



ANNUAL COMPREHENSIVE FINANCIAL REPORT

Year Ended June 30, 2022

1275 WEST MAIN STREET, EL CENTRO, CA 92243

City of El Centro, California



Annual Comprehensive Financial Report

Year Ended June 30, 2022

Prepared by the Finance Department

CITY OF EL CENTRO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
Fiscal Year Ended June 30, 2022

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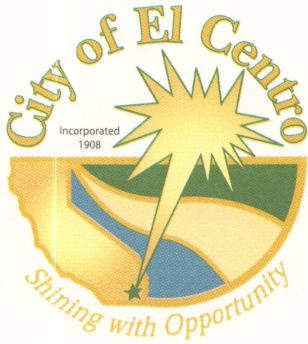
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February 28, 2023

To the Honorable Mayor, Members of the Governing Council, and Citizens of the City of El Centro:

State law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America and audited in accordance with auditing standards generally accepted in the United States of America by licensed certified public accountants. Pursuant to that requirement, we hereby issue the Annual Comprehensive Financial Report (ACRF) of the City of El Centro for the fiscal year ended June 30, 2022.

This report consists of management's representations concerning the finances of the City of El Centro. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide reasonable basis for making these representations, management of the City of El Centro has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the City of El Centro's financial statements in conformity with accounting principles generally accepted in the United States of America. Because the cost of internal controls should not outweigh their benefits, the City of El Centro's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

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

The independent audit of the financial statements of the City of El Centro was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not

Finance Department

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only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the City of El Centro's separately issued Single Audit Report.

U.S - 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 of El Centro's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of El Centro is located in the southern part of the State, which is considered to be one of the fastest growing areas in the State. The City currently occupies a land area of approximately 11 square miles and serves a population of approximately 44,508. The City of El Centro is empowered by the State to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing Council.

The City was incorporated under the Laws of the State of California in 1908. However, on November 3, 2009 voters approved measure G adopting a City Charter. Under the provisions of the charter, the City of El Centro has full authority over its own municipal affairs including; bidding and contracting procedures; regulation of parks; libraries; and other facilities; certain fees; imposition of taxes; municipal zoning; municipal utilities and municipal election procedures.

The City of El Centro operates under a Council-Manager form of Government. The City Council consists of five members elected by the residents of the City. Council terms are four years, elected in November of even-numbered years. Each November, the City Council selects the Mayor from among its members for a one-year term. The Council is elected on an at large non-partisan basis.

The Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the City Manager, City Attorney, and the City Clerk. The City Manager is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments.

The City of El Centro provides a full range of services, including police and fire protection; the construction and maintenance of streets and other infrastructure; recreational activities; and water and sewer services. Solid Waste collection and disposal is contracted out. The City of El Centro also is financially accountable for the El Centro Regional Medical Center (Hospital), which is reported within the Proprietary Funds of the City's financial statements. Additional information on the Hospital can be found in Note 1 and other various notes (Note 3, Note 4, Note 6, Note 7, Note 8, Note 9, Note 11, Note 12, Note 16, Note 19, Note 20, Note 23 and Note 24 in the Notes to the Financial Statements and pages 107 and 108 in the Required Supplementary Information section of the financial statements.

The Annual Budget serves as the foundation for the City of El Centro Financial Planning and Control. Prior to June 30 of each year the Finance Director submits to the City Council a proposed operating budget for the Fiscal Year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted and prior to June 30, the budget is adopted by motion of the City Council. The appropriated budget is prepared by Fund, Function (e.g. Public Safety) and Department (e.g. Police). Department Heads may request transfers of appropriations within their departmental budgets. Transfers of

appropriations between departments, however require the authorization of the City Manager. Any revision that increases the total appropriations of any fund by more than fifty thousand dollars (\$50,000) must be approved by the City Council. The City maintains an encumbrance accounting system of purchase orders and contracts as a means of accomplishing budgetary control. Purchase orders are reviewed to ensure that funds are available and that requests are properly authorized prior to being released to vendors.

Budget-to-actual comparisons are provided in this report for each individual governmental fund, for which an appropriated annual budget has been adopted. For the general fund, this comparison is presented on Page 110 as part of the basic financial statements for the governmental funds.

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 environment from which the City of El Centro operates.

Local Economy

The County of Imperial consists of seven cities and an unincorporated area with a countywide population of approximately 179,851. The City of El Centro is the largest City in the County, with a population of approximately 44,508 (per Department of Finance). Among the many attributes that makes Imperial County attractive to both commercial and residential development is the abundance of inexpensive water, energy, and land. Additionally, the County serves as the Gateway to the United States for the City of Mexicali, Mexico, the capital of Baja California. Mexicali has a population in excess of 1,160,000 and a significant number of maquiladoras (A maquiladora is an assembly plant in Mexico, especially one along the border between the United States and Mexico, to which foreign materials and parts are shipped and from which the finished product is returned to the original market). These factors and others resulted in a discernible trend toward significant growth in both residential and commercial development.

In 2004, the City of El Centro experienced tremendous economic growth with the construction of a 766,333 square foot mall and nearby strip malls. The opening of the mall brought a substantial increase in retail opportunities to the City as well as an increase in sales and sales tax revenue. By the year 2008, however, the economy had started slowing down, then severely contracted in 2010 due to the recession that was affecting the nation as a whole. During this time, sales tax revenue substantially declined for the City of El Centro.

The local economy has significantly improved since then and has remained stable causing the City of El Centro to experience a notable and steady growth in sales tax revenue. The local mall continues to attract residents from the surrounding cities as well as those from other areas such as, Yuma, Arizona and Mexicali, Mexico. Some of the major retailers located in the area include Macy's, Dillard's, JCPenney, Best Buy, Ross, Burlington Coat Factory, Marshalls, Michaels, Kohl's, Kirkland, Ulta, Bev Mo, and others. In addition, the following restaurants surround the mall area: Olive Garden, Chili's, Famous Dave's, Denny's, Johnny Carino's, Buffalo Wild Wings, Starbucks and others.

The General Fund revenues for fiscal year 2022 totaled \$41.6 million. This is an increase of \$3.7 million from fiscal year 2021. The robust revenue increase of 9.84% over FY 2021 was mainly related to increases in sales tax revenue.

Some of the challenges the City continues to face are the increase in pension and personnel costs. Given the increase in pension and personnel cost the city will continue to seek cost cutting measures in order to produce a balanced budget.

In November 2016, the City proposed and citizens approved Measure P which increased the retail sales tax by half of one percent (1/2%). The projected revenue from this tax is approximately \$7.5 million per year. This additional tax became effective April 1, 2017 and is to be used to address major capital needs. Some of the capital improvements that were considered included a new police station, a new library building, additional parks, and others. Working groups were established and it was determined that bonds would be issued for the construction of a new Library and Police station. In FY 2021, bonds were issued for the construction of the Library and the project was completed in November 2022. The bond issuance will be secured by the Measure P sales tax revenue stream. It is expected that bonds will be issued for the construction of the Police Station in the near future as well.

The following are some of the economic factors that help contribute to the outlook of financial improvement and stability:

- More diverse economy with per capita sales at 100% of national averages
- The regional mall and the continued interest for increased commercial development surrounding the mall and in other areas of the City. In addition to the new businesses that have opened within the last four fiscal years (Planet Fitness, Habit Burger, Panera Bread, Grocery Outlet, Boot Barn, Five Below and HomeGoods).
- Proximity to the economy of Mexicali, Mexico and the continued inflow of consumers from this country.

Long-Term Financial Planning

The fund balance in the general fund as of June 30, 2022 is \$42.9 million. Of this amount approximately \$4.0 million has been assigned to fund the post-employment benefit liability (OPEB). The unassigned portion of fund balance is \$38.8 million or 114% of operating expenditures. Approximately \$17.4 million of this fund balance is from Measure P funds. The level of fund balance falls within the policy guidelines set by the City for budgetary and planning purposes. In addition to fund balance, the City has funded 141% of the \$7.0 million actuarial accrued liability for OPEB as of June 30, 2022. This is set up in an irrevocable trust, CalPERS. The OPEB liability was calculated through an actuarial analysis. This liability is reflected on the Government Wide Financial Statements.

The City's financial condition is monitored on a regular basis. Reports detailing the financial performance of all major funds are presented to the City Council on a periodic basis. Revenue and expenditure trends are closely tracked and analyzed.

Other revenue sources approved by the City include Landscape/Lighting Districts and Community Facilities Districts. The City has updated various fees, such as user fees, to aid in financing the additional services that the City is required to provide. In order to continue to provide a high level of water and wastewater services to existing residents, businesses, and new residences the City will be reviewing its water and wastewater rates in fiscal year 2024. In 2006, the City obtained necessary debt financing for updating and expanding facilities, delivery and collection systems by issuing \$65 million in water and wastewater revenue bonds. The City refunded these bonds in fiscal year 2015 to reduce debt service expenses. The estimated net present value savings were approximately \$4.7 million.

GASB 75 - OPEB – Other Post Employment Benefit Liability

Governments have pension obligations to their current and retired employees and these are calculated and accounted for. The City of El Centro provides post-retirement health and dental care benefits, as required by the various collective bargaining agreements for retirees that meet certain criteria. The City of El Centro had previously implemented GASB 45 requirements with the financial statement for fiscal year ended June 30, 2009 and recognized a net OPEB liability related to these benefits. With the implementation of GASB 75, new accounting standards were adopted regarding these OPEB liabilities. An independent actuarial valuation in conformance with these new standards determined the total OPEB liability, total fiduciary net position and net OPEB liability with regards to these benefits. The results of this actuarial valuation can be found in note 14 to the financial statements in this report. The total OPEB liability totals \$6.3 million and the City already has \$11.6 of fiduciary net position, which consists of prior contributions and interest earned, to address that liability. In addition, the City has assigned amounts previously mentioned as well to fund any unforeseen outcomes.

GASB 54

This is the ninth year the City is required to produce its financial statements in conformity with GASB 54. This new GASB requirement concerns mainly the categories and terminology used to describe the components that compose fund balance. In addition, Statement 54 clarifies how rainy-day amounts can be reported by treating stabilization arrangements as a specified purpose. Consequently, amounts constrained to stabilization are to be reported as restricted or committed fund balance in the General Fund if they meet the other criteria for those classifications. As a result, the ACFR can no longer list the Reserve for Economic Unknowns separately. The City has a policy that requires a reserve for economic uncertainties equal to at least 10% of annual operating expenditures. The General Fund balance of \$42.9 million includes an unassigned balance of \$38.8 million. Of this unassigned amount \$3.4 million is for economic uncertainties per the City's policy.

GASB 68

This is the seventh year that the City is required to produce its financial statement in conformity with GASB 68. This new GASB requirement concerns mainly the reporting of net pension obligations. The City's net pension liability for each plan is measured as the total pension liability, less the pension plan's fiduciary net position as of June 30, 2022, using an annual actuarial valuation prepared by CalPERS for the miscellaneous plan and Bartell & Associates for the safety plan. The net pension liability is \$20.2 million for the miscellaneous plan and \$21.4 million for the safety plan.

GASB 87

This is the first year that the City is required to produce its financial statement in conformity with GASB 87. This new GASB requirement requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The City has 2 lease agreements in place as of June 30, 2022 and by which revenue has been recognized in accordance with GASB Statement No. 87.

Awards and Acknowledgements

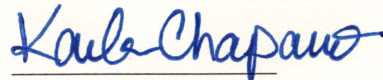
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of El Centro for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2021. This was the fifteenth consecutive year the City of El Centro has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized ACFR that satisfied both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another Certificate of Achievement.

The preparation of this report would not have been possible without the efficient and dedicated efforts of Finance Department staff and the assistance of the City's auditors, Moss, Levy & Hartzheim LLP. Credit also must be given to the Mayor and the City Council for their support and direction in maintaining the highest standards of professionalism in the management of the City of El Centro's finances.

Respectfully Submitted,



Cedric Ceseña
Interim City Manager



Karla Chaparro
Interim Director of Finance



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of El Centro
California**

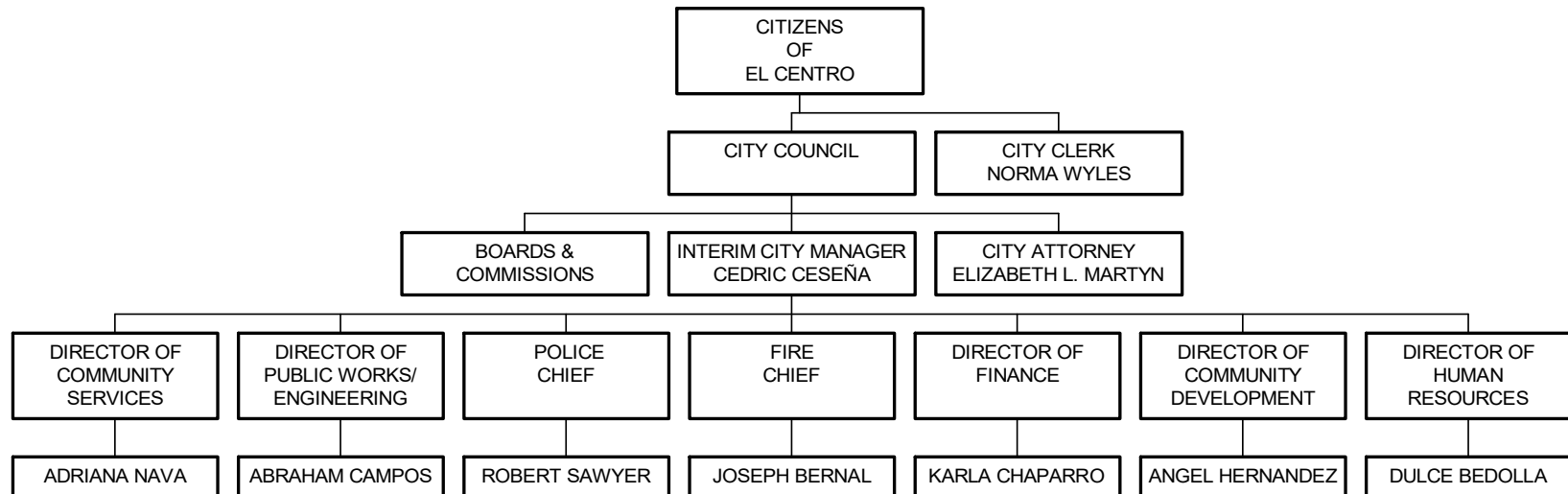
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

City of El Centro Organizational Chart



CITY OF EL CENTRO

**Martha Cardenas-Singh
Mayor**

**Tomas Oliva
Council Member**

**Edgard Garcia
Council Member**

**Sonia Carter
Council Member**

**Sylvia Marroquin
Council Member**

**Cedric Ceseña
Interim City Manager**

**Elizabeth Martyn
City Attorney**

**Norma Wyles
City Clerk**

**Dulce Bedolla
Abraham Campos
Joseph Bernal
Robert Sawyer
Adriana Nava
Angel Hernandez**

**Director of Human Resources
Director of Public Works/City Engineer
Fire Chief
Police Chief
Director of Community Services
Director of Community Development**

Prepared By:

**Karla Chaparro
Interim Director of Finance**



MOSS, LEVY & HARTZHEIM LLP

CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

The Members of the City Council of the
City of El Centro
El Centro, California

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of El Centro, California (City), as of and for the fiscal year ended June 30, 2022, 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, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of El Centro, California, as of June 30, 2022, and the respective changes in financial position and, where applicable, cash flows thereof, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Hospital Fund, which represents 68.1%, 87.7%, and 43.2%, respectively, of the assets, revenues, and net position of Business-type activities. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Hospital Fund, is based solely on the report of the other auditors. Our opinion is not modified with respect to this matter.

Basis for Opinions

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

Emphasis of Matter

Substantial Doubt about the Hospital Fund's Ability to Continue as a Going Concern

The financial statements of the Hospital fund have been prepared assuming that the Hospital Fund will continue as a going concern. As Discussed in Note 23 to the financial statements, the Hospital Fund does not have recurring income sufficient to meet its ongoing operating expenditures or debt service obligations that raise substantial doubt about its ability to continue as a going concern. Management evaluation of these events and conditions and management's plan regarding those matters are also described in note 23. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt 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 Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 on pages 13 through 23, the Schedule of Revenues Expenditures, and Changes in Fund Balance – Budget to Actual – General Fund, the Note to Required Supplementary Information, the Schedule of Changes in Net OPEB Liability and Related Ratios, the Schedule of OPEB Employer Contributions, the Schedule of Changes in Net Pension Liability and Related Ratios – City Miscellaneous Plan, the Schedule of Pension Contributions – City Miscellaneous Plan, the Schedule of Proportionate Share of Net Pension Liability – City Safety Plan, the Schedule of Pension Contributions – City Safety Plan, the

Schedule of Proportionate Share of Net Pension Liability – Hospital Plan, the Schedule of Pension Contributions – Hospital Plan on pages 101 through 110 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the 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 financial statements as a whole. The introductory section, combining nonmajor governmental fund financial statements, nonmajor governmental funds budgetary comparison schedules, combining nonmajor proprietary fund financial statements, combining internal service fund financial statements, the combining private purpose trust and agency fund financial statements, and the statistical section are presented for purposes of additional analysis and are not required parts of the financial statements. The combining nonmajor governmental fund financial statements, nonmajor governmental funds budgetary comparison schedules, combining nonmajor proprietary fund financial statements, combining internal service fund financial statements, and combining private purpose trust and agency fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2023, on our consideration of the City’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City’s internal control over financial reporting and compliance



Moss, Levy & Hartzheim, LLP
Culver City, California
March 31, 2023

Management's Discussion and Analysis

As management of the City of El Centro, we offer readers of the City of El Centro's financial statements this narrative overview and analysis of the financial activities of the City of El Centro for the fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 1-6 of this report. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

I. Statement of Net Position and Statement of Activities

- The assets of the City of El Centro exceeded its liabilities at the close of the most recent fiscal year by \$239,973. Of this amount, \$37,139 was unrestricted while \$120,466 was net investments in capital assets, and \$82,368 was restricted. The deferred outflow of resources are \$22,768 and the deferred inflow of resources are \$33,944.
- The government's total net position decreased by \$1,979. Through current fiscal year's transaction, the governmental activities increased the City's net position by \$20,665 and the business-type activities decreased by \$22,644 not considering prior period adjustments.

II. Balance Sheet-Governmental Funds

- As of the close of the current fiscal year, the City of El Centro's governmental funds reported combined ending fund balances of \$105,153. Approximately 37% or \$38,789 is available for spending (Unassigned Fund Balance). See additional discussion in the Financial Analysis of the City's Funds on Pages 27 to 35.
- At the end of the current fiscal year, unassigned fund balance for the general fund was \$38,789 or approximately 113 percent of total general fund expenditures.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of El Centro's basic financial statements. The City of El Centro's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City of El Centro's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City of El Centro's assets and deferred outflows and liabilities and deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether financial position of the City of El Centro is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. 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 result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the City of El Centro that are principally supported by taxes and intergovernmental revenues (governmental activities), from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City of El Centro include general government, public safety, community development, public works, economic development, blight elimination, parks, recreation and library. The business-type activities of the City of El Centro include water, sewer (wastewater), solid waste, and a community hospital.

The government-wide financial statements can be found on pages 25-26 of this report.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of El Centro, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of El Centro can be divided into three categories; governmental funds, proprietary funds, and fiduciary funds.

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

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 government's near term financing 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 of El Centro maintains 59 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 which is considered to be a major fund. Data from the other 58 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The City of El Centro adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The governmental fund financial statements can be found on pages 27-30 of this report.

Proprietary Funds. The City of El Centro maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of El Centro uses enterprise funds to account for its water, wastewater, and solid waste operations as well as the community hospital, El Centro Regional Medical Center. *Internal service funds* are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City of El Centro on a cost reimbursement basis. The City of El Centro uses internal service funds to account for its fleet of vehicles, workers compensation program, group health insurance, and post-employment benefits. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities, in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water, wastewater, and hospital operations, all of which are considered to be *Major Funds* of the City of El Centro. Conversely, *Internal service funds* are combined into a single aggregated presentation, in proprietary fund financial statements.

Individual fund data for the internal service and non-major enterprise funds is provided in the form of combining statements elsewhere in this report.

The proprietary fund financial statements can be found on pages 31-33 of this report.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City of El Centro's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The fiduciary fund financial statements can be found on page 34-35 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 37-98 of this report.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning the City of El Centro's Schedules of Changes in Net Pension Liability and Related Ratios, Schedules of Pension Contributions, Schedule of Funding Progress for Other Post-employment Benefits, Hospital Fund's Schedule of Changes in Net Pension Liability and Related Ratios, Hospital Fund's Schedule of Pension Contributions, notes to Required Supplementary Information and Schedule of Revenues, Expenditures, and Changes in Fund Balance (Final Budget, Original Budget, and Actual Amount) for the General Fund. Required supplementary information can be found on pages 101-110 of this report.

The combining statements referred to earlier in connection with non-major governmental funds, proprietary funds, and fiduciary funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 111-193 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of El Centro, assets exceeded liabilities by \$239,600 (see table 1, below) at the close of the most recent fiscal year.

The City of El Centro's net position in the amount of \$120,093 (approximately 50 percent) reflects its investment in capital assets (e.g., land, infrastructure, buildings, machinery, and equipment), net of accumulated depreciation, less any related debt used to acquire those assets that is still outstanding. Of this amount \$34,781 is related to business type activities with approximately \$22,755 in the hospital

fund and \$12,026 in the water and wastewater funds. The City of El Centro uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of El Centro's investment in its capital assets is reported net of related debt, it should be noted that the resources to repay this debt must be provided from other sources, since the capital assets themselves normally are not used to liquidate these liabilities.

An additional portion of the City of El Centro's net position in the amount of \$82,368 (approximately 34 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position*, \$37,139, may be used to meet the government's ongoing obligations to citizens and creditors. The unrestricted net position for Governmental activities increased from negative \$6.7 million in fiscal year 2021 to \$2.2 million in fiscal year 2022. The increase was due to cost cutting measures as well as funding provided for COVID relief.

At the end of the current fiscal year, the City of El Centro is able to report positive balances in all three categories of net position, for the government as a whole, as well as for its separate business-type activities.

Table 1 – City of El Centro Net Position
June 30, 2022 (Thousands)

	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current Assets and Other Assets	134,890	125,483	132,021	180,271	266,911	305,754
Capital Assets	114,161	101,698	200,850	194,356	315,011	296,054
Total Assets	249,051	227,181	332,871	374,627	581,922	601,808
Deferred Loss on Refunding	107	-	3,066	3,297	3,173	3,297
OPEB/Pension Related	10,703	9,848	8,892	6,769	19,595	16,617
Total Deferred Outflow of Resources	10,810	9,848	11,958	10,066	22,768	19,914
Current and Other Liabilities	13,532	12,909	27,469	47,571	41,001	60,480
Long-term Liabilities	68,004	87,067	221,768	224,516	289,772	311,583
Total Liabilities	81,536	99,976	249,237	272,087	330,773	372,063
Leases	450	-	-	-	450	-
OPEB/Pension Related	23,563	3,407	9,931	966	33,494	4,373
Total Deferred Inflow of Resources	24,013	3,407	9,931	966	33,944	4,373
Net Position:						
Net investment in Capital Assets	85,685	87,703	34,781	39,272	120,466	126,975
Restricted	66,464	52,654	15,905	13,956	82,369	66,610
Unrestricted	2,163	(6,711)	34,975	58,412	37,138	51,701
Total Net Position	154,312	133,646	85,661	111,640	239,973	245,286

Note: Throughout this MD&A, dollar amounts may be expressed in multiples of one thousand or one million dollars using standard rounding conventions and percentages may be rounded to the nearest tenth or the whole number, creating differences between the details and total.

As shown in Table 2 (below), the City of El Centro's total Net Position decreased by \$1,978, with Governmental Activities Net Position increasing by \$20,665 and Business-type Activities decreasing by \$22,645 without taking prior period adjustments into consideration.

Table 2 – City of El Centro Changes in Net Position
For the Fiscal Year Ended June 30, 2022 (Thousands)

	Governmental		Business-Type		Total	
	Activities		Activities			
	2022	2021	2022	2021	2022	2021
Revenues:						
Program Revenues:						
Charges for Services	2,051	1,852	186,184	189,527	188,235	191,379
Operating Grants & Contributions	13,381	19,990	6,057	21,830	19,438	41,820
Capital Grants & Contributions	8,456	7,412	-	1,130	8,456	8,542
General Revenues:						
Property Tax	4,256	4,130	-	-	4,256	4,130
Sales Tax	23,862	20,854	-	-	23,862	20,854
Motor Vehicle in Lieu of Taxes	4,918	4,753	-	-	4,918	4,753
Investment Earnings	130	569	(2,423)	6,025	(2,293)	6,594
Other	3,515	3,136	-	-	3,515	3,136
Total Revenues	60,569	62,696	189,818	218,512	250,387	281,208
Expenses:						
General Government	4,639	5,677	-	-	4,639	5,677
Public Protection	16,918	19,532	-	-	16,918	19,532
Community Development	3,994	5,013	-	-	3,994	5,013
Public Works	5,381	6,331	-	-	5,381	6,331
Parks and Recreation	7,696	5,813	-	-	7,696	5,813
Interest on Long-Term Liabilities	1,274	1,342	-	-	1,274	1,342
Water	-	-	9,501	9,746	9,501	9,746
Wastewater	-	-	9,361	8,750	9,361	8,750
Hospital	-	-	191,515	191,749	191,515	191,749
Other	-	-	2,086	2,066	2,086	2,066
Total Expenses	39,902	43,708	212,463	212,311	252,365	256,019
Excess (Deficiency) before transfers	20,667	18,988	(22,645)	6,201	(1,978)	25,189
Increase (Decrease) in Net Position	20,667	18,988	(22,645)	6,201	(1,978)	25,189
Net Position - Beginning of Fiscal Year	133,646	114,658	111,640	105,439	245,286	220,097
Prior Period Adjustments			(3,334)		(3,334)	-
Net Position - Beginning of Fiscal Year (restated)	133,646	114,658	108,306	105,439	241,952	220,097
Net Position - End of Fiscal Year	154,313	133,646	85,661	111,640	239,974	245,286

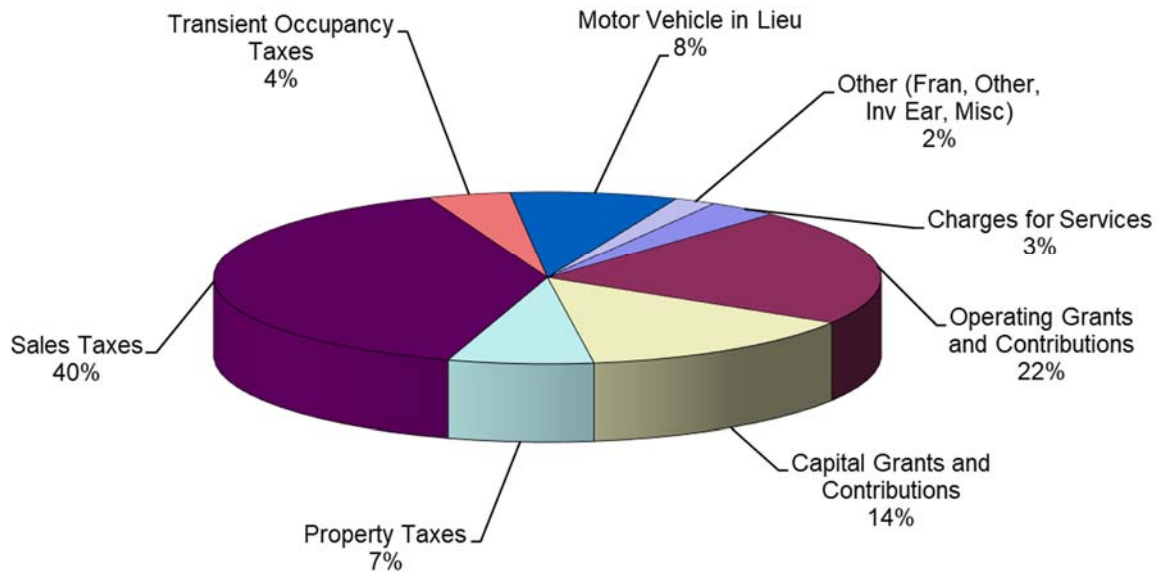
Note: Throughout this MD&A, dollar amounts may be expressed in multiples of one thousand or one million dollars using standard rounding conventions and percentages may be rounded to the nearest tenth or the whole number, creating differences between the details and total.

Governmental Activities

The change in Net Position for Governmental Activities was an increase of \$20,665 for the fiscal year ended June 30, 2022. The following were the key elements in the change in net position:

- Total revenues decreased by \$2,129 or 3.4 percent to \$62,696. Expenses decreased by \$3,806 or 8.7% to \$39,902.
- Total revenues and transfers decreased from previous year due to the following decreases and increases:
 - Loss of one-time grants associated with COVID. But these decreases largely offset by increase in taxes and other stable revenue sources.
- Total expenses decreased largely due to less costs associated with public safety that saw a huge increase during COVID.

Revenues and Transfers by Source - Governmental Activities

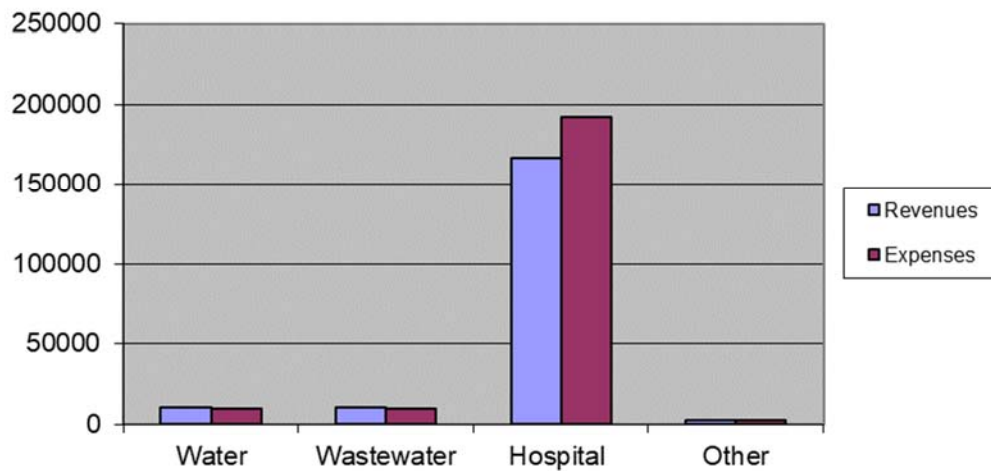


Business-type activities

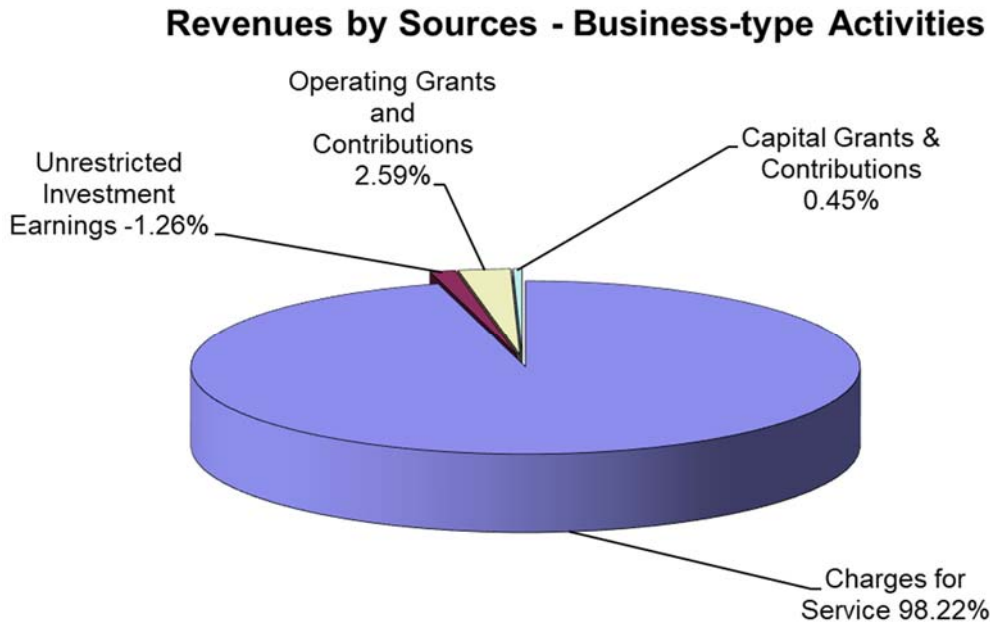
The Net Position for business-type activities decreased by \$22,644. In fiscal year 2022, revenues decreased by \$28,828 or 15 percent. Expenses remained largely the same at \$212,687.

- Total revenues decreased from previous year due to the following changes:
 1. Decrease - Capital grants & contributions \$6,610
 2. Increase - Operating grants & contributions \$1,044
 3. Decrease - Investment earnings \$8,447

Expenses and Program Revenues - Business-type Activities (Amounts expressed in Thousands)



There are three major proprietary funds. The major funds are the following; water fund, wastewater fund, and the hospital fund. The net position for each of these funds changed as follows: the water fund from \$28,668 to \$29,546 for an increase of 3%. The wastewater fund increased from \$34,714 to \$35,908 or 3.4%. The Hospital's net position decreased from \$44,819 to \$19,705 or 56%.



Financial Analysis of the Government's Funds

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

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

As of the end of the current fiscal year, the City of El Centro's governmental funds reported combined ending fund balances of \$105,153, an increase of \$2,430 in comparison with the prior fiscal year. Approximately 90% of the total ending fund balance in the amount of \$38,789 constitutes *unassigned fund balance*, which is available for spending at the government's discretion. The remainder of the fund balance is restricted, non-spendable, committed, or assigned.

The general fund is the chief operating fund of the City of El Centro. At the end of the current fiscal year, *unassigned fund balance* in the general fund was \$38.8 million. Total fund balance as of June 30, 2022 was \$42.9 million. As a measure of the general fund's liquidity, it may be useful to compare both *unassigned fund balance* and total fund balance to total fund expenditures. *Unassigned fund balance* represents 114 percent of total general fund expenditures, while total fund balance represents 126 percent of the total general fund expenditures.

Significant factors related to the revenue and expenditures of the general fund for the current fiscal year are as follows:

- Revenues for the general fund totaled \$41,639, which was an increase of \$3,731 or approximately 9.8 percent from the prior fiscal year.
 - Taxes increased by \$3,731 or 13% from last year. The increase in sales tax revenues \$3,008. Other tax revenue changes are as follows: increase in

- property taxes for \$126, increase in business license tax for \$57, decrease in transient occupancy tax for \$540.
 - Intergovernmental revenues increased by \$614 was largely due to the following: increase in motor vehicle license fees of \$165 along with increases in State and Federal grants revenue.
 - Charges for services increased by \$199 due to increases in construction permit activity and recreation fees.
 - Interest revenue decreased by \$439.
 - Other revenue increased by \$67
 - Expenditures for the general fund totaled \$34,093. This is a increase of \$4,288 or approximately 14.3 percent from the prior fiscal year. General government increased by \$391, Public Safety decreased by \$1,593, Public Works increased by \$79, Parks & Recreation increased by \$4,125, Community Development decreased by \$279, and capital purchases decreased by \$1,565.

Proprietary Funds

The City of El Centro's *proprietary funds* provide the same type of information found in the government-wide financial statements, but in more detail.

Net position of the proprietary (enterprise) funds at the end of the fiscal year amounted to \$85,661. This amounts to a decrease in net position for all enterprise funds in the amount of \$22,644. Other factors concerning the finances of these funds have already been addressed in the discussion of the City of El Centro's business-type activities.

General Fund Budgetary Highlights

Actual expenditures for the fiscal year in the amount of \$34,093 were \$838 (2.5%) below the final budgeted amounts. Expenditures were lower than the final budgeted amount primarily for the following reasons: lower capital expenses for Public Works (\$453), Community Development (\$47), Public Safety (\$2,970) and Capital Outlay (\$816).

Capital Asset and Debt Administration

As of June 30, 2022, the City's investment in capital assets for its governmental and business-type activities amounted to \$315,011(net of accumulated depreciation). The investments in capital assets are comprised of land, building and improvements, infrastructure, vehicles, furniture and equipment, and construction in progress. The City, according to GASB 34 guidelines has elected, retroactively, to include all infrastructure assets dating back to 1980.

Major changes in capital asset during the current fiscal year included the following:

- Park Improvements - \$6,281
- Street improvements- \$4,266
- Imperial Avenue Water Pipeline - \$3,695
- Emergency Response Vehicles - \$1,399
- Water Line Repair - \$806
- Camera System - \$803
- North Date Undergrounding - \$540

Table 3 – City of El Centro’s Capital Assets
(Net of Accumulated Depreciation)
June 30, 2022 (Thousands)

	Governmental Activities	Business-Type Activities	Total
Land	2,346	926	3,272
Building & Improvements	70,970	98,157	169,127
Infrastructure	14,815	-	14,815
Vehicles	2,352	465	2,817
Furniture & Equipment	2,948	32,247	35,195
Construction in Progress	20,730	69,055	89,785
			-
Total	114,161	200,850	315,011

Additional information on the City of El Centro’s capital assets can be found in Note 6 on pages 56-57 of this report.

Long-Term Debt

At the end of the current fiscal year, the City had total long-term debt outstanding of \$215,080. The composition of long-term debt is outlined in Table-4 below.

Table 4 – The City’s Outstanding Debt
June 30, 2022 (Thousands)

Outstanding Debt	Governmental Activities	Business-Type Activities	Totals
Advances from Successor Agency	9,799	-	9,799
Revenue Bonds and Installment Sales, Net	2,651	164,258	166,909
Other Post-Employment Benefits	(5,314)	-	(5,314)
Compensated Absences	2,228	635	2,863
Financed Purchases	-	260	260
Leases Payable	25,933	7,547	33,480
Refundable Advances	-	7,083	7,083
Total	35,298	179,782	215,080

The majority of the long-term debt is comprised as follows:

- Hospital Revenue Bonds in the amount of \$116,049, net of unamortized discount. El Centro Regional Medical Center issued \$125,000 in Hospital Revenue Refunding Bonds in 2018. The proceeds are being used to finance the construction and equipping of the Medical Center’s expansion project and refinance the bond series 2015.

- Installment loan with CIEDB in the amount of \$273. The City of El Centro obtained an installment loan from CIEDB in 2003 for water and wastewater improvements in the amount of \$5.6 million.
- Advance from successor agency in the amount of \$9,799, including unamortized premiums, due to issuance of the 2011 successor bonds series C
- Governmental activities Lease Revenue Bonds in the amount of \$25,933, net of unamortized premiums and discount. The City of El Centro issued \$16,700 during the fiscal year ended June 30, 2021 for the Library Project.
- Governmental activities Revenue Bonds in the amount of \$2,651, net of unamortized discount. The El Centro Financing Authority issued the Revenue Bonds Series 2011 in the amount of \$11,095. The bonds were issued to finance the acquisition of the Redevelopment Agency of the City of El Centro, El Centro Redevelopment Project Tax Allocation Bonds Series 2011C.
- Business-type activities Sewer Revenue Refunding Bonds in the amount of \$3,517 net of unamortized discount. The City of El Centro issued \$7.8 million in revenue bonds in 2012 to refund the 1997 wastewater revenue bonds.
- Business-type activities Revenue Bonds in the amount of \$44,419, including unamortized premiums. The City of El Centro issued \$52.5 million in revenue bonds in 2014 to refund all the outstanding portion of the 2006 Series A water/wastewater revenue bonds. The original bonds were issued for the construction of a new water treatment plant and wastewater plant improvements.
- Hospital - Financed Purchases \$260, Leases Payable \$7,546 and Refundable Advances \$7,083.

Additional information on the City of El Centro's long-term debt can be found in Note 8, on pages 58-67 of this report. Additional information on the City's Net OPEB Asset can be found in Note 14 and RSI on pages 105-106.

Economic Factors

During fiscal years 2004 to 2007 the City of El Centro experienced unprecedented growth in both commercial and residential development. It was during this time that a regional mall with 766,333 square feet of shopping opportunities and a strip mall were built in the City. These two projects helped diversify the City's economy and attracted residents of surrounding cities as well as from Mexicali, Mexico. Mexicali, Mexico is the capital of Baja California and has a population in excess of 1 million and a significant number of maquiladoras. A maquiladora is an assembly plant in Mexico, especially one along the border between the United States and Mexico, to which foreign materials and parts are shipped and from which the finished product is returned to the original market.

The commercial development substantially increased the retail opportunities in the City and increased sales and sales tax revenue during these years. The economy slowed down during fiscal year 2008 and severely contracted during fiscal year 2010. General Fund revenues declined from \$27.1 million in 2007 to \$22.9 in fiscal year 2010. The City developed various cost cutting measures which, combined with a strong fund balance, allowed the City to sail the recession without the need for lay-offs or furloughs.

The local economy managed to recover from the great recession and gradually improved causing the City of El Centro to experience a significant and steady growth in sales tax revenue. Historically, other than a slight decrease in fiscal year 2020 due to the COVID-19 pandemic, sales tax revenue has continued to grow and surpass budget projections, which firmly demonstrates a strong and healthy financial position.

Factors which positively contribute to the local economy include the following:

- Continued interest in commercial development throughout the City:

- Public Facilities – State Courthouse and CHP Station.
 - Hotels – Home-2-Suites and Residence Inn
 - Healthcare/Education – Vo Medical Center and CUHS STEM Building
 - Retail/Restaurants – Chipotle and Jersey Mike’s
- Plans for new residential development and multi-family units
 - Town Center Village, Willowbend Subdivision, Town Center II Subdivision and Lotus Ranch Subdivision
- More diverse economy with per capita sales at 100% of national averages
 - The regional mall which continues to attract residents from the surrounding cities as well as those from other areas such as Yuma, Arizona and Mexicali, Mexico.
 - Proximity to the economy of Mexicali, Mexico and the continued inflow of consumers from that country.

The City will continue to position its finances in a manner that will allow it to meet the City’s strategic goals and objectives and to accomplish this within the parameters allowed by the economy. The City will continue to fund reserves and enforce revenue enhancement and cost containment measures.

Requests for Information

This financial report is designed to provide a general overview of the City of El Centro’s finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Director of Finance, 1275 W Main Street, City of El Centro, California, 92243.

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CITY OF EL CENTRO

Statement of Net Position

June 30, 2022

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Assets:			
Cash and Investments	\$ 81,361,459	\$ 73,947,095	\$ 155,308,554
Restricted Assets:			
Cash and Investments	3,892,006	20,543,412	24,435,418
Cash and Investments with Fiscal Agent	9,881,402	3,974,328	13,855,730
Receivables (net of allowances for uncollectibles)			
Accounts		23,235,049	23,235,049
Taxes	3,870,161		3,870,161
Interest	3,283,054	34,203	3,317,257
Grants	3,277,573		3,277,573
Leases	455,390		455,390
Notes	22,083,404	384,401	22,467,805
Other	1,326,545	1,944,945	3,271,490
Internal Balances	85,830	(85,830)	
Due from Third-Party Payors		2,099,703	2,099,703
Inventories		3,428,834	3,428,834
Net OPEB Asset	5,314,247		5,314,247
Prepaid Items		2,252,377	2,252,377
Investment in Joint Venture		262,595	262,595
Land Held for Resale	59,089		59,089
Capital Assets Not Being Depreciated	23,075,763	69,981,518	93,057,281
Capital Assets, Net of Accumulated Depreciation	91,085,350	130,868,442	221,953,792
Total Assets	<u>249,051,273</u>	<u>332,871,072</u>	<u>581,922,345</u>
Deferred Outflows of Resources:			
Deferred Loss on Debt Refunding	107,234	3,065,854	3,173,088
OPEB related	550,805		550,805
Pension related	10,151,677	8,892,627	19,044,304
Total Deferred Outflows of Resources	<u>10,809,716</u>	<u>11,958,481</u>	<u>22,768,197</u>
Liabilities:			
Accounts Payable	6,788,043	18,880,449	25,668,492
Salaries/Benefits Payable	759,495	7,944,896	8,704,391
Interest Payable	231,716	482,841	714,557
Unearned Revenue		68,012	68,012
Deposits	5,752,166	92,999	5,845,165
Non-Current Liabilities:			
Net Pension Liability	27,393,226	41,985,816	69,379,042
Due Within One Year	2,856,247	129,734,727	132,590,974
Due in More Than One Year	37,755,432	50,047,573	87,803,005
Total Liabilities	<u>81,536,325</u>	<u>249,237,313</u>	<u>330,773,638</u>
Deferred Inflows of Resources:			
Leases	449,161		449,161
OPEB related	3,271,757		3,271,757
Pension related	20,291,756	9,931,063	30,222,819
Total Deferred Inflows of Resources	<u>24,012,674</u>	<u>9,931,063</u>	<u>33,943,737</u>
Net Position:			
Net Investment in Capital Assets	85,685,242	34,781,154	120,466,396
Restricted for:			
Housing	5,329,405		5,329,405
Special Projects	1,751,361		1,751,361
Debt Service	3,467,743	15,904,665	19,372,408
Community Development	41,365,966		41,365,966
Asset Forfeiture	466,521		466,521
Public Safety	1,311,134		1,311,134
Street and Roads	8,719,664		8,719,664
Pension Plan	3,892,006		3,892,006
Landscaping	159,519		159,519
Unrestricted	2,163,429	34,975,358	37,138,787
Total Net Position	<u>\$ 154,311,990</u>	<u>\$ 85,661,177</u>	<u>\$ 239,973,167</u>

The notes to the financial statements are an integral part of this statement

CITY OF EL CENTRO
Statement of Activities
For the Fiscal Year Ended June 30, 2022

Functions	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental Activities:							
General Government	\$ 4,639,465	\$ 687,240	\$ 7,063,426	\$ -	\$ 3,111,201	\$ -	\$ 3,111,201
Public Protection	16,917,746	231,469	672,389	40,138	(15,973,750)		(15,973,750)
Community Development	3,994,411	753,872	2,109,217	14,252	(1,117,070)		(1,117,070)
Public Works	5,380,530	43,995	3,391,926	8,008,684	6,064,075		6,064,075
Parks and Recreation	7,695,598	334,688	143,807	392,725	(6,824,378)		(6,824,378)
Interest on Long-Term Liabilities	1,274,214				(1,274,214)		(1,274,214)
Total Governmental Activities	<u>39,901,964</u>	<u>2,051,264</u>	<u>13,380,765</u>	<u>8,455,799</u>	<u>(16,014,136)</u>		<u>(16,014,136)</u>
Business-Type Activities:							
Water	9,500,919	9,459,750	868,000			826,831	826,831
Wastewater	9,361,202	10,502,240				1,141,038	1,141,038
Hospital	191,515,035	164,111,822	5,189,841			(22,213,372)	(22,213,372)
Solid Waste	2,086,099	2,110,582				24,483	24,483
Total Business-Type Activities	<u>212,463,255</u>	<u>186,184,394</u>	<u>6,057,841</u>			<u>(20,221,020)</u>	<u>(20,221,020)</u>
Total Primary Government	<u>\$ 252,365,219</u>	<u>\$ 188,235,658</u>	<u>\$ 19,438,606</u>	<u>\$ 8,455,799</u>	<u>(16,014,136)</u>	<u>(20,221,020)</u>	<u>(36,235,156)</u>
General Revenues:							
Taxes:							
Property Taxes					4,256,239		4,256,239
Sales Taxes					23,862,100		23,862,100
Transient Occupancy Taxes					2,423,575		2,423,575
Franchise Taxes					341,700		341,700
Other Taxes					550,860		550,860
Motor Vehicle in Lieu, unrestricted					4,918,467		4,918,467
Investment Earnings					130,322	(2,423,211)	(2,292,889)
Miscellaneous Revenue					196,090		196,090
Total General Revenues					<u>36,679,353</u>	<u>(2,423,211)</u>	<u>34,256,142</u>
Change in Net Position					<u>20,665,217</u>	<u>(22,644,231)</u>	<u>(1,979,014)</u>
Net Position - Beginning of Fiscal Year					133,646,554	111,639,752	245,286,306
Prior Period Adjustments					219	(3,334,344)	(3,334,125)
Net Position - Beginning of Fiscal Year (restated)					<u>133,646,773</u>	<u>108,305,408</u>	<u>241,952,181</u>
Net Position - End of Fiscal Year					<u>\$ 154,311,990</u>	<u>\$ 85,661,177</u>	<u>\$ 239,973,167</u>

The notes to the financial statements are an integral part of this statement

CITY OF EL CENTRO

**Balance Sheet
Governmental Funds**

June 30, 2022

	<u>General</u>	<u>Capital Projects Fund Library Project</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets:				
Cash and Investments	\$ 35,175,772	\$ -	\$ 38,038,742	\$ 73,214,514
Receivables (Net of Allowances for Uncollectible):				
Taxes	3,869,982		179	3,870,161
Interest	19,417		36,219	55,636
Grants	113,500		3,164,073	3,277,573
Notes	837,990		21,245,414	22,083,404
Leases	455,390			455,390
Other	749,626		576,919	1,326,545
Due from Other Funds	2,067,114			2,067,114
Restricted Assets:				
Cash and Investments	3,892,006			3,892,006
Cash and Investments with Fiscal Agent	141,223	6,659,855	3,080,324	9,881,402
Other Assets:				
Land Held for Resale			59,089	59,089
Total Assets	<u>\$ 47,322,020</u>	<u>\$ 6,659,855</u>	<u>\$ 66,200,959</u>	<u>\$ 120,182,834</u>
Liabilities, Deferred Inflows of Resources and Fund Balances:				
Liabilities:				
Accounts Payable	\$ 2,006,030	\$ 2,228,963	\$ 1,855,405	\$ 6,090,398
Salaries/Benefits Payable	754,634		2,369	757,003
Deposits	1,200,367		4,551,799	5,752,166
Due to Other Funds		28,590	1,952,694	1,981,284
Total Liabilities	<u>3,961,031</u>	<u>2,257,553</u>	<u>8,362,267</u>	<u>14,580,851</u>
Deferred Inflows of Resources:				
Lease revenue	449,161			449,161
Total Deferred Inflows of Resources	<u>449,161</u>			<u>449,161</u>
Fund Balances:				
Restricted	4,033,229	4,402,302	55,183,377	63,618,908
Committed			2,655,315	2,655,315
Assigned	89,161			89,161
Unassigned	38,789,438			38,789,438
Total Fund Balances	<u>42,911,828</u>	<u>4,402,302</u>	<u>57,838,692</u>	<u>105,152,822</u>
 Total Liabilities, Deferred Inflows of Resources, and Fund Balances	 <u>\$ 47,322,020</u>	 <u>\$ 6,659,855</u>	 <u>\$ 66,200,959</u>	 <u>\$ 120,182,834</u>

The notes to the financial statements are an integral part of this statement

CITY OF EL CENTRO
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
June 30, 2022

Total fund balances - governmental funds		\$ 105,152,822
<p>In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation.</p>		
Capital assets at historical cost	\$ 281,586,318	
Accumulated depreciation	<u>(167,425,205)</u>	114,161,113
<p>In governmental funds, certain accrued interest receivables on notes receivable are not available to pay for current period expenditures and, therefore, are not reported in the governmental funds.</p>		
		3,217,370
<p>In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:</p>		
Advances from Successor Agency (including premium)	\$ (9,800,413)	
Revenue bonds (net of original issue discount)	(2,650,573)	
Lease revenue bonds (net of discount and deferred loss on refunding)	(25,825,298)	
Net pension liability	(27,213,334)	
Other post-employment benefits	5,314,247	
Compensated absences payable	<u>(2,228,161)</u>	(62,403,532)
<p>Deferred outflows and inflows of resources relating to pensions and OPEB: In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows of resources relating to pensions and OPEB are reported.</p>		
Deferred outflow - pension related		10,095,784
Deferred inflow - pension related		(20,135,957)
Deferred outflow - OPEB related		550,805
Deferred inflow - OPEB related		(3,271,757)
<p>Accrued interest payable from the current portion of interest due on long-term debt has not been reported in the governmental funds.</p>		
		(231,716)
<p>Internal service funds are used by management to charge the costs of certain activities, such as self-insurance, to individual funds. The assets and liabilities of the internal service funds must be added to the statement of net position.</p>		
		<u>7,177,058</u>
Total net position - governmental activities		<u>\$ 154,311,990</u>

The notes to the financial statements are an integral part of this statement

CITY OF EL CENTRO
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2022

	<u>General</u>	<u>Capital Projects Fund Library Project</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Revenues				
Taxes	\$ 31,376,087	\$ -	\$ 58,387	\$ 31,434,474
Licenses and Permits	441,200			441,200
Intergovernmental	7,480,152		16,711,735	24,191,887
Charges for Services	1,000,693		237,369	1,238,062
Fines and Forfeitures	34,508		77,440	111,948
Interest	95,613	851	104,168	200,632
Other	1,210,783		1,527,052	2,737,835
Total Revenues	<u>41,639,036</u>	<u>851</u>	<u>18,716,151</u>	<u>60,356,038</u>
Expenditures				
Current				
General Government	3,929,636			3,929,636
Public Safety	14,770,364		1,283,566	16,053,930
Public Works	1,497,177		381,404	1,878,581
Parks and Recreation	7,707,453		187,152	7,894,605
Community Development	1,981,524		419,024	2,400,548
Capital Outlay	4,206,361	12,325,777	5,585,868	22,118,006
Debt Service				
Principal			11,315,000	11,315,000
Interest and Fiscal Charges		15,030	1,391,807	1,406,837
Total Expenditures	<u>34,092,515</u>	<u>12,340,807</u>	<u>20,563,821</u>	<u>66,997,143</u>
Excess (Deficiency) of Revenues over (under) Expenditures	<u>7,546,521</u>	<u>(12,339,956)</u>	<u>(1,847,670)</u>	<u>(6,641,105)</u>
Other Financing Sources (Uses):				
Issuance of debt			9,070,765	9,070,765
Transfers In	3,630,142		1,527,399	5,157,541
Transfers Out	(3,087,750)		(2,069,791)	(5,157,541)
Total Other Financing Sources (Uses)	<u>542,392</u>		<u>8,528,373</u>	<u>9,070,765</u>
Net Changes in Fund Balances	<u>8,088,913</u>	<u>(12,339,956)</u>	<u>6,680,703</u>	<u>2,429,660</u>
Fund Balances - Beginning of Fiscal Year	34,822,915	16,742,258	51,157,770	102,722,943
Prior Period Adjustments			219	219
Fund Balances - Beginning of Fiscal Year, Restated	<u>34,822,915</u>	<u>16,742,258</u>	<u>51,157,989</u>	<u>102,723,162</u>
Fund Balances - End of Fiscal Year	<u>\$ 42,911,828</u>	<u>\$ 4,402,302</u>	<u>\$ 57,838,692</u>	<u>\$ 105,152,822</u>

The notes to the financial statements are an integral part of this statement

CITY OF EL CENTRO
Reconciliation of the Statement of Revenues, Expenditures, and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2022

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

Net change in fund balance-total governmental funds \$ 2,429,660

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

Capital outlay	\$ 23,756,812	
Depreciation expense	<u>(11,293,604)</u>	12,463,208

Certain accrued interest revenue of notes receivable reported in the statement of activities are not available to pay for current period expenditures, and therefore, are not reported as revenues in a governmental fund. This is the net change in interest receivable for the current period. 192,998

The issuance of long-term debt provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Issuance of bond principal is an other financing source and repayment of bond principal is an expenditure in governmental funds, but the issuance increases long-term liabilities and the repayment reduces long-term liabilities in the statement of net position.

Current year amortization of premium for advances from Successor Agency	\$ 115,989	
Revenue bonds (net of original issue discount)	848,182	
Lease revenue bonds (net of original issue discount)	10,483,452	
Issuance of debt	<u>(9,070,765)</u>	2,376,858

Compensated absence expenditures reported in the statement of activities do not require the use of current financial resources and therefore, are not reported as expenditures in a governmental fund. This is the net change in compensated absences for the current period. 517,166

In governmental funds, pension and OPEB costs are recognized when employer contributions are made. In the statement of activities, pension and OPEB costs are recognized on the accrual basis. This is the difference between accrual-basis pension and OPEB costs and actual employer contributions.

2,073,479

Internal service funds are used by management to charge the costs of certain activities, such as self-insurance, to individual funds. The net revenues (expenses) of the internal service funds are reported with governmental activities. 611,848

Change in net position of governmental activities \$ 20,665,217

CITY OF EL CENTRO
Statement of Net Position
Proprietary Funds
June 30, 2022

	Business-type Activities-Enterprise Funds					Governmental Activities
	Water Fund	Wastewater Fund	Hospital Fund	Nonmajor Enterprise Fund	Total	Internal Service Funds
Assets and Deferred Outflows of Resources						
Current Assets:						
Cash and Investments	\$ 26,240,395	\$ 25,003,459	\$ 22,561,919	\$ 141,322	\$ 73,947,095	\$ 8,146,945
Cash and Investments with Fiscal Agent	2,353,725	1,620,603			3,974,328	
Receivables (Net of Allowances for Uncollectibles):						
Accounts	1,433,282	1,479,538	19,994,457	327,772	23,235,049	24,112
Notes	205,171	179,230			384,401	
Other	149	29	1,944,767		1,944,945	
Interest	13,045	20,813		345	34,203	10,048
Due from Third-Party Payors			2,099,703		2,099,703	
Inventories			3,428,834		3,428,834	
Prepaid Expenses			2,252,377		2,252,377	
Total Current Assets	<u>30,245,767</u>	<u>28,303,672</u>	<u>52,282,057</u>	<u>469,439</u>	<u>111,300,935</u>	<u>8,181,105</u>
Noncurrent Assets:						
Investment in Joint Venture			262,595		262,595	
Restricted Assets:						
Cash and Investments			20,543,412		20,543,412	
Capital Assets:						
Land	181,547	78,560	665,935		926,042	
Buildings	920,335	835,015	114,723,542		116,478,892	
Improvements other than Buildings	78,847,161	74,378,608			153,225,769	
Machinery and Equipment	3,944,641	2,005,146	77,735,712		83,685,499	
Furniture and Fixtures	33,740	28,515			62,255	
Vehicles	1,042,674	1,064,843			2,107,517	
Construction in Progress	194,525	4,972,135	63,888,816		69,055,476	
Less:						
Accumulated Depreciation	(57,430,529)	(52,482,069)	(114,778,892)		(224,691,490)	
Total Noncurrent Assets	<u>27,734,094</u>	<u>30,880,753</u>	<u>163,041,120</u>		<u>221,655,967</u>	
Total Assets	<u>57,979,861</u>	<u>59,184,425</u>	<u>215,323,177</u>	<u>469,439</u>	<u>332,956,902</u>	<u>8,181,105</u>
Deferred Outflows of Resources:						
Deferred loss on debt refunding	1,546,634	1,519,220			3,065,854	
Pension related	398,482	492,245	8,001,900		8,892,627	55,893
Total Deferred Outflows of Resources	<u>1,945,116</u>	<u>2,011,465</u>	<u>8,001,900</u>		<u>11,958,481</u>	<u>55,893</u>
Liabilities and Deferred Inflows of Resources						
Current Liabilities:						
Accounts Payable	630,219	146,366	17,848,961	254,903	18,880,449	697,645
Salaries/Benefits Payable	25,764	27,214	7,891,918		7,944,896	2,492
Interest Payable	260,502	222,339			482,841	
Customer Deposits	92,999				92,999	
Due to Other Funds				85,830	85,830	
Unearned Revenue	67,689	323			68,012	24,112
Current Portion of Compensated Absences	93,147	105,487			198,634	
Current Portion of Long-term Obligations	1,430,892	1,577,757	126,527,444		129,536,093	
Total Current Liabilities	<u>2,601,212</u>	<u>2,079,486</u>	<u>152,268,323</u>	<u>340,733</u>	<u>157,289,754</u>	<u>724,249</u>
Noncurrent Liabilities:						
Compensated Absences	217,617	218,511			436,128	
Net Pension Liability	1,282,519	1,584,297	39,119,000		41,985,816	179,892
Long-term Debt	25,167,186	20,033,476	4,410,783		49,611,445	
Total Noncurrent Liabilities	<u>26,667,322</u>	<u>21,836,284</u>	<u>43,529,783</u>		<u>92,033,389</u>	<u>179,892</u>
Total Liabilities	<u>29,268,534</u>	<u>23,915,770</u>	<u>195,798,106</u>	<u>340,733</u>	<u>249,323,143</u>	<u>904,141</u>
Deferred Inflows of Resources:						
Pension related	1,110,751	1,372,112	7,448,200		9,931,063	155,799
Total Deferred Inflows of Resources	<u>1,110,751</u>	<u>1,372,112</u>	<u>7,448,200</u>		<u>9,931,063</u>	<u>155,799</u>
Net Position						
Net Investment in Capital Assets	1,136,016	10,890,123	22,755,015		34,781,154	
Restricted For :						
Debt Service	2,093,223		13,811,442		15,904,665	
Unrestricted	26,316,453	25,017,885	(16,487,686)	128,706	34,975,358	7,177,058
Total Net Position	<u>\$ 29,545,692</u>	<u>\$ 35,908,008</u>	<u>\$ 20,078,771</u>	<u>\$ 128,706</u>	<u>\$ 85,661,177</u>	<u>\$ 7,177,058</u>

The notes to the financial statements are an integral part of this statement

CITY OF EL CENTRO
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2022

	Business-type Activities - Enterprise funds				Governmental Activities	
	Water Fund	Wastewater Fund	Hospital Fund	Nonmajor Enterprise Fund	Total	Internal Service Funds
Operating Revenues:						
Charges for Services	\$ 8,628,072	\$ 10,486,009	\$ 158,410,640	\$ 2,110,582	\$ 179,635,303	\$ 6,320,668
Other Revenues	831,678	16,231	5,701,182		6,549,091	322,533
Total Operating Revenues	<u>9,459,750</u>	<u>10,502,240</u>	<u>164,111,822</u>	<u>2,110,582</u>	<u>186,184,394</u>	<u>6,643,201</u>
Operating Expenses:						
Personnel Services	2,125,384	2,073,707	78,789,135		82,988,226	830,845
Supplies and Services	2,507,207	2,079,510	96,952,557	1,878,310	103,417,584	5,218,653
General and Administrative	1,058,755	985,785		207,789	2,252,329	
Depreciation	2,762,726	3,312,023	8,382,372		14,457,121	
Total Operating Expenses	<u>8,454,072</u>	<u>8,451,025</u>	<u>184,124,064</u>	<u>2,086,099</u>	<u>203,115,260</u>	<u>6,049,498</u>
Operating Income (Loss)	<u>1,005,678</u>	<u>2,051,215</u>	<u>(20,012,242)</u>	<u>24,483</u>	<u>(16,930,866)</u>	<u>593,703</u>
Non-Operating Revenues (Expenses):						
Investment Revenue (Loss)	50,443	52,997	(2,527,065)	414	(2,423,211)	18,145
Interest Expense	(1,046,847)	(910,177)	(7,390,971)		(9,347,995)	
Grant Revenue	868,000		5,040,463		5,908,463	
Other Non-Operating Revenue (Expense)			149,378		149,378	
Total Non-Operating Revenue (Expenses)	<u>(128,404)</u>	<u>(857,180)</u>	<u>(4,728,195)</u>	<u>414</u>	<u>(5,713,365)</u>	<u>18,145</u>
Change in Net Position	<u>877,274</u>	<u>1,194,035</u>	<u>(24,740,437)</u>	<u>24,897</u>	<u>(22,644,231)</u>	<u>611,848</u>
Net Position - Beginning of Fiscal Year	28,668,418	34,677,908	48,189,617	103,809	111,639,752	6,565,210
Prior Period Adjustments		36,065	(3,370,409)		(3,334,344)	
Net Position - Beginning of Fiscal Year, Restated	<u>28,668,418</u>	<u>34,713,973</u>	<u>44,819,208</u>	<u>103,809</u>	<u>108,305,408</u>	<u>6,565,210</u>
Net Position - End of Fiscal Year	<u>\$ 29,545,692</u>	<u>\$ 35,908,008</u>	<u>\$ 20,078,771</u>	<u>\$ 128,706</u>	<u>\$ 85,661,177</u>	<u>\$ 7,177,058</u>

The notes to the financial statements are an integral part of this statement

CITY OF EL CENTRO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended June 30, 2022

	Business-type Activities - Enterprise Funds				Governmental
	Water	Wastewater	Hospital	Nonmajor Enterprise Fund	Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash Received from Patients and Third Parties on Behalf of Patients	\$ -	\$ -	\$ 144,292,800	\$ -	\$ 144,292,800
Cash Received from Operations, other than Patient Services			5,841,647		5,841,647
Cash Received from Users	9,898,065	10,493,925		2,089,629	22,481,619
Cash Payments to Suppliers and Contractors	(2,439,292)	(2,839,767)	(78,892,755)	(1,878,921)	(86,050,735)
Cash Payments for General and Administrative Expenses	(1,058,755)	(985,785)		(207,789)	(2,252,329)
Cash Payments for Employees and Benefit Programs	(2,459,751)	(2,509,430)	(96,220,717)		(101,189,898)
Net Cash Provided (Used) By Operating Activities	3,940,267	4,158,943	(24,979,025)	2,919	(16,876,896)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Intergovernmental	868,000		3,303,239		4,171,239
Notes Receivable Issued	17,502	1,269			18,771
Other Receivable	188	8,434	(84,679)		(76,057)
Net Cash Provided (Used) by Noncapital Financing Activities	885,690	9,703	3,218,560		4,113,953
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest Received	50,444	52,997	825,602	414	929,457
Proceeds from Sales and Maturities of Investments			54,623,788		54,623,788
Purchases of Investments			(23,490,867)		(23,490,867)
Net Cash Provided (Used) by Investing Activities	50,444	52,997	31,958,523	414	32,062,378
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Principal Payments on Debt Borrowings	(1,225,247)	(1,425,482)	(2,873,608)		(5,524,337)
Interest and Fiscal Fees Paid	(1,067,514)	(908,428)	(7,141,178)		(9,117,120)
Acquisition of Property, Plant, and Equipment	(1,639,368)	(233,575)	(14,554,829)		(16,427,772)
Net Cash Provided (Used) by Capital and Related Financing Activities	(3,932,129)	(2,567,485)	(24,569,615)		(31,069,229)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	944,272	1,654,158	(14,371,557)	3,333	(11,769,794)
CASH AND CASH EQUIVALENTS, BEGINNING OF FISCAL YEAR	27,649,848	24,969,904	15,324,407	137,989	68,082,148
CASH AND CASH EQUIVALENTS, END OF FISCAL YEAR	\$ 28,594,120	\$ 26,624,062	\$ 952,850	\$ 141,322	\$ 56,312,354
Noncash Transactions:					
Amortization	\$ (9,166)	\$ 15,348	\$ -	\$ -	\$ 6,182
Reconciliation to Statement of Net Position:					
Cash and Investments	\$ 26,240,395	\$ 25,003,459	\$ 22,561,919	\$ 141,322	\$ 73,947,095
Restricted Cash and Investments with Fiscal Agents	2,353,725	1,620,603	20,543,412		24,517,740
Less investments not meeting definition of cash equivalents			(42,152,481)		(42,152,481)
	\$ 28,594,120	\$ 26,624,062	\$ 952,850	\$ 141,322	\$ 56,312,354
CASH FLOWS FROM OPERATING ACTIVITIES:					
Operating Income (Loss)	\$ 1,005,678	\$ 2,051,215	\$ (20,012,242)	\$ 24,483	\$ (16,930,866)
Adjustment to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation and Amortization	2,762,726	3,312,023	8,382,372		14,457,121
Changes in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	437,794	(8,315)	(12,837,555)	(20,953)	(12,429,029)
(Increase) Decrease in Inventories, Prepaid Expenses, Other Receivables, and Other Assets			(83,940)		(83,940)
(Increase) Decrease in Estimated Third Party Payor Settlements			(1,139,820)		(1,139,820)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	67,915	(760,257)	815,780	(611)	122,827
Increase (Decrease) in Salary/Benefits Payable	9,075	9,826	40,080		58,981
Increase (Decrease) in Deposit Payable	210				210
Increase (Decrease) in Unearned Revenue	311				311
Increase (Decrease) in Net Pension Liability	(337,319)	(416,689)	(143,700)		(897,708)
Increase (Decrease) in Compensated Absences	(6,123)	(28,860)			(34,983)
Total Adjustments	2,934,589	2,107,728	(4,966,783)	(21,564)	53,970
Net Cash Provided (Used) By Operating Activities	\$ 3,940,267	\$ 4,158,943	\$ (24,979,025)	\$ 2,919	\$ (16,876,896)

The notes to the financial statements are an integral part of this statement

CITY OF EL CENTRO
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022

	Private-Purpose Trust Funds
Assets:	
Cash and Investments	\$ 643,950
Cash and Investments with Fiscal Agent	3,671,991
Interest Receivable	500,363
Notes Receivable	142,638
Other Receivable	8,802
Advances to City of El Centro	9,413,455
Discount for advances to City of El Centro	386,958
Capital Assets, Not Being Depreciated	7,458,729
Capital Assets, Net of Accumulated Depreciation	11,172,298
Total Assets	33,399,184
 Deferred outflows of resources:	
Deferred loss on refunding	477,132
Total Deferred outflows of resources	477,132
 Liabilities:	
Accounts Payable	2,291
Interest Payable	207,699
Due within One Year	1,806,924
Due in More than One Year	21,417,910
Total Liabilities	23,434,824
 Net Position:	
Unrestricted	10,441,492
Total Net Position	\$ 10,441,492

The notes to the financial statements are an integral part of this statement

CITY OF EL CENTRO
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS

For the Fiscal Year Ended June 30, 2022

	Private-Purpose Trust Funds
Additions:	
Investment Revenue	\$ 9,750
Intergovernmental	34,831
Property Taxes	2,099,190
Total Additions	2,143,771
Deductions:	
Community Development	244,805
Depreciation	92,972
Interest Expense	1,165,598
Total Deductions	1,503,375
Excess (Deficiency) of Revenues Over (Under) Expenditures	640,396
Change in Net Position	640,396
Net Position, Beginning of Fiscal Year	9,801,096
Net Position, End of Fiscal Year	\$ 10,441,492

The notes to the financial statements are an integral part of this statement

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**NOTES TO
BASIC FINANCIAL STATEMENTS**

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of El Centro was incorporated under the laws of the State of California in 1908 and is governed by an elected five-member council. As required by accounting principles generally accepted in the United States of America, these financial statements present the City and its component unit, an entity for which the City is considered to be financially accountable. The El Centro Regional Medical Center (Hospital) is an operating department of the City and is reported within the proprietary fund type.

Blended component units, although legally separate entities are, in substance, part of the City's operations, and so data from these units are combined with data of the City. There are no component units included in this report.

B. Basis of Presentation

Government-wide Financial Statements

The statement of net position and statement of activities display information about the primary government (the City) and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Certain eliminations have been made as prescribed by GASB Statement No. 34 in regards to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. These statements distinguish between the governmental and business-type activities of the City and between the City and its blended component unit. Governmental activities, which normally are supported by taxes and inter-governmental revenues, are reported separately from business-type activities, which rely, to a significant extent on fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and; therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues. When both restricted and unrestricted resources are available, unrestricted resources are used only after the restricted resources are depleted.

Fund Financial Statements

The fund financial statements provide information about the City's funds, including fiduciary funds. Separate statements for each fund category – *governmental, proprietary, and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds; each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as nonmajor funds.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation (Continued)

Proprietary funds distinguish *operating* revenues, such as charges for services, and result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. *Nonoperating* revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The City reports two major governmental fund:

- The *General Fund* is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the City that are not accounted for through other funds. For the City, the General Fund includes activities such as public protection, public works and facilities, parks and recreation, and community development.
- The *Library Project Fund* is used to account for all revenues and expenditures related to the construction of the El Centro City Library.

The City reports the following major enterprise funds:

- The *Hospital Fund* accounts for the operations of the El Centro Regional Medical Center, which provides health care services to the community and surrounding area.
- The *Water Fund* accounts for revenues and expenses associated with the treatment and distribution of potable water.
- The *Wastewater Fund* accounts for revenues and expenses associated with the collection and treatment of wastewater.

The City reports the following additional fund types:

Internal Service Funds account for operations that provide services to other departments or agencies of the City, or to other governments, on a cost-reimbursement basis, such as motor vehicle maintenance, worker's compensation, post-employment benefits, and group health insurance.

Fiduciary Funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other government units, and/or other funds. Trust funds, such as Successor Agency to the Redevelopment Agency, use the flow of economic resources measurement focus and the accrual basis of accounting.

C. Basis of Accounting and Measurement Focus

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and along with the fiduciary fund use the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time the liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from sales tax are recognized when the underlying transactions take place. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting and Measurement Focus (Continued)

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers all revenues available if they are collected within 60 days after fiscal year-end except reimbursement grants which are considered available if they are collected within one year. Expenditures are recorded when the related fund liability is incurred, except for debt service expenditures, which are recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and capital leases are reported as other financing sources.

Property taxes, transient occupancy taxes, and interest are susceptible to accrual. Sales taxes collected and held by the state at fiscal year-end on behalf of the City are also recognized as revenue. Other receipts and taxes become measurable and available when cash is received by the City and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

D. Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources, and Equity

1. Deposits and Investments

In order to maximize the flexibility of its investment program and to aid in cash budgeting, the City pools the cash of all funds, except for monies deposited with fiscal agents in accordance with related bond indentures. The cash and investments balance in each fund represents that fund's equity share of the City's cash and investment pool. As the City places no restrictions on the deposit or withdrawal of a particular fund's equity in the pool, the pool operates like a demand deposit account for the participating funds.

Interest income earned on pooled cash and investments is allocated monthly to the various funds based on month-end balances and is adjusted at fiscal year-end. Interest income on restricted cash and investments with fiscal agents is credited directly to the related fund.

In accordance with the State of California Government Code, the City adopts an investment policy annually that, among other things, authorizes types and concentrations of investments and maximum investment terms.

The City's investments are carried at fair value. The fair value of equity and debt securities is determined based on sales prices or bid-and-asked quotations from SEC-registered securities exchanges or NASDAQ dealers. LAIF determines the fair value of its portfolio quarterly and reports a factor to the City; the City applies that factor to convert its share of LAIF from amortized cost to fair value. Changes in fair value are allocated to each participating fund.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources, and Equity (Continued)

1. Deposits and Investments (Continued)

For purposes of the statement of cash flows, the City has defined cash and cash equivalents to be change and petty cash funds, equity in the City's cash and investment pool, and restricted non-pooled investments with initial maturities of three months or less.

Investments are stated at fair value in accordance with GASB 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Short-term investments are reported at cost, which approximates fair value. The fair values are based on quoted market prices, if available, or estimated using quoted market prices for similar securities. Securities traded on national or international exchanges are valued at the last reported sales price at current exchange rates. Interest, dividends, and realized and unrealized gains and losses, based on the specific identification method, are included in interest revenue when earned.

The City has established the PARS Post-Employment Benefits Trust as a tax-exempt trust within the meaning of Section 115 of the IRS Code to accumulate resources to "stabilize" the amount of its General fund resources that it will need to meet future contribution requirements to CalPERS. The balances and activities of the Trust are irrevocably dedicated to funding future obligations to CalPERS. The assets will benefit the City through reduced future cash flow demands on the City's General fund resources and continue to be assets of the City. These amounts are reflected as restricted cash and investments in the General fund.

2. Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances". Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Receivables, including those for the Hospital, are shown net of an allowance for uncollectible accounts. See Note 1-D-12 and Note 1-D-13 for Hospital receivables.

For each fiscal year beginning July 1, taxes are levied on taxable real (secured) and personal (unsecured) property located within the City as of the preceding January 1. Secured property taxes are payable in two installments on November 1, and February 1 of each fiscal year, and become delinquent after December 10 and April 10, respectively. Taxes on unsecured property become delinquent if not paid by August 31. A 10 percent penalty attaches to delinquent taxes, which have been levied on property on the secured roll. Such property may thereafter be redeemed by payment of the delinquent taxes and the delinquency penalty, plus a redemption penalty of 1 ½ percent per month to the time of redemption. If taxes are unpaid for a period of five years or more, the property is deeded to the State and is subject to sale by the County Tax Collector.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources, and Equity (Continued)

2. Receivables and Payables (Continued)

The only concentrated group of credit risk is Hospital receivables from government agencies. Hospital management does not believe that there is a significant credit risk associated with these government agencies. Management continuously monitors and adjusts reserves and allowances associated with these receivables.

GASB issued Statement No. 87 “Leases” to better meet the information needs of financial statements users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease asset and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement a lessee is required to recognize a lease liability and an intangible right-to-use asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities. Implementation of GASB No. 87 resulted in the City recognizing 2 property leases that are recognized under GASB No. 87. The City recorded opening lease receivables of \$492,703 and deferred inflows related to leases of \$492,703.

The City’s lease receivables are measured at the present value of payments expected to be received during the lease term. Under the lease agreements, the City receives variable lease payments as each lease has an annual increase in payment of 1% to 4%.

3. Inventories and Prepaid Items

Inventories in Proprietary funds are valued at cost using the first-in/first-out (FIFO) method. The cost of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

4. Restricted Assets

Restricted funds are the portion of a fund balance that reflects constraints placed on the use of resources that are either (a) externally imposed by creditors (such as through debt covenants, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation. See below for descriptions of some restricted funds of the City. For additional information regarding Restricted Funds, see Note 18. Certain assets of special revenue/capital project grant funds are classified as restricted assets because their use is restricted by grant agreements.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources, and Equity (Continued)

4. Restricted Assets (Continued)

Certain resources of the LTA Lease Revenue Bonds Capital Projects Fund and 2011C Bonds City Capital Projects Fund are set aside for the capital projects and are classified as restricted assets because their use is restricted by applicable bond covenants.

Certain resources of the LTA Lease Revenue Bonds Debt Service Fund, Financing Authority Debt Service Fund, and the Water and Wastewater funds are set aside for the repayment of bonds and certificates of participation and are classified as restricted assets on the balance sheet/statement of net position because their use is limited by applicable bond covenants.

Certain resources of the Group Health Insurance internal service fund are classified as restricted because its use is limited by the provisions of plan documents.

Certain resources of the Hospital set aside for the repayment of bonds are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

Certain Hospital assets limited as to use primarily include assets held by trustees under indenture agreements and designated assets set aside by the Hospital Board of Trustees for future capital improvements over which the Board retains control and may, at its discretion, subsequently use for other purposes.

Certain restricted resources consist of funds limited as to use by donors. Restricted gifts, bequests, and grants are reported as restricted funds until expenditures are made for the donor's intended purpose.

The government-wide statement of net position reports \$82,367,984 of restricted net position.

5. Capital Assets

Capital assets, including infrastructure, are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Contributed capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are report at acquisition value rather than fair value. Capital assets include public domain (infrastructure) general capital assets which consist of certain improvements including roads, bridges, pavements in progress, and right of way. The City defines capital assets as assets with initial, individual costs of more than \$5,000 and an estimated useful life in excess of one year. The Hospital defines capital assets as assets with initial, individual costs of more than \$500 and an estimated useful life of at least three years.

Capital assets used in operations are depreciated or amortized (assets under capital leases) using the straight-line method over the lesser of the capital lease period or their estimated useful lives in the government-wide statements and proprietary funds.

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements, which significantly increase values, change capacities, or extend useful lives, are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources, and Equity (Continued)

5. Capital Assets (Continued)

Property, plant, and equipment of the City and Hospital are recorded at cost. Property, plant, and equipment donated are recorded at their acquisition value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Net interest cost during construction is capitalized when the effects of capitalization materially impact the financial statements.

Property, plant, and equipment are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>	
	<u>City</u>	<u>Hospital</u>
Buildings	5-70	5-40
Building Improvements	5-30	5-40
Equipment	3-20	3-15
Office Furniture	5	3-15
Vehicles	3-15	3-15
Infrastructure	20-50	Not Applicable

6. Intangible Assets

The Hospital classifies intangible assets as definite-lived or indefinite lived intangible assets. These assets are stated at cost. Definite-lived intangibles include non-complete covenants. These assets are amortized on a straight-line basis over the lives of the related agreement over four years. The Hospital periodically reviews the appropriateness of the amortization periods related to its definite-lived assets. Indefinite-lived intangibles consist of goodwill arising from the Hospital's purchase of an Oncology Center. In accordance with GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, indefinite lived assets are not amortized, but instead are evaluated annually for impairment. To date, the Hospital has not recorded any impairment.

7. Goodwill

Goodwill for the Hospital represents the excess of purchase price of acquired businesses over the net tangible and identifiable intangible assets acquired and liabilities assumed in connection with the acquisition of an oncology practice in fiscal year 2011. At June 30, 2022, goodwill associated with this transaction was \$0. Due to the implementation of GASB Statement No. 85, Omnibus 2017, which requires that excess consideration provided in a governmental acquisition be amortized in a systematic and rational manner considering relevant circumstances of the acquisition. GASB Statement No. 85 was effective for the Medical Center's fiscal year ended June 30, 2018 and the guidance is required to be applied retrospectively. See Note 23 for more information regarding this matter.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources, and Equity (Continued)

8. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. Vacation and sick pay is accrued when incurred in proprietary funds and reported as a fund liability. The City accrues for compensated absences in the government-wide and proprietary fund financial statements for which they are liable to make a payment directly.

Vacation, sick, and/or annual leave is dependent on the respective employee's bargaining group agreement. Leave provided is to be utilized as sick leave, to attend medical appointments, vacation, etc. Sick leave payoff is available for accumulated sick leave hours over 288 hours. Hospital employees are not paid for accumulated sick leave if they leave before retirement. Compensated absences have been liquidated in the past fiscal year in the general fund and enterprise funds.

9. Deferred outflows/inflows of resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/ expenditure) until then. The City has deferred outflows from deferred gain/loss on debt refundings, net pension liability and net OPEB asset.

In addition to liabilities, the statement of net position 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 future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City recognizes deferred inflow and outflows of resources pursuant to GASB Statement No. 68, 71, and 75 regarding Pension and Other Post-Employment Benefits. The City also recognizes deferred inflow of resources pursuant to GASB Statement No. 87 regarding leases receivable. The City also recognizes unavailable revenue, which is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from sources such as: property taxes, grant revenue, and long-term loan receivables. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

10. Long-term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt, and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method or the straight-line method. Bonds payable are reported net of the applicable bond discount in the Hospital Fund.

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

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources, and Equity (Continued)

11. Net Position and Fund Equity

GASB Statement No. 63 requires that the difference between assets added to the deferred outflows of resources and liabilities added to the deferred inflows of resources be reported as net position. In the Government-wide financial statements, proprietary fund financial statements, and fiduciary financial statements, net position is classified as either net investment in capital assets, restricted, or unrestricted. See note 17 for additional information regarding governmental net position.

In the fund financial statements with the implementation of GASB Statement No. 54, governmental funds report fund balance is either non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, or unassigned fund balance. See Note 18 for additional information regarding the governmental fund balances.

12. Net Patient Service Revenue

Hospital net patient service revenue is reported at estimated net realizable amounts from patients, governmental programs, health maintenance, and preferred provider organizations and insurance contracts under applicable laws, regulations, and program instructions. In some cases, reimbursement is based on formulas, which cannot be determined until after cost reports are filed and audited or otherwise settled by the various programs. Estimation differences between final settlements and amounts accrued in previous years are reflected in net patient service revenue.

13. Allowance for Contractual Adjustments and Doubtful Accounts (Hospital)

Hospital's patient accounts receivable are reduced by allowances for contractual adjustments and doubtful accounts. In evaluating the collectability of patient accounts receivable, the Hospital management analyzes its past history and identifies trends for each of its major payor sources of revenue to estimate the appropriate allowances for both contractual adjustments and doubtful accounts. Management regularly reviews data about these major payor sources of revenue in evaluating the sufficiency of these allowances. For receivables associated with services provided to patients who have third-party coverage, the Hospital management analyzes contractually due amounts and provides an allowance for doubtful accounts, if necessary. For receivables associated with self-pay patients (which includes both patients without insurance and patients with deductible and copayment balances due for which third-party coverage exists for part of the bill), the Hospital records a provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. The difference between the standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources, and Equity (Continued)

14. Land held for resale or exchange

Cost of project land and improvements held for resale or exchange are recorded in the Successor Agency Special Revenue Fund as inventory at the lower of acquisition cost or net realizable value. The fund balance is restricted in an amount equal to the carrying value of land held for resale or exchange.

E. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

F. Future Accounting Pronouncements

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

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

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

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

The provisions for GASB Statement Number 99, “Omnibus 2022” are effective for fiscal year beginning after June 15, 2022, and June 15, 2023.

The provisions of Statement Number 100 “Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62” are effective for fiscal years beginning after June 15, 2023.

The provisions of Statement Number 101 “Compensated Absences” are effective for fiscal years beginning after December 15, 2023.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds. Budgets are adopted annually, and all annual appropriations lapse at the fiscal year end.

The City utilizes the following procedures when establishing the budgetary data reflected in the financial statements:

Prior to June 30 of each fiscal year, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

Public hearings are conducted at City Hall to obtain citizen input. Prior to July 1, the budget is adopted by motion of the City Council.

The City Manager is authorized to transfer budgeted amounts between departments within any fund. However, any revision that increases the total appropriations of any fund must be approved by the City Council. The appropriated budget is prepared by fund, function, and department.

Formal budgetary integration is employed as a management control device during the year for all funds.

See Note to Required Supplementary Information for more details.

B. Budget/GAAP Reconciliation

No funds adopted project-length or budgetary basis budgets and, therefore, no schedule reconciling the amounts on the Statement of Revenues, Expenditures, and Changes in Fund Balance-Budget to Actual to the amounts on the Combined Statement of Revenues, Expenditures, and Changes in Fund Balances has been prepared.

C. Excess of Expenditures over Appropriations

For the fiscal year ended June 30, 2022, expenditures exceeded appropriations in the following funds:

Fund	Final Appropriation	Expenditures	Excess
Nonmajor Funds:			
Special Events Special Revenue Fund	\$ 9,042	\$ 165,808	\$ 156,766
Asset Forfeiture Special Revenue Fund	25,000	43,000	18,000
OTS Grant Special Revenue Fund		17,831	17,831
SLESF Special Revenue Fund	69,983	72,165	2,182
CDBG Program Income Special Revenue Fund	14,000	36,738	22,738
COVID-19 Special Revenue Fund	982,164	1,913,245	931,081
LTA Lease Revenue Bonds Debt Service Fund	1,649,976	11,575,496	9,925,520
Financing Authority Debt Service Fund		1,131,311	1,131,311

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 2 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

D. Deficit Fund Equity

At June 30, 2022, no funds had an accumulated deficit.

NOTE 3 – CASH AND INVESTMENTS

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

Statement of net position:	
Cash and investments	\$ 155,308,554
Restricted Cash and investments	24,435,418
Restricted Cash and investments with fiscal agents	13,855,730
Fiduciary funds:	
Cash and investments	643,950
Cash and investments with fiscal agents	<u>3,671,991</u>
Total cash and investments	<u><u>\$ 197,915,643</u></u>

Cash and investments as of June 30, 2022 consist of the following:

Cash on hand	\$ 7,395
Deposits with financial institutions	39,611,040
Investments	<u>158,297,208</u>
Total cash and investments	<u><u>\$ 197,915,643</u></u>

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 3 – CASH AND INVESTMENTS (Continued)

A. Investments Authorized by the California Government Code and the City’s Investment Policy

The table below identifies the investment types that are authorized for the City of El Centro (City) by the California Government Code (or the City’s investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City’s investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the City rather than the general provisions of the California government Code or the City’s investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds	10 years	None	None
U.S. Treasury Obligations	10 years	None	None
U.S. Government Agency Issues	10 years	None	None
Bankers Acceptances	180 days	40%	None
Commercial Paper	270 days	25%	None
Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Medium-Term Notes	5 years	30%	None
Mutual Funds	N/A	None	None
Money Market Mutual Funds	N/A	None	None
Time Deposits	5 years	None	None
Cal-Trust JPA	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	\$75 million

The investment policy allows for the above investments, which have equal safety and liquidity as all other allowed investments. Maturity depends on the cash needs of the City.

The Hospital does not conform with this investment policy. Please contact the management of the Hospital for more information.

B. Investments Authorized by Debt Agreements

Investment of debt proceeds held by bond trustees are governed by provisions of the debt agreements rather than the general provisions of the California Government Code or the City’s investment policy. The table below identifies the Investment types that are authorized for investments held by bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 3 – CASH AND INVESTMENTS (Continued)

B. Investments Authorized by Debt Agreements (Continued)

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment in One Issuer
Local Agency Bonds	N/A	None	None
U.S. Treasury Obligations	N/A	None	None
State Obligations	N/A	None	None
U.S. Government Agency Issues	N/A	None	None
Money Market Deposits	N/A	None	None
Bankers Acceptances	N/A	None	None
Commercial Paper	270 days	None	None
Certificates of Deposit	N/A	None	None
Repurchase Agreements	N/A	None	None
Investment Agreements	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None

C. Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the City manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

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

Investment Type	Totals	Remaining maturity (in Months)			
		12 Months or Less	13 to 24 Months	25-60 Months	More Than 60 Months
State Investment Pool (LAIF)	\$ 65,000,000	\$ 65,000,000	\$ -	\$ -	\$ -
Equities ETF	7,231,625	4,807,038	1,628,347		796,240
U.S. Treasury Notes	4,719,062	720,918	655,943		3,342,201
Federal Agency Securities	24,000,000	3,750,000	9,750,000	10,500,000	
Money Market Funds	19,477,532	19,386,222			91,310
Medium Term Notes	2,629,960	521,536	2,108,424		
Certificates of Deposit	5,635,000	2,940,000	1,715,000	980,000	
Guaranteed Investment Contracts	8,094,302	8,094,302			
PARS Trust:					
Money Market Funds	3,982,006	3,982,006			
Held by Bond Trustees:					
Money Market Deposits	14,523,221	14,523,221			
Local Agency Bonds	1,895,000	675,000	675,000	545,000	
Repurchase Agreements	1,109,500			1,109,500	
Totals	\$ 158,297,208	\$ 124,400,243	\$ 16,532,714	\$ 13,134,500	\$ 4,229,751

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 3 – CASH AND INVESTMENTS (Continued)

D. Investments with Fair Values Highly Sensitive to Interest Rate Fluctuations

The City has no investments (including investments held by bond trustees) that are highly sensitive to interest rate fluctuations (to a greater degree than already indicated in the information provided above).

E. 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 on the previous page is the minimum rating required by (where applicable) the California Government Code, the City’s investment policy, or debt agreements, and the actual rating as of fiscal year end for each investment type.

Investment Type	Amount	Minimum Legal Rating	Exempt From Disclosure	Rating as of Fiscal Year End			
				AAA	AA	A	Not Rated
State Investment Pool (LAIF)	\$ 65,000,000	N/A	\$ -	\$ -	\$ -	\$ -	\$ 65,000,000
Equities ETF	7,231,625	N/A					7,231,625
U.S. Treasury Notes	4,719,062	N/A	4,719,062				
Federal Agency Securities	24,000,000	N/A		24,000,000			
Money Market Funds	19,477,532	N/A					19,477,532
Medium Term Notes	2,629,960	A				2,629,960	
Certificates of Deposit *	5,635,000	N/A					5,635,000
Guaranteed Investment Contracts	8,094,302	N/A					8,094,302
PARS Trust:							
Money Market Funds	3,982,006	N/A					3,982,006
Held by Bond Trustee:							
Money Market Deposits	14,523,221	Aam		14,523,221			
Local Agency Bonds	1,895,000	N/A					1,895,000
Repurchase Agreements	1,109,500	N/A					1,109,500
Total	\$ 158,297,208		\$ 4,719,062	\$ 38,523,221	\$ -	\$ 2,629,960	\$ 112,424,965

* Covered by FDIC Insurance up to \$250,000 per institution.

F. Concentration of Credit Risk

The investment policy of the City contains limitations on the amount that can be invested in any one issuer. Investments in any one issuer (other than U.S. Treasury securities, mutual funds, and external investment pools) that represent 5% or more of total City investments are as follows:

Issuer	Investment Type	Reported Amount
City of El Centro RDA	Tax Allocation Bonds	\$ 1,895,000

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 3 – CASH AND INVESTMENTS (Continued)

G. Custodial Credit Risk

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

As of June 30, 2022, \$6,314,320 of the City’s deposits with financial institutions in excess of federal depository insurance limits were held in collateralized accounts. As of June 30, 2022, City investments in the following investment types were held by the same broker-dealer (counterparty) that was used by the City to buy the securities:

<u>Investment Type</u>	<u>Reported Amount</u>
Equities ETF	\$ 7,231,625
U.S. Treasury Notes	4,719,062
Federal Agency Securities	24,000,000
Medium Term Notes	2,629,960
Certificates of Deposit	5,635,000
Money Market Funds	37,982,759
Repurchase Agreements	1,109,500
Guaranteed Investment Contracts	8,094,302

G. Investment in State Investment Pool

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

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 3 – CASH AND INVESTMENTS (Continued)

H. Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. These principles recognize a three tiered fair value hierarchy as follows: Level 1 – Investments reflect prices quoted in active markets; Level 2 – Investments reflect prices that are based on similar observable asset either directly or indirectly, which may include inputs in markets that are not considered active; and Level 3 – Investments reflect prices based upon unobservable sources.

Investment Type	Total Assets at Fair Value	Level 1	Level 2	Level 3	Exempt from Disclosure
State Investment Pool (LAIF)	\$ 65,000,000	\$ -	\$ -	\$ -	\$ 65,000,000
Equities ETF	7,231,625	7,231,625			
U.S. Treasury Notes	4,719,062	2,443,690	2,275,372		
Federal Agency Securities	24,000,000	24,000,000			
Money Market Funds	19,477,532	19,477,532			
Medium Term Notes	2,629,960		2,629,960		
Certificates of Deposit	5,635,000				5,635,000
Guaranteed Investment Contracts	8,094,302		8,094,302		
PARS Trust:					
Money Market Funds	3,982,006	3,982,006			
Held by Bond Trustees:					
Money Market Deposits	14,523,221	14,523,221			
Local Agency Bonds	1,895,000		1,895,000		
Repurchase Agreements	1,109,500	1,109,500			
Totals	<u>\$ 158,297,208</u>	<u>\$ 72,767,574</u>	<u>\$ 14,894,634</u>	<u>\$ -</u>	<u>\$ 70,635,000</u>

NOTE 4 – RECEIVABLES

A. Receivables

Accounts, taxes, interest, grants, and other receivable balances of the General, Special Revenue, Capital Projects, Debt Service, Proprietary, and Fiduciary Funds are stated net of allowances for uncollectible accounts. The following is a schedule of receivables at June 30, 2022:

	Receivable	Allowance	Net
Governmental Activities			
Taxes	\$ 3,870,161	\$ -	\$ 3,870,161
Interest	3,283,054		3,283,054
Grants	3,277,573		3,277,573
Leases	455,390		455,390
Others	1,326,545		1,326,545
Total Governmental Activities	<u>\$ 12,212,723</u>	<u>\$ -</u>	<u>\$ 12,212,723</u>

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 4 – RECEIVABLES (Continued)

A. Receivables (Continued)

The following is a schedule of receivables at June 30, 2022 (Continued)

	Receivable	Allowance	Net
Business-type Activities			
Accounts	\$ 117,026,172	\$ 93,791,123	\$ 23,235,049
Interest	34,203		34,203
Others	1,944,945		1,944,945
Total Business-type Activities	<u>\$ 119,005,320</u>	<u>\$ 93,791,123</u>	<u>\$ 25,214,197</u>
Fiduciary Funds			
Interest	\$ 500,363	\$ -	\$ 500,363
Others	8,802		8,802
Total Fiduciary Funds	<u>\$ 509,165</u>	<u>\$ -</u>	<u>\$ 509,165</u>

B. Notes Receivable

The City administers a residential rehabilitation program, a commercial micro-enterprise program, and a First Time Home Buyer Program. A committee approves the loans, and the funds are disbursed to the contractor awarded the bid upon review of the building inspector, the administering City, the homeowner and the City. The balance of the City's loans receivable arising from these programs at June 30, 2022 is \$21,245,414. The remainder of the City's loans is composed of a loan issue by the General Fund totaling \$837,990.

The Water and Wastewater Fund notes receivable consists of amounts due from homeowners for the installation of water and sewer lines and from new developers for the capacity fees. The balance of the notes receivable at June 30, 2022 for the Water Fund is \$205,171 and \$179,230 for the Wastewater Fund.

C. Leases Receivable

The City has 2 lease agreements in place as of June 30, 2022. Revenue recognition is in accordance with GASB Statement No. 87. Summarized information for each lease is as follows:

Greyhound Lines, Inc.

In May 2020, the City entered into a lease with Greyhound Lines, Inc. to operate a ticket counter location together with a Greyhound bus stop at the Regional Bus Terminal facility at 378 W. State Street. The original lease term was for 5 years and includes two additional optional 5-year terms. If the extensions are exercised the lease would end in May 2035. The options to extend are exercised unless written notification of cancellation occurs within prior to the expiration of the existing term. Rent payments are \$1,587 a month increasing by CPI each year under the terms of the lease. Payments received during the fiscal year were \$1,587 monthly from July 2021 through June 2022. The current 5-year term will expire in May 2025.

Riverside County Superintendent of Schools

In September 2000, the City entered into a lease with the Riverside County Superintendent of Schools for the Headstart Program at the Community Center at 375 S. First Street. The original lease term was for 10 years and includes four additional optional 5-year terms. If all extensions are exercised the lease would end in September February 2030. The options to extend are exercised unless written notification of cancellation occurs within prior to the expiration of the existing term. Initial rent payments were \$1,500 a month increasing by CPI every exercise of extension under the terms of the lease. Payments received during the fiscal year were \$2,196 monthly from July 2021 through June 2022. The current 5-year term will expire in August 2025.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 5 – INTERFUND TRANSACTIONS

A. Interfund Receivables and Payables

During the course of normal operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as “due to and from other funds”. The following presents a summary of current interfund balances at June 30, 2022:

Receivable Fund	Amount	Payable Fund	Amount
Major Fund:		Major Fund:	
General	\$ 2,067,114	Library Project	\$ 28,590
Total	\$ 2,067,114	Nonmajor Funds:	
		Recreation Projects	112,865
		Gas Tax	84,344
		CDBG COVID-19	4,649
		Development Impact Fees	50,355
		Per Capita Parks Grant	2,709
		FHWA	1,697,772
		Nonmajor Proprietary Fund:	
		Solid Waste	85,830
		Totals	\$ 2,067,114

B. Long-term Interfund Advances

Advances from Successor Agency

The former Redevelopment Agency of the City of El Centro (former RDA) issued the Tax Allocation Bonds Series 2011C totaling \$11,095,000 which were acquired by the El Centro Financing Authority prior to the dissolution of the former RDA on February 1, 2012. The Financing Authority acquired the bonds at an approximate 85% discount of the par value totaling \$9,413,455. However, instead of providing the bond proceeds to the former Redevelopment Agency immediately, the City set up an advance payable in the amount of the proceeds (\$9,413,455) and premium of \$1,681,545 due to the former RDA. As the former RDA incurs projects costs, the City will make the payments to all vendors on behalf of the former RDA and reduce the advance payable to the former RDA by that amount. The premium on advances will be amortized over approximately 14.5 years. As of June 30, 2022, the outstanding balance for the premium on advances was \$386,958. The advances from the Successor Agency have been reclassified as long-term debt. See Note 21 for additional information in regards to the advances.

C. Transfers between Funds

Transfers are indicative of funding for capital projects, lease payments or debt service, subsidies of various City operations, re-allocations of special revenues, debt service transfers to pay principal and interest payments on bonds, and other post employment benefits. All interfund transfers between individual government funds have been eliminated on the government-wide statements. Transfer from the General fund to the LTA Lease Revenue Bonds Debt Service Fund are provide funds to make debt service payments. Transfers from the General Fund to General Fund are department to department transfers. Transfer from the General Fund to Special Events is to provide funding for events. Transfers in to the General Fund from Gas Tax fund and LTA are to provide funding for projects. Transfers to the General Fund from the Landscaping funds are for administrative costs.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 5 – INTERFUND TRANSACTIONS (CONTINUED)

C. Transfers between Funds (Continued)

The following schedule briefly summarizes the City’s transfer activity for the fiscal year ended June 30, 2022:

Fund	Transfers-in	Transfers-out
Major Fund:		
General	\$ 3,630,142	\$ 3,087,750
Nonmajor Governmental Funds:		
Gas Tax		1,063,592
Special Events	22,021	
Local Transportation Authority		993,649
Town Center Lighting and Landscape		5,550
Legacy Ranch Light and Landscaping		3,500
Buena Vista Landscaping		3,500
LTA Lease Revenue Bonds Debt Service	1,505,378	
Totals	<u>\$ 5,157,541</u>	<u>\$ 5,157,541</u>

NOTE 6 – CAPITAL ASSETS

Capital Asset activity for the fiscal year ended June 30, 2022 was as follows:

	Balance at June 30, 2021	Additions	Deletions	Transfers	Balance at June 30, 2022
Governmental activities:					
Capital assets, not being depreciated:					
Land	\$ 2,346,222	\$ -	\$ -	\$ -	\$ 2,346,222
Construction in progress	11,617,260	17,223,790		(8,111,509)	20,729,541
Total capital assets, not being depreciated	<u>13,963,482</u>	<u>17,223,790</u>		<u>(8,111,509)</u>	<u>23,075,763</u>
Capital assets, being depreciated:					
Infrastructure	79,530,204				79,530,204
Structures and improvements	139,682,948	3,539,414		8,111,509	151,333,871
Vehicles	8,687,297	1,562,218	(40,967)		10,208,548
Furniture, equipment, and books	16,024,865	1,431,390	(18,323)		17,437,932
Total capital assets being depreciated	<u>243,925,314</u>	<u>6,533,022</u>	<u>(59,290)</u>	<u>8,111,509</u>	<u>258,510,555</u>
Less accumulated depreciation for:					
Infrastructure	(63,101,819)	(1,613,327)			(64,715,146)
Structures and improvements	(71,765,275)	(8,598,490)			(80,363,765)
Vehicles	(7,552,027)	(345,255)	40,967		(7,856,315)
Furniture, equipment, and books	(13,771,770)	(736,532)	18,323		(14,489,979)
Total accumulated depreciation	<u>(156,190,891)</u>	<u>(11,293,604)</u>	<u>59,290</u>		<u>(167,425,205)</u>
Total capital assets, being depreciated net	<u>87,734,423</u>	<u>(4,760,582)</u>		<u>8,111,509</u>	<u>91,085,350</u>
Governmental activities capital assets, net	<u>\$ 101,697,905</u>	<u>\$12,463,208</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$114,161,113</u>

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 6 – CAPITAL ASSETS (Continued)

	Balance at June 30, 2021	Additions	Deletions	Transfers	Balance at June 30, 2022
Business-type activities (including Hospital Fund):					
Capital assets, not being depreciated:					
Land and land improvements	\$ 926,042	\$ -	\$ -	\$ -	\$ 926,042
Construction in progress	56,642,275	18,787,552		(6,374,351)	69,055,476
Total capital assets, not being depreciated	<u>57,568,317</u>	<u>18,787,552</u>		<u>(6,374,351)</u>	<u>69,981,518</u>
Capital assets, being depreciated:					
Structures and improvements	264,337,141	833,585		4,533,935	269,704,661
Vehicles	2,107,517				2,107,517
Equipment	80,806,285	1,101,053		1,840,416	83,747,754
Total capital assets, being depreciated	<u>347,250,943</u>	<u>1,934,638</u>		<u>6,374,351</u>	<u>355,559,932</u>
Less accumulated depreciation for:					
Structures and improvements	(160,435,578)	(11,341,557)	229,057		(171,548,078)
Vehicles	(1,540,087)	(102,680)			(1,642,767)
Equipment	(48,487,761)	(3,012,884)			(51,500,645)
Total accumulated depreciation	<u>(210,463,426)</u>	<u>(14,457,121)</u>	<u>229,057</u>		<u>(224,691,490)</u>
Total capital assets, being depreciated net	<u>136,787,517</u>	<u>(12,522,483)</u>	<u>229,057</u>	<u>6,374,351</u>	<u>130,868,442</u>
Business-type activities capital assets, net	<u>\$ 194,355,834</u>	<u>\$ 6,265,069</u>	<u>\$ 229,057</u>	<u>\$ -</u>	<u>\$ 200,849,960</u>

Depreciation

Depreciation expense was charged to governmental functions as follows:

General Government	\$ 1,882,267
Public Safety	1,882,267
Public Works	3,764,535
Community Development	1,882,267
Parks and Recreation	<u>1,882,268</u>
Total depreciation expense - governmental activities	<u>\$ 11,293,604</u>

Depreciation expense was charged to business-type functions as follows:

Water	\$ 2,762,726
Wastewater	3,312,023
Hospital	<u>8,382,372</u>
Total depreciation expense - business-type activities	<u>\$ 14,457,121</u>

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 7 – COMMITMENTS

A. Operating Leases

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, Leases. The statement enhances the relevance and consistency of reporting for the Hospital Enterprise Fund’s leasing activities by establishing requirements for lease accounting based on the principle that leases are financings of underlying right-to-use assets. A lessee is required to recognize a lease liability and intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and deferred inflow of resources. The City adopted this guidance for the fiscal year ended June 30, 2022. The City has 2 leases recorded as lessor and no leases where the City is a lessee.

B. Construction Commitments

At June 30, 2022, the Medical Center has projects in progress to construct and improve various routine, ancillary, and support services. Projects in progress include major repair and expansion projects on the Medical Center's premises. Total expenditures for the fiscal years ended June 30, 2022 and 2021, related to construction in progress were \$17,267,285 and \$14,790,875, respectively. At June 30, 2022, the remaining commitments of the Medical Center for future payments on these projects are estimated at approximately \$12,135,000.

At June 30, 2022, the city has no significant encumbrances with relation to any commitments other than noted above.

NOTE 8 – LONG-TERM LIABILITIES

The following is a schedule of long-term liabilities for Governmental Activities and Business-type Activities for the fiscal year ended June 30, 2022:

	Balance at July 1, 2021	Additions	Reductions	Balance at June 30, 2022	Due Within One Year
Governmental Activities:					
Compensated absences	\$ 2,745,327	\$ 364,957	\$ (882,123)	\$ 2,228,161	\$ 928,931
Advances from Successor Agency (see note 5)	9,413,455			9,413,455	
Unamortized premiums (see note 5)	502,947		(115,989)	386,958	115,989
Net Other post-employment benefits (see note 14)	(2,812,915)		(2,501,332)	(5,314,247) *	
Lease revenue bonds	26,275,000	7,940,000	(10,455,000)	23,760,000	995,000
Unamortized discount	(118,850)		118,850		
Unamortized premium	1,081,835	1,130,765	(40,068)	2,172,532	153,145
Revenue bonds	3,550,000		(860,000)	2,690,000	675,000
Unamortized discount	(51,245)		11,818	(39,427)	(11,818)
Total	\$ 40,585,554	\$ 9,435,722	\$ (14,723,844)	\$ 35,297,432	\$ 2,856,247

*Balance is presented as "Net OPEB Asset" in the Statement of Net Position

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 8 – LONG-TERM LIABILITIES (CONTINUED)

	Balance at July 1, 2021	Additions	Reductions	Balance at June 30, 2022	Due Within One Year
Business-type Activities:					
Water Fund:					
Compensated absences	\$ 316,887	\$ 87,024	\$ (93,147)	\$ 310,764	\$ 93,147
Revenue bonds	26,055,000		(1,125,000)	24,930,000	1,305,000
Unamortized premium	1,793,970		(125,892)	1,668,078	125,892
Installment sale	100,247		(100,247)		
Sewer Fund:					
Compensated absences	352,858	76,627	(105,487)	323,998	105,487
Revenue bonds	17,085,000		(635,000)	16,450,000	665,000
Unamortized premium	1,474,509		(103,474)	1,371,035	103,474
Revenue refunding bonds (2012A)	4,065,000		(525,000)	3,540,000	540,000
Unamortized discount	(27,413)		4,164	(23,249)	(4,164)
Installment sale	538,929		(265,482)	273,447	273,447
Hospital Fund:					
Financed purchases	100,001	205,000	(45,334)	259,667	70,208
Leases payable	8,303,072	2,071,744	(2,828,274)	7,546,542	3,325,218
Refundable advances	21,068,613		(13,985,751)	7,082,862	7,082,862
Hospital revenue bonds	125,000,000			125,000,000	1,175,000
Unamortized discount	(9,200,635)		249,791	(8,950,844)	
Total	<u>\$ 197,026,038</u>	<u>\$ 2,440,395</u>	<u>\$ (19,684,133)</u>	<u>\$ 179,782,300</u>	<u>\$ 14,860,571</u>

A. Governmental Activities – Lease Revenue Bonds Payable

Lease Revenue Bonds. On December 16, 2009, the City issued its \$4,615,000 Lease Revenue Bonds 2009 Series A and \$10,125,000 Lease Revenue Bonds 2009 Series B. The bond funds are to be used for the acquisition, construction, and installation of certain transportation-related improvements within the City. The Series A bonds has been paid of as of June 30, 2021. The Series B bonds have a stated interest rate of 8.250% and mature in the fiscal year ending 2032. The original issue discount on these bonds is being amortized over the life of the bonds and is included with long-term debt on the balance sheet. The Series B bonds have been refunded during fiscal year ended June 30, 2022.

On July 15, 2021, the City issued its \$7,940,000 Lease Revenue Refunding Bonds 2021 Series B. The bonds are being issued to provide funds to refund and defease the 2009 Series B bonds. The bonds have a stated interest rate of 4% and mature in the fiscal year ending 2032. The City reduced its total debt service over the next ten years by \$3,391,900 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$2,285,155. The original issue premium on these bonds is being amortized over the life of the bonds and is included with long-term debt on the balance sheet. Deferred loss on refunding of \$107,234 will be amortized over the life of the bonds on the balance sheet. In the event of a default, the full outstanding balance of the bonds immediately becomes due and payable. The principal balance outstanding at June 30, 2022 is \$ 8,310,765, which is including of the \$ 1,130,765 of unamortized original bond premium.

On June 1, 2021, the City issued its \$16,700,000 Lease Revenue Bonds 2021 Series A. The bond funds are to be used for the finance the acquisition, construction and improvement of a new library facility in the City of El Centro (the “Library Project”). The Series A bonds have a stated interest rate of 4% and are payable over a period of twenty-seven years maturing in fiscal year ending 2047. The original issue premium on these bonds is being amortized over the life of the bonds and is included with long-term debt on the balance sheet. The principal balance outstanding at June 30, 2022 is \$17,621,767, which is including of the \$1,041,767 of unamortized original bond premium. In the event of a default, the full outstanding balance of the bonds immediately becomes due and payable.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 8 – LONG-TERM LIABILITIES (Continued)

B. Governmental Activities – Revenue Bonds Payable

On May 3, 2011, the El Centro Financing Authority issued the Revenue Bonds Series 2011. The Bonds are being issued to (i) finance the acquisition of the Redevelopment Agency of the City of the City of El Centro, El Centro Redevelopment Project, Tax Allocation Bonds Series 2011C, (ii) fund the Reserve Fund, and (iii) pay costs of issuing the Bonds and the Local Obligations. The Bonds have a stated interest rate from 6.000% to 6.625% and have a maturity date of November 1, 2025. The original issue discount on these bonds is being amortized over the life of the bonds and is included with long-term debt on the balance sheet. The principal balance outstanding at June 30, 2022 is \$2,650,573, which is net of the \$39,427 of unamortized original bond discount. See Note 22 for additional information in regards to the Bonds. In the event of a default, the full outstanding balance of the bonds immediately becomes due and payable.

C. Governmental Activities - Long-Term Debt Amortization

The annual requirements to amortize long-term debt outstanding at June 30, 2022 (other than compensated absences, advances from successor agency, and other post-employment benefits) are as follows:

Fiscal Year Ended June 30,	2021 Series A Lease Revenue Bonds		
	Principal	Interest	Total
2023	\$ 400,000	\$ 501,469	\$ 901,469
2024	415,000	485,169	900,169
2025	430,000	468,269	898,269
2026	445,000	450,769	895,769
2027	465,000	432,569	897,569
2028-2032	2,625,000	1,861,844	4,486,844
2033-2037	3,165,000	1,312,519	4,477,519
2038-2042	3,645,000	884,328	4,529,328
2043-2047	4,105,000	372,438	4,477,438
2048	885,000	11,063	896,063
	16,580,000	6,780,437	23,360,437
Plus bond premium	1,041,767		1,041,767
	<u>\$ 17,621,767</u>	<u>\$ 6,780,437</u>	<u>\$ 24,402,204</u>

Fiscal Year Ended June 30,	Series 2011 Revenue Bonds		
	Principal	Interest	Total
2023	\$ 675,000	\$ 155,853	\$ 830,853
2024	675,000	111,135	786,135
2025	670,000	66,582	736,582
2026	670,000	22,194	692,194
	2,690,000	355,764	3,045,764
Less bond discount	(39,427)		(39,427)
	<u>\$ 2,650,573</u>	<u>\$ 355,764</u>	<u>\$ 3,006,337</u>

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 8 – LONG-TERM LIABILITIES (Continued)

C. Governmental Activities - Long-Term Debt Amortization (Continued)

Fiscal Year Ended June 30,	2021 Series B Lease Revenue Refunding Bonds		
	Principal	Interest	Total
2023	\$ 595,000	\$ 275,300	\$ 870,300
2024	620,000	251,000	871,000
2025	645,000	225,700	870,700
2026	670,000	199,400	869,400
2027	700,000	172,000	872,000
2028-2032	3,950,000	407,600	4,357,600
	7,180,000	1,531,000	8,711,000
Less bond premium	1,130,765		1,130,765
	<u>\$ 8,310,765</u>	<u>\$ 1,531,000</u>	<u>\$ 9,841,765</u>

Fiscal Year Ended June 30,	Total Governmental Activities		
	Principal	Interest	Total
2023	\$ 1,670,000	\$ 932,622	\$ 2,602,622
2024	1,710,000	847,304	2,557,304
2025	1,745,000	760,551	2,505,551
2026	1,785,000	672,363	2,457,363
2027	1,165,000	604,569	1,769,569
2028-2032	6,575,000	2,269,444	8,844,444
2033-2037	3,165,000	1,312,519	4,477,519
2038-2042	3,645,000	884,328	4,529,328
2043-2047	4,105,000	372,438	4,477,438
2048	885,000	11,063	896,063
	26,450,000	8,667,201	35,117,201
Less bond discount	(39,427)		(39,427)
Plus bond premium	2,172,532		2,172,532
	<u>\$ 28,583,105</u>	<u>\$ 8,667,201</u>	<u>\$ 37,250,306</u>

D. Business -type Activities – Revenue Bonds

2012 Wastewater Revenue Refunding Bonds Series A. On February 16, 2012 the City issued its \$7,835,000 Wastewater Revenue Refunding Bonds (par value). The proceeds of the sale of the Wastewater Refunding Bonds were used to refund all of the outstanding portion of the 1997 Series A Water and Wastewater Revenue Bonds, fund a reserve account for the bonds, and pay costs of issuance. The City advance refunded the 1997 Series A Water and Wastewater Revenue Bonds to reduce its total debt service over the next sixteen years by \$964,302 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$719,153.

The City has covenanted and agreed to fix, prescribe, and collect rates, fees and charges for the Water Service and the Wastewater Service so that net revenues are at least 1.15 times the installment purchase payments of the 2012 bonds and all parity of obligations due and payable in the fiscal year following the date of such calculation.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 8 – LONG-TERM LIABILITIES (Continued)

D. Business -type Activities – Revenue Bonds (Continued)

The bonds have a stated interest from 2.00% to 3.625% and are payable over a period of 16 years maturing in 2028. Total pledged revenues for the Wastewater Fund were \$10,486,009 while principal and interest payments for the fiscal year totaled \$525,000 and \$128,843 respectively. The principal balance outstanding at June 30, 2022 is \$3,516,751, which is net of the \$23,249 of unamortized original bond discount. In the event of a default, the full outstanding balance of the bonds immediately becomes due and payable.

2014 Series A Water and Wastewater Revenue Bonds. On June 21, 2014, the City issued its \$31,980,000 (par value) Water Revenue Bonds, 2014 Series A and \$20,450,000 (par value) Wastewater Revenue Bonds, 2014 Series A.

The proceeds of the sale of the Water and Wastewater Revenue Bonds were used to refund all of the outstanding portion of the 2006 Series A Water and Wastewater Revenue Bonds, fund a reserve account for the bonds, and pay costs of issuance.

The City has covenanted and agreed to fix, prescribe, and collect rates and charges for the Water Service and the Wastewater Service so that net revenues are at least 1.15 times the installment purchase payments of the 2014 bonds and all parity of obligations due and payable in the Certificate Year following the date of such calculation.

The bonds have a stated interest from 2.00% to 5.00% and are payable over a period of 20 years maturing in 2036. Total pledged revenues for the Water and Wastewater Funds were \$8,628,072 and \$10,486,009 respectively while principal and interest payments for the fiscal year totaled \$1,760,000 and \$1,831,906 respectively. The principal balance outstanding at June 30, 2022 is \$44,419,113, which includes \$3,039,113 of unamortized original bond premium. In the event of a default, the full outstanding balance of the bonds immediately becomes due and payable.

E. Business-type Activities – Installment Sale Payable

2003 Enterprise Fund Installment Sale. On December 17, 2002, the City entered into an agreement with the California Infrastructure and Economic Development Bank to sell water and wastewater bonds, the bonds were issued on March 18, 2004.

The proceeds from the issuance of these bonds, \$5,880,100, were used to fund the Alder water/sewer project.

The City has covenanted and agreed to fix, prescribe, and collect rates, fees and charges for the Water Service and the Wastewater Service so that net revenues are at least 1.10 times the installment purchase payments of the 2003 bonds and all debt service obligations due and payable in the fiscal year.

The bonds have a stated interest rate of 3.00% and are payable over a period of twenty years maturing in 2023. The 2003 Enterprise bonds maturing on or after October 1, 2014, are subject to redemption prior to maturity. The principal balance outstanding at June 30, 2022 is \$273,447. In the event of a default, the full outstanding balance of the bonds immediately becomes due and payable.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 8 – LONG-TERM LIABILITIES (Continued)

F. Business-type Activities – Hospital Long Term Debt

El Centro Financing Authority Insured Hospital Revenue Refunding Bonds, Series 2018 Direct Placement. On April 4, 2018, the Hospital issued the El Centro Financing Authority Hospital Revenue Refunding Bonds, Series 2018, in the principal amount of \$125,000,000 and an original discount of \$9,991,639. Proceeds of the bonds were used to pay in full the Series 2015 A and B Bonds, fund a bond reserve account, fund capitalized interest on the Series 2018 bonds, and pay issuance costs of the Series 2018 bonds. Proceeds will also be used to finance capital improvements to the Medical Center. Principal payments are due annually on July 1, beginning in 2022 and through 2058, in amounts ranging from \$1,175,000 to \$7,650,000. Interest payments are due semiannually on July 1 and January 1, beginning in 2018 and through 2058, at 4.50% to 5.75%. The current refunding resulted in an economic loss of \$7,437,518 and an increase in cash flows to service debt related to the refunding of \$82,676,039.

The Hospital has pledged future revenues to secure payment of the principal of, redemption price of, and interest on the Series 2018 bonds in accordance with their agreed-on terms and provisions. Revenues are defined in the agreement as all revenues, income, receipts, and money received in any period by the Hospital (other than casualty insurance, donor-restricted gifts, grants, bequests, donations, contributions, and tax revenues, if any). There were no principal deposits required and two interest deposits required totaling \$6,915,312. The revenues as defined in the agreement totaled \$161,734,135. In the event of a default, the full outstanding balance of the bonds immediately becomes due and payable. The Bonds do not constitute a debt of the City and are non-recourse to the City's General Fund.

The Medical Center did not meet the debt service coverage or deposit account control agreement (DACA) covenants as required by the Series 2018 bond agreement, which is conserved an event of default, and waivers were not granted. In accordance with the terms of the Series 2018 bond agreement, the bond Trustee may declare the principal of all bonds outstanding, including interest accrued to be due and payable immediately and, as such, the outstanding balance of the Series 2018 bonds as of June 30, 2022 has been classified as a current liability within the accompanying statements of net position. In addition, after an event of default the Trustee may increase the interest rate by 5% per annum.

Financed Purchases Payable. The Medical Center has entered into three financed purchase agreements for equipment. The agreements mature in August 2023 and March 2027, and have interest rates between 3.0% and 3.50%.

G. Business-type Activities – Leases Payable

The terms and expiration dates of the Medical Center's leases payable at June 30, 2022, follow:

Intuitive Surgical - Lease agreement dated August 2018 in the original principal amount of \$1,804,000, due in monthly installments of \$29,075, including imputed interest at 3.00%, through March 2024, collateralized by leased equipment.

GE Lease B - Lease agreement dated September 2018 in the original principal amount of \$3,000,000, due in monthly installments of \$56,986, including imputed interest at 4.41%, through August 2023, collateralized by leased equipment.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 8 – LONG-TERM LIABILITIES (Continued)

G. Business-type Activities – Leases Payable (Continued)

Calexico clinic - Lease agreement dated July 2017 in the original principal amount of \$1,200,933, due in monthly installments of \$22,117, including imputed interest at 4.00%, through June 2022, for building space. The lease had an addition of \$430,350, due in monthly installments of \$35,863.

Stryker Beds - Lease agreement dated April 2020 in the original principal amount of \$1,766,998, due in monthly installments of \$22,560, including imputed interest at 2.00%, through March 2027, collateralized by leased equipment.

MedOne Pumps - Lease agreement dated June 2020 in the original principal amount of \$1,487,456, due in monthly installments of \$18,991, including imputed interest at 2.00%, through June 2027, collateralized by leased equipment.

Interventional Radiology – Lease agreement dated December 2020 in the original principal amount of \$532,635, due in monthly installments of \$6,501, including interest at 4.00%, through January 2026, collateralized by leased equipment.

Insight Olympus – Lease agreement dated April 2022 in the original principal amount of \$532,995, due in monthly installments of \$16,134, including imputed interest at 5.67%, through March 2025.

Alcon Luxor – Lease agreement dated March 2022 in the original principal amount of \$205,00, due in monthly installments of \$3,729, including imputed interest at 3.50%, through March 2027.

The Medical Center has entered into various other lease agreements due in monthly installments from \$520 to \$18,028, including interest from 0% to 4.95%, expiring from June 2022 to June 2025, collateralized by various leased assets.

The Medical Center has also entered into rental agreements that do not meet the criteria for capitalization, with related rentals charged to operations as incurred. Rental expense for these agreements amounted to \$1,130,006 and \$1,159,750 for the fiscal years ended June 30, 2022 and 2021, respectively.

Lease commitments on these leases, including interest, are as follows:

Fiscal Year Ended June 30,	Leases Payable		
	Principal	Interest	Total
2023	\$ 3,325,218	\$ 143,000	\$ 3,468,218
2024	1,904,975	73,836	1,978,811
2025	1,249,837	36,512	1,286,349
2026	545,456	16,074	561,530
2027	424,835	6,131	430,966
2028-2032	96,221	539	96,760
	<u>\$ 7,546,542</u>	<u>\$ 276,092</u>	<u>\$ 7,822,634</u>

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 8 – LONG-TERM LIABILITIES (Continued)

H. Business-type Activities - Long-Term Debt Amortization

The annual requirements to amortize long-term debt outstanding at June 30, 2022 (other than compensated absences and net pension liability) are as follows:

Fiscal Year Ended June 30,	2014 Series A Water Revenue Bonds		
	Principal	Interest	Total
2023	\$ 1,305,000	\$ 1,009,381	\$ 2,314,381
2024	1,375,000	942,381	2,317,381
2025	1,450,000	871,756	2,321,756
2026	1,510,000	810,969	2,320,969
2027	1,570,000	747,182	2,317,182
2028-2032	9,080,000	2,510,978	11,590,978
2033-2036	8,640,000	625,551	9,265,551
	<u>24,930,000</u>	<u>7,518,198</u>	<u>32,448,198</u>
Plus bond premium	1,668,078		1,668,078
	<u>\$ 26,598,078</u>	<u>\$ 7,518,198</u>	<u>\$ 34,116,276</u>

Fiscal Year Ended June 30,	2014 Series A Wastewater Revenue Bonds		
	Principal	Interest	Total
2023	\$ 665,000	\$ 738,075	\$ 1,403,075
2024	900,000	698,950	1,598,950
2025	940,000	652,950	1,592,950
2026	990,000	604,700	1,594,700
2027	1,030,000	554,200	1,584,200
2028-2032	6,010,000	1,921,000	7,931,000
2033-2036	5,915,000	434,050	6,349,050
	<u>16,450,000</u>	<u>5,603,925</u>	<u>22,053,925</u>
Plus bond premium	1,371,035		1,371,035
	<u>\$ 17,821,035</u>	<u>\$ 5,603,925</u>	<u>\$ 23,424,960</u>

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 8 – LONG-TERM LIABILITIES (Continued)

I. Business-type Activities - Long-Term Debt Amortization (Continued)

The annual requirements to amortize long-term debt outstanding at June 30, 2022 (other than compensated absences and net pension liability) are as follows (Continued):

Fiscal Year Ended June 30,	2012 Series A Wastewater Refunding Bonds		
	Principal	Interest	Total
2023	\$ 540,000	\$ 112,328	\$ 652,328
2024	555,000	94,669	649,669
2025	580,000	75,863	655,863
2026	605,000	55,488	660,488
2027	620,000	34,050	654,050
2028	640,000	11,600	651,600
	<u>3,540,000</u>	<u>383,998</u>	<u>3,923,998</u>
Less bond discount	<u>(23,249)</u>		<u>(23,249)</u>
	<u>\$ 3,516,751</u>	<u>\$ 383,998</u>	<u>\$ 3,900,749</u>

Fiscal Year Ended June 30,	2003 Installment Sale - Wastewater		
	Principal	Interest	Total
2023	\$ 273,447	\$ 4,102	\$ 277,549
	<u>\$ 273,447</u>	<u>\$ 4,102</u>	<u>\$ 277,549</u>

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 8 – LONG-TERM LIABILITIES (Continued)

I. Business-type Activities - Long-Term Debt Amortization (Continued)

The annual requirements to amortize long-term debt outstanding at June 30, 2022 (other than compensated absences and net pension liability) are as follows (Continued):

Fiscal Year Ended June 30,	Hospital Bonds and Financed Purchases Payable		
	Principal	Interest	Total
2023	\$ 1,245,208	\$ 6,923,275	\$ 8,168,483
2024	1,291,838	6,868,128	8,159,966
2025	1,342,390	6,810,730	8,153,120
2026	1,387,779	6,751,235	8,139,014
2027	1,438,079	6,689,221	8,127,300
2028-2032	8,035,000	32,421,185	40,456,185
2033-2037	10,390,000	30,065,835	40,455,835
2038-2042	13,580,000	26,876,385	40,456,385
2043-2047	17,750,000	22,707,935	40,457,935
2048-2052	23,235,000	17,223,723	40,458,723
2053-2057	30,685,000	9,769,536	40,454,536
2058-2062	14,879,373	1,295,762	16,175,135
	125,259,667	174,402,950	299,662,617
Less bond discount	(8,950,844)		(8,950,844)
	<u>\$ 116,308,823</u>	<u>\$ 174,402,950</u>	<u>\$ 290,711,773</u>

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 8 – LONG-TERM LIABILITIES (Continued)

I. Business-type Activities - Long-Term Debt Amortization (Continued)

The annual requirements to amortize long-term debt outstanding at June 30, 2022 (other than compensated absences and net pension liability) are as follows (Continued):

Fiscal Year Ended June 30,	Total Business-type Activities		
	Principal	Interest	Total
2023	\$ 7,353,873	\$ 8,930,161	\$ 16,284,034
2024	6,026,813	8,677,964	14,704,777
2025	5,562,227	8,447,811	14,010,038
2026	5,038,235	8,238,466	13,276,701
2027	5,082,914	8,030,784	13,113,698
2028-2032	23,861,221	36,865,302	60,726,523
2033-2037	24,945,000	31,125,436	56,070,436
2038-2042	13,580,000	26,876,385	40,456,385
2043-2047	17,750,000	22,707,935	40,457,935
2048-2052	23,235,000	17,223,723	40,458,723
2053-2057	30,685,000	9,769,536	40,454,536
2058	14,879,373	1,295,762	16,175,135
	177,999,656	188,189,265	366,188,921
Plus bond premium	3,039,113		3,039,113
Less bond discount	(8,974,093)		(8,974,093)
	<u>\$ 172,064,676</u>	<u>\$ 188,189,265</u>	<u>\$ 360,253,941</u>

NOTE 9 – RISK MANAGEMENT

The City is exposed to various risks of loss related to workers' compensation claims, torts, the theft of, damage to, and destruction of assets, errors and omission, natural disasters, and group health insurance claims. To deal with these risks, the City has adopted a formal risk management program. As part of this program, various risk control techniques, including employee accident prevention training, are being implemented to minimize accident-related losses. An integral part of the program, however, continues to be insuring arrangements.

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

The City is a member of the California Joint Powers Insurance Authority (Authority). The Authority is composed of 119 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group-purchased insurance for property and other lines of coverage. The Authority began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

Audited financial statements for the Authority are available from Finance Director, at California Joint Powers Insurance Authority, 8081 Moody Street, La Palma, California 90623.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 9 – RISK MANAGEMENT (Continued)

B. Self-Insurance Programs of the Authority

Each member pays an annual contribution to cover estimated losses for the coverage period. This initial funding is paid at the beginning of the coverage period. After the close of the coverage period, outstanding claims are valued. A retrospective deposit computation is then conducted annually thereafter until all claims incurred during the coverage period are closed on a pool-wide basis. This subsequent cost re-allocation among members based on actual claim development can result in adjustments of either refunds or additional deposits required.

The total funding requirement for self-insurance programs is estimated using actuarial models and pre-funded through the annual contribution. Costs are allocated to individual agencies based on exposure (payroll) and experience (claims) relative to other members of the risk-sharing pool. Additional information regarding the cost allocation methodology is provided below.

Liability

In the liability program claims are pooled separately between police and non-police exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$30,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$30,000 to \$750,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs in excess of \$750,000 up to the reinsurance attachment point of \$5 million are distributed based on the outcome of cost allocation within the first and second loss layers. (5) Costs of covered claims from \$5 million to \$10 million are paid under a reinsurance contract subject to a \$2.5 million annual aggregate deductible. The \$2.5 million annual aggregate deductible is fully covered under a separate policy; as such no portion of it is retained by the Authority. Costs of covered claims from \$10 million to \$15 million are paid under two reinsurance contracts subject to a combined \$3 million annual aggregate deductible. The \$3.0 million annual aggregate deductible is fully retained by the Authority. (6) Costs of covered claims from \$15 million to \$20 million are paid under reinsurance agreements. (7) Costs of covered claims from \$20 million to \$50 million are paid under excess insurance policies.

The overall coverage limit for each member including all layers of coverage is \$50 million per occurrence.

Costs of covered claims for subsidence losses are paid by reinsurance and excess insurance with a pooled sub-limit of \$30 million per occurrence. This \$30 million subsidence sub-limit is composed of (a) \$5 million retained within the pool's SIR, (b) \$15 million in reinsurance, subject to the same annual aggregate deductibles previously stated, and (c) \$10 million in excess insurance. The excess insurance layer has a \$10 million annual aggregate limit.

Payments to the Authority for property and casualty coverage are recorded as expenditures in the General Fund.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 9 – RISK MANAGEMENT (Continued)

B. Insurance Programs of the Authority (Continued)

Workers Compensation

In the workers' compensation program claims are pooled separately between public safety (police and fire) and non-public safety exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$50,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$50,000 to \$100,000 for each occurrence and is evaluated as a percentage of the pool's total incurred costs within the second layer. (4) Incurred costs in excess of \$100,000 up to the reinsurance attachment point of \$2 million are distributed based on the outcome of cost allocation within the first and second loss layers. (5) Costs of covered claims from \$2 million up to statutory limits are paid under a reinsurance policy. Protection is provided per statutory liability under California Workers' Compensation Law.

Employer's Liability losses are pooled among members to \$2 million. Coverage from \$2 million to \$5 million is purchased as part of a reinsurance policy, and Employer's Liability losses from \$5 million to \$10 million are pooled among members.

The City is responsible for workers' compensation claims incurred before July 1, 1997, under its self-insured program. Estimated unpaid claims reflect the maximum probable outcome of all claims without regard to the City's self-insured retention level. Reserves are assessed for indemnity, medical, and expense categories. Indemnity claims are estimated on the basis of computations, which will develop the probable total future cost of compensation and medical benefits due or potentially due. Medical-only claims are estimated on the basis of computations, which will develop the total future cost of medical benefits due or potentially due. Liability estimates are not reduced for third party recoveries, subrogation recoveries, or aggregate excess insurance coverage.

Payments for workers' compensation coverage are recorded as an expense to Workers' Compensation Internal Service Fund. Changes in workers' compensation liability for the current and past two fiscal years are as follows:

Fiscal Years	Balance at Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at End of Fiscal Year Liability
2019-20	\$ 105,372	\$ 1,193,760	\$ (1,112,712)	\$ 186,420
2020-21	186,420	1,087,447	(1,194,163)	79,704
2021-22	79,704	942,422	(957,430)	64,696

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 9 – RISK MANAGEMENT (Continued)

B. Insurance Programs of the Authority (Continued)

Pollution Legal Liability Insurance

The City participates in the pollution legal liability insurance program (formerly called environmental insurance) which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City. Coverage is on a claims-made basis. There is a \$50,000 deductible. The Authority has a limit of \$50 million for the 3-year period from July 1, 2019 through July 1, 2022. Each member of the Authority has a \$10 million sub-limit during the 3-year term of the policy.

Property Insurance

The City participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of El Centro property is currently insured according to a schedule of covered property submitted by the City of El Centro to the Authority. City of El Centro property currently has all-risk property insurance protection in the amount of \$45,057,283. There is a \$5,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$1,000 deductible. Premiums for the coverage are paid annually and are not subject to retrospective adjustments.

Crime Insurance

The City purchases crime insurance coverage in the amount of \$3,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority. Premiums are paid annually and are not subject to retrospective adjustments.

Special Event Tenant User Liability Insurance

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

The City did not purchase *Earthquake and Flood Insurance*.

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

C. Additional Insurance Programs

Group Health Insurance

The "Risks of Loss" to the City under the City sponsored group health insurance plans include major medical, dental, and vision claims. Prior to August 1, 1999, the City contracted with Pacific Mutual Insurance Company for a fully insured plan for medical and dental coverage.

On August 1, 1999, the City implemented a self-funded plan providing for the same benefits as the Pacific Mutual plan. The City's liability is limited to \$100,000 per employee with an overall cap of 125% of projected medical claims and 100% of dental and vision claims.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 9 – RISK MANAGEMENT (Continued)

C. Additional Insurance Programs (Continued)

Group Health Insurance (Continued)

The Hospital self-insures against medical costs for its employees and dependents. The Hospital has purchased supplemental coverage for losses in excess of \$175,000 per incident and \$2,000,000 in aggregate. The related liability is reported in accounts payable and accrued expenses on the statement of net position

The Hospital's accrued health insurance losses also include an estimate of possible losses attributable to incidents that may have occurred but not been identified under the incident reporting system. Historically, the actual liabilities incurred have not been materially different than the recorded estimates.

Workers' Compensation Self-Insurance

The Hospital self-insures against workers' compensation losses. The Medical Center has purchased supplemental coverage for losses in excess of \$1,000,-000 per incident. Losses from asserted and unasserted claims identified under the Medical Center's incident reporting system are accrued based on estimates that incorporate the Medical Center's past experience, as well as other considerations, including the nature of each claim or incident and relevant trend factors. The related liability is reported in accrued compensation and benefits on the accompanying statements of net position. Historically, the actual losses incurred have not been materially different than the recorded estimates.

Medical Malpractice Insurance Coverage

The Hospital maintains medical malpractice insurance on a claims-made basis. The policy provides for a per claim deductible of \$5,000 with per occurrence coverage of \$26 million and aggregate annual coverage limits of \$30 million. In management's opinion, the Hospital has sufficiently accrued an estimated liability for claims incurred prior to June 30, 2022 that are expected to be subsequently reported to the insurance company. The related liability is reported in accounts payable and accrued expenses on the statement of net position.

NOTE 10 – PROPRIETARY FUNDS INFORMATION

The City maintains four enterprise funds. The Water and Wastewater funds account for the provision of basic utility services to all citizens. The Solid Waste fund accounts for trash collection throughout the City. The Hospital is an acute care facility providing health care to the community and surrounding area.

NOTE 11 – CONTINGENT LIABILITIES

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government and the State of California. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by grantors cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

There are pending lawsuits involving complaints and cross complaints with the City involving performance of action and for damages incurred but a decision/settlement has not been reached.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 11 – CONTINGENT LIABILITIES (Continued)

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of management, that the ultimate disposition of these lawsuits and proceedings will not have a material adverse effect on the financial condition of the City.

Malpractice, workers' compensation, and medical benefits claims have been asserted against the Hospital by various claimants. The claims are in various stages of processing and some may ultimately be brought to trial. There are also known incidents that have occurred through June 30, 2022, that may result in the assertion of additional claims. The Hospital management has accrued their best estimate of these contingent losses.

With changes now made to the pilot and permanent RAC (Recovery Audit Contractor) program, it is expected that RAC program review activities will resume by early next year. It is possible the Hospital has a contingent repayment liability for claims not previously reviewed. However, the Hospital has not received any notice from either the pilot RAC or the new permanent RAC regarding any intent to resume a RAC audit.

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations can be subject to government review and interpretation, as well as regulatory actions unknown and unasserted at this time. Over the last several years, government activity has increased with respect to investigations and allegations concerning possible violations of regulations by health care providers which could result in the imposition of significant fines and penalties as well as significant repayment of previously billed and collected revenue for patient services. Other than the issue discussed above, Hospital's management believes that the Hospital is in substantial compliance with current laws and regulations and that any potential liability arising from compliance issues have been properly reflected in the financial statements or are not considered to be material to the Hospital's financial position and results of operations as of and for the fiscal year ended June 30, 2022.

The Medicare and Medi-Cal government reimbursement programs account for a substantial amount of the Hospital's net patient service revenue. Expenditure reduction efforts and budget concerns within the United States and California legislature continue to create uncertainty over the volume of future health care funding. It is at least reasonably possible that future reimbursements for patient services under these programs could be negatively impacted.

NOTE 12 – NET PATIENT REVENUE

The Hospital has arrangements with third-party payors that provide payments to the Hospital at amounts different from its established rates. A summary of the basis of reimbursement with major third-party payor categories follows:

Medicare - Inpatient acute-care services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge. These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors. Medicare reimburses the Company for covered outpatient services rendered to Medicare beneficiaries by way of an outpatient prospective payment system based on ambulatory payment classifications.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 12 – NET PATIENT REVENUE (Continued)

Medicare (Continued)

Inpatient non-acute services, certain outpatient services, and defined capital costs related to Medicare beneficiaries are paid based, in part, on a cost reimbursement methodology. The Company is reimbursed for cost reimbursable items at a tentative rate with final settlement determined after submission of annual cost reports and audits thereof by the Medicare fiscal intermediary. The estimated amounts due to or from the program are reviewed and adjusted annually based on the status of such audits and any subsequent appeals. Differences between final settlements and amounts accrued in previous years are reported as adjustments to net patient service revenue in the year examination is substantially completed. Effective January 1, 2014, inpatient services rendered to Medi-Cal program beneficiaries under a diagnostic related group (DRG) methodology. Under this methodology, similar to Medicare, services are paid at prospectively determined rates per discharge according to a patient classification system that is based on clinical, diagnostic, and other factors.

Medi-Cal - Inpatient services rendered to Medi-Cal program beneficiaries are reimbursed under noncontracted payment arrangements. The Hospital is reimbursed using a cost reimbursement methodology. Interim payments are based on a cost to charge ratio with final settlement determined after submission of annual cost reports and audits thereof by the Department of Health Care Services (“DHCS”). The estimated amounts due to or from DHCS are reviewed and adjusted annually based on the status of such audits and any subsequent appeals. Differences between final settlements and amounts accrued in previous years are reported as adjustments to net patient service revenue in the year examination is substantially complete.

Net Medicare and Medi-Cal program patient service revenue amounted to \$119,085,008 and \$124,052,462 for the fiscal years ended June 30, 2022 and 2021, respectively.

Commercial Insurance, Health Maintenance Organizations, and Preferred Provider Organizations - The Company has also entered into agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations. The basis for payment to the Company under these agreements includes prospectively determined rates per discharge, discounts from established charges and prospectively determined daily rates.

Other - The Company also provides its services to patients enrolled in programs of commercial insurance carriers, health maintenance organizations and preferred provider organizations under which the Company does not have agreements. The Company recognizes revenue for these patients based on its usual customary rates for these services adjusted for historical trends in the Company’s reimbursement for similar services.

Laws and regulations governing the third party payor arrangements are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 12 – NET PATIENT REVENUE (Continued)

Significant concentrations of gross patient accounts receivable at June 30 were as follows:

	<u>2022</u>	<u>2021</u>
Medicare	\$ 50,791,432	\$ 50,771,391
Medi-Cal	38,157,507	38,715,420
Commercial and other	21,236,181	25,618,630
Self pay	<u>3,540,541</u>	<u>3,196,700</u>
 Gross patient accounts receivable	 113,725,661	 118,302,141
 Less: Allowances for contractual and bad debt adjustments	 <u>(93,731,204)</u>	 <u>(97,299,953)</u>
 Net patient accounts receivable	 <u>\$ 19,994,457</u>	 <u>\$ 21,002,188</u>

Revenue from Medicare and Medi-Cal programs accounted for approximately 40% and 34%, respectively, of net patient service revenue for the year ended June 20, 2022, and 45% and 34%, respectively, of net patient service revenue for the year ended June 30, 2021.

Net Medicare and Medi-Cal program patient service revenue amounted \$116,222,650 and \$124,052,462 for the fiscal years ended June 30, 2022 and 2021, respectively. Amounts written off to bad debt expense included in net patient service revenue totaled approximately \$5,694,516 and \$11,356,768 for the fiscal years ended June 30, 2022 and 2021, respectively. Allowances for contractual adjustments included in net patient service revenue totaled approximately \$628,841,577 and \$584,476,348 for the fiscal years ended June 30, 2022 and 2021, respectively.

NOTE 13 – DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation program created in accordance with Internal Revenue Code Section 457. The program, available to all full-time City employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency.

All amounts of compensation deferred under the program, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are held for the exclusive benefit of the participants.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 14 – OTHER POST EMPLOYMENT BENEFITS (OPEB)

Plan Description

The postemployment benefit plan is a single-employer defined healthcare plan administered by the City. The City provides postretirement health, dental, vision, and life insurance benefits, as provided for in various collective bargaining agreements for retirees that meet certain criteria. The City pays 100 percent of the employee’s premium for benefit coverage for qualifying management employees and elected & contract employees until age 65 and a portion of the employee’s premium for qualifying non-management employees. These costs are typically liquidated in the General Fund. Retirees may not convert the benefit into an in-lieu payment to secure coverage under independent plans.

Eligibility

The table below presents a summary of the basic participant information for the active and retired participants covered under the terms of the Plan.

	Number of Covered Participants
■ Inactives currently receiving benefits	50
■ Inactives entitled to but not yet receiving benefits	-
■ Active employees	232
■ Total	282

Annual OPEB Cost and Net OPEB Obligation

For the fiscal year ended June 30, 2022, the total contribution made was \$280,525. Fifty retired employees received OPEB benefits during the fiscal year.

Net OPEB Liability

The District’s net OPEB liability was measured as of July 1, 2021, and the total OPEB liability used to calculate the OPEB liability was determined by an actuarial valuation as of July 1, 2020.

Actuarial Method and Assumptions

The total OPEB liability in the July 1, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 14 – OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

Net OPEB Liability (Continued)

Actuarial Method and Assumptions (Continued)

Actuarial Assumption	June 30, 2021 Measurement Date
■ Actuarial Valuation Date	■ June 30, 2021
■ Contribution Policy	■ City contributes full ADC
■ Discount Rate and Long-Term Expected Rate of Return on Assets	<ul style="list-style-type: none"> ■ 4.75% at June 30, 2021 ■ 5.50% at June 30, 2020 ■ Expected City contributions projected to keep sufficient plan assets to pay all benefits from trust
■ General Inflation	■ 2.50% annually
■ Mortality, Retirement, Disability, Termination	■ CalPERS 2000-2019 Experience Study
■ Mortality Improvement	■ Mortality projected fully generational with Scale MP-2021

Actuarial Assumption	June 30, 2021 Measurement Date
■ Salary Increases	<ul style="list-style-type: none"> ■ Aggregate - 2.75% annually ■ Merit - CalPERS 2000-2019 Experience Study
■ Medical Trend	<ul style="list-style-type: none"> ■ Non-Medicare - 6.50% for 2023, decreasing to an ultimate rate of 3.75% in 2076 ■ Medicare - 5.65% for 2023, decreasing to an ultimate rate of 3.75% in 2076
■ Dental/Vision Increases	■ 2.50%
■ Cap Increases	■ Cost Sharing - Increases by 50% of the premium increase percent starting in 2026
■ Healthcare Participation for Future Retirees	<ul style="list-style-type: none"> ■ At Retirement: 90% ■ At age 65: <ul style="list-style-type: none"> > If no cap reduction: 100% > If cap is reduced: 90% > \$0 cap: 50% ■ Self-paying Council: 40%

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 14 – OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
■ Balance at 6/30/21 (6/30/20 measurement date)	\$ 7,410,463	\$10,223,378	\$ (2,812,915)
■ Changes for the year			
● Service Cost	323,344	-	323,344
● Interest	417,645	-	417,645
● Changes of benefit terms	-	-	-
● Actual vs. expected experience	(1,850,347)	-	(1,850,347)
● Assumption changes	270,700	-	270,700
● Contributions - employer*	-	280,525	(280,525)
● Contributions - employee	-	-	-
● Net investment income	-	1,385,756	(1,385,756)
● Benefit payments*	(280,525)	(280,525)	-
● Administrative expenses	-	(3,607)	3,607
■ Net Changes	(1,119,183)	1,382,149	(2,501,332)
■ Balance at 6/30/22 (6/30/21 measurement date)	\$ 6,291,280	\$11,605,527	\$ (5,314,247)

Change in Net OPEB Liability

There is sensitivity of the net OPEB liability due to changes in the discount rate and healthcare cost trend rates. The following presents the net OPEB liability of the District, as well as what the District's net OPEB liability would be if it were calculated using the discount and trend rate that were 1 percentage point lower or 1 percentage point higher than the current discount and trend rates.

Changes in the Discount Rate

	Discount Rate		
	1% Decrease (3.75%)	Current Rate (4.75%)	1% Increase (5.75%)
■ Net OPEB Liability	\$ (4,564,697)	\$ (5,314,247)	\$ (5,950,254)

Changes in the Healthcare Trend Rate

	Healthcare Trend Rate		
	1% Decrease	Current Trend	1% Increase
■ Net OPEB Liability	\$ (5,819,707)	\$ (5,314,247)	\$ (4,728,632)

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 14 – OTHER POST EMPLOYMENT BENEFITS (OPEB) (Continued)

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

For the fiscal year ended June 30, 2022, the City recognized OPEB expense of \$280,525. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	June 30, 2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources
■ Differences between expected and actual experience	\$ -	\$ 2,412,739
■ Changes in assumptions	245,162	105,163
■ Net difference between projected and actual earnings on plan investments	-	753,855
■ Employer contributions made subsequent to the measurement date	305,643	-
■ Total	550,805	3,271,757

\$305,643 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the fiscal year ended June 30, 2023. Amounts reported as deferred outflows of resources related to OPEB will be recognized as OPEB expense as follows:

FYE June 30	Deferred Outflows/(Inflows) of Resources
■ 2023	\$ (460,150)
■ 2024	(473,872)
■ 2025	(443,457)
■ 2026	(427,492)
■ 2027	(262,779)
■ Thereafter	(958,845)

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 15 – PENSION PLAN

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 Plans and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS' Financial Office. 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. Pension liabilities are typically liquidated in the General Fund for governmental activities or in the respective enterprise fund.

A. General Information about the Pension Plan

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

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 with statutorily reduced benefits. All members are eligible for non-duty disability benefits after 10 years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

	City Miscellaneous Plan		City Safety Plan	
	Prior to July 1, 2013	On or after July 1, 2013	Prior to July 1, 2013	On or after July 1, 2013
Hire date				
Benefit formula	2.5% @ 55	2% @ 62	3.0% @ 50	2.7% @ 57
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	50-55	52 - 67	50	50-57
Monthly benefits, as a % of eligible compensation	2.0% to 2.5%	1.0% to 2.5%	3%	2.0% to 2.7%
Required employee contribution rates	7.00%	7.00%	9.00%	12.25%
Required employer contribution rates	10.283%	10.283%	58.458%	12.25%

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 15 – PENSION PLAN (Continued)

A. General Information about the Pension Plan (Continued)

Employees Covered – At June 30, 2022, the following employees were covered by the benefit terms for each Plan:

	Miscellaneous	Safety
Inactive employees or beneficiaries currently receiving benefits	155	137
Inactive employees entitled to but not yet receiving benefits	186	82
Active employees	117	123
Total	458	342

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 both Plans 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 fiscal 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.

B. Net Pension Liability

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

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

	Miscellaneous	Safety
Valuation Date	June 30, 2020	June 30, 2020
Measurement Date	June 30, 2021	June 30, 2021
Actuarial Cost Method	Entry-Age Normal Cost Method	
Actuarial Assumptions:		
Discount Rate	7.15%	7.15%
Inflation	2.75%	2.75%
Payroll Growth	3.00%	3.00%
Projected Salary Increase	3.30%-14.20% (1)	3.30%-14.20% (1)
Investment Rate of Return	7.375% (2)	7.375% (2)
Mortality	Derived using CalPERS' Membership Data for all Funds	

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

(2) Net of pension plan investment expenses, including inflation

The underlying mortality assumptions and all other actuarial assumptions used in the June 30, 2016 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 15 – PENSION PLAN (Continued)

B. Net Pension Liability (Continued)

Discount Rate – The discount rate used to measure the total pension liability was 7.15% for each Plan. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.15 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.15 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS’ website.

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds’ asset classes, expected compound 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 and adjusted to account for assumed administrative expenses. rate

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	New Strategic Allocation	Real Return Year 1 - 10(a)	Real Return Years 11+(b)
Global Equity	50.00%	4.80%	5.98%
Global Fixed Income	28.00%	1.00%	2.62%
Inflation Sensitive	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Estate	13.00%	3.75%	4.93%
Infrastructure and Forestland	0.00%	0.00%	0.00%
Liquidity	1.00%	0.00%	-0.92%
Total	100.00%		

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

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

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 15 – PENSION PLAN (Continued)

C. Changes in the Net Pension Liability

The change in the Net Pension Liability for each Plan follows:

Miscellaneous Plan:

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) – (b)
Balance at: 06/30/2020	\$87,000,481	\$68,211,685	\$18,788,796
Beginning of Year Adjustment	\$0	\$0	\$0
Adjusted Balance at: 06/30/2020	\$87,000,481	\$68,211,685	\$18,788,796
Changes Recognized for the Measurement Period:			
Service Cost	1,422,490		1,422,490
Interest on Total Pension Liability	6,145,839		6,145,839
Changes of Benefit Terms	0		0
Changes of Assumptions	0		0
Differences Between Expected and Actual Experience	333,923		333,923
Net Plan to Plan Resource Movement		3,955	(3,955)
Contributions – Employer		2,018,751	(2,018,751)
Contributions – Employees		657,139	(657,139)
Net Investment Income		15,267,035	(15,267,035)
Benefit Payments, Including Refunds of Employee Contributions	(4,179,705)	(4,179,705)	0
Administrative Expense		(68,139)	68,139
Other Miscellaneous (Income)/Expense		0	0
Net Changes During 2020-21	\$3,722,547	\$13,699,036	(\$9,976,489)
Balance at: 06/30/2021	\$90,723,028	\$81,910,721	\$8,812,307

Safety plan:

As of June 30, 2022, the City Safety Plan reported net pension liabilities for its proportionate share of the net position liability of the Plan as follows:

Proportionate
Share of Net
Pension Liability

\$ 21,447,735

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 15 – PENSION PLAN (Continued)

C. Changes in the Net Pension Liability (Continued)

The City’s net pension liability for the Plan is measured as the proportionate share of the net pension liability. The net pension liability of the Plan is measured as of June 30, 2021, 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, 2020 rolled forward to June 30, 2021 using standard update procedures. The City’s proportion of the net pension liability was based on a projection of the City’s long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The City’s proportionate share of the net pension liability for the Plan as of June 30, 2021 and 2022 was as follows:

	Percentage Share of Plan		Change: Increase/ (Decrease)
■ Fiscal Year End	6/30/2022	6/30/2021	
■ Measurement Date	6/30/2021	6/30/2020	
■ Percentage of Plan (PERF C) NPL	0.39657%	0.30916%	0.08741%

Sensitivity of the Net Pension Liability to Changes in the Discount Rate –The following presents the net pension liability of the Local Government for each Plan, calculated using the discount rate for each Plan, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<u>Miscellaneous</u>		<u>Safety</u>	
1% Decrease		6.15%		6.15%
Net Pension Liability	\$	20,600,057	\$	37,813,009
Current Discount Rate		7.15%		7.15%
Net Pension Liability	\$	8,812,307	\$	21,447,735
1% Increase		8.15%		8.15%
Net Pension Liability	\$	942,431	\$	8,005,686

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

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 15 – PENSION PLAN (Continued)

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

For the fiscal year ended June 30, 2022, the City recognized pension expense of \$14,180,414. With \$3,446,636 from the Safety Plan, \$5,598,578 from the Misc Plan and \$5,135,200 from the Hospital Plan. At June 30, 2022, the Local Government reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for each plan:

Safety Plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
■ Differences between expected and actual experience	\$ 3,664,327	-
■ Changes of assumptions	-	-
■ Net differences between projected and actual earnings on plan investments	-	(12,765,526)
■ Change in employer's proportion	902,639	(218,860)
■ Differences between the employer's contributions and the employer's proportionate share of contributions	-	(2,158,159)
■ Pension contributions subsequent to measurement date	3,737,433	-
■ Total	<u>8,304,399</u>	<u>(15,142,545)</u>

\$3,737,433 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 fiscal year ended June 30, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized as pension expense as follows:

	Deferred Outflows/(Inflows) of Resources
■ Fiscal Year Ending June 30:	
● 2023	\$ (2,137,181)
● 2024	(2,147,196)
● 2025	(2,778,308)
● 2026	(3,512,894)
● 2027	-
● Thereafter	-

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 15 – PENSION PLAN (Continued)

D. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions (Continued)

Miscellaneous Plan:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 2,262,743	\$ -
Net difference between actual vs project experiences	475,262	(63,890)
Net differences between projected and actual earnings on plan investments		(7,568,184)
Total	<u>\$ 2,738,005</u>	<u>\$ (7,632,074)</u>

\$2,262,743 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 fiscal year ended June 30, 2023. Other amounts reported as deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Measurement Periods Ended June 30:	Deferred Outflows/(Inflows) of Resources
2022	(\$1,716,976)
2023	(1,538,511)
2024	(1,810,172)
2025	(2,091,153)
2026	0
Thereafter	0

NOTE 16 – EL CENTRO REGIONAL MEDICAL CENTER PENSION PLAN

General Information about the Retirement Plan

Plan description – The Retirement Plan is a single-employer defined benefit pension plan sponsored and administered by the Medical Center. The Retirement Plan covers all employees of the Medical Center hired before January 1, 2010. Employees first hired after December 31, 2009 are not eligible to participate in the Retirement Plan. The Retirement Plan provides retirement and death benefits to participants and its beneficiaries. The Retirement Plan is administered by a retirement plan committee appointed by the Board of Trustees of the Medical Center.

Benefits provided – The Retirement Plan provides retirement and death benefits. Retirement benefits for employees are calculated as the average of the highest consecutive three years of earnings. Employees are eligible to participate on their date of hire. Employees’ retirement benefits vest 100% at sixty years of age and after twenty-five years of completed service. Normal retirement is the later of age 65 and the 5th anniversary of hire. Early retirement is available at age 55 based on credited service to the date of retirement, with a benefit that is actuarially reduced for commencement prior to the normal retirement date. Death benefits are paid as a lump sum equal to the greater of the present value of the participant’s accrued benefit or the participant’s accumulated employee contributions.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 16 – EL CENTRO REGIONAL MEDICAL CENTER PENSION PLAN (Continued)

General Information about the Retirement Plan (Continued)

Employees covered by benefit terms – At June 30, 2021, the following employees were covered by the benefit terms:

Inactive employees (or their beneficiaries) currently receiving benefits	326
Inactive employees entitled to but not yet receiving benefits	987
Active employees	289
 Total	 1,602

As of January 1, 2010 the Retirement Plan was closed to new entrants.

Contributions – The Retirement Plan’s funding policy provides for annual employer contributions at actuarially determined rates that, expressed as a percentage of annual covered payroll, are sufficient to accumulate assets to pay benefits when due. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the fiscal year, with an additional amount to finance any unfunded accrued liability. The Medical Center is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the fiscal year ended June 30, 2021, participants contributed 6.00% of their annual pay and the Medical Center’s average contribution rate was 23.73% of annual payroll. The contribution requirements of participants and the Medical Center are established and may be amended by the Medical Center’s Board of Trustees. Please contact the El Centro Regional Medical Center at 1415 Ross Avenue, El Centro CA, 92243 or (760) 339-7100 for more information regarding this plan.

Net Pension Liability

The Medical Center’s net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Actuarial assumptions – The total pension liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.0%
Salary increases	2.0% including inflation
Investment rate of return	7.25% net pension plan expense, including inflation

Mortality rates were based on the Society of Actuaries RP 2014 Table with the current MP 2020 adjustment for males or females, as appropriate.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 16 – EL CENTRO REGIONAL MEDICAL CENTER PENSION PLAN (Continued)

Net Pension Liability (Continued)

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

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Domestic equities	20.00%	8.00%
International equities	10.00%	0.00%
Convertible bonds	10.00%	0.00%
Fixed income	25.00%	3.50%
Alternative investments	35.00%	7.00%
Cash	0.00%	-1.00%
Total	100.00%	

Discount rate – The discount rate used to measure the total pension liability was 7.25%. The projection of cash flows used to determine the discount rate assumed that participant contributions will be made at 6.00% of pay from July 1, 2021 through June 30, 2022. Based on those assumptions, the Retirement 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 pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

	Total Pension Liability	Increase (Decrease) Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at June 30, 2021	\$ 117,039,100	\$ 73,426,000	\$ 43,613,100
Changes during the fiscal year:			
Services Cost	853,900		853,900
Interest on the Total Pension Liability	8,311,300		8,311,300
Actuarial liability loss (gain)	6,475,400		6,475,400
Changes in assumptions	(440,000)		(440,000)
Net Plan to Plan Resource Movement	(531,400)		(531,400)
Contribution from the Employer		5,400,000	(5,400,000)
Contribution from the Employees		1,317,900	(1,317,900)
Net investment income		13,295,000	(13,295,000)
Benefit Payments	(6,248,700)	(6,248,700)	
Admin expense		(849,600)	849,600
Net Changes	8,420,500	12,914,600	(4,494,100)
Balance at June 30, 2022	\$ 125,459,600	\$ 86,340,600	\$ 39,119,000

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 16 – EL CENTRO REGIONAL MEDICAL CENTER PENSION PLAN (Continued)

Net Pension Liability (Continued)

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at June 30, 2020	\$ 112,210,300	\$ 65,028,100	\$ 47,182,200
Changes during the fiscal year:			
Services Cost	882,300		882,300
Interest on the Total Pension Liability	7,988,000		7,988,000
Actuarial liability loss (gain)	1,729,400		1,729,400
Changes in assumptions	(318,900)		(318,900)
Contribution from the Employer		5,400,000	(5,400,000)
Contribution from the Employees		1,326,000	(1,326,000)
Net investment income		7,177,200	(7,177,200)
Benefit Payments	(5,452,000)	(5,452,000)	
Admin expense		(53,300)	53,300
Net Changes	4,828,800	8,397,900	(3,569,100)
Balance at June 30, 2021	\$ 117,039,100	\$ 73,426,000	\$ 43,613,100

The mortality assumption was changed from the 2016 Annuitant and Nonannuitant table for males and females to the 2016 Annuitant and Nonannuitant table for males and females published by the Internal Revenue Service in Notice 2015-53.

Sensitivity of the net pension liability to changes in the discount rate – The following presents the net pension liability of the Medical Center, calculated using the discount rate of 7.25%, as well as what the Medical Center’s net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current rate:

1% Decrease		6.25%	
Net Pension Liability	\$		52,302,500
Current Discount Rate		7.25%	
Net Pension Liability	\$		39,119,000
1% Increase		8.25%	
Net Pension Liability	\$		25,422,900

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 16 – EL CENTRO REGIONAL MEDICAL CENTER PENSION PLAN (Continued)

Net Pension Liability (Continued)

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

For the fiscal year ended June 30, 2022, the Medical Center recognized pension expense of \$5,135,200. At June 30, 2022, the Medical Center reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Contributions made after the measurement date (\$5,331,100) reported as deferred outflows of resources will be recognized as reductions of the net pension liability in the following year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions as of June 30, 2022, will be recognized as pension expense as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 5,331,100	\$ -
Change of assumptions		(181,500)
Net difference between actual vs project experiences	2,670,800	
Net difference between project and actual earnings on plan investments		(7,266,700)
Total	\$ 8,001,900	\$ (7,448,200)

Other amounts reported as deferred outflows of resources and deferred inflows of resources relate to pension as of June 30, 2022, will be recognized as pension expense as follows:

Fiscal Year Ended	
June 30	
2023	\$ 736,300
2024	(1,932,900)
2025	(2,031,100)
2026	(1,549,700)
	\$ (4,777,400)

Defined Contribution Plan

Employees hired after January 1, 2010 are enrolled in a Defined Contribution Plan, 401(a). The DCP is administered by the Hospital.

Benefit terms, including contribution requirements, for the DCP are established by the Hospital. The Hospital is required to match employee contribution percentages. Employees enrolled in this plan contributed 6% of their gross payroll in fiscal year 2022 and the Hospital matched 6%. Employees are immediately vested upon entering the DCP.

The Medical Center's contributions to this plan were \$1,620,805 and \$1,494,727 for the fiscal years ended June 30, 2022 and 2021, respectively.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 17 – NET POSITION

GASB Statement No. 63 requires that the difference between assets added to the deferred outflows of resources and liabilities added to the deferred inflows of resources be reported as net position. Net position is divided into three captions under GASB Statement No. 63. These captions apply only to net position as determined at the government-wide level and are described below:

Net Investment in Capital Assets describes the portion of net position which is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance these assets.

Restricted describes the portion of net position that has external constraints placed on it by creditors, grantors, contributors, laws, or regulations of other governments, or through constitutional provisions or enabling legislation. These principally include debt service requirements, and redevelopment funds restricted to low and moderate income housing purposes.

Unrestricted describes the portion of net position that does not meet the definition of invested in capital assets or restricted net position.

The government-wide statement of net position reports \$66,463,319 of restricted net position for governmental activities and \$15,904,665 for business-type activities.

None of the restricted net position in the government-wide statement of net position is restricted by enabling legislation.

NOTE 18 – FUND BALANCES

GASB Statement No. 54 requires governmental funds to report fund balance in classifications based primarily on the extent to which the City is bound to honor constraints on the specific Purposes for which amounts in the funds can be spent. As of June 30, 2022, fund balances for governmental funds are made up of the following:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the governing board in the highest level of decision-making authority for the City. Commitments may be established, modified, or rescinded only through resolutions approved by the governing board.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the City's adopted policy, only the City Manager may assign amounts for specific purposes.

Unassigned – all other spendable amounts.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 18 – FUND BALANCES

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the City considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the governing board (or City Manager for assignments) has provided otherwise in its commitment or assignment actions.

The governing board adopted a minimum fund balance policy for the General Fund in order to establish, dedicate, and maintain reserves annually to meet known and estimated future obligations. The General Fund policy is to have not less than 10% of total expenditures in the unassigned fund balance for economic uncertainties. The General Fund is the only fund that reports a positive unassigned fund balance. Other governmental funds may report unassigned fund balance only when liabilities exceed assets resulting in a negative unassigned fund balance.

A detailed schedule of fund balances as of June 30, 2022 is presented below.

	General	Capital Project Fund Library Project	Other Governmental Funds	Total Governmental Funds
Restricted for:				
Housing	\$ -	\$ -	\$ 5,329,405	\$ 5,329,405
Special projects			1,751,361	1,751,361
Debt service			3,699,459	3,699,459
Community development			32,264,402	32,264,402
Asset forfeiture			466,521	466,521
Public safety			1,311,134	1,311,134
Streets and roads			8,719,664	8,719,664
Landscaping & community facilities district	141,223		159,519	300,742
Pension plan	3,892,006			3,892,006
Capital projects		4,402,302	1,481,912	5,884,214
Total restricted fund balances	4,033,229	4,402,302	55,183,377	63,618,908
Committed to:				
Parks and recreation			128,754	128,754
Streets and roads			1,451,702	1,451,702
Capital projects			1,074,859	1,074,859
Total committed fund balances			2,655,315	2,655,315
Assigned to:				
Other post employment benefits	89,161			89,161
Total assigned fund balances	89,161			89,161
Unassigned	38,789,438			38,789,438
Total unassigned fund balances	38,789,438			38,789,438
Total fund balances	\$ 42,911,828	\$ 4,402,302	\$ 57,838,692	\$ 105,152,822

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 19 – MEDICARE ADVANCE PAYMENT

As a result of the COVID-19 pandemic, CMS offered an accelerated and advance payment program which gave healthcare providers the opportunity to receive an advance on future Medicare payments. The Hospital received a Medicare Advance Payment of \$22,948,343 in April 2020. Repayment of the Medicare Advance Payment is expected to begin 12 months after receipt of the advance, with a portion of Medicare payments being withheld until the advance is paid-in-full. Medicare will withhold 25% of net Medicare payments during the 12th through 23rd months after the original advance, and 50% of net Medicare payments during the 24th through 29th month after the original advance. Interest will be charged on any remaining balance after the 29th month at an annual rate of 4.0%. The Medical Center reported a Medicare Advance Payment liability totaling \$7,082,862 at June 30, 2022, which is reported as a refundable advance in the accompanying statements of net position. The current portion of the refundable advance is management's estimate of the amount to be repaid within the next fiscal year.

NOTE 20 – COVID-19 RELIEF FUNDS AND GRANT REVENUE

The Medical Center received \$13,256,528 and \$1,287,553 in grant funding from the HHS Provider Relief Fund, which was established as a result of the CARES Act for the fiscal year ended June 30, 2021 and 2022. Based on the terms and conditions of the grant, the Medical Center earns the grant by incurring healthcare-related expenses attributable to COVID-19 that another source has not reimbursed and is not obligated to reimburse, or by incurring lost revenues, defined as a negative change in year-over-year net patient care operating income, net of healthcare-related expenses attributable to COVID-19. During 2021 and 2022, the Medical Center recognized \$1.3 million and \$14 million, respectively, in grant revenue related to this program, which reflects management's estimate of the amount of the grant earned, including consideration for uncertainties related to reporting guidance still developing as of the date the financial statements were available to be issued.

NOTE 21 – RELATED PARTY TRANSACTIONS

On February 23, 2011, the City entered into a Reimbursement Agreement with the former Redevelopment Agency (RDA). The former RDA desired to provide funds to finance the cost of the acquisition, installation, construction and/or reimbursement of public infrastructure improvements within or outside the Project Area owned by the City and located in the City. The former RDA entered into a Reimbursement Agreement in which the former RDA agreed to reimburse the City for all costs of the Project Improvements that have been or will be paid or provided for initially by the City either directly or through reimbursement in an amount not to exceed \$4.2 million (amended to \$162 million in an amendment to the agreement). The reimbursement agreement stated that the reimbursement obligation shall constitute an indebtedness of the former RDA to the City which would be payable out of taxes levied in the Project Area and out of any other available funds. The former RDA pledged and granted the City a security interest in and lien on the Tax Revenues, except such pledge is subordinate to any existing bonds, notes, or other forms of indebtedness incurred by the former RDA or as otherwise agreed between the City and the former RDA.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 21 – RELATED PARTY TRANSACTIONS (Continued)

On March 8, 2011, the former RDA issued the El Centro Redevelopment Project Tax Allocation Bonds Series 2011A to the City in the amount of \$5,110,000 to partially satisfy the Reimbursement Agreement between the City and RDA.

On April 7, 2011, the former RDA issued the El Centro Redevelopment Project Tax Allocation Bonds Series 2011B in the amount of \$20,000,000 and the El Centro Redevelopment Project Tax Allocation Bonds Series 2011C in the amount of \$11,095,000 to the City to partially satisfy the Reimbursement Agreement between the City and RDA.

The Tax Allocation Bonds Series 2011A are junior and subordinate to the payment of the Tax Allocation Bonds 2007A&B and the Tax Allocation Bonds Series 2011C.

The Tax Allocation Bonds Series 2011B are secured on a basis subordinate to the Tax Allocation Bonds 2007A&B, the Tax Allocation Bonds Series 2011A, and the Tax Allocation Bonds Series 2011C. Under the Indenture of Trust, there will be no event of default if the former RDA does not pay principal or interest on the Tax Allocation Bonds Series 2011B while the City is the sole holder of the bonds unless the City declares such event of default in a written notice to the Trustee.

The Tax Allocation Bonds Series 2011C are subordinate to the Tax Allocation Bonds 2007 A&B.

The City entered into a commitment agreement and purchase contract with the El Centro Financing Authority (Authority) for the purchase and sale of the Tax Allocation Bonds Series 2011C to the Authority. For the purpose of acquiring the bonds, the Authority issued the El Centro Financing Authority Revenue Bonds Series 2011. A portion of the proceeds of the Authority Bonds were used by the Authority to purchase the Tax Allocation Bonds Series 2011C in the amount of \$11,095,000 from the City. The El Centro Financing Authority issued the Revenue Bonds Series 2011 on May 3, 2011. The remaining proceeds were used to fund the Reserve Fund, and pay costs of issuing the Bonds and the Local Obligations.

The former RDA delivered the Tax Allocation Bonds Series 2011C to the City and the City transferred the Tax Allocation Bonds Series 2011C to the Authority. The Tax Allocation Bonds Series 2011A and 2011B were shown as investments in the City's capital projects fund and the Tax Allocation Bonds Series 2011C is shown as an investment in the Financing Authority fund. As no money was transferred between the former RDA and City for the Tax Allocation Bonds (2011A, 2011B, and 2011C), advances receivable and payable have been set up in the financial statements for the amounts of the Tax Allocation Bonds.

However, in accordance with the Department of Finance letter dated April 1, 2014, the Tax Allocation Bonds Series 2011A and 2011B were disallowed as enforceable obligations since they were created between the City and former RDA and not with an outside entity. Due to this reason, prior period adjustments were made to eliminate the bonds which had been recorded as assets totaling \$25,110,000 in the City's capital projects fund, an advance totaling \$25,110,000 between the City and Successor Agency, and as long term debt totaling \$25,055,000 in the Successor Agency private purpose trust fund.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 22 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY

On December 29, 2011, the California Supreme Court upheld Assembly Bill 1X 26 (“the Bill”) that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City of El Centro that previously had reported a redevelopment agency within the reporting entity of the City as a blended component unit.

The Bill provides that upon dissolution of a redevelopment agency, either the city or other unit of local government will agree to serve as the “successor agency” to hold the assets until they are distributed to other units of state and local government. On January 17, 2012, the City Council elected to become the Successor Agency for the former redevelopment agency in accordance with the Bill as part of the City resolution number 12.

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

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

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

Management believes, in consultation with legal counsel, that the obligations of the former redevelopment agency due to the City are valid enforceable obligations payable by the successor agency trust under the requirements of the Bill. The City’s position on this issue is not a position of settled law and there is considerable legal uncertainty regarding this issue. It is reasonably possible that a legal determination may be made at a later date by an appropriate judicial authority that would resolve this issue unfavorably to the City.

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

Prior to that date, the final seven months of activity of the redevelopment agency continued to be reported in the governmental funds of the City. After the date of dissolution, the assets and activities of the dissolved redevelopment agency are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 22 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY (Continued)

The transfer of the assets and liabilities of the former redevelopment agency as of February 1, 2012 (effectively the same date as January 31, 2012) from governmental funds of the City to fiduciary funds was reported in the governmental funds as an extraordinary loss (or gain) in the governmental fund financial statements. The receipt of these assets and liabilities as of January 31, 2012 was reported in the private-purpose trust fund as an extraordinary gain (or loss).

Because of the different measurement focus of the governmental funds (*current financial resources measurement focus*) and the measurement focus of the trust funds (*economic resources measurement focus*), the extraordinary loss (gain) recognized in the governmental funds was not the same amount as the extraordinary gain (loss) that was recognized in the fiduciary fund financial statements.

Capital asset activities for the fiscal year ended June 30, 2022 was as follows:

Fiduciary Activities:	Balance at			Balance at
Capital assets, not being depreciated:	June 30, 2021	Additions	Deletions	June 30, 2022
Land and land improvements	\$ 5,763,861	\$ -	\$ -	\$ 5,763,861
Construction in progress	1,694,868			1,694,868
Total capital assets, not being depreciated	<u>7,458,729</u>			<u>7,458,729</u>
Capital assets, being depreciated:				
Structures and improvements	21,720,364			21,720,364
Vehicles	79,772			79,772
Equipment	425,128			425,128
Total capital assets, being depreciated	<u>22,225,264</u>			<u>22,225,264</u>
Less accumulated depreciation for:				
Structures and improvements	(10,516,228)	(92,972)		(10,609,200)
Vehicles	(79,772)			(79,772)
Equipment	(363,994)			(363,994)
Total accumulated depreciation	<u>(10,959,993)</u>	<u>(92,972)</u>		<u>(11,052,966)</u>
Total capital assets, being depreciated net	<u>11,265,271</u>	<u>(92,972)</u>		<u>11,172,298</u>
Fiduciary activities capital assets, net	<u>\$ 18,724,000</u>	<u>\$ (92,972)</u>	<u>\$ -</u>	<u>\$ 18,631,027</u>

The following is a schedule of long-term liabilities for the fiscal year ended June 30, 2022:

	Balance at			Balance at	Due Within
	June 30, 2021	Additions	Reductions	June 30, 2022	One Year
Tax allocation bonds payable (2007B)	\$ 4,210,000	\$ -	\$ (190,000)	\$ 4,020,000	\$ 205,000
Unamortized discount	(22,450)		1,464	(20,986)	(1,464)
Tax allocation bonds payable (2011)	3,550,000		(860,000)	2,690,000	675,000
Tax allocation refunding bonds payable	15,580,000		(745,000)	14,835,000	815,000
Unamortized premium	1,814,208		(113,388)	1,700,820	113,388
Total	<u>\$ 25,131,758</u>	<u>\$ -</u>	<u>\$ (1,906,924)</u>	<u>\$ 23,224,834</u>	<u>\$ 1,806,924</u>

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

**NOTE 22 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT
AGENCY (Continued)**

Tax Allocation Bonds Payable

Tax Allocation Bonds (2007). On May 16, 2007, the former Redevelopment Agency of the City of El Centro issued its \$25,790,000 Tax Allocation Bonds, Series 2007A and \$5,405,000 Tax Allocation Bonds, Series 2007B. A portion of these Series 2007A and Series B Bonds was used to redeem all of the \$7,810,000 1996 bonds outstanding at June 30, 2007. The balance of the bond funds were used to finance public improvements, which constitute redevelopment activity within the Project Area, and finance low and moderate income housing projects of the Agency within the Project Area. The bonds have a stated interest rate from 4.00% to 5.75% and are payable over a period of thirty years maturing in 2036. The Series 2007A bonds were refunded by the 2018 Tax Allocation Refunding Bonds. The principal balance outstanding of the Series 2007B Bonds at June 30, 2022 is \$ 3,999,014, which is net of the \$20,986 of unamortized original bond discount. In the event of a default, the full outstanding balance of the bonds immediately becomes due and payable.

Tax Allocation Bonds (2011). During the fiscal year 2010/2011, the former Redevelopment Agency of the City of El Centro (RDA) issued three tax allocation bonds: El Centro Redevelopment Project Tax Allocation Bonds Series 2011A in the amount of \$5,110,000 on March 8, 2011, the El Centro Redevelopment Project Tax Allocation Bonds Series 2011B in the amount of \$20,000,000 on April 7, 2011, and the El Centro Redevelopment Project Tax Allocation Bonds Series 2011C in the amount of \$11,095,000 on April 7, 2011. Each of the three tax allocation bonds was issued to partially satisfy a Reimbursement Agreement between the City and the former RDA. The Reimbursement Agreement was entered into by the City and RDA to provide funds to the City from the former RDA to finance the cost of the acquisition, installation, construction and/or reimbursement of public infrastructure improvements within or outside of the Project Area owned by the City and located within the City. The Reimbursement Agreement originally stated an amount not to exceed \$4,200,000, but was amended to \$162,000,000 subsequent to the original Reimbursement Agreement.

However, in accordance with the Department of Finance letter dated April 1, 2014, the Tax Allocation Bonds Series 2011A and 2011B were disallowed as enforceable obligations since they were created between the City and former RDA and not with an outside entity.

The Series 2011C Tax Allocation Bonds are subordinate to the 2007 A/B Tax Allocation Bonds. The Series 2011C Tax Allocation Bonds have a stated interest rate from 6.000% to 6.625% and have a maturity date of November 1, 2025. The principal balance outstanding at June 30, 2022 is \$2,690,000. In the event of a default, the full outstanding balance of the leases immediately becomes due and payable.

Tax Allocation Refunding Bonds (2018). On August 1, 2018, the Successor Agency to the former Redevelopment Agency of the City of El Centro issued its \$17,695,000 Tax Allocation Refunding Bonds, Series 2018. The proceeds and additional funds provided by the Successor Agency were used to redeem all of the \$20,940,000 2007A bonds outstanding at time of issuance and resulted in a deferred loss of \$572,559. The outstanding balance of the defeased bond is \$20,185,000 as of June 30, 2020. The bonds have a stated interest rate from 3.00% to 5.00% and are payable over a period of nineteen years maturing in 2036. The principal balance outstanding of the Series 2018 Refunding Bonds at June 30, 2022 is \$16,535,820, which includes the \$1,700,820 of unamortized original bond premium. In the event of a default, the full outstanding balance of the leases immediately becomes due and payable.

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

**NOTE 22 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT
AGENCY (Continued)**

Tax Allocation Bonds Payable (Continued)

The annual requirements to amortize long-term debt outstanding at June 30, 2022 are as follows:

Fiscal Year Ended June 30,	2007 Series B Tax Allocation Bonds		
	Principal	Interest	Total
2023	\$ 205,000	\$ 225,102	\$ 430,102
2024	275,000	211,456	486,456
2025	305,000	194,781	499,781
2026	335,000	176,381	511,381
2027	365,000	156,256	521,256
2028-2032	1,580,000	456,837	2,036,837
2033-2037	955,000	145,331	1,100,331
	<u>4,020,000</u>	<u>1,566,144</u>	<u>5,586,144</u>
Less bond discount	(20,986)		(20,986)
	<u>\$ 3,999,014</u>	<u>\$ 1,566,144</u>	<u>\$ 5,565,158</u>

Fiscal Year Ended June 30,	Series 2011C Tax Allocation Bonds		
	Principal	Interest	Total
2023	\$ 675,000	\$ 155,853	\$ 830,853
2024	675,000	111,135	786,135
2025	670,000	66,582	736,582
2026	670,000	22,194	692,194
	<u>\$ 2,690,000</u>	<u>\$ 355,764</u>	<u>\$ 3,045,764</u>

Fiscal Year Ended June 30,	2018 Tax Allocation Refunding Bonds		
	Principal	Interest	Total
2023	\$ 815,000	\$ 650,550	\$ 1,465,550
2024	1,070,000	603,425	1,673,425
2025	1,160,000	547,675	1,707,675
2026	1,260,000	487,175	1,747,175
2027	1,360,000	421,675	1,781,675
2028-2032	5,840,000	1,070,225	6,910,225
2033-2037	3,330,000	284,469	3,614,469
	<u>14,835,000</u>	<u>4,065,194</u>	<u>18,900,194</u>
Plus bond premium	1,700,820		1,700,820
	<u>\$ 16,535,820</u>	<u>\$ 4,065,194</u>	<u>\$ 20,601,014</u>

CITY OF EL CENTRO
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2022

NOTE 22 – SUCCESSOR AGENCY TRUST FOR ASSETS OF FORMER REDEVELOPMENT AGENCY (Continued)

Tax Allocation Bonds Payable (Continued)

The annual requirements to amortize long-term debt outstanding at June 30, 2022 are as follows:
(Continued)

Fiscal Year Ended June 30,	Total Tax Allocation Bonds		
	Principal	Interest	Total
2023	\$ 1,695,000	\$ 1,031,505	\$ 2,726,505
2024	2,020,000	926,016	2,946,016
2025	2,135,000	809,038	2,944,038
2026	2,265,000	685,750	2,950,750
2027	1,725,000	577,931	2,302,931
2028-2032	7,420,000	1,527,062	8,947,062
2033-2037	4,285,000	429,800	4,714,800
	<u>21,545,000</u>	<u>5,987,102</u>	<u>27,532,102</u>
Less bond discount	<u>1,679,834</u>		<u>1,679,834</u>
	<u>\$ 23,224,834</u>	<u>\$ 5,987,102</u>	<u>\$ 29,211,936</u>

NOTE 23 – GOING CONCERN CONTINGENCY

As indicated in the accompanying financials statements, the Hospital fund showed a decrease in net assets of \$24,740,437 during the fiscal year ended June 30, 2022. As of that date, the Hospital fund’s current liabilities exceeded its current assets by \$99,986,266, and its total assets exceeded its total liabilities by \$19,525,071. Those factors, as well as the uncertain conditions that the Hospital fund faces regarding its Series 2018 bond agreement, create an uncertainty about the Hospital fund’s ability to continue as a going concern. Management is developing a plan to reduce its liabilities and improve operating income. The ability of the Hospital fund to continue as a going concern is dependent on acceptable of the plan. The financial statements do not include any adjustments that might be necessary if the Hospital fund is unable to continue as a going concern.

NOTE 24 – PRIOR PERIOD ADJUSTMENTS

The Hospital fund had reported goodwill in the amount \$3,370,409, which was initially reported in December 2010 after the acquisition of an Oncology Center. Based on relevant circumstances of the acquisition, the fund has elected an amortization period of 7 years, resulting in the goodwill being fully amortized as of June 30, 2018. Accordingly, an adjustment has been made to remove goodwill and reduce beginning net position by \$3,370,409 in the Hospital fund and on the statement of activities.

The prior period adjustment of \$219 in the Integrate Waste Management fund was due to an overstatement of receivables in the prior fiscal year.

NOTE 25 – SUBSEQUENT EVENTS

Subsequent to fiscal year-end, the City is working with management of the Hospital Fund, UC San Diego Health and bond holders to develop a plan to maintain operations at the Hospital for the next 12 to 18 months.

REQUIRED SUPPLEMENTARY INFORMATION

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**CITY OF EL CENTRO
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022**

**Agent Multiple-Employer Defined Benefit Pension Plan – City Miscellaneous Plan
Last 10 Fiscal Years***

Schedule of Changes in the Net Pension Liability and Related Ratios

	Misc Plan 2022	Misc Plan 2021	Misc Plan 2020	Misc Plan 2019	Misc Plan 2018	Misc Plan 2017	Misc Plan 2016	Misc Plan 2015
Measurement Period	2020-21 ¹	2019-20 ¹	2018-19 ¹	2017-18 ¹	2016-17 ¹	2015-16 ¹	2014-15 ¹	2013-14 ¹
Total Pension Liability								
Service Costs	\$ 1,422,490	\$ 1,436,208	\$ 1,357,783	\$ 1,424,876	\$ 1,525,901	\$ 1,241,911	\$ 1,188,226	\$ 1,215,299
Interest on the TPL	6,145,839	5,890,131	5,618,863	5,409,618	5,218,413	4,987,901	4,768,690	4,607,233
Changes of Assumptions				(313,227)	4,405,259		(1,177,330)	
Differences between Expected and Actual Exp.	333,923	542,062	(337,697)	(359,679)	91,457	(178,197)	(856,424)	
Benefit Payments	(4,179,705)	(3,974,418)	(3,553,479)	(3,520,063)	(3,173,320)	(2,996,761)	(2,883,347)	(2,855,061)
Net Change in TPL	3,722,547	3,893,983	3,085,470	2,641,525	8,067,710	3,054,854	1,039,815	2,967,471
TPL - Beginning	87,000,481	83,106,498	80,021,028	77,379,503	69,311,793	66,256,939	65,217,124	62,249,653
TPL - Ending (a)	\$ 90,723,028	\$ 87,000,481	\$ 83,106,498	\$ 80,021,028	\$ 77,379,503	\$ 69,311,793	\$ 66,256,939	\$ 65,217,124
Plan Fiduciary Net Position								
Contribution from the Employer	\$ 2,018,751	\$ 1,832,444	\$ 1,560,664	\$ 1,226,664	\$ 1,167,841	\$ 1,099,805	\$ 831,705	\$ 746,065
Contribution from the Employees	657,139	648,106	626,203	560,129	662,744	658,851	590,048	604,985
Net investment income ²	15,202,851	3,335,322	4,136,928	4,775,232	6,119,412	228,565	1,181,242	8,605,215
Benefit Payments	(4,179,705)	(4,068,116)	(3,599,075)	(3,520,063)	(3,173,320)	(2,996,761)	(2,883,347)	(2,855,061)
Net Change in Plan FNP	13,699,036	1,747,756	2,724,720	3,041,962	4,776,677	(1,009,540)	(280,352)	7,101,204
Plan FNP - Beginning	68,211,685	66,463,929	63,739,209	60,697,247	55,920,570	56,930,110	57,210,462	50,109,258
Plan FNP - Ending (b)	\$ 81,910,721	\$ 68,211,685	\$ 66,463,929	\$ 63,739,209	\$ 60,697,247	\$ 55,920,570	\$ 56,930,110	\$ 57,210,462
Net Pension Liability - Ending (a)-(b)	\$ 8,812,307	\$ 18,788,796	\$ 16,642,569	\$ 16,281,819	\$ 16,682,256	\$ 13,391,223	\$ 9,326,829	\$ 8,006,662
Plan FNP as a % of the TPL	90.29%	78.40%	79.97%	79.65%	78.44%	80.68%	85.92%	87.72%
Covered Payroll	\$ 9,213,019	\$ 9,247,959	\$ 8,573,488	\$ 8,904,921	\$ 9,460,021	\$ 8,516,739	\$ 8,079,870	\$ 7,902,333
NPL as Percentage of Covered Payrol	95.65%	203.17%	194.12%	182.84%	176.34%	157.23%	115.43%	101.32%

¹ Historical information is required only for measurement periods for which GASB 68 is applicable.

² Net of administrative expenses.

Note to Schedule:

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

TPL - Total Pension Liability FNP - Fiduciary Net Positon NPL - Net Pension Liability

Changes in Assumptions: In 2017, the accounting discount rate reduced from 7.65 percent to 7.15 percent.

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

**CITY OF EL CENTRO
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022**

**Agent Multiple-Employer Defined Benefit Pension Plan – City Miscellaneous Plan
Last 10 Fiscal Years***

Schedule of Pension Contributions¹

	Misc. Plan 2022	Misc. Plan 2021	Misc. Plan 2020	Misc. Plan 2019	Misc. Plan 2018	Misc. Plan 2017	Misc. Plan 2016	Misc. Plan 2015
Actuarially Determined Contribution ²	\$ 2,018,751	\$ 2,151,942	\$ 1,560,664	\$ 1,226,812	\$ 1,167,841	\$ 1,099,805	\$ 831,705	\$ 746,065
Contributions in Relation to the Actuarially Determined Contribution ²	(2,018,751)	(2,151,942)	(1,560,664)	(1,226,812)	(1,167,841)	(1,099,805)	(831,705)	(746,065)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll ^{3,4}	\$ 9,213,019	\$ 9,855,721	\$ 8,573,488	\$ 9,172,069	\$ 8,904,921	\$ 9,460,021	\$ 8,516,739	\$ 8,079,870
Contributions as a Percentage of Covered Payroll ³	21.91%	21.83%	18.20%	13.38%	13.11%	11.63%	9.77%	9.23%

¹ Historical information is required only for measurement periods for which GASB 68 is applicable.

² Employers are assumed to make contributions equal to the actuarially determined contributions. However, some employers may choose to make additional contributions towards their unfunded liability. Employer contributions for such plans exceed the actuarially determined contributions.

³ Covered Payroll represented above is based on pensionable earnings provided by the employer. However, GASB 68 defines covered payroll as the total payroll of employees that are provided pensions through the pension plan. Accordingly, if pensionable earnings are different than total earnings for covered employees, the employer should display in the disclosure footnotes the payroll based on total earnings for the covered group and recalculate the required payroll-related ratios.

⁴ Includes one year's payroll growth using 3.00 percent payroll growth assumption.

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2016-17 were from the June 30, 2014 public agency valuations.

Actuarial Cost Method	Entry Age Normal
Amortization Method/Period	For detail, see June 30, 2014 Funding Valuation Report
Assets Valuation Method	Actuarial Value of Assets. For details, see June 30, 2014 Funding Valuation Report.
Inflation	2.75%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	3.00%
Investment Rate of Return	7.50% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement Age	The probabilities of Retirement are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011.
Mortality	The probabilities of mortality are based on the 2014 CalPERS Experience Study for the period from 1997 to 2011. Pre-retirement and Post-retirement mortality rates included 20 years of projected mortality improvement using Scale AA published by the Society of Actuaries.

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

**CITY OF EL CENTRO
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022**

**Cost Sharing Defined Benefit Pension Plan – City Safety Plan
As of June 30, 2022**

Schedule of the City’s Safety Plan Proportionate Share of the Net Pension Liability – Last 10 Years*

	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Proportion of net pension liability	0.396570%	0.309164%	0.299215%	0.311235%	0.314642%	0.330739%	0.352026%	0.598620%
Proportionate share of NPL	\$ 21,447,736	\$ 33,638,387	\$ 30,660,642	\$ 29,991,463	\$ 31,203,847	\$ 28,619,175	\$ 24,162,776	\$ 22,454,033
Covered payroll	\$ 6,261,838	\$ 6,735,124	\$ 6,096,472	\$ 5,766,060	\$ 6,144,821	\$ 6,054,526	\$ 5,399,857	\$ 5,399,857
Proportionate share of NPL as a percentage of covered payroll	342.52%	499.45%	502.92%	520.14%	507.81%	472.69%	447.47%	415.83%
Plan's fiduciary net position	\$ 100,128,964	\$ 84,351,064	\$ 83,043,721	\$ 80,720,327	\$ 76,695,958	\$ 68,739,383	\$ 67,893,569	\$ 67,281,195
Plan's total pension liability	\$ 121,576,700	\$ 117,989,451	\$ 113,704,363	\$ 110,711,790	\$ 107,899,805	\$ 97,358,558	\$ 92,056,345	\$ 89,735,228
Plan fiduciary net position as % of total pension liability	82.36%	71.49%	73.03%	72.91%	71.08%	70.60%	73.75%	74.98%

Notes to Schedule

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

Change in Assumptions: In 2017, the accounting discount rate was reduced from 7.65 percent to 7.15 percent.

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

**CITY OF EL CENTRO
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022**

**Cost Sharing Defined Benefit Pension Plan – City Safety Plan
As of June 30, 2022**

Schedule of Pension Contributions – Last 10 Years*

	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractual required contribution (actuarially determined)	\$ 3,737,433	\$ 3,446,636	\$ 3,179,824	\$ 2,655,234	\$ 3,930,416	\$ 3,702,904	\$ 3,444,430	\$ 2,825,594
Contributions in relation to the actuarially determined contributions	(3,737,433)	(3,446,636)	(3,179,824)	(2,655,234)	(3,930,416)	(3,702,904)	(3,444,430)	(2,825,594)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 6,150,010	\$ 6,261,838	\$ 6,735,124	\$ 5,939,042	\$ 5,766,060	\$ 6,144,821	\$ 6,054,526	\$ 5,399,857
Contributions as a percentage of covered payroll	60.77%	55.04%	47.21%	44.71%	68.16%	60.26%	56.89%	52.33%

Notes to Schedule

Valuation Date: June 30, 2020

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry-Age Normal Cost Method
Amortization Method	Level Percent of Payroll
Asset Valuation Method	Market Value
Inflation	2.50%
Salary Increases	3.30% to 14.20% depending on age, service, and type of employment
Investment Rate of Return	7.00%, net of pension plan investment and administrative Expenses; includes Inflation
Mortality Rate Table ⁽¹⁾	Derived using CalPERS' Membership Data for all Funds

⁽¹⁾The mortality table was developed based on CalPERS' specific data. The table includes 20 years of mortality improvements using Society of Actuaries Scale BB. For more details on this table, please refer to the 2014 experience study report.

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

**CITY OF EL CENTRO
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022**

Schedule of Changes in Net OPEB Liability and Related Ratios - Last 10 Years*

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Measurement Period	2020-21	2019-20	2018-19	2017-18	2016-17
Changes in Total OPEB Liability					
Service Costs	\$ 323,344	\$ 317,618	\$ 301,952	\$ 293,157	\$ 284,618
Interest	417,645	399,043	416,686	394,384	374,437
Changes of benefit terms			295,354		
Changes of Assumptions	270,700	(102,413)	(31,405)		
Differences between Expected and Actual Exp.	(1,850,347)		(1,039,812)		
Benefit Payments	(280,525)	(282,984)	(275,478)	(306,183)	(303,682)
Net Change in Total OPEB Liability	<u>(1,119,183)</u>	<u>331,264</u>	<u>(332,703)</u>	<u>381,358</u>	<u>355,373</u>
Total OPEB Liability - Beginning	<u>7,410,463</u>	<u>7,079,199</u>	<u>7,411,902</u>	<u>7,030,544</u>	<u>6,675,171</u>
Total OPEB Liability - Ending (a)	<u>\$ 6,291,280</u>	<u>\$ 7,410,463</u>	<u>\$ 7,079,199</u>	<u>\$ 7,411,902</u>	<u>\$ 7,030,544</u>
Plan Fiduciary Net Position					
Contribution from the Employer	\$ 280,525	\$ 282,984	\$ 275,478	\$ 306,183	\$ 303,682
Net investment income ¹	1,382,149	608,748	645,689	387,498	527,213
Benefit Payments	(280,525)	(287,756)	(277,411)	(306,183)	(303,682)
Net Change in Plan Fiduciary Net Position	<u>1,382,149</u>	<u>603,976</u>	<u>643,756</u>	<u>387,498</u>	<u>527,213</u>
Plan Fiduciary Net Position - Beginning	<u>10,223,378</u>	<u>9,619,402</u>	<u>8,975,646</u>	<u>8,588,148</u>	<u>8,060,935</u>
Plan Fiduciary Net Position - Ending (b)	<u>\$ 11,605,527</u>	<u>\$ 10,223,378</u>	<u>\$ 9,619,402</u>	<u>\$ 8,975,646</u>	<u>\$ 8,588,148</u>
Net OPEB Liability (Asset) - Ending (a)-(b)	<u>\$ (5,314,247)</u>	<u>\$ (2,812,915)</u>	<u>\$ (2,540,203)</u>	<u>\$ (1,563,744)</u>	<u>\$ (1,557,604)</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability					
	184.47%	137.96%	135.88%	121.10%	122.15%
Covered Payroll	\$ 15,190,740	\$ 15,951,110	\$ 15,670,114	\$ 14,211,290	\$ 14,913,485
Net OPEB Liability as Percentage of Covered Payroll	-34.98%	-17.63%	-16.21%	-11.00%	-10.44%

¹ Net of administrative expenses.

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

CITY OF EL CENTRO
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022

Schedule of OPEB Employer Contributions - Last 10 Years*

	2022	2021	2020	2019	2018
Actuarially Determined Contributions (ADC)	\$ 208,000	\$ 201,000	\$ 234,000	\$ 227,000	\$ 154,000
Contributions in relation to ADC	305,643	280,525	282,984	275,478	306,183
Contribution deficiency/(excess)	(97,643)	(79,525)	(48,984)	(48,478)	(152,183)
Covered payroll	17,131,434	16,855,123	15,951,110	15,670,114	14,211,290
Contributions as a percentage of covered payroll	1.8%	1.7%	1.8%	1.8%	2.2%

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

**CITY OF EL CENTRO
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022**

**Single Employer Defined Benefit Pension Plan – Hospital Plan
Last 10 Fiscal Years***

Schedule of Changes in the Net Pension Liability and Related Ratios

	2022	2021	2020	2019	2018	2017	2016	2015
Measurement Period	2020-21 ¹	2019-20 ¹	2018-19 ¹	2017-18 ¹	2016-17 ¹	2015-16 ¹	2014-15 ¹	2013-14 ¹
Total Pension Liability								
Service Costs	\$ 853,900	\$ 882,300	\$ 958,700	\$ 1,012,200	\$ 1,179,700	\$ 1,241,300	\$ 1,460,700	\$ 1,586,900
Interest on the Total Pension Liability	8,311,300	7,988,000	7,872,800	7,327,500	6,889,400	6,525,700	6,129,100	5,589,400
Actuarial Liability Loss	6,475,400	1,729,400	(1,946,200)	4,954,000	4,980,600	1,576,800	1,346,000	3,839,500
Changes of Assumptions	(440,000)	(318,900)	(274,900)	(483,000)	577,200	115,800	109,000	(295,300)
Benefit Payments	(6,780,100)	(5,452,000)	(4,616,200)	(5,263,000)	(4,264,400)	(4,219,900)	(3,646,300)	(3,308,000)
Net Change in Total Pension Liability	8,420,500	4,828,800	1,994,200	7,547,700	9,362,500	5,239,700	5,398,500	7,412,500
Total Pension Liability - Beginning	117,039,100	112,210,300	110,216,100	102,668,400	93,305,900	88,066,200	82,667,700	75,255,200
Total Pension Liability - Ending (a)	\$ 125,459,600	\$ 117,039,100	\$ 112,210,300	\$ 110,216,100	\$ 102,668,400	\$ 93,305,900	\$ 88,066,200	\$ 82,667,700
Plan Fiduciary Net Position								
Contribution from the Employer	\$ 5,400,000	\$ 5,400,000	\$ 4,780,300	\$ 4,064,100	\$ 3,347,900	\$ 3,239,400	\$ 3,716,700	\$ 3,323,900
Contribution from the Employees	1,317,900	1,326,000	1,303,200	1,288,400	1,371,800	1,356,200	1,333,700	1,330,700
Net investment income ²	13,295,000	7,177,200	3,902,200	3,198,800	1,676,400	66,800	2,334,200	4,166,900
Benefit Payments	(7,098,300)	(5,505,300)	(4,658,500)	(5,303,300)	(4,302,900)	(4,256,500)	(3,679,000)	(3,337,300)
Net Change in Plan Fiduciary Net Position	12,914,600	8,397,900	5,327,200	3,248,000	2,093,200	405,900	3,705,600	5,484,200
Plan Fiduciary Net Position - Beginning	73,426,000	65,028,100	59,700,900	56,452,900	54,359,700	53,953,800	50,248,200	44,764,000
Plan Fiduciary Net Position - Ending (b)	\$ 86,340,600	\$ 73,426,000	\$ 65,028,100	\$ 59,700,900	\$ 56,452,900	\$ 54,359,700	\$ 53,953,800	\$ 50,248,200
Net Pension Liability - Ending (a)-(b)	\$ 39,119,000	\$ 43,613,100	\$ 47,182,200	\$ 50,515,200	\$ 46,215,500	\$ 38,946,200	\$ 34,112,400	\$ 32,419,500
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	68.82%	62.74%	57.95%	54.17%	54.99%	58.26%	61.27%	60.78%
Covered Payroll	\$ 22,757,900	\$ 23,156,600	\$ 23,655,000	\$ 25,425,100	\$ 26,162,900	\$ 27,097,600	\$ 27,657,600	\$ 29,865,900
Net Pension Liability as Percentage of Covered Payroll	171.89%	188.34%	199.46%	198.68%	176.65%	143.73%	123.34%	108.55%

¹ Historical information is required only for measurement periods for which GASB 68 is applicable.

² Net of administrative expenses.

Change in assumptions: The mortality assumptions was changed from the Society of Actuaries' RP2014 Table with MP2019 for males or females to the Society of Actuaries' RP 2014 Table with MP2020 for males or females.

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

**CITY OF EL CENTRO
REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2022**

**Single Employer Defined Benefit Pension Plan – Hospital Plan
Last 10 Fiscal Years***

Schedule of Pension Contributions

	<u>Misc. Plan 2022</u>	<u>Misc. Plan 2021</u>	<u>Misc. Plan 2020</u>	<u>Misc. Plan 2019</u>	<u>Misc. Plan 2018</u>	<u>Misc. Plan 2017</u>	<u>Misc. Plan 2016</u>	<u>Misc. Plan 2015</u>
Actuarially Determined Contribution	\$ 5,400,000	\$ 5,400,000	\$ 5,400,000	\$ 4,780,300	\$ 4,064,100	\$ 3,347,900	\$ 3,239,400	\$ 3,323,900
Contributions in Relation to the								
Actuarially Determined Contribution	(5,400,000)	(5,400,000)	(5,400,000)	(4,780,300)	(4,064,100)	(3,347,900)	(3,239,400)	(3,323,900)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll ^{3,4}	Not Available	\$ 22,757,900	\$ 23,156,600	\$ 23,655,000	\$ 25,425,100	\$ 26,162,900	\$ 27,097,600	\$ 27,657,600
Contributions as a Percentage of Covered Payroll	Not Available	23.73%	23.32%	20.21%	15.98%	12.80%	11.95%	12.02%

Notes to Schedule:

Actuarially determined contribution rates are calculated as of the July 1st prior to the end of the fiscal year in which the contributions are reported

Actuarial Cost Method	Entry age
Amortization Method/Period	Level percentage of payroll, closed
Remaining amortization period	11.5 years
Asset valuation method	5 year smoothed market
Inflation	2.00%
Salary Increases	2
Investment Rate of Return	7.25%
Discount Rate	7.25%
Retirement Age	65 years
Mortality	Mortality rates were based on the Society of Actuaries RP 2014 Table with the MP 2020 for males or females, as appropriate.

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

CITY OF EL CENTRO
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Budgetary Data

Through the budget, the City Council sets the direction of the City, allocates its resources and establishes its priorities. The Annual Budget assures the efficient and effective uses of the City's economic resources, as well as establishing that the highest priority objectives are accomplished.

The Annual Budget serves from July 1 to June 30, and is a vehicle that accurately and openly communicates these priorities to the community, businesses, vendors, employees and other public agencies. Additionally, it establishes the foundation of effective financial planning by providing resource planning, performance measures and controls that permit the evaluation and adjustment of the City's performance.

The City collects and records revenue and expenditures within the following categories:

- Governmental Activities
- Business-Type Activities

The Governmental Funds include the General Fund, Special Revenue, Debt Service and Capital Projects funds. All funding sources are kept separate for both reporting and the use of money. The General Fund is where most City services are funded that are not required to be segregated.

Budgets and Budgetary Accounting

The City uses the following procedures in establishing the budgetary data reflected in the financial statements:

1. Prior to June 30 of each fiscal year, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted at the City Hall to obtain citizen input.
3. Prior to July 1, the budget is adopted through passage of a resolution and is not included herein but is published separately.
4. The City Manager is authorized to transfer budgeted amounts between departments within any fund. However, any revision that increases the total appropriations of any fund must be approved by the City Council. The appropriated budget is prepared by fund, function, and department.
5. Formal budgetary integration is employed as a management control device during the year for all funds.
6. Budgets for General, Special Revenue, Debt Service, and Capital Projects Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

There were no budgets prepared for the CDBG Special Revenue Fund, Integrated Waste Management Special Revenue Fund, 7th and State Bus Terminal Special Revenue Fund, CDBG COVID-19 Special Revenue Fund, Library Project Special Revenue Fund and EDA Grant Capital Projects Fund.

OTHER SUPPLEMENTARY INFORMATION

CITY OF EL CENTRO
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2022

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 31,644,200	\$ 28,077,000	\$ 31,376,087	\$ 3,299,087
Licenses and Permits	286,200	346,600	441,200	94,600
Intergovernmental	930,000	1,280,000	7,480,152	6,200,152
Charges for Services	922,700	918,200	1,000,693	82,493
Fines and Forfeitures	36,000	68,000	34,508	(33,492)
Interest	147,000	145,000	95,613	(49,387)
Other	1,256,500	1,211,000	1,210,783	(217)
Total Revenues	<u>35,222,600</u>	<u>32,045,800</u>	<u>41,639,036</u>	<u>9,593,236</u>
Expenditures				
Current				
General Government	3,760,762	3,686,501	3,929,636	(243,135)
Public Safety	17,932,191	17,740,793	14,770,364	2,970,429
Public Works	1,993,565	1,950,204	1,497,177	453,027
Parks and Recreation	4,988,913	4,503,087	7,707,453	(3,204,366)
Community Development	2,108,909	2,028,088	1,981,524	46,564
Capital Outlay	<u>19,402,000</u>	<u>5,022,192</u>	<u>4,206,361</u>	<u>815,831</u>
Total Expenditures	<u>50,186,340</u>	<u>34,930,865</u>	<u>34,092,515</u>	<u>838,350</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(14,963,740)</u>	<u>(2,885,065)</u>	<u>7,546,521</u>	<u>10,431,586</u>
Other Financing Sources (Uses):				
Proceeds from Issuance of Debt	17,391,000			
Transfers In	1,197,550	1,178,924	3,630,142	2,451,218
Transfers Out			<u>(3,087,750)</u>	<u>(3,087,750)</u>
Total Other Financing Sources (Uses)	<u>18,588,550</u>	<u>1,178,924</u>	<u>542,392</u>	<u>(636,532)</u>
Net Change in Fund Balance	3,624,810	(1,706,141)	8,088,913	9,795,054
Fund Balance - July 1, 2021	<u>34,822,915</u>	<u>34,822,915</u>	<u>34,822,915</u>	
Fund Balance - June 30, 2022	<u>\$ 38,447,725</u>	<u>\$ 33,116,774</u>	<u>\$ 42,911,828</u>	<u>\$ 9,795,054</u>

See Note to Required Supplementary Information

COMBINING STATEMENTS NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Gas Tax - This fund is used to account for the City's share of California State gas tax revenue expended for street improvements and maintenance.

Community Development Block Grant (CDBG) - This fund is used to account for revenues and expenditures under the State of California CDBG program.

Transportation Article 8A - This fund is used to account for State of California Transportation Development Act Funds.

Bus Shelter - This fund is used to account for revenues and expenditures that will be utilized in the maintenance of the Bus Shelters within the City.

Transportation Article 3 - This fund is used to account for State of California Transportation Development Act Funds expended for bicycle and pedestrian projects.

Home Program - This fund is used to account for the expenditure of grant funds received under the California Department of Housing and Community Development Investment Partnership Program.

Rental Rehab HUD - This fund is used to account for revenues and expenditures associated with the California Department of Housing and Urban Development rental rehabilitation program.

Traffic Congestion Relief - This fund is used to account for TCRF funds

Home Program Income Admin - This fund is used to account for the administrative expenditures of the HOME program.

Recreation Projects - This fund is used to account for grants and contributions received by the City and used for recreational projects.

Wake Ave Extension - This fund is used for the collection and disbursement of mitigation fees for the construction of Wake Ave.

Special Events - This fund is used to account for activity (revenues and expenditures) related to events held by the City.

Asset Forfeiture - This fund is used to account for revenues distributed by the Department of Justice from drug related seizures.

Local Transportation Authority - This fund is used to account for the revenues and expenditures of funds generated by a one-half cent voter approved sales tax earmarked for street improvements.

Home Grants - This fund is used to account for revenues and expenditures associated with the Home program.

OTS Grant - This fund is used to account for the expenditures of grant funds received from the State of California, Office of Traffic Safety.

State COPS SLESF - This fund is used to account for the revenue and expenditure of funds from the Supplemental Law Enforcement Services Fund (SLESF) pursuant to Section 30061 of the California Government Code (AB 3229).

Annexation Fees - This fund is used to account for the collection and expenditures of annexation fees earmarked for public improvements.

HUD Entitlement Program- This fund is used to account for all revenues and expenditures authorized using the Entitlement guidelines.

CDBG Program Income - This fund is used to account for the collection of Community Development Block Grant loans made from program income.

CDBG COVID-19 - This fund is used to account for the collection of Community Development Block Grant loans related to the COVID-19 pandemic.

Housing Enabled by Local Partnership – This program was set up to provide for a source of funds from which to make mortgage loans to first time home buyers.

CALHOME Program - This program provides mortgage assistance loans to first time home-buyers.

Development Impact Fees - This fund is used to account for the collection and expenditure of development impact fees earmarked for public infrastructure improvements made necessary because of growth.

FHWA Grants - This fund is used to account for the expenditures of grant funds from the FHWA received through the California Department of Transportation.

Integrated Waste Management – This fund was set up for the purpose of solid waste management and source reduction recycling.

Town Center Lighting and Landscaping District - This fund is used to account for the Town Center Lighting and Landscaping District.

I-8 Imperial Ave. Overpass - This fund is used to account for fees charged on new developments for the overpass project.

EDA Revolving - This fund is used to hold excess EDA Loan funds collected and is not currently used for loans.

Police and Fire Mitigation - This fund was set up to collect fees to mitigate impact to police and fire services from new developments.

7th and State Bus Terminal - This fund is used to account for the activity of the development of the new bus terminal.

Legacy Ranch L&LD - This fund is used to account for the activity related to the landscape & lighting district.

Per Capita Parks Grant – This fund is used track funding provided by the State as part of the Per Capital Program to provide funding for local parks.

IV Commons - This fund is used to account for the activity related to the deposits received for the IV Commons.

Fire Mitigation - This fund is used to account for funds used for fire mitigation.

COVID-19 – This fund is used to account for various activity related to the COVID-19 pandemic and American Rescue Plan Act funding.

IID Project – This fund is account for grant from IID to help business affected by following and assist them in getting into the business incubator.

Police Grant – This fund is used to account for various police grants from Imperial County.

Successor Agency Housing – This fund set up to account for administrator of the Low Mod program previously administered by the Redevelopment Agency Low Mod fund.

Cooperative Agreement - This fund is used to account for the revenues generated from the coop-agreement related to the construction of Fire Station No. 3.

CAPITAL PROJECTS FUNDS

Capital projects funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Orange Ave Regional Lift Station - This fund is used to account for revenues and expenditures charged for the development of the lift station.

Park Development - This fund is used to account for fees charged on new development for the development and maintenance of parks.

Drainage Facility - This fund is used to account for the fees charged on new development for drainage facilities.

EDA Grant - This grant will be used to help construct infrastructure improvements to serve the commercial development of the El Centro Town Center II, the El Centro Town Village industrial site, and the 8th Street industrial site.

Lotus Parallel - This fund is used to account for revenues and expenditures incurred in the development of the future water and sewer trunk from water and wastewater plants to I-8.

IID Facility Crossing - This fund is used to collect monies from developers for the installation of siphon pipes to allow for the Orange and Hamilton Avenue crossing.

8th Street Overpass Bridge - This fund is used to collect monies from developers for the lighting of the bridge.

Bridge/Road Improvements - This fund is used to collect monies from developers for the bridge and road improvements on Dogwood Rd and related areas.

Federal Highway Administration - This fund is used to account for expenditures of grant funds from the FHWA received through the California Department of Transportation used on miscellaneous projects.

La Brucherie Green Belt - This fund is used to account for the construction of a non-motorized pathway along La Brucherie Road.

Colonia-El Dorado Street - This fund is used to account for grant funds received under the State Community Development grant program for street improvements in the El Dorado Colonia.

LTA Lease Revenue Bonds – This fund is used to account for the funds received from the bond issuance and use of the funds which will be used for the acquisition, construction, and installation of certain transportation-related improvements within the City.

Buena Vista Landscaping & Lighting District - This fund is used to account for the activity related to the new district.

Road Improvement – This fund is used to collect monies from developers for the improvement of various roads through-out the City.

The 2011C Bonds City – This fund is used to account for capital projects based on the debt issuances of the 2011C Tax Allocation Bonds.

The 2011 A & B Projects – This fund is used to account for revenues and expenditures related to the redevelopment capital projects based on the debt issuances of the former Redevelopment Agency and the agreements between the City and the former Redevelopment Agency that occurred in the 2010/2011 fiscal year.

DEBT SERVICE FUNDS

Debt service funds are used to account for the accumulation of resources and repayment of debt from governmental resources.

Financing Authority – This fund is used to account for the debt service related activity which includes the issuance of the Revenue Bonds Series 2011 and purchase of the Tax Allocation Bonds Series 2011C.

LTA Lease Revenue Bonds - This fund is used to account for debt service payments for the outstanding lease revenue bonds.

**CITY OF EL CENTRO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS**

June 30, 2022

	Special Revenue Funds								
	Gas Tax	CDBG	Transportation Article 8A	Bus Shelter	Transportation Article 3	Home Program	Rental Rehab-HUD	Traffic Congestion Relief	Home Program Income Admin
Assets									
Cash and investments	\$ -	\$ -	\$ 1,670,218	\$ 116,860	\$ 222,460	\$ 220,152	\$ 323,217	\$ -	\$ 41,815
Receivables:									
Taxes:									
Interest	520			244	298	101	357		9
Grants									
Notes		1,394,853				3,943,017			
Other	84,343		81,143	88,620	37,060	7			
Restricted cash and investments with fiscal agent									
Land held for resale									
Total Assets	<u>\$ 84,863</u>	<u>\$ 1,394,853</u>	<u>\$ 1,751,361</u>	<u>\$ 205,724</u>	<u>\$ 259,818</u>	<u>\$ 4,163,277</u>	<u>\$ 323,574</u>	<u>\$ -</u>	<u>\$ 41,824</u>
Liabilities and Fund Balances									
Liabilities:									
Accounts payable	\$ -	\$ -	\$ -	\$ 7,976	\$ -	\$ 312	\$ -	\$ -	\$ 232
Salaries/benefits payable									
Deposits									
Due to other funds	84,344								
Total Liabilities	<u>84,344</u>			<u>7,976</u>		<u>312</u>			<u>232</u>
Deferred Inflows of Resources:									
Deferred revenue									
Total Deferred Inflows of Resources									
Total Liabilities and Deferred Inflows of Resources	<u>84,344</u>			<u>7,976</u>		<u>312</u>			<u>232</u>
Fund Balances									
Restricted	519	1,394,853	1,751,361	197,748	259,818	4,162,965	323,574		41,592
Committed									
Unassigned									
Total Fund Balances (Deficits)	<u>519</u>	<u>1,394,853</u>	<u>1,751,361</u>	<u>197,748</u>	<u>259,818</u>	<u>4,162,965</u>	<u>323,574</u>		<u>41,592</u>
Total Liabilities and Fund Balances	<u>\$ 84,863</u>	<u>\$ 1,394,853</u>	<u>\$ 1,751,361</u>	<u>\$ 205,724</u>	<u>\$ 259,818</u>	<u>\$ 4,163,277</u>	<u>\$ 323,574</u>	<u>\$ -</u>	<u>\$ 41,824</u>

(Continued)

CITY OF EL CENTRO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2022
(Continued)

	Special Revenue Funds								
	Recreation Projects	Wake Ave Extension	Special Events	Asset Forfeiture	Local Transportation Authority	Home Grants	OTS Grant	State COPS SLESF	Annexation Fees
Assets									
Cash and investments	\$ -	\$ 326,881	\$ 3,263	\$ 465,234	\$ 4,503,238	\$ 66,936	\$ 56,716	\$ 437,810	\$ 113,866
Receivables:									
Taxes									
Interest		362		1,287	7,835	77	17	125	126
Grants	211,783					515,000	4,834		
Notes						9,273,440			
Other					283,278				
Restricted cash and investments with fiscal agent									
Land held for resale									
Total Assets	<u>\$ 211,783</u>	<u>\$ 327,243</u>	<u>\$ 3,263</u>	<u>\$ 466,521</u>	<u>\$ 4,794,351</u>	<u>\$ 9,855,453</u>	<u>\$ 61,567</u>	<u>\$ 437,935</u>	<u>\$ 113,992</u>
Liabilities and Fund Balances									
Liabilities:									
Accounts payable	\$ 734	\$ -	\$ 3,238	\$ -	\$ 342,919	\$ 515,000	\$ -	\$ -	\$ -
Salaries/benefits payable							372	628	
Deposits	230								
Due to other funds	112,865								
Total Liabilities	<u>113,829</u>		<u>3,238</u>		<u>342,919</u>	<u>515,000</u>	<u>372</u>	<u>628</u>	
Deferred Inflows of Resources:									
Deferred revenue									
Total Deferred Inflows of Resources									
Total Liabilities and Deferred Inflows of Resources	<u>113,829</u>		<u>3,238</u>		<u>342,919</u>	<u>515,000</u>	<u>372</u>	<u>628</u>	
Fund Balances									
Restricted	97,954		25	466,521	4,451,432	9,340,453	61,195	437,307	
Committed		327,243							113,992
Unassigned									
Total Fund Balances (Deficits)	<u>97,954</u>	<u>327,243</u>	<u>25</u>	<u>466,521</u>	<u>4,451,432</u>	<u>9,340,453</u>	<u>61,195</u>	<u>437,307</u>	<u>113,992</u>
Total Liabilities and Fund Balances	<u>\$ 211,783</u>	<u>\$ 327,243</u>	<u>\$ 3,263</u>	<u>\$ 466,521</u>	<u>\$ 4,794,351</u>	<u>\$ 9,855,453</u>	<u>\$ 61,567</u>	<u>\$ 437,935</u>	<u>\$ 113,992</u>

(Continued)

CITY OF EL CENTRO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2022
(Continued)

	Special Revenue Funds							
	HUD Entitlement Program	CDBG Program Income	CDBG COVID-19	Housing Enabled By Local Partnership	CALHOME Program	Development Impact Fee	FHWA Grants	Integrated Waste Management
Assets								
Cash and investments	\$ 749,152	\$ 139,113	\$ -	\$ 510,067	\$ 322,987	\$ 3,904,259	\$ 65,452	\$ -
Receivables:								
Taxes								
Interest	725	573		565	63	3,726	73	
Grants	64,681		37,015					
Notes	818,986	589,276		5,801	673,382			
Other	64	2,556			(19)			
Restricted cash and investments with fiscal agent								
Land held for resale								
Total Assets	<u>\$ 1,633,608</u>	<u>\$ 731,518</u>	<u>\$ 37,015</u>	<u>\$ 516,433</u>	<u>\$ 996,413</u>	<u>\$ 3,907,985</u>	<u>\$ 65,525</u>	<u>\$ -</u>
Liabilities and Fund Balances								
Liabilities:								
Accounts payable	\$ 5,971	\$ -	\$ -	\$ -	\$ -	\$ 253,215	\$ -	\$ -
Salaries/benefits payable	168							
Deposits								
Due to other funds			4,649			50,355		
Total Liabilities	<u>6,139</u>		<u>4,649</u>			<u>303,570</u>		
Deferred Inflows of Resources:								
Deferred revenue								
Total Deferred Inflows of Resources								
Total Liabilities and Deferred Inflows of Resources	<u>6,139</u>		<u>4,649</u>			<u>303,570</u>		
Fund Balances								
Restricted	1,627,469	731,518	32,366	516,433	996,413	3,604,415	65,525	
Committed								
Unassigned								
Total Fund Balances (Deficits)	<u>1,627,469</u>	<u>731,518</u>	<u>32,366</u>	<u>516,433</u>	<u>996,413</u>	<u>3,604,415</u>	<u>65,525</u>	
Total Liabilities and Fund Balances	<u>\$ 1,633,608</u>	<u>\$ 731,518</u>	<u>\$ 37,015</u>	<u>\$ 516,433</u>	<u>\$ 996,413</u>	<u>\$ 3,907,985</u>	<u>\$ 65,525</u>	<u>\$ -</u>

(Continued)

CITY OF EL CENTRO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2022
(Continued)

	Special Revenue Funds							
	Town Center Lighting and Landscape District	I-8 Imperial Ave Overpass	EDA Revolving	Police & Fire Mitigation	7th and State Bus Terminal	Legacy Ranch Lighting and Landscape District	Per Capita Parks Grant	IV Commons
Assets								
Cash and investments	\$ 21,049	\$ 629,117	\$ 21,789	\$ 470,654	\$ -	\$ 17,238	\$ -	\$ 72,710
Receivables:								
Taxes						87		
Interest	6	696	158	521	1	229		80
Grants							172,824	
Notes								
Other								
Restricted cash and investments with fiscal agent								
Land held for resale								
Total Assets	<u>\$ 21,055</u>	<u>\$ 629,813</u>	<u>\$ 21,947</u>	<u>\$ 471,175</u>	<u>\$ 1</u>	<u>\$ 17,554</u>	<u>\$ 172,824</u>	<u>\$ 72,790</u>
Liabilities and Fund Balances								
Liabilities:								
Accounts payable	\$ 3	\$ -	\$ -	\$ -	\$ -	\$ 211	\$ 170,115	\$ -
Salaries/benefits payable								
Deposits	275	487,200						61,840
Due to other funds							2,709	
Total Liabilities	<u>278</u>	<u>487,200</u>				<u>211</u>	<u>172,824</u>	<u>61,840</u>
Deferred Inflows of Resources:								
Deferred revenue								
Total Deferred Inflows of Resources								
Total Liabilities and Deferred Inflows of Resources	<u>278</u>	<u>487,200</u>				<u>211</u>	<u>172,824</u>	<u>61,840</u>
Fund Balances								
Restricted	20,777		21,947	471,175	1	17,343		10,950
Committed		142,613						
Unassigned								
Total Fund Balances (Deficits)	<u>20,777</u>	<u>142,613</u>	<u>21,947</u>	<u>471,175</u>	<u>1</u>	<u>17,343</u>		<u>10,950</u>
Total Liabilities and Fund Balances	<u>\$ 21,055</u>	<u>\$ 629,813</u>	<u>\$ 21,947</u>	<u>\$ 471,175</u>	<u>\$ 1</u>	<u>\$ 17,554</u>	<u>\$ 172,824</u>	<u>\$ 72,790</u>

(Continued)

CITY OF EL CENTRO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2022
(Continued)

	Special Revenue Funds						Capital Projects Funds		
	Fire Mitigation	COVID-19	IID Projects	Police Grant	Successor Agency Housing	Cooperative Agreement	Orange Ave. Regional Lift	Park Development	Drainage Facility
Assets									
Cash and investments	\$ 221,800	\$ 12,886,808	\$ 6,917	\$ 91,796	\$ 836,392	\$ -	\$ 248,338	\$ 128,312	\$ 273,324
Receivables:									
Taxes									
Interest	245				65	1	275	442	404
Grants				214,361					
Notes		112,667			4,433,992				
Other					(133)				
Restricted cash and investments with fiscal agent									
Land held for resale					59,089				
Total Assets	<u>\$ 222,045</u>	<u>\$ 12,999,475</u>	<u>\$ 6,917</u>	<u>\$ 306,157</u>	<u>\$ 5,329,405</u>	<u>\$ 1</u>	<u>\$ 248,613</u>	<u>\$ 128,754</u>	<u>\$ 273,728</u>
Liabilities and Fund Balances									
Liabilities:									
Accounts payable	\$ -	\$ 210,584	\$ 26	\$ 185,544	\$ -	\$ -	\$ -	\$ -	\$ -
Salaries/benefits payable				1,201					
Deposits									
Due to other funds									
Total Liabilities		<u>210,584</u>	<u>26</u>	<u>186,745</u>					
Deferred Inflows of Resources:									
Deferred revenue									
Total Deferred Inflows of Resources									
Total Liabilities and Deferred Inflows of Resources		<u>210,584</u>	<u>26</u>	<u>186,745</u>					
Fund Balances									
Restricted	222,045	12,788,891	6,891	119,412	5,329,405	1			
Committed							248,613	128,754	273,728
Unassigned									
Total Fund Balances (Deficits)	<u>222,045</u>	<u>12,788,891</u>	<u>6,891</u>	<u>119,412</u>	<u>5,329,405</u>	<u>1</u>	<u>248,613</u>	<u>128,754</u>	<u>273,728</u>
Total Liabilities and Fund Balances	<u>\$ 222,045</u>	<u>\$ 12,999,475</u>	<u>\$ 6,917</u>	<u>\$ 306,157</u>	<u>\$ 5,329,405</u>	<u>\$ 1</u>	<u>\$ 248,613</u>	<u>\$ 128,754</u>	<u>\$ 273,728</u>

(Continued)

CITY OF EL CENTRO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2022
(Continued)

	Capital Projects Funds							
	EDA Grant	Lotus Parallel	IID Facility Crossing	8th St. Overpass Bridge	Bridge/Road Improvement	Federal Highway Administration	La Brucherie Green Belt	Colonia-El Dorado Street
Assets								
Cash and investments	\$ 180,857	\$ 391,780	\$ 169,253	\$ 19,621	\$ 4,607,111	\$ -	\$ 9,250	\$ 20,682
Receivables:								
Taxes								
Interest	200	423	187	21	4,755		9	23
Grants						1,943,575		
Notes								
Other								
Restricted cash and investments with fiscal agent								
Land held for resale								
Total Assets	<u>\$ 181,057</u>	<u>\$ 392,203</u>	<u>\$ 169,440</u>	<u>\$ 19,642</u>	<u>\$ 4,611,866</u>	<u>\$ 1,943,575</u>	<u>\$ 9,259</u>	<u>\$ 20,705</u>
Liabilities and Fund Balances								
Liabilities:								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 2,933	\$ 156,338	\$ -	\$ -
Salaries/benefits payable								
Deposits		317,400	132,960	15,000	3,304,486			
Due to other funds						1,697,772		
Total Liabilities		<u>317,400</u>	<u>132,960</u>	<u>15,000</u>	<u>3,307,419</u>	<u>1,854,110</u>		
Deferred Inflows of Resources:								
Deferred revenue								
Total Deferred Inflows of Resources								
Total Liabilities and Deferred Inflows of Resources		<u>317,400</u>	<u>132,960</u>	<u>15,000</u>	<u>3,307,419</u>	<u>1,854,110</u>		
Fund Balances								
Restricted	181,057					89,465	9,259	20,705
Committed		74,803	36,480	4,642	1,304,447			
Unassigned								
Total Fund Balances (Deficits)	<u>181,057</u>	<u>74,803</u>	<u>36,480</u>	<u>4,642</u>	<u>1,304,447</u>	<u>89,465</u>	<u>9,259</u>	<u>20,705</u>
Total Liabilities and Fund Balances	<u>\$ 181,057</u>	<u>\$ 392,203</u>	<u>\$ 169,440</u>	<u>\$ 19,642</u>	<u>\$ 4,611,866</u>	<u>\$ 1,943,575</u>	<u>\$ 9,259</u>	<u>\$ 20,705</u>

(Continued)

CITY OF EL CENTRO
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2022
(Continued)

	<u>Capital Projects Funds</u>					<u>Debt Service Funds</u>		Total Nonmajor Governmental Funds
	LTA Lease Revenue Bonds	Buena Vista Landscaping	Road Improvement	2011C Bonds City	2011 A & B Projects	Financing Authority	LTA Lease Revenue Bonds	
Assets								
Cash and investments	\$ 804,102	\$ 130,851	\$ 289,807	\$ -	\$ 610,379	\$ -	\$ 619,109	\$ 38,038,742
Receivables:								
Taxes		92						179
Interest	1,877	336	1,000	1	7,154		27	36,219
Grants								3,164,073
Notes								21,245,414
Other								576,919
Restricted cash and investments with fiscal agent						3,053,413	26,911	3,080,324
Land held for resale								59,089
Total Assets	<u>\$ 805,979</u>	<u>\$ 131,279</u>	<u>\$ 290,807</u>	<u>\$ 1</u>	<u>\$ 617,533</u>	<u>\$ 3,053,413</u>	<u>\$ 646,047</u>	<u>\$ 66,200,959</u>
Liabilities and Fund Balances								
Liabilities:								
Accounts payable	\$ -	\$ 53	\$ -	\$ -	\$ -	\$ 1	\$ -	\$ 1,855,405
Salaries/benefits payable								2,369
Deposits			232,408					4,551,799
Due to other funds								1,952,694
Total Liabilities		<u>53</u>	<u>232,408</u>			<u>1</u>		<u>8,362,267</u>
Deferred Inflows of Resources:								
Deferred revenue								
Total Deferred Inflows of Resources								
Total Liabilities and Deferred Inflows of Resources		<u>53</u>	<u>232,408</u>			<u>1</u>		<u>8,362,267</u>
Fund Balances								
Restricted	805,979	131,226	58,399	1	617,533	3,053,412	646,047	55,183,377
Committed								2,655,315
Unassigned								
Total Fund Balances (Deficits)	<u>805,979</u>	<u>131,226</u>	<u>58,399</u>	<u>1</u>	<u>617,533</u>	<u>3,053,412</u>	<u>646,047</u>	<u>57,838,692</u>
Total Liabilities and Fund Balances	<u>\$ 805,979</u>	<u>\$ 131,279</u>	<u>\$ 290,807</u>	<u>\$ 1</u>	<u>\$ 617,533</u>	<u>\$ 3,053,413</u>	<u>\$ 646,047</u>	<u>\$ 66,200,959</u>

CITY OF EL CENTRO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2022

	Special Revenue Funds								
	Gas Tax	CDBG	Transportation Article 8A	Bus Shelter	Transportation Article 3	Home Program	Rental Rehab-HUD	Traffic Congestion Relief	Home Program Income Admin
Revenues:									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	1,066,466		902,412	88,620	37,061				26,483
Charges for services									
Fines and forfeitures									
Interest	88		3,441	446	548	1,431	798		96
Other						75,766			
Total Revenues	<u>1,066,554</u>		<u>905,853</u>	<u>89,066</u>	<u>37,609</u>	<u>77,197</u>	<u>798</u>		<u>26,579</u>
Expenditures:									
Current:									
Public safety									
Public works	2,963			106,830					
Parks and recreation									
Community development						26,483			258
Capital outlay				45,734					
Debt Service:									
Principal									
Interest and fiscal charges									
Total Expenditures	<u>2,963</u>			<u>152,564</u>		<u>26,483</u>			<u>258</u>
Excess (Deficiency) of Revenues over (Under) Expenditures	<u>1,063,591</u>		<u>905,853</u>	<u>(63,498)</u>	<u>37,609</u>	<u>50,714</u>	<u>798</u>		<u>26,321</u>
Other Financing Sources (Uses):									
Proceeds from debt issuance									
Transfers In									
Transfers Out	<u>(1,063,592)</u>								
Total Other Financing Sources (Uses)	<u>(1,063,592)</u>								
Net Change in Fund Balances	<u>(1)</u>		<u>905,853</u>	<u>(63,498)</u>	<u>37,609</u>	<u>50,714</u>	<u>798</u>		<u>26,321</u>
Fund Balances (Deficits) - July 1, 2021	520	1,394,853	845,508	261,246	222,209	4,112,251	322,776		15,271
Prior period adjustments									
Fund Balances (Deficits)- July 1, 2021 (restated)	<u>520</u>	<u>1,394,853</u>	<u>845,508</u>	<u>261,246</u>	<u>222,209</u>	<u>4,112,251</u>	<u>322,776</u>		<u>15,271</u>
Fund Balances (Deficits) - June 30, 2022	<u>\$ 519</u>	<u>\$ 1,394,853</u>	<u>\$ 1,751,361</u>	<u>\$ 197,748</u>	<u>\$ 259,818</u>	<u>\$ 4,162,965</u>	<u>\$ 323,574</u>	<u>\$ -</u>	<u>\$ 41,592</u>

(Continued)

CITY OF EL CENTRO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2022
(Continued)

	Special Revenue Funds								
	Recreation Projects	Wake Ave Extension	Special Events	Asset Forfeiture	Local Transportation Authority	Home Grants	OTS Grant	State COPS SLESF	Annexation Fees
Revenues:									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	106,084		142,700		3,721,630	515,000	17,831		
Charges for services									
Fines and forfeitures				77,440					
Interest		807	30	1,048	10,050	107	132	1,206	281
Other			1,077						
Total Revenues	<u>106,084</u>	<u>807</u>	<u>143,807</u>	<u>78,488</u>	<u>3,731,680</u>	<u>515,107</u>	<u>17,963</u>	<u>1,206</u>	<u>281</u>
Expenditures:									
Current:									
Public safety				43,000			17,831	72,165	
Public works					254,492				
Parks and recreation	21,344		165,808						
Community development						10,000			
Capital outlay					1,573,860				
Debt Service:									
Principal									
Interest and fiscal charges									
Total Expenditures	<u>21,344</u>		<u>165,808</u>	<u>43,000</u>	<u>1,828,352</u>	<u>10,000</u>	<u>17,831</u>	<u>72,165</u>	
Excess (Deficiency) of Revenues over (Under) Expenditures	<u>84,740</u>	<u>807</u>	<u>(22,001)</u>	<u>35,488</u>	<u>1,903,328</u>	<u>505,107</u>	<u>132</u>	<u>(70,959)</u>	<u>281</u>
Other Financing Sources (Uses):									
Proceeds from debt issuance									
Transfers In			22,021						
Transfers Out					(993,649)				
Total Other Financing Sources (Uses)			<u>22,021</u>		<u>(993,649)</u>				
Net Change in Fund Balances	<u>84,740</u>	<u>807</u>	<u>20</u>	<u>35,488</u>	<u>909,679</u>	<u>505,107</u>	<u>132</u>	<u>(70,959)</u>	<u>281</u>
Fund Balances (Deficits) - July 1, 2021	13,214	326,436	5	431,033	3,541,753	8,835,346	61,063	508,266	113,711
Prior period adjustments									
Fund Balances (Deficits)- July 1, 2021 (restated)	<u>13,214</u>	<u>326,436</u>	<u>5</u>	<u>431,033</u>	<u>3,541,753</u>	<u>8,835,346</u>	<u>61,063</u>	<u>508,266</u>	<u>113,711</u>
Fund Balances (Deficits) - June 30, 2022	<u>\$ 97,954</u>	<u>\$ 327,243</u>	<u>\$ 25</u>	<u>\$ 466,521</u>	<u>\$ 4,451,432</u>	<u>\$ 9,340,453</u>	<u>\$ 61,195</u>	<u>\$ 437,307</u>	<u>\$ 113,992</u>

(Continued)

CITY OF EL CENTRO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2022
(Continued)

	Special Revenue Funds							
	HUD Entitlement Program	CDBG Program Income	CDBG COVID-19	Housing Enabled by Local Partnership	CALHOME Program	Development Impact Fee	FHWA Grants	Integrated Waste Management
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	621,850		67,902					
Charges for services						237,369		
Fines and forfeitures								
Interest	(995)	312	(207)	1,259	537	9,797	162	
Other	2,534	139,211			168,213			
Total Revenues	<u>623,389</u>	<u>139,523</u>	<u>67,695</u>	<u>1,259</u>	<u>168,750</u>	<u>247,166</u>	<u>162</u>	
Expenditures:								
Current:								
Public safety								
Public works								
Parks and recreation								
Community development	224,856	36,738	65,095					
Capital outlay	282,685					473,064		
Debt Service:								
Principal								
Interest and fiscal charges								
Total Expenditures	<u>507,541</u>	<u>36,738</u>	<u>65,095</u>			<u>473,064</u>		
Excess (Deficiency) of Revenues over (Under) Expenditures	<u>115,848</u>	<u>102,785</u>	<u>2,600</u>	<u>1,259</u>	<u>168,750</u>	<u>(225,898)</u>	<u>162</u>	
Other Financing Sources (Uses):								
Proceeds from debt issuance								
Transfers In								
Transfers Out								
Total Other Financing Sources (Uses)								
Net Change in Fund Balances	<u>115,848</u>	<u>102,785</u>	<u>2,600</u>	<u>1,259</u>	<u>168,750</u>	<u>(225,898)</u>	<u>162</u>	
Fund Balances (Deficits) - July 1, 2021	1,511,621	628,733	29,766	515,174	827,663	3,830,313	65,363	(219)
Prior period adjustments								219
Fund Balances (Deficits)- July 1, 2021 (restated)	<u>1,511,621</u>	<u>628,733</u>	<u>29,766</u>	<u>515,174</u>	<u>827,663</u>	<u>3,830,313</u>	<u>65,363</u>	
Fund Balances (Deficits) - June 30, 2022	<u>\$ 1,627,469</u>	<u>\$ 731,518</u>	<u>\$ 32,366</u>	<u>\$ 516,433</u>	<u>\$ 996,413</u>	<u>\$ 3,604,415</u>	<u>\$ 65,525</u>	<u>\$ -</u>

(Continued)

CITY OF EL CENTRO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2022
(Continued)

	Special Revenue Funds							
	Town Center Lighting and Landscape District	I-8 Imperial Ave Overpass	EDA Revolving	Police & Fire Mitigation	7th and State Bus Terminal	Legacy Ranch Lighting and Landscape District	Per Capita Parks Grant	IV Commons
Revenues:								
Taxes	\$ 12,001	\$ -	\$ -	\$ -	\$ -	\$ 25,017	\$ -	\$ -
Intergovernmental							172,824	
Charges for services								
Fines and forfeitures								
Interest	59	1,553	54	1,162		52		179
Other								
Total Revenues	<u>12,060</u>	<u>1,553</u>	<u>54</u>	<u>1,162</u>		<u>25,069</u>	<u>172,824</u>	<u>179</u>
Expenditures:								
Current:								
Public safety								
Public works	15,119							
Parks and recreation								
Community development						34,717		
Capital outlay							172,824	
Debt Service:								
Principal								
Interest and fiscal charges								
Total Expenditures	<u>15,119</u>					<u>34,717</u>	<u>172,824</u>	
Excess (Deficiency) of Revenues over (Under) Expenditures	<u>(3,059)</u>	<u>1,553</u>	<u>54</u>	<u>1,162</u>		<u>(9,648)</u>		<u>179</u>
Other Financing Sources (Uses):								
Proceeds from debt issuance								
Transfers In								
Transfers Out	(5,550)					(3,500)		
Total Other Financing Sources (Uses)	<u>(5,550)</u>					<u>(3,500)</u>		
Net Change in Fund Balances	<u>(8,609)</u>	<u>1,553</u>	<u>54</u>	<u>1,162</u>		<u>(13,148)</u>		<u>179</u>
Fund Balances (Deficits) - July 1, 2021	29,386	141,060	21,893	470,013	1	30,491		10,771
Prior period adjustments								
Fund Balances (Deficits)- July 1, 2021 (restated)	<u>29,386</u>	<u>141,060</u>	<u>21,893</u>	<u>470,013</u>	<u>1</u>	<u>30,491</u>		<u>10,771</u>
Fund Balances (Deficits) - June 30, 2022	<u>\$ 20,777</u>	<u>\$ 142,613</u>	<u>\$ 21,947</u>	<u>\$ 471,175</u>	<u>\$ 1</u>	<u>\$ 17,343</u>	<u>\$ -</u>	<u>\$ 10,950</u>

(Continued)

CITY OF EL CENTRO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2022
(Continued)

	Special Revenue Funds						Capital Project Funds		
	Fire Mitigation	COVID-19	IID Project	Police Grant	Successor Agency Housing	Cooperative Agreement	Orange Ave. Regional Lift	Park Development	Drainage Facility
Revenues:									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental		7,047,867		269,803					
Charges for services									
Fines and forfeitures									
Interest	547	18,278	17	166	2,058		613	317	675
Other					71,580				
Total Revenues	<u>547</u>	<u>7,066,145</u>	<u>17</u>	<u>269,969</u>	<u>73,638</u>		<u>613</u>	<u>317</u>	<u>675</u>
Expenditures:									
Current:									
Public safety		1,065,767		84,803					
Public works									
Parks and recreation									
Community development									
Capital outlay		847,478		185,000					
Debt Service:									
Principal									
Interest and fiscal charges									
Total Expenditures		<u>1,913,245</u>		<u>269,803</u>					
Excess (Deficiency) of Revenues over (Under) Expenditures	<u>547</u>	<u>5,152,900</u>	<u>17</u>	<u>166</u>	<u>73,638</u>		<u>613</u>	<u>317</u>	<u>675</u>
Other Financing Sources (Uses):									
Proceeds from debt issuance									
Transfers In									
Transfers Out									
Total Other Financing Sources (Uses)									
Net Change in Fund Balances	<u>547</u>	<u>5,152,900</u>	<u>17</u>	<u>166</u>	<u>73,638</u>		<u>613</u>	<u>317</u>	<u>675</u>
Fund Balances (Deficits) - July 1, 2021	221,498	7,635,991	6,874	119,246	5,255,767	1	248,000	128,437	273,053
Prior period adjustments									
Fund Balances (Deficits)- July 1, 2021 (restated)	<u>221,498</u>	<u>7,635,991</u>	<u>6,874</u>	<u>119,246</u>	<u>5,255,767</u>	<u>1</u>	<u>248,000</u>	<u>128,437</u>	<u>273,053</u>
Fund Balances (Deficits) - June 30, 2022	<u>\$ 222,045</u>	<u>\$ 12,788,891</u>	<u>\$ 6,891</u>	<u>\$ 119,412</u>	<u>\$ 5,329,405</u>	<u>\$ 1</u>	<u>\$ 248,613</u>	<u>\$ 128,754</u>	<u>\$ 273,728</u>

(Continued)

CITY OF EL CENTRO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2022
(Continued)

Capital Project Funds

	EDA Grant	Lotus Parallel	IID Facility Crossing	8th St. Overpass Bridge	Bridge/Road Improvement	Federal Highway Administration	La Brucherie Green Belt	Colonia-El Dorado Street
Revenues:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental						1,907,202		
Charges for services								
Fines and forfeitures								
Interest	446	967	418	48	11,522		23	51
Other					1,068,671			
Total Revenues	446	967	418	48	1,080,193	1,907,202	23	51
Expenditures:								
Current:								
Public safety								
Public works								
Parks and recreation								
Community development								
Capital outlay					98,021	1,907,202		
Debt Service:								
Principal								
Interest and fiscal charges								
Total Expenditures					98,021	1,907,202		
Excess (Deficiency) of Revenues over (Under) Expenditures	446	967	418	48	982,172		23	51
Other Financing Sources (Uses):								
Proceeds from debt issuance								
Transfers In								
Transfers Out								
Total Other Financing Sources (Uses)								
Net Change in Fund Balances	446	967	418	48	982,172		23	51
Fund Balances (Deficits) - July 1, 2021	180,611	73,836	36,062	4,594	322,275	89,465	9,236	20,654
Prior period adjustments								
Fund Balances (Deficits)- July 1, 2021 (restated)	180,611	73,836	36,062	4,594	322,275	89,465	9,236	20,654
Fund Balances (Deficits) - June 30, 2022	\$ 181,057	\$ 74,803	\$ 36,480	\$ 4,642	\$ 1,304,447	\$ 89,465	\$ 9,259	\$ 20,705

(Continued)

CITY OF EL CENTRO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2022
(Continued)

	<u>Capital Project Funds</u>					<u>Debt Service Funds</u>		Total Nonmajor Governmental Funds
	LTA Lease Revenue Bonds	Buena Vista Landscaping	Road Improvement	2011C Bonds City	2011 A & B Projects	Financing Authority	LTA Lease Revenue Bonds	
Revenues:								
Taxes	\$ -	\$ 21,369	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58,387
Intergovernmental								16,711,735
Charges for services								237,369
Fines and forfeitures								77,440
Interest	2,305	323	715		1,507	12,173	16,566	104,168
Other								1,527,052
Total Revenues	<u>2,305</u>	<u>21,692</u>	<u>715</u>		<u>1,507</u>	<u>12,173</u>	<u>16,566</u>	<u>18,716,151</u>
Expenditures:								
Current:								
Public safety								1,283,566
Public works	2,000							381,404
Parks and recreation								187,152
Community development		20,877						419,024
Capital outlay								5,585,868
Debt Service:								
Principal						860,000	10,455,000	11,315,000
Interest and fiscal charges						271,311	1,120,496	1,391,807
Total Expenditures	<u>2,000</u>	<u>20,877</u>				<u>1,131,311</u>	<u>11,575,496</u>	<u>20,563,821</u>
Excess (Deficiency) of Revenues over (Under) Expenditures	<u>305</u>	<u>815</u>	<u>715</u>		<u>1,507</u>	<u>(1,119,138)</u>	<u>(11,558,930)</u>	<u>(1,847,670)</u>
Other Financing Sources (Uses):								
Proceeds from debt issuance							9,070,765	9,070,765
Transfers In							1,505,378	1,527,399
Transfers Out		(3,500)						(2,069,791)
Total Other Financing Sources (Uses)		<u>(3,500)</u>					<u>10,576,143</u>	<u>8,528,373</u>
Net Change in Fund Balances	<u>305</u>	<u>(2,685)</u>	<u>715</u>		<u>1,507</u>	<u>(1,119,138)</u>	<u>(982,787)</u>	<u>6,680,703</u>
Fund Balances (Deficits) - July 1, 2021	805,674	133,911	57,684	1	616,026	4,172,550	1,628,834	51,157,770
Prior period adjustments								219
Fund Balances (Deficits)- July 1, 2021 (restated)	<u>805,674</u>	<u>133,911</u>	<u>57,684</u>	<u>1</u>	<u>616,026</u>	<u>4,172,550</u>	<u>1,628,834</u>	<u>51,157,989</u>
Fund Balances (Deficits) - June 30, 2022	<u>\$ 805,979</u>	<u>\$ 131,226</u>	<u>\$ 58,399</u>	<u>\$ 1</u>	<u>\$ 617,533</u>	<u>\$ 3,053,412</u>	<u>\$ 646,047</u>	<u>\$ 57,838,692</u>

CITY OF EL CENTRO
GAS TAX SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 1,166,653	\$ 1,066,466	\$ (100,187)
Interest	500	88	(412)
Total Revenues	<u>1,167,153</u>	<u>1,066,554</u>	<u>(100,599)</u>
Expenditures:			
Current:			
Public Works	<u>3,000</u>	<u>2,963</u>	<u>37</u>
Total Expenditures	<u>3,000</u>	<u>2,963</u>	<u>37</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,164,153</u>	<u>1,063,591</u>	<u>(100,562)</u>
Other Financing Sources (Uses)			
Transfers Out	<u>(1,162,000)</u>	<u>(1,063,592)</u>	<u>98,408</u>
Total Other Financing Sources (Uses)	<u>(1,162,000)</u>	<u>(1,063,592)</u>	<u>98,408</u>
Net Change in Fund Balance	2,153	(1)	(2,154)
Fund Balance - July 1	<u>520</u>	<u>520</u>	
Fund Balance - June 30	<u>\$ 2,673</u>	<u>\$ 519</u>	<u>\$ (2,154)</u>

CITY OF EL CENTRO
TRANSPORTATION ARTICLE 8A SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 903,903	\$ 902,412	\$ (1,491)
Interest	1,000	3,441	2,441
Total Revenue	<u>904,903</u>	<u>905,853</u>	<u>950</u>
Expenditures:			
Current:			
Parks and Recreation			
Capital Outlay	1,725,000		1,725,000
Total Expenditures	<u>1,725,000</u>		<u>1,725,000</u>
Net Change in Fund Balance	(820,097)	905,853	1,725,950
Fund Balance - July 1	<u>845,508</u>	<u>845,508</u>	
Fund Balance - June 30	<u><u>\$ 25,411</u></u>	<u><u>\$ 1,751,361</u></u>	<u><u>\$ 1,725,950</u></u>

CITY OF EL CENTRO
BUS SHELTER SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 88,645	\$ 88,620	\$ (25)
Interest	2,600	446	(2,154)
Total Revenues	<u>91,245</u>	<u>89,066</u>	<u>(2,179)</u>
Expenditures:			
Current:			
Public Works	92,700	106,830	(14,130)
Capital Outlay	100,000	45,734	54,266
Total Expenditures	<u>192,700</u>	<u>152,564</u>	<u>40,136</u>
Net Change in Fund Balance	(101,455)	(63,498)	37,957
Fund Balance - July 1	<u>261,246</u>	<u>261,246</u>	
Fund Balance - June 30	<u>\$ 159,791</u>	<u>\$ 197,748</u>	<u>\$ 37,957</u>

CITY OF EL CENTRO
TRANSPORTATION ARTICLE 3 SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 23,000	\$ 37,061	\$ 14,061
Interest	1,800	548	(1,252)
Total Revenues	<u>24,800</u>	<u>37,609</u>	<u>12,809</u>
Net Change in Fund Balance	24,800	37,609	12,809
Fund Balance - July 1	<u>222,209</u>	<u>222,209</u>	
Fund Balance - June 30	<u>\$ 247,009</u>	<u>\$ 259,818</u>	<u>\$ 12,809</u>

CITY OF EL CENTRO
HOME PROGRAM SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 500	\$ 1,431	\$ 931
Other	11,000	75,766	64,766
Total Revenues	<u>11,500</u>	<u>77,197</u>	<u>65,697</u>
Expenditures:			
Current:			
Community Development		26,483	(26,483)
Total Expenditures		<u>26,483</u>	<u>(26,483)</u>
Net Change in Fund Balance	11,500	50,714	39,214
Fund Balance - July 1	<u>4,112,251</u>	<u>4,112,251</u>	
Fund Balance - June 30	<u>\$ 4,123,751</u>	<u>\$ 4,162,965</u>	<u>\$ 39,214</u>

CITY OF EL CENTRO
RENTAL REHAB - HUD SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ -	\$ 798	\$ 798
Total Revenues		798	798
Expenditures:			
Current:			
Community Development	280,000		280,000
Total Expenditures	280,000		280,000
Net Change in Fund Balance	(280,000)	798	280,798
Fund Balance - July 1	322,776	322,776	
Fund Balance - June 30	\$ 42,776	\$ 323,574	\$ 280,798

CITY OF EL CENTRO
TRAFFIC CONGESTION RELIEF SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 51,993	\$ -	\$ (51,993)
Interest	10		(10)
Total Revenues	<u>52,003</u>		<u>(52,003)</u>
Net Change in Fund Balance	52,003		(52,003)
Fund Balance - July 1			
Fund Balance - June 30	<u>\$ 52,003</u>	<u>\$ -</u>	<u>\$ (52,003)</u>

CITY OF EL CENTRO
HOME PROGRAM INCOME ADMIN SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 900	\$ 26,483	\$ 25,583
Interest	70	96	26
Total Revenues	<u>970</u>	<u>26,579</u>	<u>25,609</u>
Expenditures:			
Current:			
Community Development	2,500	258	2,242
Total Expenditures	<u>2,500</u>	<u>258</u>	<u>2,242</u>
Net Change in Fund Balance	(1,530)	26,321	27,851
Fund Balance - July 1	<u>15,271</u>	<u>15,271</u>	
Fund Balance - June 30	<u><u>\$ 13,741</u></u>	<u><u>\$ 41,592</u></u>	<u><u>\$ 27,851</u></u>

CITY OF EL CENTRO
RECREATION PROJECTS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 1,143,831	\$ 106,084	\$ (1,037,747)
Total Revenues	<u>1,143,831</u>	<u>106,084</u>	<u>(1,037,747)</u>
Expenditures:			
Current:			
Parks and recreation		21,344	(21,344)
Capital outlay	1,143,831		1,143,831
Total Expenditures	<u>1,143,831</u>	<u>21,344</u>	<u>1,122,487</u>
Net Change in Fund Balance		84,740	84,740
Fund Balance - July 1	<u>13,214</u>	<u>13,214</u>	
Fund Balance - June 30	<u>\$ 13,214</u>	<u>\$ 97,954</u>	<u>\$ 84,740</u>

CITY OF EL CENTRO
WAKE AVE EXTENSION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 3,000	\$ 807	\$ (2,193)
Total Revenues	<u>3,000</u>	<u>807</u>	<u>(2,193)</u>
Net Change in Fund Balance	3,000	807	(2,193)
Fund Balance - July 1	<u>326,436</u>	<u>326,436</u>	
Fund Balance - June 30	<u>\$ 329,436</u>	<u>\$ 327,243</u>	<u>\$ (2,193)</u>

CITY OF EL CENTRO
SPECIAL EVENTS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ -	\$ 142,700	\$ 142,700
Interest		30	30
Other		1,077	1,077
Total Revenues	<u>143,807</u>	<u>143,807</u>	<u>143,807</u>
Expenditures:			
Current:			
Parks and Recreation	9,042	165,808	(156,766)
Total Expenditures	<u>9,042</u>	<u>165,808</u>	<u>(156,766)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(9,042)</u>	<u>(22,001)</u>	<u>(12,959)</u>
Other Financing Sources (Uses)			
Transfers In	<u>10,000</u>	<u>22,021</u>	<u>12,021</u>
Total Other Financing Sources (Uses)	<u>10,000</u>	<u>22,021</u>	<u>12,021</u>
Net Change in Fund Balance	958	20	(938)
Fund Balance - July 1	<u>5</u>	<u>5</u>	
Fund Balance - June 30	<u>\$ 963</u>	<u>\$ 25</u>	<u>\$ (938)</u>

CITY OF EL CENTRO
ASSET FORFEITURE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Fines and Forfeitures	\$ -	\$ 77,440	\$ 77,440
Interest	100	1,048	948
Total Revenues	<u>100</u>	<u>78,488</u>	<u>78,388</u>
Expenditures:			
Current:			
Public Safety	25,000	43,000	(18,000)
Total Expenditures	<u>25,000</u>	<u>43,000</u>	<u>(18,000)</u>
Net Change in Fund Balance	(24,900)	35,488	60,388
Fund Balance - July 1	<u>431,033</u>	<u>431,033</u>	
Fund Balance - June 30	<u>\$ 406,133</u>	<u>\$ 466,521</u>	<u>\$ 60,388</u>

CITY OF EL CENTRO
LOCAL TRANSPORTATION AUTHORITY SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 3,200,000	\$ 3,721,630	\$ 521,630
Interest	20,000	10,050	(9,950)
Total Revenues	<u>3,220,000</u>	<u>3,731,680</u>	<u>511,680</u>
Expenditures:			
Current:			
Public Works	263,000	254,492	8,508
Capital Outlay	4,133,000	1,573,860	2,559,140
Total Expenditures	<u>4,396,000</u>	<u>1,828,352</u>	<u>2,567,648</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,176,000)</u>	<u>1,903,328</u>	<u>3,079,328</u>
Other Financing Sources (Uses):			
Transfers Out	<u>(1,392,981)</u>	<u>(993,649)</u>	<u>399,332</u>
Total Other Financing Sources (Uses)	<u>(1,392,981)</u>	<u>(993,649)</u>	<u>399,332</u>
Net Change in Fund Balance	(2,568,981)	909,679	3,478,660
Fund Balance - July 1	<u>3,541,753</u>	<u>3,541,753</u>	
Fund Balance - June 30	<u>\$ 972,772</u>	<u>\$ 4,451,432</u>	<u>\$ 3,478,660</u>

CITY OF EL CENTRO
HOME GRANTS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 544,500	\$ 515,000	\$ (29,500)
Interest	100	107	7
Total Revenues	<u>544,600</u>	<u>515,107</u>	<u>(29,493)</u>
Expenditures:			
Current:			
Community Development	500,000	10,000	490,000
Services and Supplies	44,500		44,500
Total Expenditures	<u>544,500</u>	<u>10,000</u>	<u>534,500</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>100</u>	<u>505,107</u>	<u>505,007</u>
Net Change in Fund Balance	100	505,107	505,007
Fund Balance - July 1	<u>8,835,346</u>	<u>8,835,346</u>	
Fund Balance - June 30	<u>\$ 8,835,446</u>	<u>\$ 9,340,453</u>	<u>\$ 505,007</u>

CITY OF EL CENTRO
OTS GRANT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 15,000	\$ 17,831	\$ 2,831
Interest		132	132
Total Revenues	<u>15,000</u>	<u>17,963</u>	<u>2,963</u>
Expenditures:			
Current:			
Public Safety	15,000	17,831	(2,831)
Total Expenditures	<u>15,000</u>	<u>17,831</u>	<u>(2,831)</u>
Net Change in Fund Balance		132	132
Fund Balance - July 1	<u>61,063</u>	<u>61,063</u>	
Fund Balance - June 30	<u>\$ 61,063</u>	<u>\$ 61,195</u>	<u>\$ 132</u>

CITY OF EL CENTRO
STATE COPS SLESF SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 2,000	\$ 1,206	\$ (794)
Total Revenues	<u>2,000</u>	<u>1,206</u>	<u>(794)</u>
Expenditures:			
Current:			
Public Safety	69,783	72,165	(2,382)
Total Expenditures	<u>69,783</u>	<u>72,165</u>	<u>(2,382)</u>
Net Change in Fund Balance	(67,783)	(70,959)	(3,176)
Fund Balance - July 1	<u>508,266</u>	<u>508,266</u>	
Fund Balance - June 30	<u><u>\$ 440,483</u></u>	<u><u>\$ 437,307</u></u>	<u><u>\$ (3,176)</u></u>

CITY OF EL CENTRO
ANNEXATION FEES SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 1,000	\$ 281	\$ (719)
Total Revenues	<u>1,000</u>	<u>281</u>	<u>(719)</u>
Net Change in Fund Balance	1,000	281	(719)
Fund Balance - July 1	<u>113,711</u>	<u>113,711</u>	
Fund Balance - June 30	<u><u>\$ 114,711</u></u>	<u><u>\$ 113,992</u></u>	<u><u>\$ (719)</u></u>

CITY OF EL CENTRO
HUD ENTITLEMENT PROGRAM SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 554,074	\$ 621,850	\$ 67,776
Interest	3,000	(995)	(3,995)
Other	1,000	2,534	1,534
Total Revenues	<u>558,074</u>	<u>623,389</u>	<u>65,315</u>
Expenditures:			
Current:			
Community Development	438,605	224,856	213,749
Capital Outlay	119,469	282,685	(163,216)
Total Expenditures	<u>558,074</u>	<u>507,541</u>	<u>50,533</u>
Net Change in Fund Balance		115,848	115,848
Fund Balance - July 1	<u>1,511,621</u>	<u>1,511,621</u>	
Fund Balance - June 30	<u>\$ 1,511,621</u>	<u>\$ 1,627,469</u>	<u>\$ 115,848</u>

CITY OF EL CENTRO
CDBG PROGRAM INCOME SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 200	\$ 312	\$ 112
Other	14,460	139,211	124,751
Total Revenues	<u>14,660</u>	<u>139,523</u>	<u>124,863</u>
Expenditures:			
Current:			
Community Development	4,900	36,738	(31,838)
Capital Outlay	9,100		9,100
Total Expenditures	<u>14,000</u>	<u>36,738</u>	<u>(22,738)</u>
Net Change in Fund Balance	660	102,785	102,125
Fund Balance - July 1	<u>628,733</u>	<u>628,733</u>	
Fund Balance - June 30	<u>\$ 629,393</u>	<u>\$ 731,518</u>	<u>\$ 102,125</u>

CITY OF EL CENTRO
HOUSING ENABLED BY LOCAL PARTNERSHIP SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 3,700	\$ 1,259	\$ (2,441)
Total Revenues	<u>3,700</u>	<u>1,259</u>	<u>(2,441)</u>
Expenditures:			
Current:			
Community Development	100,000		100,000
Total Expenditures	<u>100,000</u>		<u>100,000</u>
Net Change in Fund Balance	(96,300)	1,259	97,559
Fund Balance - July 1	<u>515,174</u>	<u>515,174</u>	
Fund Balance - June 30	<u><u>\$ 418,874</u></u>	<u><u>\$ 516,433</u></u>	<u><u>\$ 97,559</u></u>

CITY OF EL CENTRO
CALHOME PROGRAM SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 1,000	\$ 537	\$ (463)
Other	2,000	168,213	166,213
Total Revenues	<u>3,000</u>	<u>168,750</u>	<u>165,750</u>
Expenditures:			
Current:			
Community Development	51,250		51,250
Total Expenditures	<u>51,250</u>		<u>51,250</u>
Net Change in Fund Balance	(48,250)	168,750	217,000
Fund Balance - July 1	<u>827,663</u>	<u>827,663</u>	
Fund Balance - June 30	<u><u>\$ 779,413</u></u>	<u><u>\$ 996,413</u></u>	<u><u>\$ 217,000</u></u>

CITY OF EL CENTRO
DEVELOPMENT IMPACT FEE SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Charges for services	\$ 221,000	\$ 237,369	\$ 16,369
Interest	53,100	9,797	(43,303)
Total Revenues	<u>274,100</u>	<u>247,166</u>	<u>(26,934)</u>
Expenditures:			
Capital Outlay	1,712,600	473,064	1,239,536
Total Expenditures	<u>1,712,600</u>	<u>473,064</u>	<u>1,239,536</u>
Net Change in Fund Balance	(1,438,500)	(225,898)	1,212,602
Fund Balance - July 1	<u>3,830,313</u>	<u>3,830,313</u>	
Fund Balance - June 30	<u>\$ 2,391,813</u>	<u>\$ 3,604,415</u>	<u>\$ 1,212,602</u>

CITY OF EL CENTRO
FHWA GRANTS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 700	\$ 162	\$ (538)
Total Revenues	<u>700</u>	<u>162</u>	<u>(538)</u>
Net Change in Fund Balance	700	162	(538)
Fund Balance - July 1	<u>65,363</u>	<u>65,363</u>	
Fund Balance - June 30	<u>\$ 66,063</u>	<u>\$ 65,525</u>	<u>\$ (538)</u>

CITY OF EL CENTRO
TOWN CENTER LIGHTING AND LANDSCAPE DISTRICT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Taxes	\$ 12,000	\$ 12,001	\$ 1
Interest	250	59	(191)
Total Revenues	<u>12,250</u>	<u>12,060</u>	<u>(190)</u>
Expenditures:			
Current:			
Public Works	24,090	15,119	8,971
Total Expenditures	<u>24,090</u>	<u>15,119</u>	<u>8,971</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(11,840)</u>	<u>(3,059)</u>	<u>8,781</u>
Other Financing Sources (Uses)			
Transfers Out	<u>(5,550)</u>	<u>(5,550)</u>	
Total Other Financing Sources (Uses)	<u>(5,550)</u>	<u>(5,550)</u>	
Net Change in Fund Balance	(17,390)	(8,609)	8,781
Fund Balance - July 1	<u>29,386</u>	<u>29,386</u>	
Fund Balance - June 30	<u>\$ 11,996</u>	<u>\$ 20,777</u>	<u>\$ 8,781</u>

CITY OF EL CENTRO
I-8 IMPERIAL AVE OVERPASS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 7,000	\$ 1,553	\$ (5,447)
Total Revenues	<u>7,000</u>	<u>1,553</u>	<u>(5,447)</u>
Net Change in Fund Balance	7,000	1,553	(5,447)
Fund Balance - July 1	<u>141,060</u>	<u>141,060</u>	
Fund Balance - June 30	<u>\$ 148,060</u>	<u>\$ 142,613</u>	<u>\$ (5,447)</u>

CITY OF EL CENTRO
EDA REVOLVING SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 100	\$ 54	\$ (46)
Total Revenues	<u>100</u>	<u>54</u>	<u>(46)</u>
Expenditures:			
Current:			
Community Development	2,024		2,024
Total Expenditures	<u>2,024</u>		<u>2,024</u>
Net Change in Fund Balance	(1,924)	54	1,978
Fund Balance - July 1	<u>21,893</u>	<u>21,893</u>	
Fund Balance - June 30	<u>\$ 19,969</u>	<u>\$ 21,947</u>	<u>\$ 1,978</u>

CITY OF EL CENTRO
POLICE & FIRE MITIGATION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 3,700	\$ 1,162	\$ (2,538)
Total Revenues	<u>3,700</u>	<u>1,162</u>	<u>(2,538)</u>
Net Change in Fund Balance	3,700	1,162	(2,538)
Fund Balance - July 1	<u>470,013</u>	<u>470,013</u>	
Fund Balance - June 30	<u>\$ 473,713</u>	<u>\$ 471,175</u>	<u>\$ (2,538)</u>

CITY OF EL CENTRO
LEGACY RANCH LIGHTING AND LANDSCAPING DISTRICT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Taxes	\$ 24,776	\$ 25,017	\$ 241
Interest	1,000	52	(948)
Total Revenues	<u>25,776</u>	<u>25,069</u>	<u>(707)</u>
Expenditures:			
Current:			
Community Development	45,600	34,717	10,883
Total Expenditures	<u>45,600</u>	<u>34,717</u>	<u>10,883</u>
Excess (Deficiency) of			
Revenues Over (Under) Expenditures	<u>(19,824)</u>	<u>(9,648)</u>	<u>10,176</u>
Other Financing Sources (Uses)			
Transfers Out	<u>(3,500)</u>	<u>(3,500)</u>	
Total Other			
Financing Sources (Uses)	<u>(3,500)</u>	<u>(3,500)</u>	
Net Change in Fund Balance	(23,324)	(13,148)	10,176
Fund Balance - July 1	<u>30,491</u>	<u>30,491</u>	
Fund Balance - June 30	<u>\$ 7,167</u>	<u>\$ 17,343</u>	<u>\$ 10,176</u>

CITY OF EL CENTRO
IV COMMONS SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 200	\$ 179	\$ (21)
Total Revenues	<u>200</u>	<u>179</u>	<u>(21)</u>
Expenditures:			
Current:			
Community Development	<u>1,000</u>	<u></u>	<u>1,000</u>
Total Expenditures	<u>1,000</u>	<u></u>	<u>1,000</u>
Net Change in Fund Balance	(800)	179	979
Fund Balance - July 1	<u>10,771</u>	<u>10,771</u>	<u></u>
Fund Balance - June 30	<u>\$ 9,971</u>	<u>\$ 10,950</u>	<u>\$ 979</u>

CITY OF EL CENTRO
FIRE MITIGATION SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 1,800	\$ 547	\$ (1,253)
Total Revenues	<u>1,800</u>	<u>547</u>	<u>(1,253)</u>
Net Change in Fund Balance	1,800	547	(1,253)
Fund Balance - July 1	<u>221,498</u>	<u>221,498</u>	
Fund Balance - June 30	<u>\$ 223,298</u>	<u>\$ 222,045</u>	<u>\$ (1,253)</u>

CITY OF EL CENTRO
COVID-19 SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 388,050	\$ 7,047,867	\$ 6,659,817
Interest		18,278	18,278
Total Revenue	<u>388,050</u>	<u>7,066,145</u>	<u>6,678,095</u>
Expenditures:			
Current:			
Community development	982,164	1,065,767	(83,603)
Capital Outlay		847,478	(847,478)
Total Expenditures	<u>982,164</u>	<u>1,913,245</u>	<u>(931,081)</u>
Net Change in Fund Balance	(594,114)	5,152,900	5,747,014
Fund Balance - July 1	<u>7,635,991</u>	<u>7,635,991</u>	
Fund Balance - June 30	<u>\$ 7,041,877</u>	<u>\$ 12,788,891</u>	<u>\$ 5,747,014</u>

CITY OF EL CENTRO
IID PROJECT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 50	\$ 17	\$ (33)
Total Revenues	<u>50</u>	<u>17</u>	<u>(33)</u>
Net Changes in Fund Balance	50	17	(33)
Fund Balance - July 1	<u>6,874</u>	<u>6,874</u>	
Fund Balance - June 30	<u><u>\$ 6,924</u></u>	<u><u>\$ 6,891</u></u>	<u><u>\$ (33)</u></u>

CITY OF EL CENTRO
POLICE GRANT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 518,212	\$ 269,803	\$ (248,409)
Interest		166	166
Total Revenues	<u>518,212</u>	<u>269,969</u>	<u>(248,243)</u>
Expenditures:			
Current:			
Public Safety	518,212	84,803	433,409
Capital Outlay		185,000	(185,000)
Total Expenditures	<u>518,212</u>	<u>269,803</u>	<u>248,409</u>
Net Changes in Fund Balance		166	166
Fund Balance - July 1	<u>119,246</u>	<u>119,246</u>	
Fund Balance - June 30	<u><u>\$ 119,246</u></u>	<u><u>\$ 119,412</u></u>	<u><u>\$ 166</u></u>

CITY OF EL CENTRO
SUCCESSOR AGENCY HOUSING SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 5,000	\$ 2,058	\$ (2,942)
Other	2,800	71,580	68,780
Total Revenues	7,800	73,638	65,838
Net Changes in Fund Balance	7,800	73,638	65,838
Fund Balance - July 1	5,255,767	5,255,767	
Fund Balance - June 30	\$ 5,263,567	\$ 5,329,405	\$ 65,838

CITY OF EL CENTRO
COOPERATIVE AGREEMENT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 5	\$ -	\$ (5)
Total Revenues	5		(5)
Net Changes in Fund Balance	5		(5)
Fund Balance - July 1	1	1	
Fund Balance - June 30	\$ 6	\$ 1	\$ (5)

CITY OF EL CENTRO
ORANGE AVE REGIONAL LIFT CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 2,900	\$ 613	\$ (2,287)
Total Revenues	<u>2,900</u>	<u>613</u>	<u>(2,287)</u>
Net Change in Fund Balance	2,900	613	(2,287)
Fund Balance - July 1	<u>248,000</u>	<u>248,000</u>	
Fund Balance - June 30	<u>\$ 250,900</u>	<u>\$ 248,613</u>	<u>\$ (2,287)</u>

CITY OF EL CENTRO
PARK DEVELOPMENT CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL

For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 1,500	\$ 317	\$ (1,183)
Total Revenues	<u>1,500</u>	<u>317</u>	<u>(1,183)</u>
Net Change in Fund Balance	1,500	317	(1,183)
Fund Balance - July 1	<u>128,437</u>	<u>128,437</u>	<u></u>
Fund Balance - June 30	<u><u>\$ 129,937</u></u>	<u><u>\$ 128,754</u></u>	<u><u>\$ (1,183)</u></u>

CITY OF EL CENTRO
DRAINAGE FACILITY CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 3,000	\$ 675	\$ (2,325)
Total Revenues	<u>3,000</u>	<u>675</u>	<u>(2,325)</u>
Net Change in Fund Balance	3,000	675	(2,325)
Fund Balance - July 1	<u>273,053</u>	<u>273,053</u>	
Fund Balance - June 30	<u>\$ 276,053</u>	<u>\$ 273,728</u>	<u>\$ (2,325)</u>

CITY OF EL CENTRO
LOTUS PARALLEL CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 4,600	\$ 967	\$ (3,633)
Total Revenues	<u>4,600</u>	<u>967</u>	<u>(3,633)</u>
Net Change in Fund Balance	4,600	967	(3,633)
Fund Balance - July 1	<u>73,836</u>	<u>73,836</u>	
Fund Balance - June 30	<u>\$ 78,436</u>	<u>\$ 74,803</u>	<u>\$ (3,633)</u>

CITY OF EL CENTRO
IID FACILITY CROSSING CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 2,000	\$ 418	\$ (1,582)
Total Revenues	<u>2,000</u>	<u>418</u>	<u>(1,582)</u>
Net Change in Fund Balance	2,000	418	(1,582)
Fund Balance - July 1	<u>36,062</u>	<u>36,062</u>	
Fund Balance - June 30	<u>\$ 38,062</u>	<u>\$ 36,480</u>	<u>\$ (1,582)</u>

CITY OF EL CENTRO
8TH STREET OVERPASS BRIDGE CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 200	\$ 48	\$ (152)
Total Revenues	<u>200</u>	<u>48</u>	<u>(152)</u>
Net Change in Fund Balance	200	48	(152)
Fund Balance - July 1	<u>4,594</u>	<u>4,594</u>	
Fund Balance - June 30	<u>\$ 4,794</u>	<u>\$ 4,642</u>	<u>\$ (152)</u>

CITY OF EL CENTRO
BRIDGE/ROAD IMPROVEMENT CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Other	\$ -	\$ 1,068,671	\$ 1,068,671
Interest	53,000	11,522	(41,478)
Total Revenues	<u>53,000</u>	<u>1,080,193</u>	<u>1,027,193</u>
Expenditures:			
Capital Outlay		98,021	(98,021)
Total Expenditures		<u>98,021</u>	<u>(98,021)</u>
Net Change in Fund Balance	53,000	982,172	929,172
Fund Balance - July 1	<u>322,275</u>	<u>322,275</u>	
Fund Balance - June 30	<u>\$ 375,275</u>	<u>\$ 1,304,447</u>	<u>\$ 929,172</u>

CITY OF EL CENTRO
FEDERAL HIGHWAY ADMINISTRATION CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Intergovernmental	\$ 3,597,000	\$ 1,907,202	\$ (1,689,798)
Total Revenues	<u>3,597,000</u>	<u>1,907,202</u>	<u>(1,689,798)</u>
Expenditures:			
Capital Outlay	3,597,000	1,907,202	1,689,798
Total Expenditures	<u>3,597,000</u>	<u>1,907,202</u>	<u>1,689,798</u>
Net Change in Fund Balance			
Fund Balance - July 1	<u>89,465</u>	<u>89,465</u>	
Fund Balance - June 30	<u><u>\$ 89,465</u></u>	<u><u>\$ 89,465</u></u>	<u><u>\$ -</u></u>

CITY OF EL CENTRO
LA BRUCHERIE GREEN BELT CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 110	\$ 23	\$ (87)
Total Revenues	<u>110</u>	<u>23</u>	<u>(87)</u>
Net Change in Fund Balance	110	23	(87)
Fund Balance - July 1	<u>9,236</u>	<u>9,236</u>	
Fund Balance - June 30	<u>\$ 9,346</u>	<u>\$ 9,259</u>	<u>\$ (87)</u>

CITY OF EL CENTRO
COLONIA EL DORADO STREET CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 240	\$ 51	\$ (189)
Total Revenues	<u>240</u>	<u>51</u>	<u>(189)</u>
Net Change in Fund Balance	240	51	(189)
Fund Balance - July 1	<u>20,654</u>	<u>20,654</u>	
Fund Balance - June 30	<u>\$ 20,894</u>	<u>\$ 20,705</u>	<u>\$ (189)</u>

CITY OF EL CENTRO
LTA LEASE REVENUE BONDS CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 5,000	\$ 2,305	\$ (2,695)
Total Revenues	<u>5,000</u>	<u>2,305</u>	<u>(2,695)</u>
Expenditures:			
Current:			
Public Works	7,720	2,000	5,720
Capital Outlay	500,000		500,000
Total Expenditures	<u>507,720</u>	<u>2,000</u>	<u>505,720</u>
Net Change in Fund Balance	(502,720)	305	503,025
Fund Balance - July 1	<u>805,674</u>	<u>805,674</u>	
Fund Balance - June 30	<u>\$ 302,954</u>	<u>\$ 805,979</u>	<u>\$ 503,025</u>

CITY OF EL CENTRO
BUENA VISTA LANDSCAPING AND LIGHTING DISTRICT CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Taxes	\$ 81,403	\$ 21,369	\$ (60,034)
Interest	1,000	323	(677)
Total Revenues	<u>82,403</u>	<u>21,692</u>	<u>(60,711)</u>
Expenditures:			
Current:			
Community Development	77,900	20,877	57,023
Total Expenditures	<u>77,900</u>	<u>20,877</u>	<u>57,023</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>4,503</u>	<u>815</u>	<u>(3,688)</u>
Other Financing Sources (Uses)			
Transfers Out	<u>(3,500)</u>	<u>(3,500)</u>	
Total Other Financing Sources (Uses)	<u>(3,500)</u>	<u>(3,500)</u>	
Net Change in Fund Balance	1,003	(2,685)	(3,688)
Fund Balance - July 1	<u>133,911</u>	<u>133,911</u>	
Fund Balance - June 30	<u>\$ 134,914</u>	<u>\$ 131,226</u>	<u>\$ (3,688)</u>

CITY OF EL CENTRO
ROAD IMPROVEMENT CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 4,000	\$ 715	\$ (3,285)
Total Revenues	<u>4,000</u>	<u>715</u>	<u>(3,285)</u>
Net Change in Fund Balance	4,000	715	(3,285)
Fund Balance - July 1	<u>57,684</u>	<u>57,684</u>	
Fund Balance - June 30	<u>\$ 61,684</u>	<u>\$ 58,399</u>	<u>\$ (3,285)</u>

CITY OF EL CENTRO
2011C BONDS CITY CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Expenditures:			
Current:			
Community Development	\$ -	\$ -	\$ -
Total Expenditures			
 Net Change in Fund Balance			
 Fund Balance - July 1	1	1	
 Fund Balance - June 30	\$ 1	\$ 1	\$ -

CITY OF EL CENTRO
2011 A & B PROJECTS CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual	Variance Positive (Negative)
Revenues:			
Interest	\$ 3,000	\$ 1,507	\$ (1,493)
Total Revenues	3,000	1,507	(1,493)
Net Change in Fund Balance	3,000	1,507	(1,493)
Fund Balance - July 1	616,026	616,026	
Fund Balance - June 30	\$ 619,026	\$ 617,533	\$ (1,493)

CITY OF EL CENTRO
LTA LEASE REVENUE BONDS DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ 20,000	\$ 16,566	\$ (3,434)
Total Revenues	<u>20,000</u>	<u>16,566</u>	<u>(3,434)</u>
Expenditures:			
Debt Service:			
Principal	725,000	10,455,000	(9,730,000)
Interest and Fiscal Charges	924,976	1,120,496	(195,520)
Total Expenditures	<u>1,649,976</u>	<u>11,575,496</u>	<u>(9,925,520)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,629,976)</u>	<u>(11,558,930)</u>	<u>(9,928,954)</u>
Other Financing Sources (Uses)			
Proceeds from debt issuance		9,070,765	9,070,765
Transfers In	1,649,976	1,505,378	(144,598)
Total Other Financing Sources (Uses)	<u>1,649,976</u>	<u>10,576,143</u>	<u>8,926,167</u>
Net Change in Fund Balance	20,000	(982,787)	(1,002,787)
Fund Balance - July 1	<u>1,628,834</u>	<u>1,628,834</u>	
Fund Balance - June 30	<u>\$ 1,648,834</u>	<u>\$ 646,047</u>	<u>\$ (1,002,787)</u>

CITY OF EL CENTRO
FINANCING AUTHORITY DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
For the Fiscal Year Ended June 30, 2022

	Final Budget	Actual Amount	Variance Positive (Negative)
Revenues:			
Interest	\$ -	\$ 12,173	\$ 12,173
Total Revenues	<u> </u>	<u>12,173</u>	<u>12,173</u>
Expenditures:			
Debt Service:			
Principal	860,000	860,000	
Interest and Fiscal Charges	271,311	271,311	
Total Expenditures	<u>1,131,311</u>	<u>1,131,311</u>	
Net Change in Fund Balance	(1,131,311)	(1,119,138)	12,173
Fund Balance - July 1	<u>4,172,550</u>	<u>4,172,550</u>	
Fund Balance - June 30	<u>\$ 3,041,239</u>	<u>\$ 3,053,412</u>	<u>\$ 12,173</u>

COMBINING STATEMENTS NONMAJOR PROPRIETARY FUND

PROPRIETARY FUNDS

Proprietary funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - for these funds, it is the intent of the City Council that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Solid Waste - This fund is used to account for revenue and expenditures associated with the collection and disposal of solid waste.

CITY OF EL CENTRO
NONMAJOR PROPRIETARY FUND
STATEMENT OF NET POSITION
June 30, 2022

	Solid Waste
Assets:	
Current Assets:	
Cash and Investments	\$ 141,322
Receivables	
Accounts Receivable (Net of Allowance for Uncollectibles)	327,772
Interest Receivable	345
Total Current Assets	469,439
Total Assets	469,439
 Liabilities:	
Current Liabilities:	
Accounts Payable	254,903
Due to Other Funds	85,830
Total Current Liabilities	340,733
Total Liabilities	340,733
 Net Position:	
Unrestricted	128,706
Net Position	\$ 128,706

CITY OF EL CENTRO
NONMAJOR PROPRIETARY FUND
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Fiscal Year Ended June 30, 2022

	<u>Solid Waste</u>
Operating Revenues	
Charges for Services	\$ 2,110,582
Total Operating Revenues	<u>2,110,582</u>
 Operating Expenses	
Supplies and Services	1,878,310
General and Administrative	207,789
Total Operating Expenses	<u>2,086,099</u>
 Operating Income (Loss)	 <u>24,483</u>
 Non-Operating Revenues (Expenses)	
Interest Revenue	 <u>414</u>
 Total Non-Operating Revenues (Expenses)	 <u>414</u>
 Change in Net Position	 24,897
 Net Position - Beginning of Fiscal Year	 <u>103,809</u>
 Net Position - End of Fiscal Year	 <u><u>\$ 128,706</u></u>

CITY OF EL CENTRO
NONMAJOR PROPRIETARY FUND
STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2022

	<u>Solid Waste</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash Received from Users	\$ 2,089,629
Cash Payments to Suppliers and Contractors	(1,878,921)
Cash Payments for General and Administrative Expenses	<u>(207,789)</u>
Net Cash Provided (Used) By Operating Activities	<u>2,919</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest Received	<u>414</u>
Net Cash Provided (Used) by Investing Activities	<u>414</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	3,333
CASH AND CASH EQUIVALENTS, BEGINNING OF FISCAL YEAR	<u>137,989</u>
CASH AND CASH EQUIVALENTS, END OF FISCAL YEAR	<u><u>\$ 141,322</u></u>
Reconciliation to Statement of Net Position:	
Cash and Cash Equivalents	<u><u>\$ 141,322</u></u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Operating Income (Loss)	<u>\$ 24,483</u>
Changes in Assets and Liabilities:	
(Increase) Decrease in Accounts Receivable	(20,953)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	<u>(611)</u>
Total Adjustments	<u>(21,564)</u>
Net Cash Provided (Used) By Operating Activities	<u><u>\$ 2,919</u></u>

INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the City on a cost reimbursement basis.

Workers' Compensation - This fund is used to account for the revenue and expenses associated with providing Workers' Compensation benefits.

Post Employment Benefits - This fund is used to account for the revenue and expenses associated with providing unemployment benefits.

Group Health Insurance - This fund is used to account for the revenue and expenses associated with providing group health benefits.

Motor Vehicle - This fund is used to account for costs of operating and maintaining automotive equipment used by City departments.

CITY OF EL CENTRO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
June 30, 2022

	Workers' Compensation	Post Employment Benefits	Group Health Insurance	Motor Vehicle	Totals
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES:					
Assets:					
Cash and Investments	\$ 3,286,361	\$ 430,000	\$ 4,032,475	\$ 398,109	\$ 8,146,945
Account Receivable			24,112		24,112
Other Receivable					
Interest Receivable	5,027	1,848	2,765	408	10,048
Total Assets	<u>3,291,388</u>	<u>431,848</u>	<u>4,059,352</u>	<u>398,517</u>	<u>8,181,105</u>
Deferred outflows of resources:					
Pension related				55,893	55,893
Total Deferred Outflows of Resources				<u>55,893</u>	<u>55,893</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES:					
Liabilities:					
Accounts Payable	64,696	5,513	587,421	40,015	697,645
Unearned revenue			24,112		24,112
Net Pension Liability				179,892	179,892
Total Liabilities	<u>64,696</u>	<u>5,513</u>	<u>611,533</u>	<u>222,399</u>	<u>904,141</u>
Deferred inflows of resources:					
Pension related				155,799	155,799
Total Deferred Inflow of Resources				<u>155,799</u>	<u>155,799</u>
NET POSITION					
Unrestricted	<u>3,226,692</u>	<u>426,335</u>	<u>3,447,819</u>	<u>76,212</u>	<u>7,177,058</u>
Total Net Position	<u>\$ 3,226,692</u>	<u>\$ 426,335</u>	<u>\$ 3,447,819</u>	<u>\$ 76,212</u>	<u>\$ 7,177,058</u>

CITY OF EL CENTRO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES
IN NET POSITION
For the Fiscal Year Ended June 30, 2022

	Workers' Compensation	Post Employment Benefits	Group Health Insurance	Motor Vehicle	Totals
Operating Revenues:					
Charges for Services	\$ 1,706,799	\$ 480,253	\$ 3,659,116	\$ 474,500	\$ 6,320,668
Other	127,910		194,623		322,533
Total Operating Revenues	<u>1,834,709</u>	<u>480,253</u>	<u>3,853,739</u>	<u>474,500</u>	<u>6,643,201</u>
Operating Expenses:					
Personnel Services		547,492	96,502	186,851	830,845
Supplies and Services	1,188,640	43,051	3,733,839	253,123	5,218,653
Total Operating Expenses	<u>1,188,640</u>	<u>590,543</u>	<u>3,830,341</u>	<u>439,974</u>	<u>6,049,498</u>
Operating Income (Loss)	<u>646,069</u>	<u>(110,290)</u>	<u>23,398</u>	<u>34,526</u>	<u>593,703</u>
Non-Operating Revenues:					
Interest Revenue	<u>6,696</u>	<u>1,029</u>	<u>9,450</u>	<u>970</u>	<u>18,145</u>
Total Non-Operating Revenues	<u>6,696</u>	<u>1,029</u>	<u>9,450</u>	<u>970</u>	<u>18,145</u>
Change in Net Position	652,765	(109,261)	32,848	35,496	611,848
Net Position - Beginning of Fiscal Year	<u>2,573,927</u>	<u>535,596</u>	<u>3,414,971</u>	<u>40,716</u>	<u>6,565,210</u>
Net Position - End of Fiscal Year	<u>\$ 3,226,692</u>	<u>\$ 426,335</u>	<u>\$ 3,447,819</u>	<u>\$ 76,212</u>	<u>\$ 7,177,058</u>

CITY OF EL CENTRO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the Fiscal Year Ended June 30, 2022

	Workers' Compensation	Post Employment Benefits	Group Health Insurance	Motor Vehicle	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:					
Cash Received from Users	\$ 1,837,964	\$ 480,253	\$ 3,854,690	\$ 474,500	\$ 6,647,407
Cash Payments to Suppliers and Contractors	(1,203,648)	(37,538)	(3,731,429)	(213,108)	(5,185,723)
Cash Payments for Employees and Benefit Programs		(547,492)	(96,502)	(274,142)	(918,136)
Net Cash Provided (Used) By Operating Activities	<u>634,316</u>	<u>(104,777)</u>	<u>26,759</u>	<u>(12,750)</u>	<u>543,548</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest Received	<u>6,696</u>	<u>1,029</u>	<u>9,450</u>	<u>970</u>	<u>18,145</u>
Net Cash Provided (Used) In Investing Activities	<u>6,696</u>	<u>1,029</u>	<u>9,450</u>	<u>970</u>	<u>18,145</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	641,012	(103,748)	36,209	(11,780)	561,693
CASH AND CASH EQUIVALENTS, BEGINNING OF FISCAL YEAR	<u>2,645,349</u>	<u>533,748</u>	<u>3,996,266</u>	<u>409,889</u>	<u>7,585,252</u>
CASH AND CASH EQUIVALENTS, END OF FISCAL YEAR	<u>\$ 3,286,361</u>	<u>\$ 430,000</u>	<u>\$ 4,032,475</u>	<u>\$ 398,109</u>	<u>\$ 8,146,945</u>
Reconciliation with Statement of Net Position					
Cash and Investments	<u>\$ 3,286,361</u>	<u>\$ 430,000</u>	<u>\$ 4,032,475</u>	<u>\$ 398,109</u>	<u>\$ 8,146,945</u>
CASH AND CASH EQUIVALENTS	<u>\$ 3,286,361</u>	<u>\$ 430,000</u>	<u>\$ 4,032,475</u>	<u>\$ 398,109</u>	<u>\$ 8,146,945</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities					
Operating Income (Loss)	<u>\$ 646,069</u>	<u>\$ (110,290)</u>	<u>\$ 23,398</u>	<u>\$ 34,526</u>	<u>\$ 593,703</u>
Changes in Assets and Liabilities:					
(Increase) Decrease in Receivables	3,255		951		4,206
Increase (Decrease) Accounts Payable and Accrued Liabilities	(15,008)	5,513	2,410	38	(7,047)
Increase (decrease) in net pension liability				(47,314)	(47,314)
Total Adjustments	<u>(11,753)</u>	<u>5,513</u>	<u>3,361</u>	<u>(47,276)</u>	<u>(50,155)</u>
Net Cash Provided (Used) By Operating Activities	<u>\$ 634,316</u>	<u>\$ (104,777)</u>	<u>\$ 26,759</u>	<u>\$ (12,750)</u>	<u>\$ 543,548</u>

FIDUCIARY FUNDS

Fiduciary funds are used to account for the receipt and disbursement of various taxes, deposits, deductions, and property collected by the City, acting in the capacity of an agent for distribution to other governmental units or other organizations.

Trust Funds

Successor Agency Administration – This fund set up to account for revenue and expenses incurred in the dissolution of the Redevelopment Agency.

Successor Agency Capital Project – This fund set up to administer the completion of projects previously administered by the Redevelopment Agency Capital Project Fund.

Successor Agency Debt Service – This fund set up to account for debt service payment previously paid the Redevelopment Agency Debt Service Fund.

Successor Agency Revolving Loan – This fund set up to account for revolving business loans previously administered by the Redevelopment Agency.

CITY OF EL CENTRO
PRIVATE-PURPOSE TRUST FUNDS
COMBINING STATEMENT OF NET POSITION
June 30, 2022

	Successor Agency Administration	Successor Agency Capital Project	Successor Agency Debt Service	Successor Agency Revolving Loan	Totals
Assets:					
Cash and Investments	\$ 137,087	\$ -	\$ 482,455	\$ 24,408	\$ 643,950
Cash and Investments with Fiscal Agent, Restricted		1,928,326	1,743,665		3,671,991
Interest Receivable	87	500,000	231	45	500,363
Notes Receivable				142,638	142,638
Other Receivable				8,802	8,802
Advances to City of El Centro		9,413,455			9,413,455
Discount for advances to City of El Centro		386,958			386,958
Capital Assets, Not Being Depreciated		7,458,729			7,458,729
Capital Assets, Net of Accumulated Depreciation		11,172,298			11,172,298
Total Assets	<u>137,174</u>	<u>30,859,766</u>	<u>2,226,351</u>	<u>175,893</u>	<u>33,399,184</u>
Deferred outflows of resources:					
Deferred loss on refunding			477,132		477,132
Total Deferred outflows of resources			<u>477,132</u>		<u>477,132</u>
Liabilities:					
Accounts Payable	2,291				2,291
Interest Payable			207,699		207,699
Noncurrent Liabilities:					
Due within One Year			1,806,924		1,806,924
Due in More than One Year			21,417,910		21,417,910
Total Liabilities	<u>2,291</u>		<u>23,432,533</u>		<u>23,434,824</u>
Net Position:					
Unrestricted	134,883	30,859,766	(20,729,050)	175,893	10,441,492
Total Net Position (Deficit)	<u>\$ 134,883</u>	<u>\$ 30,859,766</u>	<u>\$ (20,729,050)</u>	<u>\$ 175,893</u>	<u>\$ 10,441,492</u>

CITY OF EL CENTRO
PRIVATE-PURPOSE TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN NET POSITION
For the Fiscal Year Ended June 30, 2022

	Successor Agency Administration	Successor Agency Capital Project	Successor Agency Debt Service	Successor Agency Revolving Loan	Totals
Additions:					
Investment Revenue	\$ 494	\$ 120	\$ 9,068	\$ 68	\$ 9,750
Intergovernmental	34,831				34,831
Property Taxes			2,099,190		2,099,190
Total Additions	<u>35,325</u>	<u>120</u>	<u>2,108,258</u>	<u>68</u>	<u>2,143,771</u>
Deductions:					
Community Development	244,805				244,805
Depreciation		92,972			92,972
Interest Expense		115,989	1,049,609		1,165,598
Total Deductions	<u>244,805</u>	<u>208,961</u>	<u>1,049,609</u>		<u>1,503,375</u>
Change in Net Position	(209,480)	(208,841)	1,058,649	68	640,396
Net Position (Deficit), July 1	<u>344,363</u>	<u>31,068,607</u>	<u>(21,787,699)</u>	<u>175,825</u>	<u>9,801,096</u>
Net Position (Deficit), June 30	<u>\$ 134,883</u>	<u>\$ 30,859,766</u>	<u>\$ (20,729,050)</u>	<u>\$ 175,893</u>	<u>\$ 10,441,492</u>

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Statistical Section

This part of the City of El Centro's Annual Comprehensive Financial Report presents detailed information in a context for understanding what the information in the financial statements, note disclosures, and supplemental information says about the City's overall financial health.

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the City's ability to generate its property and sales taxes.

Debt Capacity

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.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place and to help make comparison over time and with other governments.

Operating Information

These schedules contain information about the City's operations and resources to help the reader understand how the City's financial information relates to the services the City provides and the activities it performs.

Sources:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year. The City implemented GASB Statement No. 34 as of June 30, 2004; schedules presenting government-wide information, include information beginning in that year.

CITY OF EL CENTRO
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental Activities										
Net Investment in Capital Assets	\$79,208,418	\$80,842,072	\$78,942,143	\$78,819,026	\$75,890,314	\$74,090,179	\$81,953,440	\$87,033,203	\$70,961,165	\$85,685,242
Restricted	46,249,862	45,804,312	44,253,527	41,186,047	39,979,160	39,608,650	40,567,511	40,936,807	52,654,435	66,463,319
Unrestricted	15,377,332	19,252,947	(5,132,864)	(2,041,415)	1,089,034	(787,605)	(6,361,074)	(13,312,223)	10,030,953	2,163,429
Total Governmental Activities Net Position	140,835,612	145,899,331	118,062,806	117,963,658	116,958,508	112,911,224	116,159,877	114,657,787	133,646,553	154,311,990
Business-Type Activities										
Net Investment in Capital Assets	37,066,118	39,558,204	44,193,034	26,493,221	51,055,961	46,138,956	43,162,871	36,515,592	39,272,371	34,781,154
Restricted	6,674,927	6,730,642	6,851,721	6,930,565	6,384,134	10,235,872	10,287,056	17,365,590	13,955,202	15,904,665
Unrestricted	71,903,606	73,181,202	50,350,649	73,625,255	41,274,763	45,832,239	50,023,357	51,558,130	58,412,179	34,975,358
Total Business-Type Activities Net Position	115,644,651	119,470,048	101,395,404	107,049,041	98,714,858	102,207,067	103,473,284	105,439,312	111,639,752	85,661,177
Primary Government										
Net Investment in Capital Assets	116,274,536	120,400,276	123,135,177	105,312,247	126,946,275	120,229,135	125,116,311	123,548,795	110,233,536	120,466,396
Restricted	52,924,789	52,534,954	51,105,248	48,116,612	46,363,294	49,844,522	50,854,567	58,302,397	66,609,637	82,367,984
Unrestricted	87,280,938	92,434,149	45,217,785	71,583,840	42,363,797	45,044,634	43,662,283	38,245,907	68,443,132	37,138,787
Total Primary Government Net Position	\$256,480,263	\$265,369,379	\$219,458,210	\$225,012,699	\$215,673,366	\$215,118,291	\$219,633,161	\$220,097,099	\$245,286,305	\$239,973,167

Source: City of El Centro Finance Department

**CITY OF EL CENTRO
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)**

Page 1 of 2

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental Activities										
General Government	\$2,697,357	\$2,754,215	\$2,814,460	\$3,189,318	\$3,260,008	\$4,907,578	\$5,082,615	\$5,772,893	\$5,676,593	\$4,639,465
Public Protection	13,500,334	13,702,504	14,821,027	15,991,970	16,549,335	19,407,063	20,140,393	20,753,554	19,531,878	16,917,746
Community Development	7,740,525	5,368,816	5,914,348	4,904,923	5,045,345	5,961,507	5,927,402	4,768,729	5,013,282	3,994,411
Public Works	5,845,493	5,552,867	4,107,228	4,166,861	4,374,882	5,858,267	5,009,012	5,850,108	6,331,378	5,380,530
Parks and Recreation	2,941,013	3,377,770	4,214,952	4,294,769	4,353,867	4,417,407	4,775,412	5,557,488	5,812,664	7,695,598
Interest on Long-Term Debt	1,653,023	1,155,173	1,372,677	1,311,227	1,035,446	995,159	952,081	999,577	1,342,134	1,274,214
Total Governmental Activities Expenses	34,377,745	31,911,345	33,244,692	33,859,068	34,618,883	41,546,981	41,886,915	43,702,349	43,707,929	39,901,964
Business-Type Activities										
Water	8,270,456	7,889,026	7,703,001	7,835,221	8,085,191	8,663,249	9,246,697	9,661,057	9,745,814	9,500,919
Wastewater	7,485,992	7,784,150	7,963,730	7,416,154	7,744,111	8,146,616	8,402,600	8,316,641	8,750,262	9,361,202
Hospital	123,087,439	123,534,326	123,935,509	130,184,797	143,495,890	159,294,906	170,543,566	173,626,585	191,749,110	191,515,035
Transit	356,984	391,240	428,536	441,838	0	273,540	-	-	-	-
Solid Waste	1,741,891	1,782,315	1,824,911	1,816,363	1,855,107	1,886,245	1,947,110	2,021,566	2,067,167	2,086,099
Total Business-Type Activities Expenses	140,942,762	141,381,057	141,855,687	147,694,373	161,180,299	178,264,556	190,139,973	193,625,849	212,312,353	212,463,255
Total Primary Government Net Expenses	\$175,320,507	\$173,292,402	\$175,100,379	\$181,553,441	\$195,799,182	\$219,811,537	\$232,026,888	\$237,328,198	\$256,020,282	\$252,365,219
Program Revenues										
Governmental Activities										
Charges for Services										
General Government	\$501,117	\$546,723	\$671,937	\$550,744	\$539,224	\$630,324	\$573,594	\$583,638	\$614,831	\$687,240
Public Protection	436,624	394,565	388,716	395,876	409,253	429,794	475,524	315,055	242,640	231,469
Community Development	443,626	548,054	549,694	533,237	511,977	776,338	465,207	586,354	780,884	753,872
Public Works	40,420	14,665	24,738	18,582	18,855	15,205	50,280	14,665	16,680	43,995
Parks and Recreation	106,267	133,327	148,347	397,040	186,582	169,678	208,480	116,824	197,300	334,688
Operating Contributions and Grants	6,330,950	5,053,349	3,770,930	4,307,685	3,075,687	5,039,069	5,585,214	5,015,988	19,990,382	13,380,765
Capital Contributions and Grants	14,465,302	10,655,687	6,632,032	6,290,390	5,962,819	4,953,068	6,353,495	7,057,057	7,411,795	8,455,799
Total Governmental Activities Program Revenues	22,324,306	17,346,370	12,186,394	12,493,554	10,704,397	12,013,476	13,711,794	13,689,581	29,254,512	23,887,828
Business-Type Activities										
Charges for Services										
Water	8,432,311	8,597,177	8,382,237	8,040,037	8,725,663	8,969,212	8,840,576	9,520,271	10,225,238	9,459,750
Wastewater	7,879,037	8,487,848	8,830,413	9,093,132	9,775,034	9,764,887	9,678,021	10,433,981	11,032,844	10,502,240
Hospital	126,098,919	128,111,189	133,830,561	133,442,763	131,014,558	156,801,391	163,792,187	153,709,185	166,205,189	164,111,822
Transit	428,249	431,237	420,029	406,248	-	-	-	-	-	-
Solid Waste	1,769,658	1,811,429	1,854,003	1,852,773	1,862,447	1,862,502	2,012,265	2,037,599	2,063,322	2,110,582
Operating Contributions and Grants	428,979	472,116	405,654	358,660	283,995	476,362	945,662	16,474,592	21,830,832	6,057,841
Capital Contributions and Grants	327,314	397,620	1,120,428	385,790	-	2,339,194	3,461,366	31,274	1,130,499	-
Total Business-Type Activities Program Revenues	145,364,467	148,308,616	154,843,325	153,579,403	151,661,697	180,213,548	188,730,077	192,206,902	212,487,924	192,242,235
Total Primary Government Program Revenues	\$167,688,773	\$165,654,986	\$167,029,719	\$166,072,957	\$162,366,094	\$192,227,024	\$202,441,871	\$205,896,483	\$241,742,436	\$216,130,063

**CITY OF EL CENTRO
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS**

(Accrual Basis of Accounting)
Page 2 of 2

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net (Expense)/Revenue										
Governmental Activities	(\$12,053,439)	(\$14,564,975)	(\$21,058,298)	(\$21,365,514)	(\$23,914,486)	(\$29,533,505)	(\$28,175,121)	(\$30,012,768)	(\$14,453,417)	(\$16,014,136)
Business-Type Activities	4,421,705	6,927,559	12,987,638	5,885,030	(9,518,602)	1,948,992	(1,409,896)	(1,418,947)	175,571	(20,221,020)
Total Primary Government Net Expense	(\$7,631,734)	(\$7,637,416)	(\$8,070,660)	(\$15,480,484)	(\$33,433,088)	(\$27,584,513)	(\$29,585,017)	(\$31,431,715)	(\$14,277,846)	(\$36,235,156)
General Revenues and Other Changes in Net Assets										
Governmental Activities										
Taxes										
Property Taxes	\$2,946,796	\$2,928,564	\$3,036,539	\$3,184,676	\$3,274,487	\$3,634,531	\$3,786,228	\$4,001,432	\$4,130,329	\$4,256,239
Sales Taxes	10,457,635	10,937,977	10,998,664	11,461,714	12,863,590	17,732,123	18,740,665	18,064,757	20,854,390	23,862,100
Transit Occupancy Taxes	1,660,336	1,667,107	1,592,290	1,692,052	1,667,455	1,861,737	2,029,794	1,807,981	2,151,327	2,423,575
Franchise Taxes	309,852	317,696	317,379	295,717	282,975	298,492	297,300	313,532	322,490	341,700
Other Taxes	384,697	369,426	402,491	426,247	421,537	198,535	459,392	486,105	532,924	550,860
License & Permits	-	-	-	-	-	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-	-	-	-	-	-
Motor Vehicle in Lieu, unrestricted	3,661,173	3,640,902	3,671,321	3,920,891	4,095,796	4,252,437	4,414,691	4,551,788	4,753,060	4,918,467
Revenue From Other Agencies	-	-	-	-	-	-	-	-	-	-
Litigation Settlement	-	-	-	-	-	-	-	-	-	-
Bond/Loan Proceeds less increase in debt	-	-	-	-	-	-	-	-	-	-
Miscellaneous Revenue	77,097	72,185	102,414	123,883	101,315	95,107	464,763	474,279	568,874	196,090
Gain on Sales of Property	-	-	-	-	-	-	-	-	-	-
Transfers	241,920	193,200	193,200	-	-	(214,368)	-	-	-	-
Loss on Transfer of Assets and Liabilities to RDA Successor Trust Fund	-	-	-	-	-	-	-	-	-	-
Investment Earnings	169,631	130,261	155,862	184,000	202,181	110,914	1,230,941	129,752	128,788	130,322
Total Governmental Activities	19,909,137	20,257,318	20,470,160	21,289,180	22,909,336	27,969,508	31,423,774	29,829,626	33,442,182	36,679,353
Business-Type Activities										
Investment Earnings	453,085	470,351	613,433	937,970	560,592	1,328,849	2,778,288	3,809,108	6,024,869	(2,423,211)
Litigation Settlement	-	-	-	-	-	-	-	-	-	-
Transfers	(241,920)	(193,200)	(193,200)	-	-	\$214,368	-	-	-	-
Miscellaneous Revenue (Expense)	(105,075)	57,936	(608,438)	-	96,683	-	-	-	-	-
Total Business-Type Activities	106,090	335,087	(188,205)	937,970	657,275	1,543,217	2,778,288	3,809,108	6,024,869	(2,423,211)
Total Primary Government	\$20,015,227	\$20,592,405	\$20,281,955	\$22,227,150	\$23,566,611	\$29,512,725	\$34,202,062	\$33,638,734	\$39,467,051	\$34,256,142
Change in Net Position										
Governmental Activities	\$7,855,698	\$5,692,343	(\$588,138)	(\$76,334)	(\$1,005,150)	(\$1,563,997)	\$3,248,653	(\$183,142)	\$18,988,765	\$20,665,217
Business-Type Activities	4,527,795	7,262,646	12,799,433	6,823,000	(8,861,327)	3,492,209	1,368,392	2,390,161	6,200,440	(22,644,231)
Total Primary Government	\$12,383,493	\$12,954,989	\$12,211,295	\$6,746,666	(\$9,866,477)	\$1,928,212	\$4,617,045	\$2,207,019	\$25,189,205	(\$1,979,014)

Source: City of El Centro Finance Department

**CITY OF EL CENTRO
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	Fiscal Year										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund											
Reserved	-	-	-	-	-	-	-	-	-	-	-
Unreserved	-	-	-	-	-	-	-	-	-	-	-
Total General Fund	-	-	-	-	-	-	-	-	-	-	-
All Other Governmental Funds											
Reserved Reported In:											
Special Revenue Funds	-	-	-	-	-	-	-	-	-	-	-
Debt Service Funds	-	-	-	-	-	-	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-	-	-	-	-	-	-
Unreserved, Reported In:											
Special Revenue Funds	-	-	-	-	-	-	-	-	-	-	-
Debt Service Funds	-	-	-	-	-	-	-	-	-	-	-
Capital Projects Funds	-	-	-	-	-	-	-	-	-	-	-
Total All Other Governmental Funds	-	-	-	-	-	-	-	-	-	-	-
General Fund											
Nonspendable	-	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	1,500,000	1,500,000	1,500,000	1,850,641	4,033,229
Assigned	9,077,959	4,086,986	4,094,734	4,094,734	4,632,159	4,675,830	5,019,337	1,569,069	1,588,408	88,954	89,161
Unassigned	8,851,696	10,668,543	12,948,410	13,503,236	12,936,302	13,565,446	16,008,312	21,111,902	22,601,628	32,883,320	38,789,438
Total General Fund	\$17,929,655	\$14,755,529	\$17,043,144	\$17,597,970	\$17,568,461	\$18,241,276	\$22,527,649	\$24,180,971	\$25,690,036	\$34,822,915	\$42,911,828
All Other Governmental Funds											
Nonspendable Reported In:											
Special Revenue Funds	-	-	-	\$17,645,310	\$17,434,561	\$17,293,980	\$6,736,080	\$6,722,390	-	-	-
Restricted Reported In:											
Special Revenue Funds	\$21,387,592	\$16,328,148	\$14,522,868	\$14,497,725	\$12,082,322	\$11,933,425	\$21,019,395	\$21,632,640	\$29,541,990	\$41,775,877	\$49,570,294
Debt Service Funds	11,310,804	10,610,316	11,596,495	10,886,701	10,162,103	9,413,193	8,655,245	7,883,285	6,850,051	5,801,384	3,699,459
Capital Projects Funds	43,604,215	44,704,189	19,494,251	19,823,512	20,102,143	20,077,372	20,191,458	7,521,556	2,130,360	18,655,522	6,315,926
Committed Reported In:											
Special Revenue Funds	492,778	500,044	504,786	510,687	518,023	527,498	542,116	556,974	574,246	581,207	583,848
Capital Projects Funds	1,290,225	1,337,063	1,359,231	1,391,199	1,651,859	1,147,829	891,326	950,243	1,042,265	1,086,257	2,071,467
Unassigned, Reported In:											
Capital Project Funds	-	-	-	-	-	-	-	(312,854)	-	-	-
Special Revenue Funds	(1,171,673)	(146,068)	(515,850)	(229,575)	(270,160)	40,959	(21,789)	-	(236,067)	(219)	-
Total All Other Governmental Funds	\$76,913,941	\$73,333,692	\$46,961,781	\$64,525,559	\$61,680,851	\$60,434,256	\$58,013,831	\$44,954,234	\$39,902,845	\$67,900,028	\$62,240,994
Total Governmental Funds	\$94,843,596	\$88,089,221	\$64,004,925	\$82,123,529	\$79,249,312	\$78,675,532	\$80,541,480	\$69,135,205	\$65,592,881	\$102,722,943	\$105,152,822

Source: City of El Centro Finance Department

Note: With the implementation of GASB 54 in fiscal year 2011, the classification of fund balance has been revised.

CITY OF EL CENTRO
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	Fiscal Year										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues											
Taxes	\$15,890,617	\$13,315,271	\$13,320,695	\$13,583,961	\$16,693,227	\$18,510,044	\$23,965,511	\$25,313,379	\$24,673,807	\$27,991,459	\$31,434,474
Licenses and Permits	302,210	207,705	323,838	256,117	327,027	270,740	423,868	266,735	299,970	324,355	441,200
From Other Agencies (Intergovernmental)	16,232,143	21,422,955	19,438,874	15,548,121	13,111,411	11,924,208	11,913,164	13,323,176	14,821,107	30,605,865	24,191,887
Charges for Services	944,153	582,871	838,549	1,104,236	942,182	870,198	1,311,769	873,084	1,072,490	1,475,547	1,238,062
Fines and Forfeitures	278,452	191,553	171,456	260,484	157,908	107,866	87,950	832,064	193,716	47,362	111,948
Interest	1,020,249	1,039,533	565,289	859,566	862,411	698,730	727,513	1,858,383	775,320	701,072	200,632
Other	3,902,441	5,023,159	2,681,077	1,571,723	1,320,273	1,465,430	1,262,526	1,419,365	1,355,667	1,309,981	2,737,835
Total Revenues	38,570,265	41,783,047	37,339,778	33,184,208	33,414,439	33,847,216	39,692,301	43,886,186	43,192,077	62,455,641	60,356,038
Expenditures											
Current											
General Government	3,464,573	8,411,060	3,219,097	3,551,014	3,239,773	3,280,437	4,007,539	3,675,448	3,428,969	3,538,826	3,929,636
Public Safety	13,633,473	13,758,270	14,066,064	14,008,336	15,493,236	16,274,312	16,260,309	16,122,920	16,890,059	16,824,490	16,053,930
Public Works	1,645,024	1,603,595	1,613,630	1,295,399	1,461,952	1,415,699	1,475,797	1,641,813	1,577,820	1,625,553	1,878,581
Parks and Recreation	2,472,520	2,353,933	2,733,034	2,698,586	3,142,898	3,202,932	3,216,194	3,404,260	3,384,333	3,582,260	7,894,605
Community Development	5,081,752	7,171,937	2,006,113	2,166,885	2,164,177	2,186,684	2,256,357	2,148,396	2,604,127	2,774,775	2,400,548
Capital Outlay	10,275,049	13,098,714	10,258,712	6,515,733	8,180,399	5,709,583	8,101,379	25,987,509	15,460,718	11,917,446	22,118,006
Debt Service											
Principal Retirement	2,155,000	1,089,063	1,110,066	1,132,892	1,165,879	1,209,033	1,195,000	1,255,000	1,320,000	1,390,000	11,315,000
Interest and Fiscal Charges	3,941,012	1,574,703	1,259,809	1,478,077	1,417,528	1,142,316	1,099,410	1,057,115	1,105,566	1,454,064	1,406,837
Other	-	-	-	-	-	-	-	-	-	-	-
Total Expenditures	42,668,403	49,061,275	36,266,525	32,846,922	36,265,842	34,420,996	37,611,985	55,292,461	45,771,592	43,107,414	66,997,143
Excess of Revenues Over (Under) Expenditures	(4,098,138)	(7,278,228)	1,073,253	337,286	(2,851,403)	(573,780)	2,080,316	(11,406,275)	(2,579,515)	19,348,227	(6,641,105)
Other Financing Sources (Uses)											
Proceeds from capital leases	-	281,933	0	0	0	0	0	0	0	0	0
Transfers In	4,581,124	3,348,795	3,425,532	3,041,423	2,858,474	2,387,332	3,728,876	4,447,994	4,215,324	2,391,125	5,157,541
Transfers Out	(4,339,204)	(3,106,875)	(3,232,332)	(2,848,223)	(2,858,474)	(2,387,332)	(3,943,244)	(4,447,994)	(4,215,324)	(2,391,125)	(5,157,541)
Sales of Property	-	-	-	-	-	-	-	-	-	-	-
Issuance of Long Term Debt	-	-	-	-	-	-	-	-	-	-	\$9,070,765
Original Issue Discount	-	-	-	-	-	-	-	-	-	-	-
Payment of Refunded Bond Escrow Agent	-	-	-	-	-	-	-	-	-	-	-
Lease Proceeds/Short Term Debt	-	-	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	241,920	523,853	193,200	193,200	0	0	(214,368)	0	0	0	9,070,765
Extraordinary Item											
Gain/(Loss) on Transfer of Assets and Liabilities to RDA Successor Trust Funds	(21,823,412)	-	-	-	-	-	-	-	-	-	-
Net Change In Fund Balances	(\$25,679,630)	(\$6,754,375)	\$1,266,453	\$530,486	(\$2,851,403)	(\$573,780)	\$1,865,948	(\$11,406,275)	(\$2,579,515)	\$19,348,227	\$2,429,660
Debt Service as a percentage of non-capital expenditures	18.8%	7.2%	8.9%	9.6%	9.1%	8.1%	7.6%	8.0%	7.9%	8.9%	28.3%

Source: City of El Centro Finance Department

**CITY OF EL CENTRO
PROPERTY AD VALOREM TAX ASSESSED VALUES ¹
LAST TEN FISCAL YEARS**

Year Ended June 30	Assessed Value ²	County Tax Rate Per \$100	City			Redevelopment Agency		
			Portion of Assessed Value	Tax Rate	Tax Levy	Portion of Assessed Value	Tax Rate	Tax Levy
2013	2,013,469,116	1.0000	1,398,499,071	0.210%	2,940,201	614,970,045	1.018%	6,262,469
2014	2,003,429,040	1.0000	1,404,870,048	0.211%	2,959,121	598,558,992	1.017%	6,088,570
2015	2,022,063,289	1.0000	1,423,277,054	0.212%	3,011,823	598,786,235	1.021%	6,111,606
2016	2,173,973,430	1.0000	1,559,437,960	0.210%	3,277,875	614,535,470	1.021%	6,273,308
2017	2,280,920,814	1.0000	1,629,348,747	0.209%	3,397,728	651,572,067	1.020%	6,642,930
2018	2,377,628,281	1.0000	1,706,086,033	0.220%	3,752,344	671,542,248	1.022%	6,862,876
2019	2,484,436,442	1.0000	1,782,565,134	0.216%	3,852,841	701,871,308	1.023%	7,178,049
2020	2,559,061,766	1.0000	1,840,573,973	0.217%	3,993,304	718,487,793	1.025%	7,365,889
2021	2,698,126,894	1.0000	1,933,714,878	0.215%	4,150,691	764,412,016	1.026%	7,845,453
2022	2,789,652,311	1.0000	1,994,290,032	0.214%	4,258,027	795,362,279	1.025%	8,150,322

¹ Estimated Actual Value of Taxable Property is not available since passage of Proposition 13 in 1978.
Property assessed values may rise only to a maximum of 2% per year unless there is new construction or when the property is sold. Consequently, estimated values are not available.

² Pursuant to chapter 1207 of the statutes of 1978, "Assessed Value" means 100% of full taxable value.

Source: Imperial County Auditor's/Controller's Office

**CITY OF EL CENTRO
DIRECT AND OVERLAPPING PROPERTY TAX RATES
(Rate per \$100 of Assessed Value)
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
City Direct Rates:										
City basic rate	\$0.210	\$0.211	\$0.212	\$0.210	\$0.209	\$0.220	\$0.216	\$0.217	\$0.215	\$0.214
Redevelopment Agency	1.018	1.017	1.021	1.021	1.020	1.022	1.023	1.025	1.026	1.025
Total City Direct Rate	1.228	1.228	1.233	1.231	1.229	1.242	1.239	1.242	1.241	1.239
Overlapping Rates:										
Imperial County	0.260	0.260	0.260	0.260	0.274	0.274	0.274	0.274	0.274	0.274
El Centro Elementary District	0.214	0.214	0.214	0.214	0.200	0.200	0.200	0.200	0.200	0.200
Central Union High School	0.177	0.177	0.177	0.177	0.142	0.142	0.142	0.142	0.142	0.142
Imperial Valley College District	0.087	0.087	0.087	0.087	0.068	0.068	0.068	0.068	0.068	0.068
Imperial County School Service	0.019	0.019	0.019	0.019	0.016	0.017	0.017	0.017	0.017	0.017
Central Cemetery District	0.017	0.017	0.017	0.017	0.019	0.019	0.019	0.019	0.019	0.019
Total Direct Rate	2.002	2.002	2.007	2.005	1.949	1.963	1.960	1.963	1.962	1.960

NOTE: In 1978, California voters passed Proposition 13, which sets the property tax rate at a 1.000% fixed amount. This 1.000% is shared by all taxing agencies for which the subject property resides within. In addition to the fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of bonded debt service on the voter-approved School District and Community College bonds.

Source: Imperial County Auditor/Controller's Office

**CITY OF EL CENTRO
PRINCIPAL PROPERTY TAXPAYERS
AS OF JUNE 30, 2022 AND 2013**

Taxpayer	Fiscal Year 2022			Fiscal Year 2013		
	Assessed Valuation	Percent Of Total Assessed Valuation	Rank	Assessed Valuation	Percent Of Total Assessed Valuation	Rank
I V Plaza LLC (RJFP LLC)	\$ 56,506,642	2.03%	1	\$ 42,577,941	2.20%	1
Imperial Valley Mall II, LP	50,876,479	1.82%	2	41,933,579	2.16%	2
Town Center Courtyard	32,962,760	1.18%	3	10,751,884	0.55%	8
RJ Development Co. LLC	23,057,946	0.83%	4	19,862,671	1.02%	3
Wal-Mart Stores Inc.	21,589,830	0.77%	5	18,103,263	0.93%	4
PMB EL CENTRO LLC	18,144,445	0.65%	6	-	-	
Target Corporation	15,308,996	0.55%	7	13,991,704	0.72%	5
El Centro Miraflores LP	12,500,000	0.45%	8	12,500,000	0.64%	7
Lakeside Investment LLC	12,575,311	0.45%	9	-	-	
EGP CH EL Centro LLC	11,800,000	0.42%	10	-	-	
Dillard Stores Services Inc	-	-		12,909,960	0.67%	6
Costco Wholesale Corp	-	-		10,283,069	0.53%	9
Lowes HIW Inc	-	-		10,016,124	0.52%	10
	<u>\$255,322,409</u>	<u>9.15%</u>		<u>\$192,930,195</u>	<u>9.95%</u>	

Source: Imperial County Assessor's Office

**CITY OF EL CENTRO
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Delinquent Tax Collection	Total Collections to Date	
		Total Amount	Percent of Levy		Amount	Percent of Levy
2013	9,202,670	8,580,115	93.24%	-	8,580,115	93.24%
2014	9,047,691	8,931,326	98.71%	-	8,931,326	98.71%
2015	9,123,429	9,120,596	99.97%	-	9,120,596	99.97%
2016	9,551,183	9,506,127	99.53%	-	9,506,127	99.53%
2017	10,040,658	9,757,168	97.18%	-	9,757,168	97.18%
2018	10,615,220	10,349,123	97.49%	-	10,349,123	97.49%
2019	11,030,890	8,288,986	75.14%	-	8,288,986	75.14%
2020	11,359,193	11,678,410	102.81%	-	11,678,410	102.81%
2021	11,996,144	11,624,758	96.90%	-	11,624,758	96.90%
2022	12,408,349	12,999,147	104.76%	-	12,999,147	104.76%

Note: The amounts presented include City property taxes and the former Redevelopment Agency tax increment.

Source: Imperial County Auditor's/Controller Office

**CITY OF EL CENTRO
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	Tax Allocation Bond	Lease Revenue Bonds	Revenue Bonds	Governmental Activities				Business-Type Activities							
				General Bonded Debt Outstanding	Capital Leases	Tax Allocation Loan Payable	Total Governmental Activities	Water & Wastewater Revenue Bonds	Water & Wastewater Installment Sale	Hospital				Total Business-Type Activities	
										Financed Purchases	Leases Payable	Refundable Advances	Revenue Bonds		Notes Payable
2012		13,069,406	10,257,393	23,326,799	-	-	23,326,799	72,436,782	3,406,782	8,525,281			28,585,528	752,300	113,706,673
2013		12,746,297	9,579,211	22,325,508	217,870	-	22,543,378	70,906,481	3,206,481	5,244,431			27,147,041	5,001,300	111,505,734
2014		12,413,188	8,876,029	21,289,217	167,804	-	21,457,021	69,078,663	2,917,772	2,921,810			25,665,552	4,205,395	104,789,192
2015		12,070,079	8,162,847	20,232,926	114,912	-	20,347,838	66,592,684	2,620,401	4,913,329			50,000,000	-	124,126,414
2016		11,713,970	7,434,665	19,148,635	59,033	-	19,207,668	64,171,189	2,314,109	6,962,960			47,205,000	-	120,653,258
2017		11,338,861	6,681,483	18,020,344	-	-	18,020,344	59,701,878	1,998,628	4,738,042			44,240,000	-	110,678,548
2018		10,930,752	5,918,301	16,849,053	-	-	16,849,053	57,491,674	1,673,683	5,966,052			115,049,993	-	180,181,402
2019		10,482,643	5,135,119	15,617,762	-	-	15,617,762	55,216,472	1,338,988	4,760,655			115,299,783	-	176,615,898
2020		9,994,534	4,326,937	14,321,471	-	-	14,321,471	52,866,269	994,253	126,968	10,175,733	22,948,343	115,549,574	-	202,661,140
2021		27,237,985	3,498,755	30,736,740	-	-	30,736,740	50,500,892	639,176	100,001	8,303,072	21,068,613	115,799,365	-	196,411,119
2022		25,825,298	2,650,573	28,475,871	-	-	28,475,871	47,935,864	273,447	259,667	6,804,079	7,082,862	116,049,156	-	178,405,075

Fiscal Year	Total Primary Government	Percentage Of Personal Income ¹	Per Capita ¹
2012	137,033,472	11.4%	3,127
2013	134,049,112	10.7%	3,033
2014	126,246,213	10.0%	2,846
2015	144,474,252	10.0%	3,214
2016	139,860,926	9.6%	3,087
2017	128,698,892	8.4%	2,834
2018	197,030,455	12.7%	4,265
2019	192,233,660	12.5%	4,200
2020	216,982,611	13.2%	4,768
2021	227,147,859	12.5%	5,062
2022	206,880,946	10.4%	4,648

Note: Details regarding the City's outstanding debt can be found in the Notes to the Financial Statements.

¹ See the table of Population and Unemployment Rate later in this section for personal income and population data.

Source: City of El Centro Finance Department

**CITY OF EL CENTRO
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Fiscal Year	Redevelopment Agency Tax Allocation <u>Bonds</u>	Lease Revenue <u>Bonds</u>	Financing Authority <u>Revenue Bonds</u>	Less: Amounts Available in Debt Service <u>Funds</u>	Total General Bonded Debt <u>Outstanding</u>	Percentage of Assessed Value of Property ¹	Per Capita
2012	²	13,069,406	10,257,393	2,568,642	20,758,159	1.0%	474
2013	²	12,746,297	9,579,211	2,564,268	19,761,242	1.0%	447
2014	²	12,413,188	8,876,029	2,571,814	18,717,405	0.9%	422
2015	²	12,070,079	8,162,847	2,571,818	17,661,110	0.9%	393
2016	²	11,711,970	7,434,665	2,571,828	16,574,809	0.8%	366
2017	²	11,338,861	6,681,483	2,571,875	15,448,471	0.7%	340
2018	²	10,930,752	5,918,301	2,572,198	14,276,857	0.6%	309
2019	²	10,482,643	5,135,119	2,586,175	13,031,589	0.5%	285
2020	²	9,994,534	4,326,937	2,137,731	12,183,742	0.5%	268
2021	²	27,237,985	3,498,755	2,157,469	28,579,273	1.1%	637
2022	²	25,932,532	2,650,573	1,158,413	27,424,694	1.0%	616

¹ Estimated Actual Value of Taxable Property is not available since passage of Proposition 13 in 1978.
Property assessed values may rise only to a maximum of 2% per year unless there is new construction or when the property is sold. Consequently, estimated values are not available.

² Related debt for the Redevelopment Agency has been transferred to the Successor Agency.

Source: City of El Centro Finance Department

CITY OF EL CENTRO
STATEMENT OF DIRECT AND OVERLAPPING DEBT
As of June 30, 2022

2021 - 2022 Assessed Valuation:	\$2,789,652,311		
Redevelopment Incremental Valuation:	795,362,279		

City Adjusted Assessed Valuation	\$1,994,290,032		
	OUTSTANDING DEBT	% APPLICABLE	ESTIMATED SHARE OF OUTSTANDING DEBT
	6/30/2022		
<hr/>			
OVERLAPPING TAX AND ASSESSMENT DEBT			
El Centro Elementary School District 2003, 2015 & 2016 Bonds	\$13,896,651	85.75%	\$11,916,378
Centro Union High School 2011 & 2016 Bonds	28,780,000	47.01%	13,529,478
Imperial Valley College 2004, 2010,2012, 2017 & 2019 Bonds	<u>118,135,216</u>	14.38%	<u>16,987,844</u>
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT	<u>160,811,867</u>		<u>42,433,700</u>
TOTAL OVERLAPPING DEBT	<u>\$160,811,867</u>		\$42,433,700
CITY DIRECT DEBT ¹			<u>28,583,105</u>
TOTAL DIRECT AND OVERLAPPING DEBT ¹			<u>\$71,016,805</u>

¹ Excludes enterprise revenue, mortgage revenue and tax allocation bonds and non-bonded capital lease obligations.

² The percentage of the applicable debt is determined by the assessed valuation for the appropriate district as a percentage of the City's assessed valuation.

**CITY OF EL CENTRO
COMPUTATION OF LEGAL DEBT MARGIN
FOR THE FISCAL YEAR ENDED JUNE 30, 2022**

Total Assessed Valuation	\$2,789,652,311
Debt Limit - 15% of Total Assessed Valuation ¹	\$418,447,847
Amount of Debt Applicable to the Limit	28,475,871
Legal Debt Margin	\$389,971,976

**LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

Fiscal Year	Debt Limit	Total Debt Applicable	Legal Debt Margin	Total Debt Applicable As A Percentage Of Debt Limit
2013	302,020,367	22,325,508	279,694,859	7.4%
2014	300,514,356	21,289,217	279,225,139	7.1%
2015	303,309,493	20,232,926	283,076,567	6.7%
2016	326,096,015	19,148,635	306,947,380	5.9%
2017	342,138,122	18,020,344	324,117,778	5.3%
2018	356,644,242	16,849,053	339,795,189	4.7%
2019	372,665,466	15,617,762	357,047,704	4.2%
2020	383,859,265	14,321,471	369,537,794	3.7%
2021	404,719,034	30,736,740	373,982,294	7.6%
2022	418,447,847	28,583,105	389,864,742	6.8%

¹ Government Code 43605 of the State of California provides for a legal debt limit of 15% of gross assessed valuation

Source: City of El Centro Finance Department

**CITY OF EL CENTRO
PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS**

Year Ended	Revenue Bonds (Water Fund)						Revenue Bonds (Wastewater Fund)							
	Water Revenue ¹	Less: Operating Expenses ²	Net Available Revenue	Principal ⁴	Interest	Total Debt Service	Debt Service Coverage	Wastewater Revenue ¹	Less: Operating Expenses ²	Net Available Revenue	Principal ⁴	Interest	Total Debt Service	Debt Service Coverage
2012	8,540,202	4,818,652	3,721,550	714,592	1,523,095	2,237,687	1.66	7,802,980	4,339,514	3,463,466	1,057,544	1,904,434	2,961,978	1.17
2013	8,661,011	4,875,237	3,785,774	741,831	1,494,499	2,236,330	1.69	8,091,373	4,207,032	3,884,341	788,470	1,736,765	2,525,235	1.54
2014	8,816,847	4,546,502	4,270,345	774,136	1,430,642	2,204,778	1.94	8,689,831	4,533,236	4,156,595	1,264,574	1,665,899	2,930,473	1.42
2015	8,570,456	4,603,505	3,966,951	801,510	1,082,132	1,883,642	2.11	8,995,182	5,268,375	3,726,807	1,300,861	1,117,888	2,418,749	1.54
2016	8,132,998	4,417,861	3,715,137	998,955	1,273,605	2,272,560	1.63	9,169,033	4,689,235	4,479,798	1,197,337	1,142,938	2,340,275	1.91
2017	8,887,085	4,583,355	4,303,730	1,021,474	1,252,478	2,273,952	1.89	9,919,427	5,012,752	4,906,675	1,224,007	1,114,557	2,338,564	2.10
2018	9,270,396	5,054,758	4,215,638	1,049,068	1,232,770	2,281,838	1.85	10,070,280	5,310,983	4,759,297	1,260,878	1,065,324	2,326,202	2.05
2019	9,155,507	5,499,799	3,655,708	1,091,740	1,192,891	2,284,631	1.60	9,947,794	5,362,651	4,585,143	1,292,954	1,029,153	2,322,107	1.97
2020	9,862,085	6,021,012	3,841,073	1,134,492	1,139,766	2,274,258	1.69	10,734,183	5,372,334	5,361,849	1,335,243	1,002,817	2,338,060	2.29
2021	10,356,785	6,160,938	4,195,847	1,172,327	1,094,275	2,266,602	1.85	11,154,990	5,442,468	5,712,522	1,377,750	958,259	2,336,009	2.45
2022	10,378,193	5,139,002	5,239,191	1,225,247	1,046,847	2,272,094	2.31	10,555,237	5,139,002	5,416,235	1,425,482	910,177	2,335,659	2.32

Year Ended	Revenue Bonds (Hospital Fund)						³ Redevelopment Agency Tax Allocation Bond					
	Hospital Revenue ¹	Less: Operating Expenses ²	Net Available Revenue	Principal ⁵	Interest	Total Debt Service	Debt Service Coverage	Property Tax Increment	Principal	Interest	Total Debt Service	Debt Service Coverage
2012	133,547,434	120,995,707	12,551,727	1,369,000	1,610,100	2,979,100	4.21	3	3	3	3	3
2013	126,098,919	115,869,725	10,229,194	1,459,000	1,537,460	2,996,460	3.41	3	3	3	3	3
2014	128,111,189	116,528,884	11,582,305	1,519,000	1,461,051	2,980,051	3.89	3	3	3	3	3
2015	133,830,561	116,804,256	17,026,305	1,599,000	1,733,430	3,332,430	5.11	3	3	3	3	3
2016	133,442,763	123,616,427	9,826,336	2,795,000	1,439,753	4,234,753	2.32	3	3	3	3	3
2017	131,549,548	136,026,440	(4,476,892)	2,965,000	1,439,753	4,404,753	(1.02)	3	3	3	3	3
2018	157,999,045	147,714,807	10,284,238	44,240,000	1,970,575	46,210,575	0.22	3	3	3	3	3
2019	166,825,598	159,070,472	7,755,126	3,330,284	4,168,365	7,498,649	1.03	3	3	3	3	3
2020	172,094,296	159,679,976	12,414,320	2,204,697	5,015,847	7,220,544	1.72	3	3	3	3	3
2021	193,805,956	177,670,685	16,135,271	2,796,573	4,657,158	7,453,731	2.16	3	3	3	3	3
2022	166,625,220	175,839,692	(9,214,472)	2,786,237	7,379,618	10,165,855	(0.91)	3	3	3	3	3

¹ Interest Revenue and Grant Revenue is included for this calculation

² Depreciation is eliminated for this calculation.

³ Redevelopment Agency Tax Allocation Bonds were transferred to the Successor Agency

⁴ One principal payment related to the 2006 Water & Wastewater Bonds was shown, since the remaining balances were refunded and no payments were due on the new 2014 Water & Wastewater Debt in FY 2015

⁵ One principal payment related to the 2001 Hospital Bonds was shown, since the remaining balance was refunded and no payments were due on the new 2015 Debt in FY 2015. Bonds were paid in full with the 2018 Bond Issue in 2018
Principal payments are due annually on July 1, beginning in 2022

Source: City of El Centro Finance Department

**CITY OF EL CENTRO
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

Fiscal Year	Population ¹	Personal Income ²		Unemployment Rate ²	Elementary School Enrollment ³
		Total	Per Capita		
2013	44,192	1,252,887,392	28,351	24.7%	4,973
2014	44,366	1,257,820,466	28,351	24.6%	4,995
2015	44,946	1,448,384,850	32,225	22.9%	5,091
2016	45,305	1,459,953,625	32,225	23.8%	4,959
2017	45,413	1,525,150,192	33,584	22.9%	4,959
2018	46,193	1,551,345,712	33,584	18.0%	4,987
2019	45,774	1,537,274,016	33,584	18.7%	5,363
2020	45,509	1,647,698,854	36,206	27.4%	5,292
2021	44,871	1,814,897,337	40,447	17.8%	5,256
2022	44,508	1,980,606,000	44,500	13.3%	5,295

¹ Source: California Department of Finance

² Source: California Employment Development Department

³ Source: El Centro Elementary School District

**CITY OF EL CENTRO
PRINCIPAL EMPLOYERS
AS OF JUNE 30, 2022 AND 2013**

Employer ¹	Type Of Business	Fiscal Year 2022			Fiscal Year 2013		
		Employees	Percent of Total Employment	Rank	Employees	Percent of Total Employment	Rank
County of Imperial	Governmental	2,240	3.74%	1	2,000	3.41%	1
Imperial Irrigation District	Water and Power	1,343	2.24%	2	1,352	2.30%	2
El Centro School System	Education	1,322	2.21%	3	1,222	2.08%	6
Centinela State Prison	Prison	1,188	1.98%	4	1,287	2.19%	5
Calipatria State Prison	Prison	1,153	1.92%	5	1,310	2.23%	3
El Centro Regional Medical Center	Hospital	1,167	1.95%	6	940	1.60%	7
Homeland Security/U.S. Border Patrol	Government	1,062	1.77%	7	1,300	2.21%	4
Imperial County Office of Education	Education	919	1.53%	8	736	1.25%	8
Naval Air Facility	Military	605	1.01%	9	630	1.07%	9
Imperial Valley College	Education	538	0.90%	10	494	0.84%	10
Wal Mart	Retail	400	0.67%	11	376	0.64%	11
Costco	Retail	244	0.41%	12	240	0.41%	12
Cal Energy Operating Co./Ormat	Power	206	0.34%	13	237	0.40%	13
		12,387	20.68%		12,124	20.65%	

Homeland Security/U.S. Border Patrol ¹ Government

"Total Employment" as used above represents the total employment within the County of Imperial

¹ Employers within or near the geographical boundaries of the City of El Centro

Source: City of El Centro Economic Development Department

**CITY OF EL CENTRO
EMPLOYEES BY FUNCTION (FULL TIME EQUIVALENTS)
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental Activities										
General Government	25.5	25.5	26.5	29.5	27.5	27.5	27.5	26.5	26.5	25.7
Public Safety	126.0	123.0	124.0	124.0	124.0	124.0	124.0	124.0	124.0	124.0
Public Works	12.2	12.2	12.2	12.2	12.2	12.2	12.2	12.2	12.2	12.2
Parks and Recreation	16.0	16.0	17.0	19.6	19.5	19.5	19.5	19.4	24.1	24.1
Community Development	20.0	20.0	20.0	18.4	17.1	17.1	17.1	17.7	18.0	18.0
Water	20.9	19.9	19.9	21.6	21.6	21.6	21.6	21.7	22.9	22.8
Sewer	23.4	23.4	24.4	24.7	24.7	24.7	24.7	24.6	24.4	24.3
Total Government-Wide Employees	<u>244.0</u>	<u>240.0</u>	<u>244.0</u>	<u>250.0</u>	<u>246.5</u>	<u>246.5</u>	<u>246.5</u>	<u>246.0</u>	<u>252.0</u>	<u>251.0</u>

Source: City of El Centro Finance Department

**CITY OF EL CENTRO
CONSTRUCTION ACTIVITY AND BANK DEPOSITS
LAST TEN FISCAL YEARS**

Fiscal Year	Total Permits	Total Valuation	Commercial and Office		Residential Construction ¹		Other Additions and Alterations ¹		Bank Deposits ^{2*}
			Number Permits	Valuation	Number Permits	Valuation	Number Permits	Valuation	
2012	431	25,073,302	203	17,378,318	161	\$7,149,231	67	545,753	632,842
2013	454	17,784,542	164	13,470,009	172	\$3,567,531	118	747,002	646,879
2014	418	27,830,621	108	17,790,385	262	\$9,470,642	48	569,594	600,257
2015	302	19,001,684	91	7,458,694	155	\$10,850,647	56	692,343	987,090
2016	319	16,193,748	92	11,289,701	159	\$4,226,721	68	677,326	1,017,136
2017	297	20,991,360	75	17,552,549	157	\$2,886,800	65	552,011	1,043,937
2018	296	41,116,606	94	35,295,544	132	\$5,033,322	70	787,740	1,067,651
2019	274	19,011,009	80	14,388,873	137	\$3,984,000	57	638,136	1,125,206
2020	420	26,075,125	124	13,126,190	263	\$12,171,295	33	777,640	1,329,650
2021	823	26,239,442	111	4,900,291	263	\$18,975,062	449	2,364,089	1,576,057
2022	833	49,081,524	144	30,189,357	272	\$16,692,230	417	2,199,937	1,678,953

* Amounts expressed in thousands

¹ Source: City of El Centro Building Department

² Source: Federal Deposit Insurance Corporation

**CITY OF EL CENTRO
CAPITAL ASSETS STATISTICS
BY FUNCTION
LAST TEN FISCAL YEARS**

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Number of Police Officers	52	52	52	52	52	52	52	52	52	52
Fire:										
Stations	3	3	3	3	3	3	3	3	3	3
Number of Firefighters	41	41	41	41	41	41	41	41	41	41
Parks and Recreation:										
Parks	14	17	17	17	17	17	17	19	19	19
Aquatic Center	-	-	-	-	-	-	-	1	1	1
Community Center	1	1	1	1	1	1	1	1	1	1
MLK Sports Court	-	-	1	1	1	1	1	1	1	1
Contad Harrison Yourth Center	1	1	1	1	1	1	1	1	1	1
Skate Park	-	-	-	1	1	1	1	1	1	1
Library	1	1	1	1	1	1	1	1	1	1
Water:										
Number of customers	9,755	9,799	9,822	9,880	9,888	9,921	9,935	9,992	10,042	10,042
Maximum pumping capacity *(millions of gallons)	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000	21,000
Average daily consumption *(millions of gallons)	8,000	8,000	7,000	6,500	6,900	7,135	7,000	7,000	7,000	7,000
Miles of lines and mains	131	131	131	131	155	160	161	161	161	161
Wastewater:										
Maximum treatment capacity *(millions of gallons)	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
Average daily flow *(millions of gallons)	3,300	3,300	3,300	3,500	3,500	3,500	3,500	3,500	3,500	3,500
Miles of lines and mains	129	129	129	129	129	129	129	129	129	129
Other:										
City Land Area (Square Miles)	10.05	10.05	10.05	10.05	12.13	12.13	12.13	12.13	12.13	12.13
Miles of Storm Drain	26.0	26.0	26.0	26.0	36.2	36.2	36.2	36.2	36.9	36.9
Miles of City Streets	105.0	105.0	105.0	105.0	128.1	135.5	135.5	135.5	136.1	136.1

Source: City of El Centro Finance Department
* Amounts expressed in thousands

**CITY OF EL CENTRO
DEMANDS FOR CITY SERVICES
LAST TEN FISCAL YEARS**

<u>Fiscal Year</u>	<u>Population</u>	<u>Number of Utility Customers</u>	<u>Number of Police Calls - Total</u>	<u>Number of 911 Emergency Calls</u>	<u>Number of Sworn Officers</u>	<u>Number of Fire Calls ¹</u>	<u>Number of Fire Fighters</u>
2012	43,827	9,699	38,207	23,233	52	3,745	40
2013	44,192	9,755	38,568	22,751	52	3,848	41
2014	44,366	9,799	33,556	19,839	52	4,024	41
2015	44,946	9,822	37,695	23,516	52	4,123	41
2016	45,305	9,880	40,243	28,420	52	4,390	41
2017	45,413	9,888	42,522	27,203	52	4,450	41
2018	46,193	9,921	36,421	24,856	52	4,467	41
2019	45,774	9,935	38,093	25,400	52	5,363	41
2020	45,509	9,992	38,149	24,454	52	4,399	41
2021	44,871	10,042	29,255	24,359	52	5,237	41
2022	44,508	10,061	30,876	24,324	52	5,321	41

¹ Includes calls for fires, medical calls, traffic accidents and hazardous conditions.

Source: City of El Centro Finance Department, Fire Department, and Police Department