>	<u>0.39%</u>
<b>Total Top Ten</b>	<b>\$ 328,309</b>	<b>6.38%</b>	<b>Total Top Ten</b>	<b>\$ 209,718</b>	<b>6.01%</b>
<b>Total Water Revenue</b>	<b><u>\$ 5,143,110</u></b>		<b>Total Water Revenue</b>	<b><u>\$ 3,490,157</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**

Fiscal Year Ended June 30	Governmental Activites		Business-Type Activites		Percentage of Personal Income	Per Capita
	Certificates of Participation	Loans	2020 Installment Sale Agreement	Total		
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	-	1,350,000	3,928,511	0.80%	162
2021	2,482,800	1,313,554	1,225,000	5,021,354	0.95%	210
2022	2,382,089	666,443	1,100,000	4,148,532	0.69%	175
2023	2,281,378	666,443	970,000	3,917,821	0.66%	165
2024	2,090,000	-	840,000	2,930,000	0.46%	125

**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/sanfernandocalifornia/PST045223> visited 11/26/2024.

**City of San Fernando Direct and Overlapping Debt**

2023-24 Assessed Valuation: \$2,176,500,330

	Total Debt		City's Share of
<u>OVERLAPPING TAX AND ASSESSMENT DEBT</u> :	<u>6/30/2024</u>	<u>% Applicable (1)</u>	<u>Debt 6/30/24</u>
Metropolitan Water District	\$18,210,000	0.067%	\$12,201
Los Angeles Community College District	5,155,845,000	0.230	11,858,444
Los Angeles Unified School District	10,723,385,000	0.281	<u>30,132,712</u>
<b>TOTAL GROSS OVERLAPPING TAX AND ASSESSMENT DEBT</b>			<b>42,003,357</b>
Less: Los Angeles Unified School District economically defeased general obligation bonds			<u>841,529</u>
<b>TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT</b>			<b>\$41,161,828</b>
<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT</u> :			
Los Angeles County General Fund Obligations	\$2,479,229,730	0.130%	\$3,222,999
Los Angeles County Superintendent of Schools Certificates of Participatio	2,857,300	0.130	3,714
Los Angeles Unified School District General Fund Obligations	471,590,000	0.281	1,325,168
<b>City of San Fernando General Fund Obligations</b>	<b>32,735,000</b>	<b>100</b>	<b><u>32,735,000</u></b>
<b>TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT</b>			<b>\$37,286,881</b>
<b>TOTAL DIRECT DEBT</b>			<b>\$32,735,000</b>
<b>TOTAL GROSS OVERLAPPING DEBT</b>			<b>\$46,555,238</b>
<b>TOTAL NET OVERLAPPING DEBT</b>			<b>\$45,713,709</b>
<b>GROSS COMBINED TOTAL DEBT</b>			<b>\$79,290,238 (2)</b>
<b>NET COMBINED TOTAL DEBT</b>			<b>\$78,448,709</b>

(1) The percentage of overlapping debt applicable to the city is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the city divided by the district's total taxable assessed value.

(2) Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue, sales tax revenue and non-bonded capital lease obligations.

Ratios to 2023-24 Assessed Valuation:

<b>Direct Debt (\$32,735,000)</b>	<b>1.50%</b>
Total Gross Overlapping Tax and Assessment Debt	1.93%
Total Net Overlapping Tax and Assessment Debt	1.89%
Gross Combined Total Debt	3.64%
Net Combined Total Debt	3.60%

THIS PAGE INTENTIONALLY LEFT BLANK



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

Fiscal Year	2015	2016	2017	2018	2019
Assessed Valuation	1,632,412,360	1,685,676,080	1,791,249,290	1,854,633,401	1,942,294,308
Conversion Percentage	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
Adjusted Assessed Valuation	408,103,090	421,419,020	447,812,323	463,658,350	485,573,577
Debt Limit Percentage	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>
Debt Limit	61,215,464	63,212,853	67,171,848	69,548,753	72,836,037
Total Net Debt Applicable To Limit: General obligation bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u>61,215,464</u>	<u>63,212,853</u>	<u>67,171,848</u>	<u>69,548,753</u>	<u>72,836,037</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.

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

Fiscal Year	2020	2021	2022	2023	2024
Assessed Valuation	2,045,544,796	2,176,500,330	2,253,723,303	2,395,190,428	2,609,359,578
Conversion Percentage	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>
Adjusted Assessed Valuation	511,386,199	544,125,083	563,430,825.75	598,797,607.00	652,339,894.50
Debt Limit Percentage	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>	<u>15%</u>
Debt Limit	76,707,930	81,618,762	84,514,624	89,819,641	97,850,984
Total Net Debt Applicable To Limit: General obligation bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u>76,707,930</u>	<u>81,618,762</u>	<u>84,514,624</u>	<u>89,819,641</u>	<u>97,850,984</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: Los Angeles County Assessor 0 - 2023/24 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>1</sup></u>	<u>Calif. Metropolitan Per Capita Personal Income<sup>1</sup></u>	<u>Unemployment Rate<sup>2</sup></u>
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%
2021	23,946	528,847,000	22,085	12.3%
2022	23,726	598,868,000	25,241	7.0%
2023	23,685	597,833,000	25,241	4.0%
2024	23,364	642,183,000	27,486	5.0%

Data Sources:

<sup>1</sup> US Census Bureau

<sup>2</sup> US Bureau Of Labor Statistics (data shown is for the metropolitan area of L.A.-Long Beach-Anaheim).

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

<b>Date Incorporated</b>	August 31, 1911	
<b>Form of Government</b>	Council-City Manager	
<b>Land Area</b>	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%
		100.0%

<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
	2021	1,125	12,128,000
	2022	1,037	102,225,000
	2023	1,134	29,169,362
	2024	990	19,982,441

Date Source: City of San Fernando Community Development Department

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

<u>Business Name</u>	<u>2023-24</u>		<u>Business Name</u>	<u>2014-15</u>	
	Number of Employees	Percent of Total Employment		Number of Employees	Percent of Total Employment
Los Angeles Unified School District	2,098	17.93%	Los Angeles Unified School District	1979	16.91%
Lehman Foods - Fresh & Ready	500	4.27%	Los Angeles County Superior Court*	301	2.57%
Pepsi Beverages Company	349	2.98%	Pepsi Bottling	279	2.38%
Pharmavite LLC	331	2.83%	Home Depot	240	2.05%
The Home Depot	298	2.55%	Puretek Corporation	201	1.72%
Los Angeles County Superior Court	212	1.81%	Valley Crest Landscape Co.	183	1.56%
Northeast Valley Health Group	153	1.31%	Sam's Club	173	1.48%
City of San Fernando	146	1.25%	Ricon Corp	150	1.28%
Vallarta Supermarkets	140	1.20%	Valley Crest Landscape Co.	135	1.15%
Country Manor Healthcare	129	1.10%	7 Up RC Bottling	109	0.93%
Total Top Ten Employers	<u>4,356</u>	<u>37.23%</u>	Total Top Ten Employers	<u>3,750</u>	<u>32.05%</u>
Total City Labor Force <sup>(1)</sup>	<u>11,700</u>		Total City Labor Force <sup>(1)</sup>	<u>11,700</u>	

**Notes:**

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

\* Includes all employees at courthouse location

(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.*

THIS PAGE INTENTIONALLY LEFT BLANK

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

<u>Function</u>	<u>Fiscal Year</u>				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General government	14	15	15	15	15
Community Development	8	8	8	8	8
Public Safety	48	47	48	48	49
Public Works	34	34	34	34	34
Recreation and Community Services	32	24	24	24	24
Total	<u>136</u>	<u>128</u>	<u>129</u>	<u>129</u>	<u>130</u>

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

<u>Function</u>	<u>Fiscal Year</u>				
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General government	15	15	16	18	18
Community Development	8	8	7	9	9
Public Safety	49	49	54	55	55
Public Works	36	35	32	37	37
Recreation and Community Services	24	24	24	26	27
	<u>132</u>	<u>132</u>	<u>133</u>	<u>145</u>	<u>146</u>



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

Function	Calendar Year				
	2015	2016	2017	2018	2019
<b>Police:</b>					
Arrests	612	1007	965	881	833
Parking Citations Issued	10,730	9,745	8,691	9,602	12,471

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

Function	Calendar Year				
	2020	2021	2022	2023	2024
<b>Police:</b>					
Arrests	903	991	740	696	870
Parking Citations Issued	9,683	9,198	5,803	7,534	10,057

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

Function	Fiscal Year				
	2015	2016	2017	2018	2019
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	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

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

Function	Fiscal Year				
	2020	2021	2022	2023	2024
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	1.68	1.68