



CITY OF MONTEREY PARK

ANNUAL COMPREHENSIVE FINANCIAL REPORT

2024 - 2025



City of Monterey Park
Annual Comprehensive Financial Report
For the Year Ended June 30, 2025
Table of Contents

	<u>Page</u>
<u>INTRODUCTORY SECTION (Unaudited)</u>	
Table of Contents	i
Monterey Park City Officials	v
Organizational Chart	vi
Letter of Transmittal	vii
GFOA Certificate of Achievement for Excellence in Financial Reporting	xiii
<u>FINANCIAL SECTION</u>	
Independent Auditor’s Report on the Audit of the Financial Statements	1
Management’s Discussion and Analysis (Required Supplementary Information) (Unaudited)	5
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position	18
Statement of Activities	20
Fund Financial Statements:	
<i>Governmental Fund Financial Statements:</i>	
Balance Sheet	26
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.....	29
Statement of Revenues, Expenditures, and Changes in Fund Balances	30
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-Wide Statement of Activities.....	32
<i>Proprietary Fund Financial Statements:</i>	
Statement of Net Position	34
Statement of Revenues, Expenses, and Changes in Net Position.....	37
Statement of Cash Flows	38
<i>Fiduciary Fund Financial Statements:</i>	
Statement of Fiduciary Net Position.....	43
Statement of Changes in Fiduciary Net Position.....	44
Notes to the Basic Financial Statements	49

City of Monterey Park
Annual Comprehensive Financial Report
For the Year Ended June 30, 2025
Table of Contents (Continued)

	<u>Page</u>
<u>FINANCIAL SECTION (Continued)</u>	
Required Supplementary Information (Unaudited):	
<i>Schedule of Changes in the Net Pension Liability and Related Ratios</i>	
CalPERS Miscellaneous Plan	102
CalPERS Safety Plan	104
Massachusetts Mutual Retirement Plan (“MMRP”)	106
<i>Schedule of Plan Contributions - Pensions</i>	
CalPERS Miscellaneous Plan	108
CalPERS Safety Plan	110
Massachusetts Mutual Retirement Plan (“MMRP”)	112
<i>Schedule of Changes in the Net OPEB Liability and Related Ratios</i>	114
<i>Schedule of Contributions – OPEB</i>	116
<i>Budgetary Comparison Schedules</i>	
General Fund	119
Grants Special Revenue Fund	120
Retirement/Pension Liability Special Revenue Fund	121
Housing Special Revenue Fund	122
<i>Notes to the Budgetary Comparison Schedules</i>	123
Supplementary Information:	
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
Street Capital Projects Fund	127
<i>Nonmajor Governmental Funds:</i>	
Combining Balance Sheet	131
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	137
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	
Proposition A Special Revenue Fund	143
Gas Tax Special Revenue Fund	144
Measure W Special Revenue Fund	145
Proposition C Special Revenue Fund	146
Air Quality Improvement Special Revenue Fund	147
Asset Forfeiture Special Revenue Fund	148
Parks/Library/Facilities DIF Special Revenue Fund	149
Business Improvement Area #1 Special Revenue Fund	150
Maintenance District 93-1 Special Revenue Fund	151
Law Enforcement/Fire/Medic DIF Special Revenue Fund	152
Public Safety Augmentation Special Revenue Fund	153
Measure R Special Revenue Fund	154
Circulation DIF Special Revenue Fund	155
CERCLA Liability Special Revenue Fund	156
SB1 - RMRA Special Revenue Fund	157
Measure M Special Revenue Fund	158
SB2 - Planning Grant Special Revenue Fund	159

City of Monterey Park
Annual Comprehensive Financial Report
For the Year Ended June 30, 2025
Table of Contents (Continued)

	<u>Page</u>
<u>FINANCIAL SECTION (Continued)</u>	
Supplementary Information (Continued):	
<i>Nonmajor Governmental Funds (Continued):</i>	
Bike Route Special Revenue Fund	160
Highway Safety Improvement Special Revenue Fund	161
Sales Tax Bond Debt Service Fund	162
<i>Internal Service Funds:</i>	
Combining Statement of Net Position	164
Combining Statement of Revenues, Expenses and Changes in Net Position	166
Combining Statement of Cash Flows	168
<u>STATISTICAL SECTION (Unaudited)</u>	
Description of Statistical Section Contents	175
Financial Trends:	
Net Position by Components – Last Ten Fiscal Years	176
Changes in Net Position – Last Ten Fiscal Years	178
Fund Balances of Governmental Funds – Last Ten Fiscal Years	182
Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years	184
Revenue Capacity:	
Assessed Value of Taxable Property – Last Ten Fiscal Years	187
Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years	188
Principal Property Taxpayers – Current Year and Nine Years Ago	190
Property Tax Levies and Collections – Last Ten Fiscal Years	192
Debt Capacity:	
Outstanding Debt by Type – Last Ten Fiscal Years	194
Ratio of General Bonded Debt Outstanding – Last Ten Fiscal Years	196
Direct and Overlapping Debt	197
Legal Debt Margin Information – Last Ten Fiscal Years	198
Demographic and Economic Information:	
Demographic and Economic Statistics – Last Ten Fiscal Years	201
Principal Employers – Current Year and Nine Years Ago	202
Operating Information:	
City Employees by Function – Last Ten Fiscal Years	205
Operating Indicators by Function – Last Ten Fiscal Years	206
Capital Assets by Function – Last Ten Fiscal Years	208
Water District Schedules for Revenue Capacity:	
Water Sold by Type of Customer – Last Ten Fiscal Years	210
Water Rates – Last Ten Fiscal Years	212
Top Ten Water Customers – Current Year and Four Years Ago	213

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MONTEREY PARK CITY OFFICIALS



CITY COUNCIL

Vinh T, Ngo, Mayor
Elizabeth Yang, Mayor Pro Tem

Thomas Wong
Council Member

Henry Lo
Council Member

Jose Sanchez
Council Member

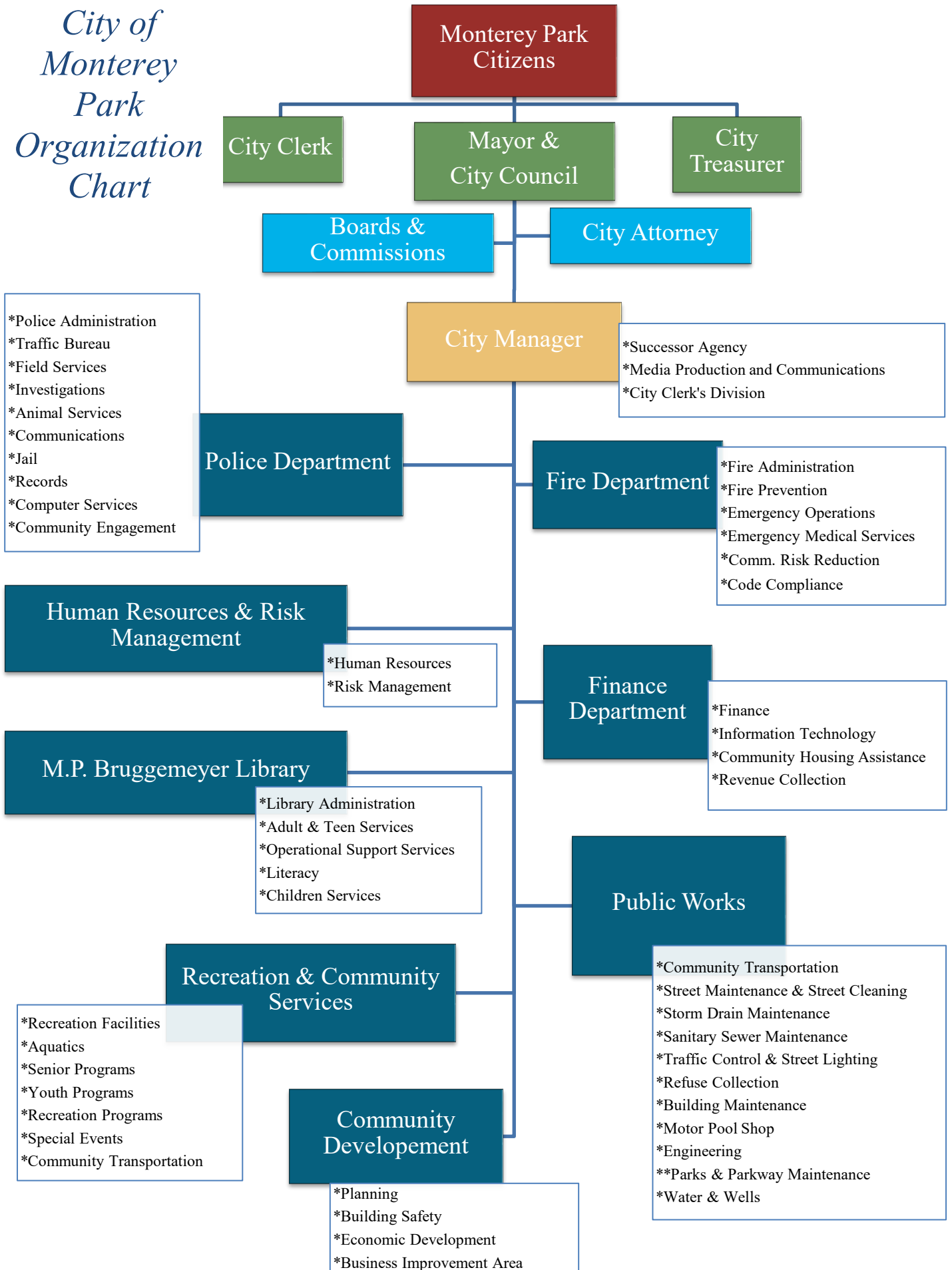
ELECTED OFFICIALS

Maychelle Yee, City Clerk
Amy Lee, City Treasurer

EXECUTIVE TEAM

Inez Alvarez..... City Manager
Diana Garcia Assistant City Manager
Karl H. Berger..... City Attorney
Scott Wiese Police Chief
Jason Hing Fire Chief
Martha Garcia Director of Finance
Christine Tomikawa..... Director of Human Resources/Risk Management
Shawn Igoe Director of Public Works
Timothy Hou Director of Community Development
Robert Aguirre Director of Recreation/Community Services
Kristin Olivarez City Librarian

City of Monterey Park Organization Chart



CITY OF MONTEREY PARK

320 West Newmark Avenue • Monterey Park • California 91754-2896
www.montereypark.ca.gov



City Council
Henry Lo
Vinh Ngo
Jose Sanchez
Thomas Wong
Elizabeth Yang

City Clerk
Maychelle Yee

City Treasurer
Amy Lee

December 10, 2025

Honorable Mayor, Members of the City Council and the Residents of the City of Monterey Park,

California 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 generally accepted accounting principles (GAAP), as promulgated by the Government Accounting Standards Board (GASB) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that, we hereby submit, for your information and review, the Annual Comprehensive Financial Report (ACFR) for the City of Monterey Park, California, for the fiscal year ending June 30, 2025.

This report consists of management's representations concerning the finances of the City of Monterey Park. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management has established an internal control system that is designed to protect City assets and to ensure that the accounting records provide a reliable basis for the preparation of the financial statements. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements will be free of any material misstatements. 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's financial statements have been audited by The Pun Group, LLP, a fully licensed and qualified public accounting firm that performs audits of the State and local governments within the State of California. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Monterey Park for the fiscal year ended June 30, 2025, fairly state the City's financial position. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Monterey Park's 2024-25 financial statements are fairly presented in conformity with generally accepted accounting principles (GAAP).

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

Management Discussion & Analysis

A narrative introduction, overview, and analysis accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City's MD&A immediately follows the independent auditor's report in the financial section of the ACFR.

Profile of the City of Monterey Park

The City of Monterey Park was incorporated in 1916 as a general law city. The name of "Monterey Park" was taken from old government maps that described the oak-covered inclines that made up the area as Monterey Hills. The City operates under the council-manager form of municipal government. The City Council consists of five members representing each of the five districts, and each serves a term of four years. The City Clerk and the City Treasurer are also elected by the citizens. Monterey Park Ordinance 2096 imposes term limits of no more than two consecutive terms on all elected officials. The City Council appoints the City Manager, who has the responsibilities of overseeing City services and operations. In addition to governing the City, the City Council serves as the governing board of the Successor Agency of the Former Redevelopment Agency, the Monterey Park Financing Authority, the Housing Authority, and the Geologic Hazard Abatement District. The financial information of these component units has been included with the City. Please see Note 1 to Financial Statements for discussion of the component units.

Monterey Park is a full-service City, offering its residents a wide range of municipal services, including public safety, streets, sanitation, water and sewer services, development and public infrastructure improvements, culture and leisure programming, and general government functions. The City strives to provide high-quality public services that emphasize organizational efficiency, infrastructure investment, and economic development.

Local Economic Condition

Monterey Park is located six miles east of Los Angeles at the western gateway to the San Gabriel Valley. It encompasses an area of 7.73 square miles with a population of approximately 59,288. Monterey Park is primarily a residential community, with 78% of its land zoned for single and multiple family housing. In 2024, the median sales price of detached single-family homes in Monterey Park was \$990,000. This median sales price was 7.84% higher than 2023 median sales price of \$918,000. The number of detached single-family home sales for 2024 (215 sales) was more than 2023 (205 sales), which is consistent with what is seen in most areas of California.

Persistent economic headwinds continue to shape the short-term sales tax outlook. While consumer spending on taxable goods remains steady, recent declines in consumer confidence—driven by inflationary pressures, tariff concerns, and rising unemployment—pose risks to sustained revenue growth. The Federal Reserve's recent interest rate reduction in September of 2025, the first since December 2024, signals a responsive monetary policy aimed at stabilizing economic conditions; this reduction does not alter anticipated spending patterns. Modest sales tax increases simply recapture statewide sales tax decreases that occurred in the prior two fiscal years.

Through the Federal American Rescue Plan (ARPA), the City was allocated \$15 million for COVID-19 pandemic recovery efforts. The first lump sum was received in June 2021 and the second and final lump sum was received in June 2022. In FY 2024-2025, the City used ARPA funds towards governmental services including rehiring part-time and full-time staff to pre-pandemic levels and investing in public safety and cyber security. All ARPA funds were exhausted by December 31, 2024.

Financial Overview and Policies

In FY 2024-25, the City continues to report on Governmental Accounting Standards Board (GASB) 96. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for governments. This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

The City continues the reporting requirement per GASB Statement No. 68 and 71, for pension liabilities. The City also continues the reporting for GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, for other postemployment benefits liabilities on the face of the *Statement of Net Position*. Excluding all postemployment benefits (pensions and OPEB) liabilities, the City's end of year financial condition for FY 2024-25 displayed a positive operating position due to the City's conservative financial planning and management.

The City implemented GASB Statement No. 101, Compensated Absences, in this year's financial statements. The new standard updates the recognition and measurement of leave-related liabilities. Implementation resulted in only minor changes to the City's reported compensated absences liability, with no significant impact on overall financial position.

As the City's development projects continue to expand and move forward, the hope is that they will generate new jobs and tax revenues for the City.

The annual budget serves as the foundation for the City's financial planning and control. The City starts its budget process in January. The budget development is based on the City's goals and priorities. The financial plan reflects the desired operational outcomes of each City department as they relate to the City's strategic goals and provide a clear direction for the City to move toward achieving the quality and desired community of the future as its further articulated in the City's General Plan.

FY 2024-2025 Strategic Plan

1. **Goal - MAINTAIN PUBLIC SAFETY WITH A FLEXIBLE AND ENHANCED SERVICE MODEL**
Objectives: Strengthen Community Outreach; Address Ongoing Safety Challenges; and Provide In-Service Training
2. **Goal - TO MAINTAIN FISCAL STABILITY OF OUR CITY'S FINANCIAL RESOURCES**
Objectives: Review and Revise City Revenue Sources; and Assess Cost Recovery Strategies
3. **Goal - STRENGTHEN OUR LOCAL ECONOMY AND ENHANCE HOUSING OPPORTUNITIES**
Objectives: Implement Economic Development Strategic Plan; Support Local Businesses; and Encourage Housing Development

4. Goal - MAINTAIN, BUILD AND MODERNIZE INFRASTRUCTURE AND FACILITIES TO SUPPORT THE CURRENT AND FUTURE NEEDS OF OUR CITY AND COMMUNITY

Objectives: Prioritize Water Projects and 710 Mobility Projects; Continue Roadway Resurfacing; and Expand EV Charger Network

5. Goal - ENHANCE ACCESS TO RESOURCES FOR MENTAL HEALTH, SOCIAL SERVICES, AND UNHOUSED NEEDS

Objectives: Compile Comprehensive Resource List; Research Local Collaborations; and Conduct Workshops and Seminars

6. Goal - ENHANCE PUBLIC COMMUNICATION AND CIVIC ENGAGEMENT TO REACH ALL MEMBERS OF OUR COMMUNITY

Objectives: Refine Communications Plan; Craft Mission, Vision, and Values Statements; and Refresh Branding Materials

These goals serve as the guidelines to identify community priorities and effectively align resources to achieve our mission. The City Manager presents the proposed budget to the City Council for review prior to the beginning of each fiscal year and the City Council holds public hearings to review and approve the proposed budget. The final adopted budget, reflecting the City Council's directions, is published no later than June 30.

Legal budgetary control for operating budgets is exercised at the department and fund level. The City is required to adopt a balanced budget for its General Fund at the beginning of the fiscal year.

Formal budgetary integration and encumbrance accounting are employed as management control devices during the year for all funds.

The 2024-25 Adopted Budget includes a conservative fiscal spending plan and reflects \$24.5 million for infrastructure and capital improvements, specifically water, sewer, street projects and public safety equipment. The City continues improving efficiencies by aligning closely related programs to achieve long-term financial stability.

Major Accomplishments

The City of Monterey Park's major accomplishments during the Fiscal Year 2024-25, which displayed significant financial impacts, included:

- At the November 2024 elections, voters adopted Measure BE which updated the structure of the City's business license tax to be based on a business's gross receipts. The measure was adopted based upon a 70.46% voter approval. Voters also adopted Measure LG which increased transient occupancy tax from 12% to 13%. The measure was adopted based upon a 76.19% voter approval.
- Developed an Economic Development Strategic Plan including the Business Alliance & Small Business Assistance Program.
- Approved new commercial and residential refuse contracts with Ware Disposal and Athens Services.
- Developed and adopted new City Mission, Vision and Values.

- Implementation of the new Police Department Computer-Aided Dispatch (CAD) and Records Management Systems (RMS).
- Installation of public art including the “Greetings Tour” mural.
- Initiated several 710 projects including the adaptive traffic signal project, the Monterey Pass Road street design, and the Garvey capacity improvement design.

Gann Spending Limitation

Article XIII B of the California Constitution, which was adopted in 1979 and amended in 1990 by Proposition 111, establishes a limit on government spending. The limit is calculated based on a government's 1978-79 appropriations adjusted each year by the change in California per capita income or the change in nonresidential assessed valuation combined with the change in city or county population. The City's 2024-25 appropriations limit was \$113.5 million and the City's actual appropriation subject to the limit was 39% below the legal limit. Based on the past trend and projected future growth, the City believes its appropriations will continue to remain within the legal limit.

Debt Administration

The primary objective of the City's debt administration is to maintain its accessibility to capital market at the lowest possible cost; i.e. interest cost, without endangering its ability to finance essential services. The City uses debt financing only for capital improvements or projects that cannot be financed from current revenues. The City has been successful in obtaining financing for various infrastructure improvements, such as pension obligations, Police 911 computer system, water treatment plants, and a citywide smart meters/energy retrofit project.

Cash Management

While the City monitors its cash balance daily and invests temporarily idle funds in accordance with the Government Code and the City's Investment Policy, there is potential to further enhance our returns and cash management. The City's investment and cash management is handled through the pooling of various City funds to maximize safe and efficient investment operations. Investment earnings are distributed based on average cash balance. The Finance staff carries out the daily investment operations. At June 30, 2025, the City's cash and investment balances, including amounts held by fiscal agents, were \$130.2 million.

The City periodically submits its Investment Policy to the Municipal Treasurers Association of United States and Canada for certification to ensure the Policy meets the criteria established by the Association's Investment Policy Certification Program. The City's Investment Policy was recertified for the Certificate of Excellence Award.

Risk Management

Monterey Park is self-insured for general liability and workers' compensation. The City has acquired excess coverage for both under a Joint Power Authority (JPA) Agreement with Public Risk Innovation Solutions and Management (PRISM). PRISM is a member-directed risk sharing pool of public agencies committed to providing risk coverage programs and risk management services, which drive member stability, efficiency and best practices. To finance risk management, the City maintains internal service funds for general liability and workers' compensation insurances. The claims payable includes incurred-but-not-reported claims. However, the claim

values consider the indemnity and expense exposures and are based on known facts at the time of evaluation. The City does not warranty the ultimate values of incurred-but-not-reported claims, which could be significantly different from the final settlement. The City actively administers various risk management programs including employee accident prevention training, claims review, and safety meetings to reduce the City's exposure to loss.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting. The City of Monterey Park was awarded the Certificate of Achievement by GFOA for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2024. This was the 36th consecutive year the City received this award. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for the preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such a report must satisfy both generally accepted accounting principles and applicable legal requirements.

The Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year. We believe the City's Fiscal Year 2024-25 ACFR will continue to conform to the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA for award consideration. In addition, the City's Budget has received awards for excellence in budgeting from both the Government Finance Officers Association of the United States and Canada (GFOA) and California Society of Municipal Finance Officers Association (CSMFO).

We would like to express our sincere appreciation to the entire Finance Department staff whose efficient and dedicated services have made this timely preparation of this report possible. We would also like to thank the Mayor and City Council for their unfailing support of excellence in financial reporting and fiscal integrity. The accomplishments and values for this community which are presented in this report are a testament to the leadership of the City Council and the dedication of all City employees.

Respectfully submitted,



Inez Alvarez
City Manager



Martha Garcia
Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Monterey Park
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morill

Executive Director/CEO

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INDEPENDENT AUDITOR'S REPORT



To the Honorable Mayor and Members of the City Council
of the City of Monterey Park
Monterey Park, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Monterey Park, California (the "City"), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States ("*Government Auditing Standards*"). 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.

Change in Accounting Principle

As discussed in Notes 1 and 18 to the financial statements, the City adopted new accounting guidance, GASB Statement No. 101, Compensated Absences during the year ended June 30, 2025. The adoption of this standard resulted in the restatement of the City's net position as of June 30, 2024. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedules, the Schedules of Changes in Net Pension Liability and Related Ratios, and the Schedules of Contributions - Pensions, the Schedule of Changes in Net OPEB Liability and Related Ratios and Schedule of Contributions - OPEB, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

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

Other Information

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2025, on our consideration of City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "The PwC Group, LLP". The signature is written in a cursive, flowing style.

Santa Ana, California
December 10, 2025

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City of Monterey Park
Management Discussion and Analysis (Unaudited)
For the Year Ended June 30, 2025

Introduction

The Management Discussion and Analysis provides a narrative introduction, analysis, and overview that will assist in understanding of the City's financial statements. This analysis should be read in conjunction with the City's financial statements as of June 30, 2025, the transmittal letter, and notes to the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide information of the City's financial activities in a manner similar to a private-sector company. Government-wide financial statements consist of the statement of net position and the statement of activities, which are prepared using the economic resources measurement focus and the accrual basis of accounting. These statements provide both short-term and long-term information about the City's financial position, which is helpful in assessing the City's economic condition at the end of the fiscal year.

The statement of net position presents all of the City's financial resources along with its capital assets and long-term obligations. The difference between the assets and the liabilities is reported as the net position.

The statement of activities reports the gross and net costs of various activities carried out by the City and how the City's net position changed during the fiscal year. This statement summarizes the cost of providing services by the City and includes all current year revenues and expenses.

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (i.e. governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (i.e. business-type activities). The governmental activities of the City include general government, public safety, community development, culture and recreation, highways and streets, health, and debt service. The business-type activities reflect the City's water system operations, waste management activities, and sanitary sewer activities.

The government-wide financial statements include not only the City but also those legally separate entities for which the City is financially accountable. These entities include the Monterey Park Housing Authority and the Monterey Park Public Financing Authority. Financial information for these component units is reported as an integral part of the City. Please refer to Note Number 1A of the Notes to the Basic Financial Statements.

Fund Financial Statements

A fund is a grouping of related accounts used to control resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

City of Monterey Park
Management Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

Governmental Funds

Governmental funds are used to account for essentially the same 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 expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Governmental funds are accounted for using the modified accrual basis of accounting, which provides a detailed view of the City's current financial resources and the City's ability to meet its current expenditure needs. 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 government-wide activities.

The City maintains 19 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 General Fund, Special Revenue Grants Fund, Special Revenue Retirement/Pension Liability Fund, Special Revenue Housing Fund, and Capital Projects Street Fund, which are reported as major funds. Information for the other 14 governmental funds is combined into a single column under Nonmajor Special Revenue Governmental Funds. Data for the nonmajor governmental funds is provided in the combining statements in this report.

The City adopts an annual appropriated budget for its governmental funds. Budgeted expenditures are controlled at the fund level. Budgetary comparison statements have been provided to demonstrate compliance with this budget. Please refer to the Notes to Required Supplementary Information.

Proprietary Funds

Proprietary funds use the accrual basis of accounting, which is the same method used by private businesses. Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail.

The City maintains two different types of proprietary funds: enterprise funds and internal service funds. The enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for the operations for its water system, waste management activities, and sanitary sewer activities. Internal service funds are used to accumulate and allocate costs internally among the City's various functions, which include vehicle operation, workers compensation insurance, retiree medical benefits, general liability insurance, separation benefits, building maintenance and technology development. Because the internal service operations benefit both governmental and business-type functions, they have been proportionally allocated and included within the governmental and business-like activities in the government-wide financial statements. Individual fund data for the internal service funds is provided in the form of combining statements in this report.

Fiduciary Funds

Fiduciary funds are used to account for activities when the City acts as a trust or fiduciary to hold resources 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's programs.

City of Monterey Park
Management Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

Notes to the Basic Financial Statements

The notes to the basic financial statements provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

Required Supplementary Information

The required supplementary information further explains and supports the information in the financial statements. This section includes the schedules of the City's funding for its employee pension program, other post-employment benefits program, and the budgetary comparison for the General Fund, Special Revenue Grants Fund, Special Revenue Retirement/Pension Liability Fund, and the Special Revenue Housing Fund.

Other Supplementary Information

Other supplementary information includes combining and individual budgetary comparison schedules for Nonmajor Governmental Funds, and combining statements for Agency Funds and Internal Service Funds.

Financial Highlights

- Total 2024-25 net position increased by \$16.2 million from 2023-24, which is the net of the \$9.1 million increase in governmental activities and the \$7.1 million increase in business-type activities. The \$9.1 million increase in governmental activities was attributed to an overall increase in revenue including interest income, property tax and sales tax revenue from Measure M. The \$7.1 million increase in business-type activities was attributed to decreased operating expenses and increased revenue due to utility rate increases implemented in early 2024.
- As of June 30, 2025, the City's assets and deferred outflow of resources exceeded its liabilities and deferred inflow of resources by \$83.0 million, of which \$129.7 million was related to the net investment in capital assets, \$26.6 million was restricted for special revenues and capital appropriations, and a deficit \$73.3 million was unrestricted.
- At the 2024-25 year-end, the General Fund total fund balance was \$46.5 million, a \$4.6 million increase from the prior year. The increase was related to increased revenue from sales and property tax and the slow progress of major capital improvement projects causing delays in spending of assigned fund balances.
- The City completed a Proposition 218 rate increase for water and sewer with new rates being implemented in February 2024. The service contract cost for the trash provider was adjusted by CPI, per the contractual agreement. The City is processing a Proposition 218 rate study for refuse which is estimated to be complete by Fall 2025.
- The City continued to serve as the Successor Agency for its former Redevelopment Agency, and reported the former RDA assets and liabilities in the Fiduciary Fund as a Private Purpose Trust Fund.

Government-wide Financial Analysis

The net position of the City is derived from the total assets and deferred outflows of resources less its liabilities and deferred inflows of resources at the end of a reporting period. It serves as an indicator of a government's financial position at a certain point in time. As of June 30, 2025, the City's combined assets (governmental and business-type activities) totaled \$306 million, up \$15.4 million from last year. The increase was primarily attributed to the completion and capitalization of capital projects totaling \$9.7 million. The City's total deferred outflow of resources decreased \$12.5 million, from \$35.1 million to \$22.6 million. The decrease was due to the City's pension plans. The City's liabilities totaled \$240.3 million, down \$9.4 million from last year. The City's total deferred inflow of resources decreased \$2.5 million, from \$7.5 million to \$5.0 million. The decrease was related to the City's pension plans and other post-employment benefits. As a result, the City's combined net position totaled \$83.0 million, up \$16.2 million from last year.

City of Monterey Park
Management Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

Net position consists of three categories: net investment in capital assets, restricted fund balances, and an unrestricted fund balance. The largest portion of the City's net position, approximately \$129.7 million, is the City's investment in capital assets, including land, buildings, equipment, and infrastructure net of accumulated depreciation and related debt for acquiring these capital assets. Since the capital assets are used to provide services to citizens, they are not available to fund the City's day-to-day activities.

The City's restricted net position totaled \$26.6 million at June 30, 2025. These are assets subject to external restrictions, constitutional provisions, or enabling legislation that limit how these assets may be used. The restricted net position includes primarily grants, retirement/pension funds, and various nonmajor special revenue funds. The unrestricted net position is available for use by the City for any legal purpose. As of June 30, 2025, the City's total unrestricted net position was a deficit \$73.3 million.

Statement of Net Position
For Fiscal Years Ended June 30, 2025 and June 30, 2024
(In thousands)

	<i>Governmental</i>		<i>Business-type</i>		<i>Total</i>	
	<i>Activities</i>		<i>Activities</i>			
	<u>6/30/2025</u>	<u>6/30/2024</u>	<u>6/30/2025</u>	<u>6/30/2024</u>	<u>6/30/2025</u>	<u>6/30/2024</u>
Assets:						
<i>Current</i>	\$ 107,969	\$ 105,655	\$ 35,510	\$ 30,725	\$ 143,479	\$ 136,380
<i>Non Current</i>						
<i>Capital Assets</i>	100,459	93,728	60,074	58,699	160,533	152,427
<i>Other</i>	1,614	1,398	-	-	1,614	1,398
Total Assets:	<u>210,041</u>	<u>200,780</u>	<u>95,584</u>	<u>89,424</u>	<u>305,626</u>	<u>290,204</u>
Deferred Outflow of Resources	<u>21,342</u>	<u>32,630</u>	<u>1,299</u>	<u>2,468</u>	<u>22,642</u>	<u>35,098</u>
Liabilities:						
<i>Current</i>	30,461	31,619	5,661	5,417	36,122	37,036
<i>Long-Term</i>	169,320	175,617	34,887	37,044	204,207	212,661
Total Liabilities	<u>199,781</u>	<u>207,237</u>	<u>40,547</u>	<u>42,461</u>	<u>240,328</u>	<u>249,698</u>
Deferred Inflow of Resources	<u>4,599</u>	<u>6,976</u>	<u>376</u>	<u>550</u>	<u>4,974</u>	<u>7,526</u>
Net Position:						
<i>Net Investment in Capital</i>						
<i>Assets</i>	80,284	72,982	49,415	48,793	129,699	121,775
<i>Restricted</i>	26,575	30,285	6	6	26,581	30,291
<i>Unrestricted</i>	<u>(79,855)</u>	<u>(84,069)</u>	<u>6,539</u>	<u>83</u>	<u>(73,316)</u>	<u>(83,985)</u>
Total Net Position	<u>\$ 27,004</u>	<u>\$ 19,198</u>	<u>\$ 55,960</u>	<u>\$ 48,882</u>	<u>\$ 82,964</u>	<u>\$ 68,080</u>

Note: a change in accounting estimate is treated prospectively, prior periods are not restated

City of Monterey Park
Management Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

	<i>Governmental</i>		<i>Business-type</i>		<i>Total</i>	
	<i>Activities</i>		<i>Activities</i>			
	<u>6/30/2025</u>	<u>6/30/2024</u>	<u>6/30/2025</u>	<u>6/30/2024</u>	<u>6/30/2025</u>	<u>6/30/2024</u>
Revenues						
<u>Program Revenues:</u>						
<i>Charges for Services</i>	\$ 13,915	\$ 15,032	\$ 27,988	\$ 26,638	\$ 41,903	\$ 41,670
<i>Operating Grants & Contributions</i>	27,472	28,097			27,472	28,097
<i>Capital Grants & Contributions</i>	1,894	3,856			1,894	3,856
<u>General Revenues:</u>						
<i>Taxes</i>	55,425	51,690			55,425	51,690
<i>Revenues from Use of Money and Property</i>	2,787	4,224	1,514	(196)	4,301	4,028
<i>Other</i>	4,093	1,734	-	108	4,093	1,841
Total Revenues:	\$ 105,587	\$ 104,633	\$ 29,502	\$ 26,550	\$ 135,089	\$ 131,182
Expenses:						
<i>General Government</i>	15,618	13,124			15,618	13,124
<i>Public Safety</i>	53,526	51,063			53,526	51,063
<i>Comm. Development</i>	3,716	2,187			3,716	2,187
<i>Culture & Recreation</i>	5,131	6,516			5,131	6,516
<i>Highway & Streets</i>	14,591	8,663			14,591	8,663
<i>Health</i>	401	302			401	302
<i>Interest & Fiscal Charges</i>	3,532	3,639			3,532	3,639
<i>Water/Refuse/Sewer</i>	-	-	22,360	28,093	22,360	28,093
Total Expenses:	\$ 96,515	\$ 85,494	\$ 22,360	\$ 28,093	\$ 118,875	\$ 113,587
<i>Transfers</i>	-	382	-	(382)	-	-
Changes in Net Position	9,072	19,521	7,142	(1,925)	16,214	4,843
Net Position July 1, as previously reported	19,198	(323)	48,882	50,807	68,080	50,484
<i>Change in accounting principle (GASB 101)*</i>	(1,266)	-	(63)	-	(1,329)	-
Net Position July 1, as restated	17,932	(323)	48,818	50,807	66,750	50,484
Net Position June 30	\$ 27,004	\$ 19,198	\$ 55,960	\$ 48,882	\$ 82,964	\$ 68,080

* Note: a change in accounting estimate is treated prospectively, prior periods are not restated

Governmental Activities Financial Analysis

Overall governmental activities increased the City's net position by \$9.1 million to 27.0 million. This change in net position was, primarily due to the tax revenue in the amount of \$55.4 million, compared to \$51.7 million tax revenue in the fiscal year 2024.

City of Monterey Park
Management Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the City's governmental funds is to provide information on near-term inflows and outflows during the fiscal year and balances of spendable resources at the end of the fiscal year. Such information is useful in assessing the City's financing requirements to meet the current needs. Unassigned fund balance may serve as a useful measure of the City's net resources available for appropriation.

As of June 30, 2025, the City's governmental funds reported a combined ending fund balance of \$71.7 million, a decrease of \$1.4 million from the prior year. The fund balance categories of the governmental funds show \$24.7 million as restricted, \$13.7 million as committed, \$32.1 million as assigned, and \$0.7 million as unassigned. *(Please refer to Note 16 of the Notes to Basic Financial Statements for detailed breakdown.)*

There are five major funds in the governmental funds: General Fund, Special Revenue Grants Fund, Special Revenue Retirement/Pension Liability Fund, Special Revenue Housing Fund, and the Street Capital Projects Fund.

The General Fund is the main operating fund of the City, which accounts for the majority of the police, fire, recreation, parks maintenance, public works, library, community development, and general administrative services. General Fund revenues and transfers in for 2024-25 totaled \$74.2 million, an increase of \$4.0 million from 2023-24. The increase was primarily due to the additional revenue received from voter-approved $\frac{3}{4}$ cent Measure MP sales tax and a slight increase in property tax revenue. Total 2024-25 general fund expenditures and transfers out were \$71.3 million, reflecting an increase of \$14.5 million from 2023-24. As of June 30, 2025, the total fund balance of the General Fund was \$46.5 million, an increase of \$4.6 million from last year.

The Special Revenue Grants Fund reports the activities of various grants that the City received from Federal, State, and County agencies. Unspent grant funds are accumulated for expenditures in future years. Total grants received for governmental activities and transfers in for 2024-25 were \$6.3 million, down \$3.4 million from last year. Total 2024-25 grant funded expenditures and transfers out were \$6.1 million, reflecting a decrease of \$3.2 million from 2023-24. Total fund balance of the Special Revenue Grants Fund as of June 30, 2025 remained at \$1.2 million.

Special Revenue Retirement/Pension Liability Fund accounts for revenue received from the voter-approved property tax levied to provide for employee retirement costs. Total revenues and transfers for 2024-25 were approximately \$9.8 million, a decrease of \$3.4 million from 2023-24. Total expenditures for 2024-25 were \$12.1 million, up \$0.8 million from 2023-24. The increase in expenditures was due to an additional payment towards the Unfunded Accrued Liability (UAL). The total fund balance in the Retirement/Pension Liability Fund as of June 30, 2025 was \$4.3 million, all of which is restricted for employee retirement costs.

The Special Revenue Housing Fund accounts for housing activities. The City assumed the responsibility of the housing assets and functions after the dissolution of the City's Redevelopment Agency. Total revenues for 2024-25 were \$88,564. Total expenditures for 2024-25 were \$1.2 million. As of June 30, 2025, the fund balance of the Special Revenue Housing Fund was \$2.6 million.

Capital Projects Street Fund accounts for revenue received from Series 2021 bond proceeds to provide for street improvements. Total revenues for 2024-25 were \$74,024. Total expenditures for 2024-25 were \$1.5 million. As of June 30, 2025, the fund balance of the Capital Projects Street Fund was \$0.3 million.

Nonmajor Governmental Funds account for various activities including street maintenance, transportation, air quality improvement, lighting and landscaping district, public safety activity, and development impact improvements. Total revenues and transfers in for 2024-25 were \$16.3 million, down \$0.3 million from 2023-24. Total expenditures and transfers out for 2024-25 were \$18.9 million, an increase of \$1.9 million over 2023-24. As of June 30, 2025, the fund balance of the Nonmajor Governmental Funds totaled \$16.8 million, down \$2.5 million from 2023-24.

City of Monterey Park
Management Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

Business-type Activities Financial Analysis

The business-type activities reflect the City's water system, which includes water operation and water treatment, waste management activities and sanitary sewer activities.

Total 2024-25 water operating revenues were \$19.7 million, up \$5.0 million from 2023-24. The increase in water revenues was primarily due to increased water rates. Water operating expenses were \$16.6 million, down \$2.8 million from 2023-24. The decrease was primarily due to reduced costs for water production and water treatment operations. The net position at June 30, 2025 for the Water Fund was \$44.9 million, up \$3.1 million from the previous year.

Refuse Fund revenues for 2024-25 were at \$1.8 million, down \$5.8 million from the previous year. Operating expenditures were \$1.8 million, down \$6.2 million from last year. Decreases in operating revenue and expenditures was due to the outsourcing of the revenue billing and collection services. The net position for the Refuse Fund was \$644 at June 30, 2025, an increase of \$24,446 from the prior year.

Sewer Fund revenues were \$6.5 million, up \$2.0 million from last year. Operating expenditures were \$3.8 million, increase \$0.7 million from last year. The increase was primarily due to increase the sewer rate. The net position for the Sewer Fund increased to \$15.5 million, an increase of \$3 million from the prior year.

General Fund Budgetary Highlights

The originally adopted General Fund budget for this fiscal year was \$66.7 million. The final amended budget of \$80.3 million reflecting City Council approved amendments throughout the year.

The budget amendments included additional funds for minimum wage mandates, service costs, and capital projects.

Overall, actual revenues in the General Fund were higher than the budgeted revenues. The increase was \$3.9 million. Primarily due to increased revenue for licenses and permits and miscellaneous coming in \$1.2 million and \$2.4 million higher than budgeted, respectively. Revenue from taxes was higher than budgeted by approximately \$0.6 million. Revenue from fines and forfeitures were higher by approximately \$0.3 million. Actual expenses in the General Fund were under budget in various major categories with the following amounts by function: General government \$1.9 million, community development \$24 thousand, and capital outlay \$10.6 million. These were due to the City's cost control measures Actual expenses in the following major categories came in over budget by the following amounts: Public safety \$1.2 million, culture and recreation \$0.2 million, and highways and streets \$1 million. Overall, actual expenditures were \$10.1 million less than budgeted. Most of the capital outlay budget that was not spent will be rolled over into the 2025-26 budget.

Capital Asset Administration

The City's capital assets, net of accumulated depreciation, for its governmental and business-type activities as of June 30, 2025, totaled \$160.5 million, an increase of \$8.1 million from prior year. The capital assets include land, buildings, improvements, machinery and equipment, parks, roads, traffic lights, and traffic signals. *(Readers desiring more detailed information on capital asset activity should refer to Note 7 of the Notes to the Basic Financial Statements.)*

City of Monterey Park
Management Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

Capital Assets Net of Depreciation
For Fiscal Years Ended June 30, 2025 and June 30, 2024
(In thousands)

	<i>Governmental</i>		<i>Business-type</i>		<i>Total</i>	
	<i>Activities</i>		<i>Activities</i>			
	<u>6/30/2025</u>	<u>6/30/2024</u>	<u>6/30/2025</u>	<u>6/30/2024</u>	<u>6/30/2025</u>	<u>6/30/2024</u>
<i>Land</i>	\$ 8,465	\$ 8,465	\$ 500	\$ 500	\$ 8,965	\$ 8,965
<i>Buildings</i>	12,437	13,037	118	123	12,554	13,160
<i>Improvements</i>	54,401	48,035	52,642	53,946	107,043	101,981
<i>Construction in Progress</i>	2,871	585	3,569	601	6,440	1,186
<i>Equipment</i>	6,516	6,747	657	819	7,173	7,566
<i>Infrastructure</i>	13,745	16,548	2,582	2,695	16,327	19,243
<i>Leased Assets</i>	154	46	-	2	154	47
<i>Subscription Assets</i>	1,870	265	7	14	1,877	279
	<u>\$ 100,459</u>	<u>\$ 93,727</u>	<u>\$ 60,074</u>	<u>\$ 58,699</u>	<u>\$ 160,533</u>	<u>\$ 152,427</u>

Major capital asset additions during the fiscal year included the following:

- Potrero Grande Renovation
- Building Forward Library Improvements
- Monterey Pass Street Rehabilitation
- Sewer Manhole Rehabilitation
- Barnes Gym Restroom Upgrades
- Barnes Park Gym Flooring
- Ping Pong Room Flooring at Langley Center
- Groundwater Treatment System

Debt Administration

As of June 30, 2025, the City's long-term debt reduced by \$2.3 million from the prior year at \$189.0 million to \$186.7 million which was due primarily to payments towards the Pension Obligation Bonds. *(Please refer to Note 8 of the Notes to the Basic Financial Statements for detailed information.)*

State statutes limit the amount of general obligation debt a governmental entity may issue to 15% of its total assessed valuation. The current debt limitation for the City is \$1.53 billion.

City of Monterey Park
Management Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

Long-term Debt
For Fiscal Years Ended June 30, 2025 and June 30, 2024
(In thousands)

	<i>Governmental</i>		<i>Business-type</i>		<i>Total</i>	
	<i>Activities</i>		<i>Activities</i>			
	<u>6/30/2025</u>	<u>6/30/2024</u>	<u>6/30/2025</u>	<u>6/30/2024</u>	<u>6/30/2025</u>	<u>6/30/2024</u>
		<i>(restated)</i>		<i>(restated)</i>		
<i>Capital Leases</i>	\$ 5,353	\$ 2,875	\$ 4,539	\$ 5,251	\$ 9,893	\$ 8,125
<i>SGVMWD Loan</i>	-	-	4,000	4,000	4,000	4,000
<i>Lease Liability</i>	170	46	-	1	170	47
<i>Subscription Payable</i>	1,602	160	3	6	1,605	166
<i>Pension Obligation Bonds</i>	96,878	101,065	4,702	4,885	101,580	105,950
<i>Sales Tax Revenue Bonds</i>	16,625	16,960	-	-	16,625	16,960
<i>Water Revenue Bonds</i>	-	-	19,985	20,555	19,985	20,555
<i>Premium</i>	2,839	2,949	531	549	3,370	3,498
<i>Compensated Absences</i>	6,883	6,770	501	487	7,383	7,257
<i>Insurance Assessments Payable</i>	327	491	-	-	327	491
<i>Claims and Judgements</i>	21,765	21,945	-	-	21,765	21,945
	<u>\$ 152,443</u>	<u>\$ 153,261</u>	<u>\$ 34,261</u>	<u>\$ 35,733</u>	<u>\$ 186,704</u>	<u>\$ 188,994</u>

*Fiscal Year End 06/30/2024 figures were restated, see Notes to the Basic Financial Statements.

Economic Factors and Next Year's Budget

- The current economic outlook is characterized by uncertainty. Ambiguity in national public policy leads to delays and curtailment in capital investment. Tariff impositions fluctuate daily, often lacking specificity, with changing start dates and unclear product details. Other sources of volatility include global events, inflation concerns and potential reductions in the Fed Funds Rate. Prioritized day-to-day expenditures erode household discretionary spending due to weakened consumer confidence. Retailers acknowledge that shoppers are experiencing price fatigue. While people continue to spend, tax allocations are continually shifting. Our statewide forecast has weakened in the short term, with limited growth expected in FY2025-26.
- In November 2022, voters adopted Measure MP which authorizes a ¾ cent transactions and use (sales) tax. Businesses began to collect this tax in April 2023. It generated \$9.4 million in FY2024-2025.
- The City completed a Proposition 218 water and sewer rate study in FY 2023-24 and implemented rate increases in early 2024.
- The City's total assessed valuation is \$10.2 billion, up 4.9%, or \$483 million, from 2023-24.
- The fiscal year 2025-26 City Budget is balanced. The City is conservative in projecting future revenues. The City's spending plan follows the City Council's direction in maintaining excellent community service, enhancing organizational efficiency, and funding much needed infrastructure and capital improvements. The City continued labor negotiations with the all bargaining units. Potential salary and benefit contract adjustments were considered during the fiscal year 2025-26 budget process.

City of Monterey Park
Management Discussion and Analysis (Unaudited) (Continued)
For the Year Ended June 30, 2025

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all interested persons and organizations. The report is published on the City's official website. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to ***City of Monterey Park, Finance Department, 320 West Newmark Avenue, Monterey Park, CA 91754.***

BASIC FINANCIAL STATEMENTS

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

City of Monterey Park
Statement of Net Position
June 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and investments	\$ 90,101,321	\$ 14,808,928	\$ 104,910,249
Restricted cash	-	18,500,074	18,500,074
Cash and investments with fiscal agent	4,622,228	6,275	4,628,503
Accounts receivable	7,269,038	6,426,305	13,695,343
Receivable from Successor Agency	137,342	-	137,342
Prepaid items	2,649	74,335	76,984
Interest receivable	323,815	154,561	478,376
Lease receivable - due within one year	312,825	-	312,825
Loans receivable	738,533	-	738,533
Internal balance	4,460,837	(4,460,837)	-
Total current assets	<u>107,968,588</u>	<u>35,509,641</u>	<u>143,478,229</u>
Noncurrent assets:			
Receivable from Successor Agency	484,282	-	484,282
Lease receivable - due in more than one year	699,278	-	699,278
Net pension assets	430,244	-	430,244
Capital assets - nondepreciable	11,336,519	4,068,551	15,405,070
Capital assets - depreciable and amortizable, net	89,122,404	56,005,414	145,127,818
Total capital assets	<u>100,458,923</u>	<u>60,073,965</u>	<u>160,532,888</u>
Total noncurrent assets	<u>102,072,727</u>	<u>60,073,965</u>	<u>162,146,692</u>
Total assets	<u>210,041,315</u>	<u>95,583,606</u>	<u>305,624,921</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related	18,293,115	947,026	19,240,141
OPEB related	3,049,033	352,388	3,401,421
Total deferred outflows of resources	<u>21,342,148</u>	<u>1,299,414</u>	<u>22,641,562</u>

City of Monterey Park
Statement of Net Position (Continued)
June 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 6,342,198	\$ 2,499,638	\$ 8,841,836
Accrued payroll and benefits	2,046,769	116,371	2,163,140
Retention payable	291,979	100,832	392,811
Deposits payable	839,834	453,168	1,293,002
Interest payable	323,424	377,399	700,823
Due to other governmental agencies	738,533	-	738,533
Unearned revenues	4,218,017	-	4,218,017
Long-term liabilities - due within one year	15,660,035	2,113,249	17,773,284
Total current liabilities	<u>30,460,789</u>	<u>5,660,657</u>	<u>36,121,446</u>
Noncurrent liabilities:			
Long-term liabilities - due in more than one year	136,782,618	32,147,925	168,930,543
Net pension liabilities	18,115,258	1,072,011	19,187,269
Net OPEB liabilities	14,422,058	1,666,806	16,088,864
Total noncurrent liabilities	<u>169,319,934</u>	<u>34,886,742</u>	<u>204,206,676</u>
Total liabilities	<u>199,780,723</u>	<u>40,547,399</u>	<u>240,328,122</u>
DEFERRED INFLOWS OF RESOURCES			
Lease related	1,347,356	-	1,347,356
OPEB related	3,251,288	375,762	3,627,050
Total deferred inflows of resources	<u>4,598,644</u>	<u>375,762</u>	<u>4,974,406</u>
NET POSITION			
Net investment in capital assets	80,284,133	49,414,538	129,698,671
Restricted for:			
Grants	2,153,412	-	2,153,412
Retirement/pension	4,922,550	-	4,922,550
Housing	2,711,581	-	2,711,581
Public safety	2,222,667	-	2,222,667
Public work	853,087	-	853,087
Transit	7,564,435	-	7,564,435
Community development	244,819	-	244,819
Culture and recreation	1,446,278	-	1,446,278
Highways and streets	4,423,161	-	4,423,161
Health	32,731	-	32,731
Debt service	-	6,275	6,275
Total restricted	<u>26,574,721</u>	<u>6,275</u>	<u>26,580,996</u>
Unrestricted (deficit)	(79,854,758)	6,539,046	(73,315,712)
Total net position (deficit)	<u>\$ 27,004,096</u>	<u>\$ 55,959,859</u>	<u>\$ 82,963,955</u>

City of Monterey Park
Statement of Activities
For the Year Ended June 30, 2025

Functions/Programs	Program Revenues			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General government	\$ 15,618,363	\$ 2,414,031	\$ 2,521,379	\$ -
Public safety	53,526,285	3,590,622	7,240,701	50,659
Community development	3,716,245	1,373,429	423,470	16,780
Culture and recreation	5,130,841	4,480,447	2,926,445	-
Highway and streets	14,590,749	2,056,556	14,360,157	1,826,581
Health	401,190	-	-	-
Interest and fiscal charges	3,531,497	-	-	-
Total Governmental Activities	96,515,170	13,915,085	27,472,151	1,894,020
Business-Type Activities:				
Water utility	17,164,365	19,710,829	-	-
Refuse	1,798,998	1,812,874	-	-
Sewer	3,396,652	6,464,085	-	-
Total Business-Type Activities	22,360,015	27,987,788	-	-
Total Primary Government	\$ 118,875,185	\$ 41,902,873	\$ 27,472,151	\$ 1,894,020

City of Monterey Park
Statement of Activities (Continued)
For the Year Ended June 30, 2025

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
Functions/Programs			
Governmental Activities:			
General government	\$ (10,682,953)	\$ -	\$ (10,682,953)
Public safety	(42,644,304)	-	(42,644,304)
Community development	(1,902,566)	-	(1,902,566)
Culture and recreation	2,276,051	-	2,276,051
Highway and streets	3,652,545	-	3,652,545
Health	(401,190)	-	(401,190)
Interest and fiscal charges	(3,531,497)	-	(3,531,497)
Total Governmental Activities	(53,233,914)	-	(53,233,914)
Business-Type Activities:			
Water utility	-	2,546,464	2,546,464
Refuse	-	13,876	13,876
Sewer	-	3,067,433	3,067,433
Total Business-Type Activities	-	5,627,773	5,627,773
Total Primary Government	(53,233,914)	5,627,773	(47,606,141)
General Revenues:			
Taxes:			
Property taxes	25,053,071	-	25,053,071
Sales taxes	19,758,995	-	19,758,995
Utility user taxes	3,627,964	-	3,627,964
Franchise taxes	1,122,089	-	1,122,089
Business license taxes	1,815,173	-	1,815,173
Transient occupancy taxes	3,951,670	-	3,951,670
Vehicle in-lieu taxes (Unrestricted, Intergovernmental)	96,316	-	96,316
Revenues (expense) from use of money and property	2,787,210	1,513,669	4,300,879
Other	4,093,144	-	4,093,144
Total General Revenues	62,305,632	1,513,669	63,819,301
Transfers	51	(51)	-
Changes in Net Position	9,071,769	7,141,391	16,213,160
Net Position - Beginning of year, as previously reported	19,198,289	48,881,675	68,079,964
Change in accounting principle (GASB 101)	(1,265,962)	(63,207)	(1,329,169)
Net Position - Beginning, of year, as restated (Note 18)	17,932,327	48,818,468	66,750,795
Net Position - End of year	\$ 27,004,096	\$ 55,959,859	\$ 82,963,955

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FUND FINANCIAL STATEMENTS

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GOVERNMENTAL FUND FINANCIAL STATEMENTS

City of Monterey Park
Balance Sheet
Governmental Funds
June 30, 2025

	Major Funds			
	General	Special Revenue Funds		
		Grants	Retirement/ Pension Liability	Housing
ASSETS				
Cash and investments	\$ 48,361,990	\$ 5,225,820	\$ 3,270,118	\$ 2,015,485
Cash and investments with fiscal agents	-	-	776,874	-
Receivables:				
Accounts	4,510,667	1,395,623	205,949	-
Interest	208,592	24,938	-	9,352
Loans and notes	-	738,533	-	-
Due from other funds	515,863	-	-	-
Lease receivable	1,012,103	-	-	-
Prepaid items	-	-	-	-
Advance to Successor Agency	-	-	-	621,624
Total assets	\$ 54,609,215	\$ 7,384,914	\$ 4,252,941	\$ 2,646,461
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	3,698,237	341,804	-	-
Accrued payroll	1,876,254	13,776	-	-
Retention payable	90,466	-	-	-
Deposit payable	839,834	-	-	-
Unearned revenue	80,628	4,137,389	-	-
Due to other funds	-	-	-	-
Due to other governmental agencies	-	738,533	-	-
Total liabilities	6,585,419	5,231,502	-	-
Deferred inflows of resources:				
Leases related	1,347,356	-	-	-
Unavailable revenues	153,811	934,849	-	-
Total deferred inflows of resources	1,501,167	934,849	-	-
Fund balances:				
Nonspendable	-	-	-	484,282
Restricted	-	1,218,563	4,252,941	2,162,179
Committed	13,726,927	-	-	-
Assigned	32,140,583	-	-	-
Unassigned (deficit)	655,119	-	-	-
Total fund balances	46,522,629	1,218,563	4,252,941	2,646,461
Total liabilities, deferred inflows of resources, and fund balances	\$ 54,609,215	\$ 7,384,914	\$ 4,252,941	\$ 2,646,461

**City of Monterey Park
Balance Sheet (Continued)
Governmental Funds
June 30, 2025**

	<u>Major Funds</u>		<u>Total</u>
	Street Capital Projects Fund	Nonmajor Governmental Funds	Governmental Funds
ASSETS			
Cash and investments	\$ -	\$ 17,441,201	\$ 76,314,614
Cash and investments with fiscal agents	983,805	-	1,760,679
Receivables:			
Accounts	-	1,141,297	7,253,536
Interest	-	80,933	323,815
Loans and notes	-	-	738,533
Due from other funds	-	-	515,863
Lease receivable	-	-	1,012,103
Prepaid items	-	2,649	2,649
Advance to Successor Agency	-	-	621,624
Total assets	<u>\$ 983,805</u>	<u>\$ 18,666,080</u>	<u>\$ 88,543,416</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable and accrued liabilities	\$ 151,258	\$ 1,665,128	\$ 5,856,427
Accrued payroll	-	36,595	1,926,625
Retention payable	54,312	147,201	291,979
Deposit payable	-	-	839,834
Unearned revenue	-	-	4,218,017
Due to other funds	515,863	-	515,863
Due to other governmental agencies	-	-	738,533
Total liabilities	<u>721,433</u>	<u>1,848,924</u>	<u>14,387,278</u>
Deferred inflows of resources:			
Leases related	-	-	1,347,356
Unavailable revenues	-	-	1,088,660
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>2,436,016</u>
Fund balances:			
Nonspendable	-	2,649	486,931
Restricted	262,372	16,814,507	24,710,562
Committed	-	-	13,726,927
Assigned	-	-	32,140,583
Unassigned (deficit)	-	-	655,119
Total fund balances	<u>262,372</u>	<u>16,817,156</u>	<u>71,720,122</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 983,805</u>	<u>\$ 18,666,080</u>	<u>\$ 88,543,416</u>

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City of Monterey Park
Reconciliation of the Governmental Funds Balance Sheet to the
Government-Wide Statement of Net Position
June 30, 2025

Total Fund Balances - Total Governmental Funds \$ 71,720,122

Amounts reported for governmental activities in the Statement of Net Position were reported differently because:

Capital assets used in governmental activities were not current financial resources. Therefore, they were not reported in the Governmental Funds Balance Sheet.

Nondepreciable	\$ 11,336,519	
Depreciable/amortizable, net of \$2,489,228 reported in the Internal Service Fund	86,633,175	97,969,694

Long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position:

Bonds payable	\$ (113,503,280)	
Premium on bonds payable	(2,839,305)	
Loans payable, net of \$(2,861,549) reported in the Internal Service Funds	(2,491,638)	
Interest payable	(323,424)	
Lease liabilities, net of \$(167,828) reported in the Internal Service Funds	(1,958)	
Subscription liabilities, net of \$(259,212) reported in the Internal Service Funds	(1,343,224)	
Compensated absences, net of \$(328,709) reported in the Internal Service Funds	(6,553,933)	(127,056,762)

Net pension liabilities and the related deferred outflows of resources and deferred inflows of resources are not due and payable in the current period or not available for current expenditures and are not reported in the governmental fund financial statements:

Pension related deferred outflows of resources, net of \$466,054 reported in the Internal Service Funds	\$ 17,827,061	
Aggregate net pension liability, net of \$(527,562) reported in the Internal Service Funds	(17,157,452)	669,609

Net OPEB liabilities and the related deferred outflows of resources and deferred inflows of resources are not due and payable in the current period or not available for current expenditures and are not reported in the governmental fund financial statements:

Deferred outflows of resources, net of \$137,758 reported in the Internal Service Funds	\$ 2,911,275	
Net OPEB liability, net of \$(651,598) reported in the Internal Service Funds	(13,770,460)	
Deferred inflows of resources, net of \$(146,895) reported in the Internal Service Funds	(3,104,393)	(13,963,578)

Revenue reported as unavailable revenue in the governmental funds when it is not received soon enough after year-end to be considered available. The availability criteria does not apply to the Government-Wide Financial Statements and, therefore, the revenue is recognized when eligibility requirements are met and earned. 1,088,660

Internal Service Funds were used by management to charge the costs of certain activities, such as insurance and equipment replacement to individual funds. The assets and liabilities of the Internal Service Funds were included in the governmental activities in the Government-Wide Statement of Net Position, net of the portion of net deficit allocated to business-type activities of \$(4,460,837). (3,423,649)

Net Position of Governmental Activities \$ 27,004,096

City of Monterey Park
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

	Major Funds			
	General Fund	Special Revenue Funds		
		Grants	Retirement/ Pension Liability	Housing
Revenues:				
Taxes	\$ 53,648,347	\$ 194,664	\$ 9,581,318	\$ -
Intergovernmental	271,267	5,174,742	-	829
Charges for services	9,275,211	-	-	-
Licenses and permits	4,315,324	-	-	-
Fines and forfeitures	708,172	-	-	-
Investment income	3,240,555	369,310	262,007	87,735
Miscellaneous	2,771,536	34,324	-	-
Total revenues	74,230,412	5,773,040	9,843,325	88,564
Expenditures:				
Current:				
General government	12,956,776	225,229	1,284,610	-
Public safety	42,157,203	3,052,276	3,554,653	-
Community development	2,156,811	28,607	99,306	1,186,222
Culture and recreation	2,792,018	593,219	109,160	-
Highways and street	3,905,525	148,508	64,546	-
Health	-	-	-	-
Capital outlay	5,705,988	1,757,176	-	-
Debt service:				
Principal retirement	556,768	257,485	4,187,029	-
Interest and fiscal charges	24,634	50,260	2,850,410	-
Total expenditures	70,255,723	6,112,760	12,149,714	1,186,222
Revenues over (under) expenditures	3,974,689	(339,720)	(2,306,389)	(1,097,658)
Other financing sources (uses):				
Issuance of long-term liabilities	1,677,949	-	-	-
Transfers in	-	568,140	-	-
Transfers out	(1,021,789)	-	-	-
Total other financing sources (uses)	656,160	568,140	-	-
Net Change in Fund Balances	4,630,849	228,420	(2,306,389)	(1,097,658)
Fund balances:				
Beginning of year, as previously reported	41,891,780	1,230,698	6,559,330	3,744,119
Correction of error (Note 18)	-	(240,555)	-	-
Beginning of year, as restated (Note 18)	41,891,780	990,143	6,559,330	3,744,119
End of year	\$ 46,522,629	\$ 1,218,563	\$ 4,252,941	\$ 2,646,461

City of Monterey Park
Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Governmental Funds
For the Year Ended June 30, 2025

	Major Funds		
	Street Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:			
Taxes	\$ -	\$ 3,647,112	\$ 67,071,441
Intergovernmental	-	9,457,789	14,904,627
Charges for services	-	811,218	10,086,429
Licenses and permits	-	-	4,315,324
Fines and forfeitures	-	-	708,172
Investment income	74,024	853,037	4,886,668
Miscellaneous	-	-	2,805,860
Total revenues	74,024	14,769,156	104,778,521
Expenditures:			
Current:			
General government	-	-	14,466,615
Public safety	-	1,175,611	49,939,743
Community development	-	49,380	3,520,326
Culture and recreation	-	1,186,407	4,680,804
Highways and street	2,000	6,517,314	10,637,893
Health	-	401,190	401,190
Capital outlay	1,477,883	6,299,392	15,240,439
Debt service:			
Principal retirement	-	366,134	5,367,416
Interest and fiscal charges	-	715,200	3,640,504
Total expenditures	1,479,883	16,710,628	107,894,930
Revenues over (under) expenditures	(1,405,859)	(1,941,472)	(3,116,409)
Other financing sources (uses):			
Issuance of long-term liabilities	-	50,516	1,728,465
Transfers in	1,094,434	1,503,848	3,166,422
Transfers out	-	(2,144,633)	(3,166,422)
Total other financing sources (uses)	1,094,434	(590,269)	1,728,465
Net Change in Fund Balances	(311,425)	(2,531,741)	(1,387,944)
Fund balances:			
Beginning of year, as previously reported	573,797	19,348,897	73,348,621
Restatement (Note 18)	-	-	(240,555)
Beginning of year, as restated (Note 18)	573,797	19,348,897	73,108,066
End of year	\$ 262,372	\$ 16,817,156	\$ 71,720,122

City of Monterey Park
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes
in Fund Balances to the Government-Wide Statement of Activities
For the Year Ended June 30, 2025

Net Change in Fund Balances - Total Governmental Funds	\$	(1,387,944)
Governmental activities in the Statement of Activities were reported differently because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds.		
Capital outlay, net of \$832,014 in the Internal Service Funds	\$	15,031,252
Depreciation and amortization, net of (\$741,090) in the Internal Service Funds		(8,392,277)
Capital contribution		(17,572)
		6,621,403
Net change in revenues that was considered unavailable in the governmental funds. These items have been reported as revenue in the Statement of Activities.		808,367
Inception of leases and subscription liabilities is not a revenue in the Statement of Activities, but is reported as a liability on the Government-Wide Statement of Net Position, net of \$(441,883) reported at internal service funds.		(1,728,465)
Principal repayment on long-term debt is not an expense in the Statement of Activities, but instead, is considered an expenditure in governmental funds.		
Bonds payable	\$	4,522,029
Loans payable		383,018
Lease liabilities, net of \$79,408 reported in the Internal Service Funds		3,897
Subscription liabilities, net of \$64,318 reported in the Internal Service Funds		458,472
		5,367,416
Interest accrued on long-term debt is reported in the Statement of Activities, but does not require the use of current financial resources. Therefore, accrued interest is not reported as an expenditure in governmental funds. This amount represents the change in accrued interest from the prior year.		(197)
Amortization of bond premium was recognized in interest expense on the Government-Wide Statement of Activities, but did not require the use of current financial resources. Therefore amortization of bond discount was not reported as an expenditure in the governmental funds.		109,204
Compensated absences were reported in the Government-Wide Statement of Activities, but they did not require the use of current financial resources. Therefore, compensated absences were not reported as expenditures in the governmental funds, net of \$43,686 reported in the Internal Service Funds.		(156,708)
Certain pension expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		(6,937,752)
Certain other postemployment benefits expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		3,256,653
Internal Service Funds are used by management to charge the costs of certain activities, such as insurance and equipment replacement, to individual funds. The net revenue of the Internal Service Funds is reported in governmental activities. This amount excludes \$1,018,007 charged to the business-type activities.		3,119,792
Change in Net Position of Governmental Activities	\$	9,071,769

PROPRIETARY FUND FINANCIAL STATEMENTS

City of Monterey Park
Statement of Net Position
Proprietary Funds
June 30, 2025

	Business-Type Activities				Governmental
	Enterprise Funds				Activities
	Water Utility	Refuse	Sewer	Total	Internal Service Funds
ASSETS					
Current assets:					
Cash and investments	\$ 4,370,225	\$ 363,270	\$ 10,075,433	\$ 14,808,928	\$ 13,786,707
Restricted cash	18,500,074	-	-	18,500,074	-
Cash and investments with fiscal agent	6,275	-	-	6,275	2,861,549
Accounts receivable	4,852,522	516,749	1,057,034	6,426,305	15,502
Interest receivable	106,955	1,685	45,921	154,561	-
Prepaid items	74,335	-	-	74,335	-
Total current assets	27,910,386	881,704	11,178,388	39,970,478	16,663,758
Noncurrent assets:					
Capital assets:					
Nondepreciable	3,892,684	-	175,867	4,068,551	-
Depreciable and amortizable, net	50,429,187	29,283	5,546,944	56,005,414	2,489,229
Total noncurrent assets	54,321,871	29,283	5,722,811	60,073,965	2,489,229
Total assets	82,232,257	910,987	16,901,199	100,044,443	19,152,987
DEFERRED OUTFLOWS OF RESOURCES					
Pension related	688,041	68,028	190,957	947,026	466,054
OPEB related	245,923	26,191	80,274	352,388	137,758
Total deferred outflows of resources	\$ 933,964	\$ 94,219	\$ 271,231	\$ 1,299,414	\$ 603,812

City of Monterey Park
Statement of Net Position (Continued)
Proprietary Funds
June 30, 2025

	Business-Type Activities				Governmental
	Enterprise Funds				Activities
	Water Utility	Refuse	Sewer	Total	Internal Service Funds
LIABILITIES					
Current liabilities:					
Accounts payable	\$ 2,272,923	\$ 15,701	\$ 211,014	\$ 2,499,638	\$ 485,771
Accrued liabilities	85,594	5,965	24,812	116,371	120,144
Retention payable	92,722	-	8,110	100,832	-
Interest payable	374,594	1,427	1,378	377,399	-
Deposit payable	453,168	-	-	453,168	-
Loans payable, due within one year	1,169,269	-	-	1,169,269	270,292
Bonds payable, due within one year	464,000	28,245	27,262	519,507	-
Insurance assessment payable, due within one year	-	-	-	-	163,514
Leases liabilities, due within one year	-	-	-	-	73,869
Subscription liabilities, due within one year	3,241	-	-	3,241	66,962
Compensated absences, due within one year	328,901	27,665	64,666	421,232	276,491
Claims payable, due within one year	-	-	-	-	3,936,107
Total current liabilities	5,244,412	79,003	337,242	5,660,657	5,393,150
Noncurrent liabilities:					
Loans payable, due more than one year	7,370,105	-	-	7,370,105	2,591,257
Bonds payable, due more than one year	23,339,318	691,516	667,433	24,698,267	-
Insurance assessment payable, due more than one year	-	-	-	-	163,514
Leases liabilities, due more than one year	-	-	-	-	93,959
Subscription liabilities, due more than one year	-	-	-	-	192,250
Compensated absences, due more than one year	62,115	5,225	12,213	79,553	52,218
Claims payable, due more than one year	-	-	-	-	17,828,882
Net pension liability	778,846	77,006	216,159	1,072,011	527,562
Net OPEB liability	1,163,225	123,884	379,697	1,666,806	651,598
Total noncurrent liabilities	32,713,609	897,631	1,275,502	34,886,742	22,101,240
Total liabilities	37,958,021	976,634	1,612,744	40,547,399	27,494,390
DEFERRED INFLOW OF RESOURCES					
OPEB related	262,236	27,928	85,598	375,762	146,895
Total deferred inflows of resources	262,236	27,928	85,598	375,762	146,895
NET POSITION					
Net investment in capital assets	43,670,554	29,283	5,714,701	49,414,538	2,062,189
Restricted	6,275	-	-	6,275	-
Unrestricted (deficit)	1,269,135	(28,639)	9,759,387	10,999,883	(9,946,675)
Total net position (deficit)	\$ 44,945,964	\$ 644	\$ 15,474,088	\$ 60,420,696	\$ (7,884,486)
Adjustment to reflect the consolidation of internal service funds activities to related enterprise funds	(4,775,411)	(619,647)	934,221	(4,460,837)	
Net position (deficit) of business-type activities	\$ 40,170,553	\$ (619,003)	\$ 16,408,309	\$ 55,959,859	

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City of Monterey Park
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2025

	Business-Type Activities				Governmental Activities
	Enterprise Funds				Internal Service
	Water Utility	Refuse	Sewer	Total	
OPERATING REVENUES:					
Charges for services	\$ 18,577,007	\$ 1,812,874	\$ 6,423,741	\$ 26,813,622	\$ 27,230,594
Meter installations	92,925	-	-	92,925	-
Miscellaneous	1,040,897	-	40,344	1,081,241	202,839
Total operating revenues	19,710,829	1,812,874	6,464,085	27,987,788	27,433,433
OPERATING EXPENSES:					
Operation	9,104,229	1,350,954	2,433,418	12,888,601	286,721
Salaries and Benefits	3,075,248	274,633	906,369	4,256,250	7,160,011
General and administrative	840,610	143,956	146,809	1,131,375	-
Depreciation and amortization expense	2,487,877	9,317	282,858	2,780,052	741,090
Materials and supplies	1,122,574	1,969	56,342	1,180,885	5,987,495
Insurance and claims	-	-	-	-	9,137,940
Total operating expenses	16,630,538	1,780,829	3,825,796	22,237,163	23,313,257
OPERATING INCOME (LOSS)	3,080,291	32,045	2,638,289	5,750,625	4,120,176
NONOPERATING REVENUES (EXPENSES):					
Investment earnings	1,089,805	10,590	413,274	1,513,669	-
Interest expense	(1,105,153)	(18,169)	(17,537)	(1,140,859)	-
Total nonoperating income (loss)	(15,348)	(7,579)	395,737	372,810	-
NET INCOME (LOSS) BEFORE TRANSFERS	3,064,943	24,466	3,034,026	6,123,435	4,120,176
CAPITAL CONTRIBUTIONS AND TRANSFERS					
Capital contributions	-	-	-	-	17,572
Transfers in	-	-	-	-	51
Transfers out	(51)	-	-	(51)	-
Total capital contributions and transfers	(51)	-	-	(51)	17,623
CHANGES IN NET POSITION	3,064,892	24,466	3,034,026	6,123,384	4,137,799
NET POSITION (DEFICIT):					
Beginning of year, as previously reported	41,925,511	(18,061)	12,453,069	54,360,519	(11,990,644)
Change in accounting principle (GASB 101)	(44,439)	(5,761)	(13,007)	(63,207)	(31,641)
Beginning of year, as restated (Note 18)	41,881,072	(23,822)	12,440,062	54,297,312	(12,022,285)
End of the year	<u>\$ 44,945,964</u>	<u>\$ 644</u>	<u>\$ 15,474,088</u>	<u>\$ 60,420,696</u>	<u>\$ (7,884,486)</u>
Change in Net Position	\$ 3,064,892	\$ 24,466	\$ 3,034,026	\$ 6,123,384	
Adjustment to Reflect the Consolidation of Internal Service Fund Activities to Related Enterprise Fund	571,326	-	446,681	1,018,007	
Changes in Net Position of Business-type Activities	<u>\$ 3,636,218</u>	<u>\$ 24,466</u>	<u>\$ 3,480,707</u>	<u>\$ 7,141,391</u>	

City of Monterey Park
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2025

	Business-Type Activities				Governmental
	Enterprise Funds				Activities
	Water Utility	Refuse	Sewer	Total	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers and users	\$ 18,091,528	\$ 2,478,466	\$ 6,235,990	\$ 26,805,984	\$ 27,433,433
Cash paid to suppliers for goods and services	(10,363,983)	(2,026,743)	(2,451,576)	(14,842,302)	(6,297,714)
Cash paid to employees for services	(3,000,370)	(271,770)	(852,065)	(4,124,205)	(7,072,131)
Cash paid for insurance claims	-	-	-	-	(9,298,519)
Net cash provided by operating activities	<u>4,727,175</u>	<u>179,953</u>	<u>2,932,349</u>	<u>7,839,477</u>	<u>4,765,069</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:					
Cash paid to other funds	-	-	-	-	(730,331)
Principal paid on pension obligation bonds	(127,927)	(28,010)	(27,034)	(182,971)	-
Interest paid on pension obligation bonds	(83,417)	(18,264)	(17,628)	(119,309)	-
Net cash (used in) noncapital financing activities	<u>(211,344)</u>	<u>(46,274)</u>	<u>(44,662)</u>	<u>(302,280)</u>	<u>(730,331)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Acquisition of capital assets	(4,057,262)	-	(339,741)	(4,397,003)	(390,131)
Proceeds from the issuance of new debts	-	-	-	-	2,861,549
Principal paid	(1,284,429)	-	-	(1,284,429)	(307,241)
Interest paid	(785,717)	-	-	(785,717)	-
Net cash provided by (used in) capital and related financing activities	<u>(6,127,408)</u>	<u>-</u>	<u>(339,741)</u>	<u>(6,467,149)</u>	<u>2,164,177</u>
CASH FLOWS FROM INVESTING ACTIVITIES:					
Interest received	1,076,608	9,724	395,589	1,481,921	-
Net cash provided by investing activities	<u>1,076,608</u>	<u>9,724</u>	<u>395,589</u>	<u>1,481,921</u>	<u>-</u>
Net change in cash and cash equivalents	<u>(534,969)</u>	<u>143,403</u>	<u>2,943,535</u>	<u>2,551,969</u>	<u>6,198,915</u>
CASH AND CASH EQUIVALENTS:					
Beginning of year	23,411,543	219,867	7,131,898	30,763,308	10,449,341
End of year	<u>\$ 22,876,574</u>	<u>\$ 363,270</u>	<u>\$ 10,075,433</u>	<u>\$ 33,315,277</u>	<u>\$ 16,648,256</u>
CASH AND CASH EQUIVALENTS:					
Cash and investments	\$ 4,370,225	\$ 363,270	\$ 10,075,433	\$ 14,808,928	\$ 13,786,707
Restricted cash	18,500,074	-	-	18,500,074	-
Cash and investments with fiscal agent	6,275	-	-	6,275	2,861,549
Total cash and cash equivalents	<u>\$ 22,876,574</u>	<u>\$ 363,270</u>	<u>\$ 10,075,433</u>	<u>\$ 33,315,277</u>	<u>\$ 16,648,256</u>

City of Monterey Park
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended June 30, 2025

	Enterprise Funds			Total	Internal Service Fund
	Water Utility	Refuse	Sewer		
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ 3,080,291	\$ 32,045	\$ 2,638,289	5,750,625	\$ 4,120,176
Adjustments to reconcile to net cash provided by (used in) operating activities:					
Depreciation/Amortization	2,487,877	9,317	282,858	2,780,052	741,090
Changes in assets and liabilities:					
(Increase) decrease in accounts receivables	(1,622,699)	665,592	(228,095)	(1,185,202)	-
(Increase) decrease in prepaid items	2,571	-	-	2,571	-
(Increase) decrease in deferred outflows - pension related	803,814	46,730	268,076	1,118,620	566,768
(Increase) decrease in deferred outflows - OPEB related	38,779	4,183	7,202	50,164	23,020
Increase (decrease) in accounts payable	700,859	(529,864)	184,993	355,988	(3,499)
Increase (decrease) in accrued liabilities	21,136	(743)	3,605	23,998	69,682
Increase (decrease) in deposits payable	3,398	-	-	3,398	-
Increase (decrease) in compensated absences	(3,606)	4,166	13,090	13,650	(43,686)
Increase (decrease) in claims payable	-	-	-	-	(180,578)
Increase (decrease) in net pension liability	(507,763)	(21,964)	(179,721)	(709,448)	(363,168)
Increase (decrease) in total OPEB liability	(150,275)	(16,248)	(23,882)	(190,405)	(90,164)
Increase (decrease) in deferred inflows - pension related	(12,059)	(928)	(3,711)	(16,698)	(8,350)
Increase (decrease) in deferred inflows - OPEB related	(115,148)	(12,333)	(30,355)	(157,836)	(66,222)
Net cash provided by operating activities	\$ 4,727,175	\$ 179,953	\$ 2,932,349	\$ 7,839,477	\$ 4,765,069
NONCASH ITEMS:					
Acquisition of lease and subscription assets	\$ -	\$ -	\$ -	\$ -	\$ (441,883)
Issuance of lease and subscription liabilities	\$ -	\$ -	\$ -	\$ -	\$ 441,883
Capital contribution	\$ -	\$ -	\$ -	\$ -	\$ 17,572
Transfer of leases assets from Enterprise Fund to Internal Service Fund	\$ (1,511)	\$ -	\$ -	\$ (1,511)	\$ 1,511
Transfer of leases liability from Enterprise Fund to Internal Service Fund	\$ 1,460	\$ -	\$ -	\$ 1,460	\$ (1,460)

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FIDUCIARY FUND FINANCIAL STATEMENTS

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City of Monterey Park
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2025

	Custodian Fund	Private-Purpose Trust Fund
ASSETS		
Current assets:		
Cash and investments	\$ 966	\$ 169,504
Cash and investments with fiscal agent	-	2,030,440
Accounts receivable	-	3,899
Total assets	966	2,203,843
LIABILITIES		
Current liabilities:		
Accounts payable	-	95
Accrued liabilities	-	3,804
Deposit payable	966	-
Interest payable	-	71,654
Advances from City of Monterey Park, due within one year	-	137,342
Long term debt, due within one year	-	2,385,810
Total current liabilities	966	2,598,705
Noncurrent liabilities		
Advances from City of Monterey Park, due in more than one year	-	484,282
Long-term debt, due in more than one year	-	100,407,287
Total noncurrent liabilities	-	100,891,569
NET POSITION (DEFICIT)		
Restricted for Successor Agency	\$ -	\$ (101,286,431)

City of Monterey Park
Statement of Change in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2025

	Custodian Fund	Private-Purpose Trust Fund
ADDITIONS		
Redevelopment property tax trust fund	\$ -	\$ 2,916,249
Investment income	-	47,687
Other income	-	1,186,222
Total additions	<u>-</u>	<u>4,150,158</u>
DEDUCTIONS		
Administration	-	192,000
Interest expense and fiscal charges	-	6,511,234
Total deductions	<u>-</u>	<u>6,703,234</u>
CHANGE IN NET POSITION	-	(2,553,076)
NET POSITION (DEFICIT)		
Beginning of year	-	(98,733,355)
End of year	<u>\$ -</u>	<u>\$ (101,286,431)</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS

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City of Monterey Park
Index to the Notes to the Basic Financial Statements
For the Year Ended June 30, 2025

	<u>Page</u>
Note 1 – Summary of Significant Accounting Policies.....	49
A. Description of the Reporting Entity	49
B. Basis of Accounting and Measurement Focus	49
C. Cash and Investments.....	52
D. Accounts Receivable and Due from Other Governments	53
E. Loans and Notes Receivable	53
F. Prepaid Items.....	53
G. Leases.....	54
H. Capital Assets.....	55
I. Subscription-Based Information Technology Arrangements (SBITAs)	56
J. Deferred Outflows/Inflows of Resources.....	56
K. Unearned and Unavailable Revenue	57
L. Compensated Absences.....	57
M. Net Pension Liability.....	57
N. Other Postemployment Benefits Liability.....	58
O. Claims Payable.....	58
P. Net Position.....	58
Q. Fund Balances	59
R. Property Taxes	60
S. Use of Estimates.....	60
T. Implementation of New GASB Pronouncements	60
Note 2 – Cash and Investments.....	60
A. Demand Deposits	61
B. Investments Authorized by the California Government Code and the City's Investment Policy.....	62
C. Investments Authorized by Debt Agreement.....	62
D. Investment in Local Agency Investment Fund (LAIF).....	62
E. Fair Value Measurements.....	63
F. Disclosures Relating to Interest Rate Risk.....	63
G. Disclosures Relating to Credit Risk	64
H. Concentration of Credit Risk.....	64
I. Custodial Credit Risk	64
Note 3 – Loans Receivable.....	65
Note 4 – Leases Receivable.....	66
Note 5 – Interfund Transactions.....	67
A. Due to/from Other Funds	67
B. Transfers.....	67
Note 6 – Receivables From Successor Agency.....	68
Note 7 – Capital Assets	69

City of Monterey Park
Index to the Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

	<u>Page</u>
Note 8 – Long-Term Liabilities	71
A. Governmental Activities	71
B. Business-Type Activities.....	76
C. Fiduciary Activities.....	77
Note 9 – Due To Other Governmental Agencies	80
Note 10 – Defined Benefit Pension Plans.....	80
California Public Employees’ Retirement System Plan	
A. General Information about the Pension Plans	80
B. Net Pension Liability.....	82
C. Changes in the Net Pension Liability	84
D. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions.....	85
Massachusetts Mutual Retirement Plan - Defined Benefit Plan	
E. General Information about the Pension Plans	86
F. Net Pension Liability.....	87
G. Changes in the Net Pension Liability	88
H. Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions.....	89
Note 11 – Defined Contribution Pension Plans - Monterey Park Part-Time Retirement Plan	89
Note 12 – Other Postemployment Healthcare Plan.....	90
A. Plan Description	90
B. Total OPEB Liability	91
C. Changes in total OPEB Liability	92
D. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB.....	93
Note 13 – Risk Management.....	94
Note 14 – Stewardship, Compliance and Accountability.....	95
A. Deficit Fund Balance/Net Position.....	95
B. Excess of Expenditures over Appropriations	95
Note 15 – Net Investment in Capital Assets	96
Note 16 – Classification of Fund Balances	97
Note 17 – Commitments and Contingencies	98
A. Commitments	98
B. Contingencies.....	98
Note 18 – Restatement of Beginning Net Positions and Fund Balances.....	98

City of Monterey Park
Notes to the Basic Financial Statements
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies

The basic financial statements of the City of Monterey Park, California, (the “City”) have been prepared in conformity with accounting principles generally accepted in the United States of America (“U.S. GAAP”) as applied to governmental agencies. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the City’s significant policies:

A. Description of the Reporting Entity

The City was incorporated May 29, 1916 under the general laws of the State of California and enjoys all the rights and privileges pertaining to General Law cities. The City is governed by an elected five-member City Council. As required by generally accepted accounting principles in the United States of America, the financial statements include the financial activities of the City (the primary government), the Monterey Park Public Financing Authority (the “Financing Authority”), and the Monterey Park Housing Authority (the “Housing Authority”). Although the Financing Authority and Housing Authority are legally separate from the City, they have been “blended” as though they are part of the City because the component units’ governing body are substantially the same as the City’s and there is a financial benefit or burden relationship between the City and the component units; management of the City has operational responsibilities for the component units; and/or the component units provide services entirely, or almost entirely, to the City or otherwise exclusively, or almost exclusively, benefits the City, even though they do not provide services directly to it.

Blended Component Units

The Monterey Park Public Financing Authority

The Financing Authority was organized in May 1989 under a joint exercise of power agreement to provide for the financing of public capital improvements for the City and the former Redevelopment Agency of Monterey Park. The members of the City Council act as the governing board of the Financing Authority and there is a financial benefit or burden relationship between the City and the Financing Authority. The Financing Authority does not issue separate financial statements.

The Monterey Park Housing Authority

The Housing Authority was established in September 1992 to provide affordable housing within the City. The members of the City Council act as the governing board of the Housing Authority and there is a financial benefit or burden relationship between the City and the Housing Authority. The Housing Authority does not issue separate financial statements.

B. Basis of Accounting and Measurement Focus

Government-Wide Financial Statements

The City Government–Wide Financial Statements include a Statement of Net Position and a Statement of Activities and Changes in Net Position. These statements present summaries of governmental and business-type activities for the City, the primary government, accompanied by a total column. Fiduciary activities of the City are not included in these statements.

Fiduciary activities of the City are not included in these statements.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Government-Wide Financial Statements (Continued)

These financial statements are presented on an “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all of the City’s assets and liabilities, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in Net Position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred.

Certain types of transactions are reported as program revenues for the City in three categories:

- Charges for services
- Operating grants and contributions
- Capital grants and contributions

Certain eliminations have been made in regard 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 and eliminated in the total primary government column. However, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

- Due to/from other funds
- Advances to/from other funds
- Transfers in/out

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained in accordance with legal and managerial requirements.

Governmental Fund Financial Statements

Governmental Fund Financial Statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and nonmajor funds aggregated. An accompanying schedule is presented to reconcile and explain the differences between fund balance as presented in these statements to the net position presented in the Government-Wide Financial Statements. The City has presented all major funds that met the applicable criteria.

All governmental funds are accounted for on a spending or “*current financial resources*” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances presents increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Governmental Fund Financial Statements (Continued)

Revenues are recognized as soon as they are both “measurable” and “available”. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property tax, sales tax, intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

The City reports the following major governmental funds:

General Fund – This fund is used to account for resources traditionally associated with governments which are not required by law or sound financial management to be accounted for in another fund.

Special Revenue Grants Fund – This fund has been established to account for the grants requiring segregated fund accounting. Financing is provided by federal, state and county agencies.

Special Revenue Retirement/Pension Liability Fund – This fund was established to account for revenue received from voter-approved property tax levied to provide for employee retirement costs, as established pursuant to Monterey Park Municipal Code Section 2.40.060 and to account for the financial resources provided by the City in anticipation of estimated increases in retirement costs.

Special Revenue Housing Fund – This fund is used to account for housing activities for the City and revenue received from housing loan repayments and rental income.

Street Capital Projects Fund – This fund is used to account for funds accumulated for street related capital projects.

Proprietary Funds Financial Statements

Proprietary Funds Financial Statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major Proprietary Fund.

A separate column representing internal service funds is also presented in these statements. However, internal service balances and activities have been combined with the governmental and business-type activities in the Government-Wide Financial Statements. The City’s internal service funds include seven individual funds which provide services directly to other City funds.

Proprietary funds are accounted for using the “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. In these funds, receivables have been recorded as revenue and provisions have been made for uncollectible amounts.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as nonoperating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as nonoperating expenses.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

B. Basis of Accounting and Measurement Focus (Continued)

Proprietary Funds Financial Statements (Continued)

The City reports the following major enterprise funds:

The Water Utility Enterprise Fund is used to account for operations that are financed and operated in a manner similar to private business enterprises and where the intent of the City is that the costs (expenses, including depreciation and amortization) of providing goods services to the general public on a continuing basis be financed or recovered primarily through user charges. The City accounts for its water utility in this fund.

The Refuse Enterprise Fund is used to account for receipts and expenditures relating to waste management activities including refuse collection, disposal and reduction.

The Sewer Enterprise Fund is used to account for receipts and expenses for construction and improvement to deficient sanitary mains identified in the Sewer Master Plan.

Additionally, the City reports the following proprietary fund types:

Internal Service Funds

The *Internal Service Funds* are utilized to finance and account for activities involved in rendering services to departments within the City. Costs of services are accumulated in these funds and charged to user departments as such costs are incurred. The City maintains seven internal service funds for separation benefits, general liability claims, workers' compensation claims, auto shop operations, technology development, fringe benefits, and building maintenance.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Fiduciary Net Position. The City maintains a fiduciary fund (private-purpose trust fund) for the Successor Agency to the former Community Development Agency. Private-purpose trust funds include a Statement of Net Position and a Statement of Changes in Fiduciary Net Position. the private purpose trust funds are accounted for on the full accrual basis of accounting where the assets associated with the activity are controlled by the City and the assets are not derived 1) solely from the government's own-source revenues or 2) from government-mandated nonexchange transactions or voluntary nonexchange transactions.

The City reports the following two types of fiduciary funds:

- *Custodial Funds* - Custodial Fund is clearing type fund for the collection of taxes or deposits held in trust, on behalf of individuals, private organizations, and other governments for which the City has a custodial responsibility. This fund is used to account for funds collected from asset seizure and private donations received for the community assistance program.
- *Private-Purpose Trust Fund* - Private purpose trust fund is used to report all other trust arrangements under which principal and income benefit individuals, private organizations, or other governments. This fund was created as a result of the State order to dissolve California Redevelopment Agencies. As a Successor Agency, this fund is used to track the activity by the Oversight Board and the State Department of Finance to dissolve the Agency.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

C. Cash and Investment

The City pools its available cash for investment purposes. Highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value.

U.S. GAAP defines fair value, establishes a framework for measuring fair value and establishes disclosures about fair value measurement. Investments, unless otherwise specified, recorded at fair value in the financial statements, are categorized based upon the level of judgment associated with the inputs used to measure their fair value.

The three levels of the fair value measurement hierarchy are described below:

Level 1 – Inputs are unadjusted, quoted prices for identical assets and liabilities in active markets at the measurement date.

Level 2 – Inputs, other than quoted prices included in Level 1, that are observable for the assets and liabilities through corroboration with market data at the measurement date.

Level 3 – Unobservable inputs that reflect management’s best estimate of what market participants would use in pricing the assets and liabilities at the measurement date.

The statement of cash flows requires presentation of “cash and cash equivalents”. For this purpose, the City considers all proprietary fund pooled cash and investments as “cash and cash equivalents”, as such funds are available to the various funds as needed.

Certain disclosure requirements, if applicable, for Deposits and Investment Risks in the following areas:

- Interest Rate Risk
- Credit Risk
 - Overall
 - Custodial Credit Risk
 - Concentration of Credit Risk

In addition, other disclosures are specified including use of certain methods to present deposits and investments, highly sensitive investments, credit quality at year-end and other disclosures.

D. Accounts Receivable and Due from Other Governments

All accounts and due from other governments are shown net of any allowance for uncollectible accounts, if applicable, and estimated refunds due.

E. Loans and Notes Receivable

The accompanying financial statements reflect the recording of certain loans and notes receivable that represent loans made to various parties for homebuyer and rehabilitation loan programs. Where reasonably estimable, an allowance for doubtful accounts has been recorded to reflect management’s best estimate of probable losses associated with nonrepayment. An estimate of any additional potential losses associated with nonrepayment cannot be reasonably estimated at this time.

F. Prepaid Items

Prepaid items are payments made to vendors for services that will benefit periods beyond the fiscal year ended using consumption method.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

G. Leases

Lessor

The City is a lessor for leases of buildings and land and recognizes leases receivable and deferred inflows of resources in the financial statements. Variable payments based on future performance or usage of the underlying asset are not included in the measurement of the lease receivable.

At the commencement of a lease, the lease receivable is measured at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflows of resources are initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflows of resources are recognized as revenue over the life of the lease term in a systematic and rational method.

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

- The City uses the average of the LAIF rate and the incremental borrowing rate (IBR) provided by the City's financial institution for existing leases or the current rate at the time a new lease is executed.
- The lease term includes the noncancelable period of the lease plus any option periods that are likely to be exercised.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

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

Lessee

The City has a policy to recognize a lease liability and a right-to-use asset (lease asset) in the financial statements with an initial, individual value of \$25,000 or more with a lease term greater than one year. Variable payments based on future performance or usage of the underlying assets are not included in the measurement of the lease liability.

At the commencement of a lease, the lease liability is measured at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made.

Lease assets are recorded at the amount of the initial measurement of the lease liabilities and modified by any lease payments made to the lessor at or before the commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term along with any initial direct costs that are ancillary charges necessary to place the lease assets into service. Lease assets are amortized using the straight-line method over the shorter of the lease term or the useful life of the underlying asset, unless the lease contains a purchase option that the State has determined is reasonably certain of being exercised. In this case, the lease asset is amortized over the useful life of the underlying asset.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

G. Leases (Continued)

Lessee (Continued)

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

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancelable period of the lease, plus any option periods that are reasonably certain to be exercised.
- Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise. The City monitors changes in circumstances that would require a remeasurement of a lease and will remeasure any lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Lease assets are reported as right-to-use along with other capital assets and lease liabilities are reported as long-term liabilities on the statement of net position.

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (roads, sidewalks, drainage systems, lighting systems, etc.), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. These assets are valued at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are valued at their acquisition value. Lease assets, which include equipment, follow the same capitalization thresholds as capital assets. Lease assets are recorded at the amount of the initial measurement of the lease liabilities and modified by any lease payments made to the lessor at or before the commencement of the lease term.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of assets are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. The capitalization threshold for property, plant and equipment is \$10,000 and for infrastructure assets is \$100,000. Depreciation is recorded in the government-wide financial statements on a straight-line basis over the useful life of the depreciable assets.

Depreciation is charged to operations, using a straight-line method based on the following average useful lives of the assets:

Buildings	30 to 50 years
Improvements	5 to 25 years
Equipment	5-25 years
Autos and Automotive Equipment	5-12 years
Furniture and Fixtures	5 to 10 years
Right-of-Way Networks	20 to 60 years
Storm Drain System	30 to 60 years
Sewer System	30 to 60 years

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

I. Subscription-Based Information Technology Arrangements (SBITAs)

The City has a policy to recognize a subscription liability and a right-to-use subscription asset (subscription asset) in the financial statements. The City recognizes subscription liabilities with an initial, individual value of \$25,000 or more with a subscription term greater than one year. Variable payments based on future performance of the City, usage of the underlying IT asset, or number of user seats are not included in the measurement of the subscription liability, rather, those variable payments are recognized as outflows of resources (expenses) in the period the obligation for those payments is incurred.

At the commencement of a SBITA, the City initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made.

Subscription assets are recorded at the amount of the initial measurement of the subscription liabilities, plus any payments made to the SBITA vendor before the commencement of the subscription term, and capitalizable initial implementation cost, less any incentives received from the SBITA vendor at or before the commencement of the subscription term.

- Preliminary Project Stage: Outlays are expensed as incurred.
- Initial Implementation Stage: Outlays are capitalized as an addition to the subscription asset.

Upon adoption, the City elected to exclude the capitalizable outlays associated with the initial implementation stage and the operation and additional implementation stage that were incurred prior to the implementation of this Statement in the measurement of subscription assets as of July 1, 2022.

Subscription assets are reported within capital assets and subscription liabilities are reported with long-term liabilities on the statement of net position. Subscription assets are amortized using the straight-line method over the shorter of the subscription term or the useful life of the underlying IT asset, unless the subscription contains a purchase option that the City has determined is reasonably certain of being exercised. In this case, the subscription asset is amortized over the useful life of the underlying IT asset.

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

- The City uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for SBITA.
- The subscription term includes the noncancellable period of the SBITA. Subscription payments included in the measurement of the subscription liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

J. Deferred Outflows/Inflows of Resources

The statement of financial position reports separate sections for deferred outflows of resources and deferred inflows of resources, when applicable.

Deferred Outflows of Resources represent a consumption of net assets that applies to future periods. The City reports pension contribution after measurement date and deferred loss related to pension, OPEB, debt refunding in this category.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

J. Deferred Outflows/Inflows of Resources (Continued)

Deferred Inflows of Resources represent an acquisition of net assets that applies to future periods. The City reports unavailable revenues and deferred gain related to pension and OPEB in this category.

K. Unearned and Unavailable Revenue

Unearned revenue is reported for transactions for which revenue has not yet been earned. Typical transactions recorded as unearned revenues are prepaid charges for services.

In the governmental fund financial statements, unavailable revenue is reported when transactions have not yet met the revenue recognition criteria based on the modified accrual basis of accounting. The City reports unavailable revenue when an asset is reported in governmental fund financial statements but the revenue is not available.

L. Compensated Absences

The cost of earned but unused vacation and sick leave, for which the City has a future obligation to pay, is recognized in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they become due and payable as a result of employee resignations or retirements.

M. Net Pension Liability

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pensions, and pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when currently due and payable in accordance with the benefit terms. Investments are reported at fair value. General Fund and special revenue funds are typically used to liquidate pension liabilities for governmental funds.

The following timeframes are used for pension reporting:

	CalPERS	MMRP
Valuation Date	June 30, 2023	June 30, 2023
Measurement Date	June 30, 2024	June 30, 2025
Measurement Period	July 1, 2023 to June 30, 2024	July 1, 2024 to June 30, 2025

Gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time. The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense. The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized straight-line over 5 years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

N. Other Postemployment Benefits Liability

For purposes of measuring the net OPEB liability and deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City’s California Public Employees Medical and Hospital Care Act (PEMCHA) plans (OPEB Plans) and additions to/deductions from the OPEB Plans’ fiduciary net position have been determined on the same basis as they are reported by PEMCHA. For this purpose, the City’s OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value. General Fund and special revenue funds are typically used to liquidate OPEB liabilities for governmental funds.

The following timeframes are reported OPEB reporting:

Valuation Date	June 30, 2023
Measurement Date	June 30, 2024
Measurement Period	July 1, 2023 to June 30, 2024

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. The first amortized amounts are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future pension expense. The amortization period differs depending on the source of the gain or loss. The difference between projected and actual earnings is amortized straight-line over five years. All other amounts are amortized straight-line over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period.

O. Claims Payable

The accrual for workers’ compensation and general liability claims is based upon past experience which has been modified for current trends and information. While the ultimate amount of losses incurred through June 30, 2025 is dependent on future developments, based on information from the plan administrators, City management believes that the aggregate accrual is adequate to cover such losses, including amounts for incurred but not reported claims.

P. Net Position

In the government-wide financial statements and proprietary fund financial statements, net position is classified as follows:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation and amortization and related deferred charges on refunding, reduced by the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of those items, including retention payable, net of unspent debt proceeds.

Restricted – This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Separate line items are used to distinguish among major categories of restrictions and are further displayed as expendable or nonexpendable based on the nature of the restriction.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

P. Net Position (Continued)

Unrestricted – This component of net position is the amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

When expenses are incurred for purposes for which both restricted and unrestricted components of net position are available, the City’s policy is to apply the restricted component of net position first, then the unrestricted component of net position as needed.

Q. Fund Balances

In the governmental fund financial statements, fund balances are classified as follows:

Nonspendable fund balance includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The City’s nonspendable fund balance represents prepaid items, and loans receivable unless the proceeds from the collection of those loans receivable is restricted, committed, or assigned.

Restricted fund balance encompass the portion of net fund resources subject to externally enforceable legal restrictions. This includes externally imposed restrictions by creditors, such as through debt covenants, grantors, contributors, laws or regulations of other governments, as well as restrictions imposed by law through constitutional provisions or enabling legislation.

Committed fund balance This amount indicates the portion of fund balances which can only be used for specific purposes pursuant to formal resolution of the City Council. The City Council is considered the highest authority for the City. Adoption of a resolution by the City Council is required to commit resources or to rescind the commitment.

Assigned fund balance consists of funds that are set aside for specific purposes by the City’s highest level of decision-making authority or a body or official that has been given the authority to assign funds. The City Manager is authorized by the City Council by resolution to determine and define the amount of assigned fund balances.

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

When expenditures are incurred for purposes where only unrestricted fund balances are available, the City uses the unrestricted resources in the following order, except for instances wherein an ordinance specifies the fund balance:

- Restricted
- Committed
- Assigned
- Unassigned

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 1 – Summary of Significant Accounting Policies (Continued)

R. Property Taxes

Under California law, property taxes are assessed and collected by the counties at 1% of assessed value plus other increases approved by the voters. Property taxes collected go into a pool and are then allocated to the cities based on a predetermined formula. The City accrues only those taxes which are received from the County of Los Angeles within 60 days after year-end.

Lien Date:	January 1
Levy Date:	July 1 to June 30
Due Dates:	November 1 and February 1
Delinquent Dates:	December 11 and April 11

S. Use of Estimates

The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosure. Accordingly actual results could differ from those estimates.

T. Implementation of New GASB Pronouncements

During fiscal year ended June 30, 2025, the City has implemented the following new GASB Pronouncements:

GASB Statement No. 101 – In June 2022, the GASB issued Statement No. 101, *Compensated Absences*. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Implementation of this Statement resulted in a restatement of the beginning net position as of July 1, 2024, as presented in Note 18.

GASB Statement No. 102 – In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with information about risks related to a government’s vulnerabilities due to certain concentrations or constraints that is essential to their analyses for making decisions or assessing accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. The City has evaluated its exposure to financial risk stemming from concentrations and constraints.

Note 2 – Cash and Investments

The City maintains a cash and investment pool, which includes cash balances and authorized investments of all funds.

	Government-Wide Statement of Net Position			Statement of	
	Governmental Activities	Business-type Activities	Total	Fiduciary Net Position	Total
Cash and investments	\$ 90,101,321	\$ 14,808,928	\$ 104,910,249	\$ 170,470	\$ 105,080,719
Restricted cash	-	18,500,074	18,500,074	-	18,500,074
Cash and investment with fiscal agent	4,622,228	6,275	4,628,503	2,030,440	6,658,943
Total cash and investments	\$ 94,723,549	\$ 33,315,277	\$ 128,038,826	\$ 2,200,910	\$ 130,239,736

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 2 – Cash and Investments (Continued)

Cash and investments at June 30, 2025 consisted of the following:

Cash and cash equivalents:	
Petty cash	\$ 39,280
Demand deposits with financial institutions	25,769,681
Time certificates of deposit	279,761
Total cash and cash equivalents	26,088,722
Investments:	
Local Agency Investment Fund	37,444,065
Negotiable Certificates of Deposit	7,668,483
Los Angeles County Treasury Pool	25,810,862
Money Market Mutual Fund	135,381
Investment securities	26,433,278
Investments with Fiscal Agent:	
Money Market Mutual Fund	6,658,945
Total investments	104,151,014
Total cash and investments	\$ 130,239,736

A. Demand Deposits

The carrying amount of the City’s demand deposits were \$25,769,681 at June 30, 2025. Bank balances before reconciling items were \$26,587,443 at that date, the total amount of which was insured or collateralized with securities held by the pledging financial institutions in the City’s name as discussed below.

The California Government Code requires California banks and savings and loan associations to secure the City’s cash deposits by pledging securities as collateral. This Code states that collateral pledged in this manner shall have the effect of perfecting a security interest in such collateral superior to those of a general creditor. Thus, collateral for cash deposits is considered to be held in the City’s name.

The market value of pledged securities must equal at least 110% of the City’s cash deposits. California law also allows institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the City’s total cash deposits. The City may waive collateral requirements for cash deposits, which are fully insured up to \$250,000 by the Federal Deposit Insurance Corporation (“FDIC”). The City has not waived the collateralization requirements.

The City follows the practice of pooling cash and investments of all funds except for funds required to be held by outside fiscal agents under the provisions of bond indentures. Interest income earned on pooled cash and investments is allocated quarterly to the General Fund and certain designated Special Revenue Funds based on the month-end cash and investment balances. Proceeds obtained from long-term debt issuances including construction, lease payment and reserve fund balances are held by the City or by fiscal agents on behalf of the City and invested in the City’s name. Interest income on proceeds of debt is credited directly to the related fund, as defined by the Bond Indenture.

Tax allocation bonds reserve balances held by fiscal agents were transferred to the Successor Agency from the Former Monterey Park Redevelopment Agency and were reported in the Fiduciary Fund.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 2 – Cash and Investments (Continued)

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

The table below identifies the investment types that are authorized by the City's investment policy and the California Government Code. The table also identifies certain provisions of the California Government Code (or the City's investment policy, if 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	5 years	None	None
U.S. Treasury Obligation	5 years	30%	5%
U.S. Government Sponsored Agency Securities	5 years	None	None
State Obligations - CA and Others	5 years	30%	5%
Collateralized Bank Deposits	5 years	None	None
Medium Term Notes issued by corporations	5 years	30%	"A" or better ranking by nationally recognized rating service; U.S. domiciled corporations or licensed depository
Local Agency Investment Fund (LAIF)	N/A	None	None
Negotiable Certificates of Deposit	5 years	30%	None
	Maximum	Maximum Percentage of	Maximum Investment in One
Los Angeles County Pooled Investment Fund	None	10% of LACPIF pool balance	None
Banker's Acceptances	180 days	40% of portfolio (no more than 30% in any once commercial bank)	"A" or higher rating for issuer's debt within U.S. corporations and have assets in excess of \$500 million.
Commercial Paper	270 days	10%	None
Repurchase Agreement	Not allowable	Not allowable	Not allowable
Financial Futures & Financial option contracts	5 years	30%	None
Reverse Repurchase Agreements & Securities Lending Agreements	Not allowable	Not allowable	Not allowable
Mortgage Pass-Through Securities	5 years	20%	"AA" or better ranking by nationally recognized rating service
Money Market Mutual Funds	5 years	20%	Highest ranking by not less than 2 largest rating services, have an SEC registered investment advisor with 5+ years experience, assets under management >\$500 million

C. Investments Authorized by Debt Agreement

In addition to the investment types listed above, the City may also invest funds in money market mutual funds in accordance with bond indentures.

D. Investment in Local Agency Investment Fund (LAIF)

The City is a participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. As of June 30, 2025, the City had \$37,444,065 invested in LAIF. LAIF determines fair value on its investment portfolio based on market quotations for those securities where market quotations are readily available and based on amortized cost or best estimate for those securities where market value is not readily available. LAIF is reported at amortized cost, which approximates fair value.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 2 – Cash and Investments (Continued)

E. Fair Value Measurements

At June 30, 2025, investments are reported at fair value. The following table presents the fair value measurement of investments on a recurring basis and the levels within GASB 72 fair value hierarchy in which the fair value measurements fall at June 30, 2025:

Primary Government	Total	Level 1	Level 2 ⁽¹⁾	Uncategorized
Investment:				
Negotiable Certificates of Deposit	\$ 7,668,483	\$ -	\$ 7,668,483	\$ -
Local Agency Investment Fund	37,444,065	-	-	37,444,065
Los Angeles County Treasury Pool	25,810,862	-	-	25,810,862
Money Market Mutual Funds	135,381	-	-	135,381
Supernational	412,548	-	-	412,548
US Treasury Bond/Note	9,802,641	9,802,641	-	-
Federal Agency Mortgage-Backed Security	2,376,756	-	2,376,756	-
Federal Agency Bond/Note	3,541,259	-	3,541,259	-
Asset-Backed Security	3,214,131	-	3,214,131	-
Corporate Note	7,085,943	-	7,085,943	-
Investment with Fiscal Agent:				
Money Market Mutual Funds	6,658,945	-	-	6,658,945
Total Investments	\$ 104,151,014	\$ 9,802,641	\$ 23,886,572	\$ 70,461,801

(1) Institutional Bond Quotes - evaluations based on various market and industry inputs.

F. 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 to market interest rate fluctuations is as follows:

Investment Type	Total	Remaining Maturity (in Months)			
		12 Months or less	1 to 2 Years	2 to 3 Years	More than 3 years
Investment:					
Negotiable Certificates of Deposit	\$ 7,668,483	\$ 7,668,483	\$ -	\$ -	\$ -
Local Agency Investment Fund	37,444,065	37,444,065	-	-	-
Los Angeles County Treasury Pool	25,810,862	25,810,862	-	-	-
Money Market Mutual Funds	135,381	135,381	-	-	-
Supernational	412,548	-	-	-	412,548
US Treasury Bond/Note	9,802,641	2,203,051	3,626,496	2,012,281	1,960,813
Federal Agency Mortgage-Backed Security	2,376,756	-	507,847	589,774	1,279,135
Federal Agency Bond/Note	3,541,259	904,041	2,227,244	-	409,974
Asset-Backed Security	3,214,131	249,753	553,669	470,079	1,940,630
Corporate Note	7,085,943	751,253	3,572,303	1,318,913	1,443,474
Investment with Fiscal Agent:					
Money Market Mutual Funds	6,658,945	6,658,945	-	-	-
Total	\$ 104,151,014	\$ 81,825,834	\$ 10,487,559	\$ 4,391,047	\$ 7,446,574

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 2 – Cash and Investments (Continued)

G. Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the City’s investment policy or debt agreements, and the actual rating by Standard & Poor’s as of year-end for each investment type.

Investment Type	Total	Minimum Legal Rating	Actual Rating			
			AAA	AA-/AA+	A/A-/A+	N/A
Investment:						
Negotiable Certificates of Deposit	\$ 7,668,483	N/A	\$ -	\$ -	\$ -	\$ 7,668,483
Local Agency Investment Fund	37,444,065	N/A	-	-	-	37,444,065
Los Angeles County Treasury Pool	25,810,862	N/A	-	-	-	25,810,862
Money Market Mutual Funds	135,381	AAA	135,381	-	-	-
Supernational	412,548	AA	412,548	-	-	-
US Treasury Bond/Note	9,802,641	A	-	9,802,641	-	-
Federal Agency Mortgage-Backed Security	2,376,756	AA	346,927	2,029,829	-	-
Federal Agency Bond/Note	3,541,259	N/A	-	3,541,259	-	-
Asset-Backed Security	3,214,131	AA	1,589,995	-	-	1,624,136
Corporate Note	7,085,943	A	-	900,492	6,185,451	-
Investment with Fiscal Agent:						
Money Market Mutual Funds	6,658,945	AAA	6,658,945	-	-	-
Total	\$ 104,151,014		\$ 9,143,796	\$ 16,274,221	\$ 6,185,451	\$ 72,547,546

H. Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no 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.

I. Custodial Credit Risk

The 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 deposits or will not be able to recover collateral securities that are in the possession of a third party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of the third party. At June 30, 2025, none of the City’s deposits or investments were exposed to custodial credit risk.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 3 – Loans Receivable

Loans receivables of the City as of June 30, 2025, were:

SERA Program	\$	4,322
Pacific Housing Loan		277,810
Pacific Bridge Loan		456,401
First Time Home Buyer Program		23,067
Critical Maintenance (Housing)		38,869
Critical Maintenance (Grants)		1,420,901
Abajo del Sol Loan (Grants)		2,233,618
LINC Community Development (Housing)		2,661,073
LINC Community Development (Grants)		1,080,840
Subtotal		8,196,901
Less: Allowance for uncollectible loans		(7,458,368)
Total Loans Receivable	\$	738,533

Pacific Housing Loan – On July 21, 2004, the City entered into an agreement to provide a loan to Pacific Housing Development Corporation for the purpose of construction and renovation of an affordable housing facility for persons with developmental disabilities. The loan, funded in April 2005, consists of a permanent residual receipts loan in the amount of \$175,000 and a subordinated construction loan in the amount of \$225,000. The subordinated construction loan has been paid off by Pacific Housing in 2008-09. Other remaining amounts bear interest at the rate of 3% per annum until paid. The loan was funded by use of Federal HOME Program funds and is reported in the Special Revenue Grants Fund. At June 30, 2025, outstanding principal and interest are \$175,000 and \$102,810, respectively.

Pacific Bridge Loan – In 1995, the former Redevelopment Agency entered into a thirty- year loan agreement with Pacific Bridge Housing Corporation for the purpose of construction and renovation of a disabled adult affordable housing facility. In the agreement the former Redevelopment Agency agreed to loan to Pacific Bridge Housing Corporation up to the maximum sum of \$240,478 bearing interest at the rate of 3% per annum until paid. Principal and interest payments are due in annual installments commencing upon February 15 of the first full calendar year following the date of the initial occupancy of the facility and continuing annually thereafter on each successive February 15 through and including the date which is thirty (30) years after the Repayment Commencement Date. The amount of such annual installments payable by Borrower is based on the Annual Residential Receipt Installments as described in the agreement. During 1996-97, the loan was funded by the use of federal HOME Program funds, and is reported in the Special Revenue Grants Fund. At June 30, 2025, outstanding principal and interest are \$240,478 and \$215,923, respectively.

First Time Homebuyers – Beginning 1996-97, the City provided second mortgage loans through the First-Time Homebuyer Program to assist qualified first-time homebuyers to purchase residences. All second loans will be fixed at an interest rate of five percent (5%) and for a term of thirty (30) years. If the buyer retains the property for thirty (30) years, both principal and interest will be forgiven. The loans were transferred from the former Redevelopment Agency’s Housing Capital Projects Fund to the City’s Special Revenue Housing Fund on February 1, 2012 due to the dissolution of the former Redevelopment Agency. At June 30, 2025, \$23,067 is the amount of outstanding loan balances with an offset of allowance for uncollectible notes in the fund level financial statement and in the government-wide statements.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 3 – Loans Receivable (Continued)

Critical Maintenance – Beginning in 1997-98, the City offered low interest rate loans through the Critical Maintenance Loan Program to assist low and moderate income homeowners for essential or emergency repairs. At June 30, 2025, the loans outstanding totaled \$1,459,770. Of this amount, \$38,869 is funded by the former Redevelopment Agency’s Housing Capital Projects Fund and \$1,420,901 is funded by the Federal HOME Program Grants Fund. The outstanding loan balance of \$38,869 was transferred from the former Redevelopment Agency’s Housing Set Aside Fund to the City’s Special Revenue Housing Fund and has been reported as loans receivable. The outstanding balances were offset with allowance for uncollectible in the fund level financial statements and in the government-wide financial statements.

Abajo del Sol – In 1998, the Housing Authority and the Abajo del Sol, Limited Partnership had entered into a housing development agreement. Under the agreement, the Authority provided to the Developer a \$1.2 million loan bearing interest at the rate of 5.1% per annum for the construction of 60 units of affordable housing for senior citizens. On or before March 15th of each year, the Borrower shall pay lender an amount equal to the applicable percentage of the Net Cash Flow attributable to the prior calendar year. The loan is funded by the Federal HOME Program Grants Fund. At June 30, 2025, outstanding principal and interest being recorded as notes receivable are \$1,187,344 and \$1,046,274, respectively, in the Special Revenue Grants Fund with an offset of allowance for uncollectible notes in the fund level financial statement and in the government-wide statements.

LINC Community Development – In 2015, the Monterey Park Successor Housing Agency and City entered into a housing development agreement with LINC Community Development Corporation (LINC). Under the agreement, the Monterey Park Successor Housing Agency sold 5 properties to the developer in exchange for a \$2,080,000 loan bearing compound interest at the rate of 2.41% per annum for 5 units of affordable rental housings. At June 30, 2025, outstanding principal and interest being recorded as notes receivable are \$2,080,000 and \$581,073, respectively, in the Housing Fund with an offset of allowance for uncollectible notes in the fund level financial statement and in the government-wide statements. The properties were purchased with former Redevelopment Agency’s Housing Set Aside fund. As a result, the loan was reported in the City’s Special Revenue Housing Fund and with an offset of allowance for uncollectible notes in the fund level financial statements and in the government-wide statements. As part of the development agreement, the City also sold one of the City’s parking lots to the LINC for development of a 6-unit affordable rental housing. The City also used the Federal HOME Program Grants Fund to provide construction loan bearing simple interest at the rate of 3% per annum. As of June 30, 2025, \$1,080,840 has been funded and is reported as loans receivables in the Special Revenue Grants Fund with an offset of allowance for uncollectible notes in the fund level financial statement and in the government-wide statements.

Low/Mod Housing Deferred Loans – State law requires redevelopment agencies to set aside 20% of their tax increment revenues for low/mod housing. In 1997, the former Redevelopment Agency approved a plan to set aside future tax increment revenue in addition to the regular 20% set aside requirements. The former Redevelopment Agency was dissolved on February 1, 2012. This commitment became a liability to the Successor Agency due to the City’s Special Revenue Housing Fund. On June 30, 2025, the City wrote off the whole loan receivable balance in amount of \$1,186,222.

Note 4 – Leases Receivable

The City leases various types of property including land, and buildings. Leases receivable consist of agreements with other entities for the “right-to-use” the underlying assets at various locations owned by the City. The remaining terms of the agreements range from 1 to 34 years. The interest rates used calculated the net present value of the lease receivable ranged from 0.46% to 3.07%.

For the fiscal year ended June 30, 2025, the City recognized \$320,365 in lease revenue and \$15,392 in interest revenue, and the outstanding net present value of the lease receivable amount is \$1,012,103.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 4 – Leases Receivable (Continued)

At June 30, 2025, the required payments for these leases, including interest, are:

Year Ending June 30,	Principal	Interest	Total
2026	\$ 312,825	\$ 16,681	\$ 329,506
2027	197,647	11,743	209,390
2028	132,239	5,945	138,184
2029	62,052	6,123	68,175
2030	6,961	5,240	12,201
2031 - 2035	37,845	24,379	62,224
2036 - 2040	46,275	20,830	67,105
2041 - 2045	50,357	16,748	67,105
2046 - 2050	54,799	12,306	67,105
2051 - 2055	59,632	7,472	67,104
2056 - 2059	51,471	2,213	53,684
Total	\$ 1,012,103	\$ 129,680	\$ 1,141,783

Note 5 – Interfund Transactions

A. Due to/from Other Funds

The following is a summary of due to and due from other funds as of June 30, 2025:

Due From Other Funds	Due To Other Funds
General Fund	Street Capital Project Fund
	\$ 515,863

The interfund balances resulted from borrowing of cash for temporary purposes. For Street Capital Project Fund, the drawdown from fiscal agent fund in subsequent year will pay back General Fund.

B. Transfers

During the year ended June 30, 2025, the City had the following transfers:

	Transfers In	Transfers Out		
		General Fund	Nonmajor Governmental Funds	Water Utility Enterprise Fund
Grant Funds	\$ 568,140	\$ -	\$ -	\$ 568,140
Street Special Project Fund	-	1,094,434	-	1,094,434
Nonmajor Governmental Funds	453,649	1,050,199	-	1,503,848
Internal Service Funds	-	-	51	51
Total	\$ 1,021,789	\$ 2,144,633	\$ 51	\$ 3,166,473

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 5 – Interfund Transactions (Continued)

B. Transfers (Continued)

- General Fund transfer to grant funds and nonmajor governmental funds to cure the deficit fund balance.
- Nonmajor Governmental Funds transfer to street fund for the bond principal and interest payment drawdown.
- Nonmajor Governmental Funds transfer to nonmajor Sale tax bond fund for the bond principal and interest payment drawdown.
- Water Utility Enterprise Fund Funds transfer to IT internal service fund for the lease assets and liabilities.

Note 6 – Receivables From Successor Agency

In 2009, the State passed legislation in taking away redevelopment funds from local Agencies as part of an effort to address its budget deficit. Furthermore, SB 68 was signed into law which allowed agencies to use accumulated housing funds to pay for the State required Supplemental Educational Revenue Augmentation Funds (SERAF) payments. On August 4, 2010, the former Redevelopment Agency passed two resolutions, RA 661 and 662, authorizing the Takeaway Loan to be made from the former Redevelopment Agency Capital Projects Fund (Housing Set Aside Fund) to the former Redevelopment Agency Debt Service Fund (Atlantic-Garvey and Merged Project Areas), in an amount of \$1,459,258 and \$1,142,640, respectively, without interest.

On May 4, 2011, the former Redevelopment Agency passed two resolutions, RA 682 and 683, authorizing additional Takeaway Loans to be made from the Redevelopment Agency Capital Projects Fund (Housing Set Aside Fund) to the Redevelopment Agency Debt Service Fund (Atlantic-Garvey and Merged Project Areas), in an amount of \$300,436 and \$235,249, respectively. The interest is accumulated at LAIF rate.

On February 1, 2012, \$2,617,203 was transferred from the former Redevelopment Agency Debt Service Fund to the Successor Agency due to the dissolution of the former Redevelopment Agency.

The receivable from Successor Agency balance at June 30, 2025, amounted to \$621,624. This loan will be paid back to the Special Revenue Housing Fund according to a specific formula through the Recognized Obligation Payment Schedule distribution per the State of California Department of Finance (“DOF”).

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 7 – Capital Assets

Governmental Activities

The following is a summary of changes in capital assets for the governmental activities for the year ended June 30, 2025:

	Balance July 1, 2024	Additions	Deletions	Transfers	Balance June 30, 2025
Capital assets, not being depreciated/amortized					
Land	\$ 8,465,051	\$ -	\$ -	\$ -	\$ 8,465,051
Construction in progress	585,046	5,960,252	-	(3,673,830)	2,871,468
Total capital assets not being depreciated/amortized	<u>9,050,097</u>	<u>5,960,252</u>	<u>-</u>	<u>(3,673,830)</u>	<u>11,336,519</u>
Capital assets, being depreciated					
Building and improvements	30,391,663	-	-	-	30,391,663
Improvement	58,080,369	5,767,906	-	3,477,324	67,325,599
Equipment and furniture	36,542,989	1,759,905	(427,038)	177,357	38,053,213
Infrastructure	43,765,644	-	-	19,149	43,784,793
Total capital assets being depreciated	<u>168,780,665</u>	<u>7,527,811</u>	<u>(427,038)</u>	<u>3,673,830</u>	<u>179,555,268</u>
Accumulated depreciation:					
Buildings	(17,354,449)	(600,589)	-	-	(17,955,038)
Improvements	(10,045,656)	(2,878,863)	-	-	(12,924,519)
Equipment	(29,796,296)	(2,168,290)	427,038	-	(31,537,548)
Infrastructure	(27,217,381)	(2,822,242)	-	-	(30,039,623)
Total accumulated depreciation	<u>(84,413,782)</u>	<u>(8,469,984)</u>	<u>427,038</u>	<u>-</u>	<u>(92,456,728)</u>
Total capital assets being depreciated, net	<u>84,366,883</u>	<u>(942,173)</u>	<u>-</u>	<u>3,673,830</u>	<u>87,098,540</u>
Right to use assets, being amortized					
Lease assets - machinery, equipment and vehicles	107,235	272,478	-	3,225	382,938
Subscription assets	776,120	2,102,725	(329,518)	-	2,549,327
Total right to use lease assets, being amortized	<u>883,355</u>	<u>2,375,203</u>	<u>(329,518)</u>	<u>3,225</u>	<u>2,932,265</u>
Accumulated amortization:					
Lease assets - machinery, equipment and vehicles	(61,511)	(165,672)	-	(1,714)	(228,897)
Subscription assets	(511,311)	(497,711)	329,518	-	(679,504)
Total accumulated amortization	<u>(572,822)</u>	<u>(663,383)</u>	<u>329,518</u>	<u>(1,714)</u>	<u>(908,401)</u>
Total right to use assets, being amortized, net	<u>310,533</u>	<u>1,711,820</u>	<u>-</u>	<u>1,511</u>	<u>2,023,864</u>
Total capital assets, net	<u>\$ 93,727,513</u>	<u>\$ 6,729,899</u>	<u>\$ -</u>	<u>\$ 1,511</u>	<u>\$ 100,458,923</u>

Depreciation and amortization expense was charged to functions/programs of governmental activities for the year ended June 30, 2025 as follows:

General government	\$ 863,371
Public safety	1,821,125
Community services	44,626
Recreation	4,779,633
Highway and streets	883,522
Internal service	741,090
Total depreciation and amortization expense	<u>\$ 9,133,367</u>

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 7 – Capital Assets (Continued)

Business-Type Activities

The following is a summary of changes in capital assets for the business-type activities for the year ended June 30, 2025:

	Balance July 1, 2024	Additions	Deletions	Transfers	Balance June 30, 2025
Capital assets, not being depreciated/amortized					
Land	\$ 499,975	\$ -	\$ -	\$ -	\$ 499,975
Construction in progress	600,895	3,893,978	-	(926,297)	3,568,576
Total capital assets not being depreciated/amortized	<u>1,100,870</u>	<u>3,893,978</u>	<u>-</u>	<u>(926,297)</u>	<u>4,068,551</u>
Capital assets, being depreciated					
Building and improvements	285,050	-	-	-	285,050
Improvement	86,778,511	259,420	-	867,006	87,904,937
Equipment and furniture	4,580,658	2,746	(100,906)	59,291	4,541,789
Infrastructure	12,338,583	-	-	-	12,338,583
Total capital assets being depreciated	<u>103,982,802</u>	<u>262,166</u>	<u>(100,906)</u>	<u>926,297</u>	<u>105,070,359</u>
Accumulated depreciation:					
Buildings	(162,490)	(4,838)	-	-	(167,328)
Improvements	(32,832,048)	(2,431,354)	-	-	(35,263,402)
Equipment	(3,761,597)	(223,811)	100,906	-	(3,884,502)
Infrastructure	(9,643,842)	(112,960)	-	-	(9,756,802)
Total accumulated depreciation	<u>(46,399,977)</u>	<u>(2,772,963)</u>	<u>100,906</u>	<u>-</u>	<u>(49,072,034)</u>
Total capital assets being depreciated, net	<u>57,582,825</u>	<u>(2,510,797)</u>	<u>-</u>	<u>926,297</u>	<u>55,998,325</u>
Right to use assets, being amortized					
Lease assets - machinery, equipment and vehicles	3,225	-	-	(3,225)	-
Subscription assets	28,356	-	-	-	28,356
Total right to use lease assets, being amortized	<u>31,581</u>	<u>-</u>	<u>-</u>	<u>(3,225)</u>	<u>28,356</u>
Accumulated amortization:					
Lease assets - machinery, equipment and vehicles	(1,714)	-	-	1,714	-
Subscription assets	(14,178)	(7,089)	-	-	(21,267)
Total accumulated amortization	<u>(15,892)</u>	<u>(7,089)</u>	<u>-</u>	<u>1,714</u>	<u>(21,267)</u>
Total right to use assets, being amortized, net	<u>15,689</u>	<u>(7,089)</u>	<u>-</u>	<u>(1,511)</u>	<u>7,089</u>
Total capital assets, net	<u>\$ 58,699,384</u>	<u>\$ 1,376,092</u>	<u>\$ -</u>	<u>\$ (1,511)</u>	<u>\$ 60,073,965</u>

Depreciation and amortization expense was charged to the Enterprise funds as follows:

Water	\$ 2,487,877
Refuse	9,317
Sewer	<u>282,858</u>
Total depreciation and amortization expense	<u>\$ 2,780,052</u>

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Liabilities

A. Governmental Activities

The following is a summary of changes in the City’s long-term liabilities for the fiscal year ended June 30, 2025:

	Balance				Balance	Classification
	July 1, 2024 (As Restated)	Additions	Deletions	Transfers		June 30, 2025
Public offering:						
2004 Taxable Pension Obligation Bonds	\$ 10,510,000	\$ -	\$ (795,000)	\$ -	\$ 9,715,000	\$ 845,000
2021 Taxable Pension Obligation Bonds	90,555,309	-	(3,392,029)	-	87,163,280	3,420,493
2022 Sales Tax Revenue Bonds	16,960,000	-	(335,000)	-	16,625,000	350,000
Premium	2,948,509	-	(109,204)	-	2,839,305	-
Total Public offerings	120,973,818	-	(4,631,233)	-	116,342,585	4,615,493
Direct borrowings:						
Financing purchase	2,874,656	-	(383,018)	-	2,491,638	399,881
BOA Loan	-	2,861,549	-	-	2,861,549	270,292
Total direct borrowings:	2,874,656	2,861,549	(383,018)	-	5,353,187	670,173
Other long-term liabilities						
Lease liabilities	46,416	205,215	(83,305)	1,460	169,786	75,826
Subscription liabilities	160,093	1,965,133	(522,790)	-	1,602,436	409,634
Claims payable (Note 13)	21,945,567	3,478,000	(3,658,578)	-	21,764,989	3,936,107
Compensated absences *	6,769,620	113,022	-	-	6,882,642	5,789,288
Insurance assessment payable (Note 13)	490,543	-	(163,515)	-	327,028	163,514
Total long-term liabilities	\$ 153,260,713	\$ 8,622,919	\$ (9,442,439)	\$ 1,460	\$ 152,442,653	\$ 15,660,035

*The change in the compensated absences liability is presented as a net change.

2004 Taxable Pension Obligation Bonds

On June 29, 2004, the City pursuant to an Agreement with the California Statewide Communities Development Authority, issued \$17,405,000 in Taxable Pension Obligation Bonds, 2004 Series A-1. These Bonds were issued to fund the unfunded liabilities of the City’s Safety Plan to the California Public Employees’ Retirement System (CALPERS). The City is contractually obligated to appropriate and make payments to CALPERS arising as a result of retirement benefits accruing to members of CALPERS. The City’s obligation includes, among others, the requirement to amortize the unfunded accrued actuarial liability over a multi-year period. On June 29, 2004, the City contributed \$17,012,841 of the bond proceeds to CALPERS to fund a portion of the unfunded liability for the Safety Plan that provides retirement benefits to the City’s sworn Police Officers and Firefighters.

Bond interest is payable semi-annually on June 1 and December 1 commencing December 1, 2004. The rate of interest varies from 4.510% to 6.076% per annum. Principal is payable in annual installments ranging from \$25,000 to \$1,350,000 commencing on June 1, 2009 and ending on June 1, 2034. On or before August 1st of each year, the City is required to deposit with the trustee the amount equal to the next year’s debt service payment in lieu of a reserve requirement.

Optional Redemption: The bonds maturing on or before June 1, 2016 were not subject to optional redemption. The bonds maturing on June 1, 2024 and on June 1, 2034 are subject to optional redemption prior to maturity at the option of the Authority, in whole or in part on any date at a redemption price equal to the greater of (1) 100% of principal to be redeemed or (2) present value of the remaining debt service discounted at Treasury Rate plus 10.0 basis points for the 2024 Term Bonds or plus 12.5 basis points for the 2034 Term Bonds. Bonds will be selected for redemption on a pro rata basis for both the optional and mandatory sinking fund redemption. The outstanding balance of the 2004 Taxable Pension Obligation Bonds was \$9,715,000 at June 30, 2025.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Liabilities (Continued)

A. Governmental Activities (Continued)

2004 Taxable Pension Obligation Bonds (Continued)

The annual debt service requirements to maturity for the 2004 Taxable Pension Obligation Bonds are as follows:

Year ending June 30,	Principal	Interest	Total
2026	\$ 845,000	\$ 590,283	\$ 1,435,283
2027	895,000	538,941	1,433,941
2028	950,000	484,561	1,434,561
2029	1,005,000	426,839	1,431,839
2030	1,065,000	365,775	1,430,775
2031-2034	4,955,000	774,994	5,729,994
Total	<u>\$ 9,715,000</u>	<u>\$ 3,181,393</u>	<u>\$ 12,896,393</u>

2021 Taxable Pension Obligation Bonds

On February 16, 2021, the City issued \$106,335,000 in Taxable Pension Obligation Bonds, 2021 Series A. These Bonds were issued to fund the unfunded liabilities of the City’s Miscellaneous and Safety Plans to the California Public Employees’ Retirement System (CALPERS). The City is contractually obligated to appropriate and make payments to CALPERS arising as a result of retirement benefits accruing to members of CALPERS. The City’s obligation includes, among others, the requirement to amortize the unfunded accrued actuarial liability over a multi-year period. On February 16, 2021, the City contributed \$105,545,217 (\$41,146,631 to the Miscellaneous Plan and \$64,398,586 to the Safety Plan) of the bond proceeds to CALPERS to fund a portion of the unfunded liability for the Miscellaneous and Safety Plans that provides retirement benefits to the City’s eligible employees. This transaction and future debt service requirements on the bonds are being shared between the City’s General Fund and enterprise funds.

Bond interest is payable semi-annually on June 1 and December 1 commencing December 1, 2021. The rate of interest varies from 0.213% to 3.021% per annum. Principal is payable in annual installments ranging from \$3,130,000 to \$7,135,000 commencing on June 1, 2022 and ending on June 1, 2043. On or before August 1st of each year, the City is required to deposit with the trustee the amount sufficient to pay debt service on the bonds, the 2004 Bonds and any additional bonds and refunding obligations as may be issued on a parity basis in accordance with the Trust Agreement.

Optional Redemption: The bonds maturing on or before June 1, 2032 may be redeemed at the option of the City from any source of funds on any date on or after June 1, 2031 in whole or in part at a redemption price equal to the principal amount to be redeemed, together with accrued interest to the date of redemption, without premium.

The bonds are also subject to redemption prior to June 1, 2031 at the option of the City, in whole or in part, at any time, at a redemption price equal to the greater of: (1) 100% of principal amount to be redeemed or (2) the sum, calculated by the City, of the present value of the remaining scheduled payments of principal and interest on the bonds to be redeemed discounted to the date of redemption on a semiannual basis at a Treasury Rate plus 15 basis points, plus accrued and unpaid interest on the bonds being redeemed to the date fixed for redemption.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Liabilities (Continued)

A. Governmental Activities (Continued)

2021 Taxable Pension Obligation Bonds (Continued)

The outstanding balance of the 2021 Taxable Pension Obligation Bonds was \$91,865,000 at June 30, 2025, of which \$87,163,280 is reported in governmental type activities and \$4,701,720 is reported in business-type activities.

Year Ending June 30,	Governmental Activities		Business-type Activities		Total		
	Principal	Interest	Principal	Interest	Principal	Interest	Total
2026	\$ 3,420,493	\$ 2,181,736	\$ 184,507	\$ 117,686	\$ 3,605,000	\$ 2,299,422	\$ 5,904,422
2027	3,458,446	2,144,555	186,554	115,681	3,645,000	2,260,236	5,905,236
2028	3,510,631	2,095,099	189,369	113,013	3,700,000	2,208,112	5,908,112
2029	3,567,560	2,037,876	192,440	109,926	3,760,000	2,147,802	5,907,802
2030	3,633,978	1,973,908	196,022	106,476	3,830,000	2,080,384	5,910,384
2031-2035	20,660,539	8,734,125	1,114,461	471,132	21,775,000	9,205,257	30,980,257
2036-2040	29,195,168	5,646,020	1,574,832	304,555	30,770,000	5,950,575	36,720,575
2041-2043	19,716,465	1,203,164	1,063,535	64,900	20,780,000	1,268,064	22,048,064
Total	<u>\$ 87,163,280</u>	<u>\$ 26,016,483</u>	<u>\$ 4,701,720</u>	<u>\$ 1,403,369</u>	<u>\$ 91,865,000</u>	<u>\$ 27,419,852</u>	<u>\$ 119,284,852</u>

2022 Sales Tax Revenue Bonds

On October 1, 2022, the Monterey Park Financing Authority issued \$17,750,000 Monterey Park Financing Authority Sales Tax Revenue Bonds. The proceeds were used to finance certain public capital improvements in the City, including, but not limited to, rehabilitating, constructing, enlarging, improving, and/or equipping City streets, sidewalks, gutters, curbs and ramps, streetlights, and street signs. Interest on the bonds is payable semi-annually each June 1 and December 1, beginning June 1, 2022. Principal matures each June 1 beginning 2022 and maturing in 2051. Interest rates on the bonds vary between 4.00% and 5.00%. The principal balance outstanding at June 30, 2025 was \$16,625,000.

Future debt service payments are as follows:

Year ending June 30,	Principal	Interest	Total
2026	\$ 350,000	\$ 698,450	\$ 1,048,450
2027	370,000	680,950	1,050,950
2028	385,000	662,450	1,047,450
2029	405,000	643,200	1,048,200
2030	425,000	622,950	1,047,950
2031-2035	2,470,000	2,778,700	5,248,700
2036-2040	3,035,000	2,210,600	5,245,600
2041-2045	3,685,000	1,553,600	5,238,600
2046-2050	4,490,000	755,000	5,245,000
2051	1,010,000	40,400	1,050,400
Total	<u>\$ 16,625,000</u>	<u>\$ 10,646,300</u>	<u>\$ 27,271,300</u>

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Liabilities (Continued)

A. Governmental Activities (Continued)

Finance Purchase Loans

Siemens Loan

On September 23, 2014, the City and Siemens Public, Inc. entered into a finance-purchase agreement for an amount of \$10,511,901. The City used the monies for energy efficiency improvements throughout city parks, facilities and infrastructure. The term of the agreement is 15 years, commencing on September 23, 2014 through June 23, 2030, at an interest rate of 2.80%. Principal and interest payments are due quarterly in amounts ranging from \$140,217 to \$325,545 over the term of the agreement. The transactions are shared by the General Fund and the Water Utility Enterprise Fund. At June 30, 2025, the outstanding balance for the agreement was \$5,340,443 of which \$801,069 is reported in governmental type activities and \$4,539,374 is reported in business-type activities. The annual debt service requirements on the agreement are as follows:

Year Ending June 30,	Governmental Activities		Business-type Activities		Total		
	Principal	Interest	Principal	Interest	Principal	Interest	Total
2026	\$ 135,753	\$ 21,013	\$ 769,269	\$ 119,072	\$ 905,022	\$ 140,085	\$ 1,045,107
2027	146,765	17,097	831,670	96,881	978,435	113,978	1,092,413
2028	158,389	12,866	897,540	72,907	1,055,929	85,773	1,141,702
2029	170,778	8,302	967,745	47,043	1,138,523	55,345	1,193,868
2030	189,384	3,293	1,073,150	18,689	1,262,534	21,982	1,284,516
Total	\$ 801,069	\$ 62,571	\$ 4,539,374	\$ 354,592	\$ 5,340,443	\$ 417,163	\$ 5,757,606

Motorola Loan

On March 16, 2021, the City and Motorola Solutions, Inc. entered into a finance-purchase agreement for police radios, dispatch consoles and station equipment in the amount of \$2,682,300. The term of the agreement is ten years through April 2, 2031, at an interest rate of 2.58%. Annual principal and interest payments of \$307,745 are due April 1st of each year commencing in 2022. At June 30, 2025, the outstanding balance for the agreement was \$1,690,569. The annual debt service requirements on the agreement are as follows:

Year ending June 30,	Principal	Interest	Total
2026	\$ 264,128	\$ 43,617	\$ 307,745
2027	270,942	36,803	307,745
2028	277,933	29,812	307,745
2029	285,103	22,642	307,745
2030	292,459	15,286	307,745
2031	300,004	7,741	307,745
Total	\$ 1,690,569	\$ 155,900	\$ 1,846,469

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Liabilities (Continued)

A. Governmental Activities (Continued)

Finance Purchase Loans (Continued)

Master Equipment Purchase

On May 16, 2025, the City and Bank of America Public Capital Corp. entered into a finance-purchase agreement for fire truck engine, dump trucks and air condition equipment in the amount of \$2,681,549. The term of the agreement is nine years through May 16, 2034, at an interest rate of 3.97%. Semi-annual principal and interest payments of \$190,620 are due November 16th and May 16th of each year commencing in 2025. At June 30, 2025, the outstanding balance for the agreement was \$2,681,549. The annual debt service requirements on the agreement are as follows:

June 30,	Principal	Interest	Total
2026	\$ 270,292	\$ 110,947	\$ 381,239
2027	281,129	100,110	381,239
2028	292,401	88,839	381,240
2029	304,124	77,115	381,239
2030	316,318	64,921	381,239
2031-2034	1,397,285	127,673	1,524,958
Total	<u>\$ 2,861,549</u>	<u>\$ 569,605</u>	<u>\$ 3,431,154</u>

Lease Liabilities

The City has entered into leases for equipment and vehicle uses. The terms of the agreements are between 19 months and 60 months with a range of an implicit rate from 0.2108% to 4.3318%. Principal and interest to maturity are as follows:

Year ending June 30,	Principal	Interest	Total
2026	\$ 75,826	\$ 4,484	\$ 80,310
2027	63,112	2,369	65,481
2028	30,848	399	31,247
Total	<u>\$ 169,786</u>	<u>\$ 7,252</u>	<u>\$ 177,038</u>

Subscription Liabilities

The City has entered into subscriptions for information technology arrangements. The terms of the arrangements range from 24 to 78 months with an implicit rate of 3.00%. Principal and interest to maturity are as follows:

Year ending June 30,	Principal	Interest	Total
2026	\$ 409,634	\$ 42,428	\$ 452,062
2027	335,305	31,863	367,168
2028	328,279	22,890	351,169
2029	336,980	14,189	351,169
2030	192,238	5,286	197,524
Total	<u>\$ 1,602,436</u>	<u>\$ 116,656</u>	<u>\$ 1,719,092</u>

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Liabilities (Continued)

B. Business-Type Activities

The following is a summary of changes in long-term liabilities for business-type activities for the year ended June 30, 2025:

	Balance				Balance June 30, 2025	Classification	
	July 1, 2024 (As Restated)	Additions	Deletions	Transfers		Due within One Year	Due in more than One Year
Public offering:							
2021 Taxable Pension							
Obligation Bonds	\$ 4,884,691	\$ -	\$ (182,971)	\$ -	\$ 4,701,720	\$ 184,507	\$ 4,517,213
Water Revenue Bonds, Series 2024	20,555,000	-	(570,000)	-	19,985,000	335,000	19,650,000
Premium	549,419	-	(18,365)	-	531,054	-	531,054
Total public offering:	<u>25,989,110</u>	<u>-</u>	<u>(771,336)</u>	<u>-</u>	<u>25,217,774</u>	<u>519,507</u>	<u>24,698,267</u>
Direct borrowings:							
Finance purchase loans	5,250,728	-	(711,354)	-	4,539,374	769,269	3,770,105
SGVMWD Loan	4,000,000	-	-	-	4,000,000	400,000	3,600,000
Total direct borrowings:	<u>9,250,728</u>	<u>-</u>	<u>(711,354)</u>	<u>-</u>	<u>8,539,374</u>	<u>1,169,269</u>	<u>7,370,105</u>
Lease liabilities	1,460	-	-	(1,460)	-	-	-
Compensated absences *	487,135	13,650	-	-	500,785	421,232	79,553
Subscription liabilities	6,316	-	(3,075)	-	3,241	3,241	-
Total long-term liabilities	<u>\$ 35,734,749</u>	<u>\$ 13,650</u>	<u>\$ (1,485,765)</u>	<u>\$ (1,460)</u>	<u>\$ 34,261,174</u>	<u>\$ 2,113,249</u>	<u>\$ 32,147,925</u>

*The change in the compensated absences liability is presented as a net change.

2024 Water Revenue Bonds

On May 1, 2024, the Monterey Park Financing Authority issued \$20,555,000 Monterey Park Financing Authority Water Revenue Bonds. The proceeds were used to finance certain public capital improvements in the City, including, water meter replacement, reservoir rehabilitation, booster station, water main replacements, and upgrades. Interest on the bonds is payable semi-annually each February 1 and August 1, beginning August 1, 2024. Principal matures each February 1 beginning 2024 and maturing in 2054. Interest rates on the bonds vary between 4.00% and 5.00%. The principal balance outstanding at June 30, 2025 was \$19,985,000.

Year ending June 30,	Principal	Interest	Total
2026	\$ 335,000	\$ 877,575	\$ 1,212,575
2027	355,000	860,825	1,215,825
2028	370,000	843,075	1,213,075
2029	390,000	824,575	1,214,575
2030	410,000	805,075	1,215,075
2031-2035	2,370,000	3,697,125	6,067,125
2036-2040	3,030,000	3,041,875	6,071,875
2041-2045	3,755,000	2,317,325	6,072,325
2046-2050	4,580,000	1,487,063	6,067,063
2051-2054	4,390,000	462,000	4,852,000
Total	<u>\$ 19,985,000</u>	<u>\$ 15,216,513</u>	<u>\$ 35,201,513</u>

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Liabilities (Continued)

B. Business-Type Activities (Continued)

SGVMWD Loan

On March 1, 2021, the City and the San Gabriel Valley Municipal Water District entered into a loan agreement for an amount of \$4,000,000 with no interest bearing. The City used the monies to cover costs related to planning, design, construction and construction administration incurred by the City in financing projects for the benefit of the City. The term of the agreement is ten years commencing on the later of date the Notice of the Completion of the Project signed by the City or 90 days after the first disbursement of the Loan proceeds with no interest bearing. The related projects are completed in July 2025, and the outstanding balance of the loan was \$4,000,000. Principal to maturity are as follows:

Year ending June 30,	Principal
2026	\$ 400,000
2027	400,000
2028	400,000
2029	400,000
2030	400,000
2031-2035	2,000,000
Total	<u>\$ 4,000,000</u>

Subscription Liabilities

The City has entered into subscriptions for information technology arrangements. The terms of the arrangements range from 24 to 78 months with a implicit rate of 3.00%. Principal and interest to maturity are as follows:

Year ending June 30,	Principal	Interest	Total
2026	<u>\$ 3,241</u>	<u>\$ 74</u>	<u>\$ 3,315</u>

C. Fiduciary Activities

The following is a summary of changes in the City’s long-term liabilities for fiduciary activities for the fiscal year ended June 30, 2025:

	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025	Classification	
					Due within One Year	Due in more than One Year
Public offering:						
Tax Allocation Refunding Bond - 2013A	\$ 3,685,000	\$ -	\$ (1,220,000)	\$ 2,465,000	\$ 1,210,000	1,255,000
Tax Allocation Refunding Bond - 2013B	2,855,000		(530,000)	2,325,000	545,000	1,780,000
Premium	253,940		(93,417)	160,523	-	160,523
Direct borrowings:						
SERAF Loan (Note 6)	758,966		(137,342)	621,624	137,342	484,282
Tax Increment deferred loan- Atlantic/Garvey Project	16,927,413	1,184,919	-	18,112,332	-	18,112,332
Tax Increment deferred loan- Merged Project	75,154,086	5,193,102	(616,946)	79,730,242	630,810	79,099,432
Low Mod Housing Payable	1,186,222		(1,186,222)	-	-	-
Total long-term liabilities	<u>\$ 100,820,627</u>	<u>\$ 6,378,021</u>	<u>\$ (3,783,927)</u>	<u>\$ 103,414,721</u>	<u>\$ 2,523,152</u>	<u>\$ 100,891,569</u>

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Liabilities (Continued)

C. Fiduciary Activities (Continued)

Tax Allocation Refunding Bond, Series 2013A (Atlantic-Garvey Redevelopment Project No. 1)

On December 1, 2013, the County of Los Angeles Redevelopment Refunding Authority assisted the Successor Agency to issue the \$13,835,000 Tax Allocation Refunding Bond, Series 2013A, for the Atlantic-Garvey Redevelopment Project No. 1. These Bonds were issued to redeem the outstanding 2002 Tax Allocation Revenue Bonds. The Bonds are secured by a pledge of the tax revenues from the Project area with interest rates ranging from 3.0% to 5.0%. Interest payments are payable semiannually on September 1 and March 1. Principal payments are made on September 1 of each year and continue until the year 2026.

Optional Redemption: The Bonds maturing on or before September 1, 2024, are not subject to optional redemption prior to maturity. The Bonds maturing on and after September 1, 2024, are subject to optional redemption on any date on and after September 1, 2023, in integral multiples of \$5,000, from any available source of funds, at the times, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

The Bonds are secured by a first and prior lien on tax increment revenues, excluding any portion of revenues that are required to be deposited to the Rebate Fund. Annual principal and interest payments on the Bonds are expected to require less than 90% of net revenues. The amount of principal outstanding at June 30, 2025 is \$2,465,000. The net tax increment revenue is collected and withheld by the County of Los Angeles due to the dissolution of the former Redevelopment Agency. The annual debt service requirements on the Tax Allocation Refunding Bond, Series 2013A (Atlantic-Garvey Redevelopment Project No. 1) are as follows:

Year ending June 30,	Principal	Interest	Total
2026	\$ 1,210,000	\$ 80,619	\$ 1,290,619
2027	1,255,000	27,453	1,282,453
	<u>\$ 2,465,000</u>	<u>\$ 108,072</u>	<u>\$ 2,573,072</u>

Tax Allocation Refunding Bond, Series 2013B (Merged Redevelopment Project Area)

On December 1, 2013, the County of Los Angeles Redevelopment Refunding Authority assisted the Successor Agency to issue this \$7,080,000 Tax Allocation Refunding Bond, Series 2013B, for the Merged Redevelopment Project No. 1. These Bonds were issued to redeem the outstanding 1998 Tax Allocation Revenue Bonds. The Bonds are secured by a pledge of the tax revenues from the Project area with interest rates ranging from 3.0% to 5.0%. Interest payments are payable semiannually on September 1 and March 1. Principal payments are made on September 1 of each year and continue until the year 2028.

Optional Redemption: The Bonds maturing on or before September 1, 2024, are not subject to optional redemption prior to maturity. The Bonds maturing on and after September 1, 2024, are subject to optional redemption on any date on and after September 1, 2023, in integral multiples of \$5,000, from any available source of funds, at the times, at a redemption price equal to the principal amount of the Bonds to be redeemed, together with accrued interest thereon to the date fixed for redemption, without premium.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 8 – Long-Term Liabilities (Continued)

C. Fiduciary Activities (Continued)

Tax Allocation Refunding Bond, Series 2013B (Merged Redevelopment Project Area)(Continued)

The Bonds are secured by a first and prior lien on tax increment revenues, excluding any portion of revenues that are required to be deposited to the Rebate Fund. Annual principal and interest payments on the bonds are expected to require less than 90% of net revenues. The amount of principal outstanding at June 30, 2025 was \$2,325,000. The net tax increment revenue is collected and withheld by the County of Los Angeles due to the dissolution of the former Redevelopment Agency. The annual debt services requirement on the Tax Allocation Refunding Bond, Series 2013B (Merged Redevelopment Project Area) are as follows:

Year ending June 30,	Principal	Interest	Total
2026	\$ 545,000	\$ 97,050	\$ 642,050
2027	565,000	73,109	638,109
2028	595,000	45,875	640,875
2029	620,000	15,500	635,500
Total	<u>\$ 2,325,000</u>	<u>\$ 231,534</u>	<u>\$ 2,556,534</u>

Tax Increment Deferred Loan (Atlantic/Garvey Project)

On August 20, 1987, the former Redevelopment Agency entered into an agreement for reimbursement of tax increment funds with the County of Los Angeles (the County). In the Agreement, the County agreed to loan its portion of the tax increment revenues received from the amended area (88 Annex) to the former Redevelopment Agency at a 7% compound interest rate, beginning fiscal year 1989-90. The percentage distribution from the basic tax levy for the 88 Annex areas for the County and the former Redevelopment Agency is 43.7% and 56.3% respectively. The former Redevelopment Agency will commence repayment of this loan annually beginning with the fiscal year in which the former Redevelopment Agency’s share of tax increment revenues (excluding Housing Fund contributions) from the 88 Annex areas exceeds \$800,000. The outstanding balance of the Tax Increment Deferred Loan (Atlantic/Garvey Project) was \$18,112,332 increasing accrued interest at June 30, 2025.

The former Redevelopment Agency and the County Taxing Entities (the County of Los Angeles, the Los Angeles County Flood Control District, and the Los Angeles County Office of Education) entered into four agreements for reimbursement of the tax increment deferred amounts. In the Agreements, the County Taxing Entities agreed to loan their portions of the tax increment revenues received from the Southeast Project area, Freeway `99 Annex area, Central Commercial Project area, and Merged Monterey Pass Road area to the former Redevelopment Agency at specified interest rates ranging from 0% to 7%. The percentage distribution from the basic tax levy and the repayment schedule of the deferred loans are also based on a specified formula for each taxing entity. The outstanding balance of the Tax Increment Deferred Loan (Merged Project) was \$79,730,242 increasing accrued interest at June 30, 2025.

Low/Mod Housing Deferred Loans

State law required former redevelopment agencies to set aside 20% of their tax increment revenues for low/mod housing. In 1997, the former Redevelopment Agency approved a plan to set aside future tax increment revenue in addition to the regular 20% set aside requirements. On February 1, 2012, the commitment was transferred to the Successor Agency due to the dissolution of the former Redevelopment Agency and was approved by the DOF as a payable to the City’s Special Revenue Housing Fund. At June 30, 2025, the City wrote off the whole loan receivable balance in amount of \$1,186,222, and the successor agency has written off the loan accordingly.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 9 – Due To Other Governmental Agencies

In the Special Revenue Grants Fund, an amount equal to the total outstanding balance of the identified loans receivable for the Pacific Housing Corporation loan in the amount of \$277,810, and the Pacific Bridge Loan in the amount of \$456,401, described in Note 3 at June 30, 2025, have been recorded as Due to Other Governmental Agencies. As these notes are repaid, the repayment proceeds must be returned to the applicable government agency.

SERA Program	\$	4,322
Pacific Housing Loan		277,810
Pacific Bridge Loan		456,401
Total due to other governmental agencies	\$	738,533

Note 10 – Defined Benefit Pension Plans

California Public Employees’ Retirement System Plan

A. General Information about the Pension Plans

Plan Description

All qualified permanent and probationary employees are eligible to participate in the City’s separate Safety (police and fire) and Miscellaneous (all other) Plans, agent multiple-employer defined benefit pension plans administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Benefit Provided

CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. A classic CalPERS member or PEPRSA Safety member becomes eligible for Service Retirement upon attainment of age 55 with at least 5 years of credited service. PEPRSA miscellaneous members become eligible for service retirement upon attainment of age 62 with at least 5 years of service. The service retirement benefit is a monthly allowance equal to the product of the benefit factor, years of service, and final compensation. The final compensation is the monthly average of the member’s highest 36 or 12 consecutive months’ full-time equivalent monthly pay.

Retirement benefits for classic miscellaneous employees are calculated as 2% to 2.7% of the average final 12 months compensation. Retirement benefits for PEPRSA miscellaneous employees are calculated as 2% of the average final 36 months compensation. Retirement benefits for classic safety employees are calculated as 3% of the average final 12 months compensation. Retirement benefits for PEPRSA safety employees are calculated as 2.7% of the average final 36 months compensation.

Participant is eligible for non-industrial disability retirement if becomes disabled and has at least 5 years of credited service. There is no special age requirement. The standard non-industrial disability retirement benefit is a monthly allowance equal to 1.8% of final compensation, multiplied by service.

Industrial disability benefits are not offered to miscellaneous employees. The City provides industrial disability retirement benefit to safety employees. The industrial disability retirement benefit is a monthly allowance equal to 50% of final compensation.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 10 – Defined Benefit Pension Plans (Continued)

California Public Employees’ Retirement System Plan (Continued)

A. General Information about the Pension Plans (Continued)

Benefit Provided (Continued)

An employee’s beneficiary may receive the basic death benefit if the employee dies while actively employed. The employee must be actively employed with the City to be eligible for this benefit. An employee’s survivor who is eligible for any other pre- retirement death benefit may choose to receive that death benefit instead of this basic death benefit. The basic death benefit is a lump sum in the amount of the employee’s accumulated contributions, where interest is credited annually at the greater of 6% or the prevailing discount rate through the date of death, plus a lump sum in the amount of one month’s salary for each completed year of current service, up to a maximum of six months’ salary. For purposes of this benefit, one month’s salary is defined as the member’s average monthly full-time rate of compensation during the 12 months preceding death. Upon the death of a retiree, a one-time lump sum payment of \$5,000 will be made to the retiree’s designated survivor(s), or to the retiree’s estate.

Benefit terms provide for annual cost-of-living adjustments to each employee’s retirement allowance. Beginning the second calendar year after the year of retirement, retirement and survivor allowances will be annually adjusted on a compound basis by 2%.

Employees Covered by Benefit Terms

At June 30, 2023, the valuation date, the following employees were covered by the benefit terms:

	Miscellaneous	Safety
Active employees	177	122
Transferred and terminated employees	401	102
Retired Employees and Beneficiaries	376	264
Total	954	488

Contributions

Section 20814(C) of the California Public Employees’ Retirement Law (PERL) 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 year, with additional amount to finance any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the year ended June 30, 2025, the employer contributions for the miscellaneous plan and the safety plan, were \$2,191,170 and \$3,521,149, respectively.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 10 – Defined Benefit Pension Plans (Continued)

California Public Employees’ Retirement System Plan (Continued)

B. Net Pension Liability

The June 30, 2023 valuation was rolled forward to determine the June 30, 2024, measurement date total pension liability, based on following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Actual Cost Method
Actuarial Assumptions:	
Discount Rate	6.90%
Inflation	2.30%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table ¹	Derived using CalPERS’ Membership Data for all Funds.
Post Retirement Benefit Increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter

¹ The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 experience study report from November 2021 that can be found on the CalPERS website.

Change of Assumptions

There was no change in assumptions in 2024.

Long-term Expected Rate of Return

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds’ asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 basis points.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 10 – Defined Benefit Pension Plans (Continued)

California Public Employees’ Retirement System Plan (Continued)

B. Net Pension Liability (Continued)

Long-term Expected Rate of Return (Continued)

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

<u>Asset Class¹</u>	<u>Assumed Asset Allocation</u>	<u>Real Return Years 1 - 10^{1,2}</u>
Global Equity - Cap-weighted	30.00%	4.54%
Global Equity - Non-cap-weighted	12.00%	3.84%
Private Equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed Securities	5.00%	0.50%
Investment Grade Corporates	10.00%	1.56%
High Yield	5.00%	2.27%
Emerging Market Debt	5.00%	2.48%
Private Debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	-5.00%	-0.59%
	<u>100.00%</u>	

¹ An expected inflation of 2.30% used for this period.

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

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 10 – Defined Benefit Pension Plans (Continued)

California Public Employees’ Retirement System Plan (Continued)

C. Changes in the Net Pension Liability

The following tables show the changes in net pension liability for the City’s miscellaneous and safety plans recognized over the measurement period.

Miscellaneous Plan			
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(c) = (a) - (b)
Balance at June 30, 2023 (Valuation Date)	\$ 167,949,951	\$ 158,052,963	\$ 9,896,988
Changes Recognized for the Measurement Period:			
Service Cost	2,386,091	-	2,386,091
Interest on the total pension liability	11,391,609	-	11,391,609
Difference between expected and actual experience	456,562	-	456,562
Contributions from the employer	-	1,674,980	(1,674,980)
Contributions from employees	-	1,052,969	(1,052,969)
Net investment income	-	14,776,954	(14,776,954)
Benefit payments, including refunds of employee contributions	(9,007,564)	(9,007,564)	-
Administrative expenses	-	(128,608)	128,608
Net Changes during July 1, 2023 to June 30, 2024	<u>5,226,698</u>	<u>8,368,731</u>	<u>(3,142,033)</u>
Balance at June 30, 2024 (Measurement Date)	<u>\$ 173,176,649</u>	<u>\$ 166,421,694</u>	<u>\$ 6,754,955</u>

Safety			
	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(c) = (a) - (b)
Balance at June 30, 2023 (Valuation Date)	\$ 263,897,102	\$ 251,573,688	\$ 12,323,414
Changes Recognized for the Measurement Period:			
Service Cost	4,672,737	-	4,672,737
Interest on the total pension liability	18,335,739	-	18,335,739
Difference between expected and actual experience	5,941,675	-	5,941,675
Contributions from the employer	-	3,173,534	(3,173,534)
Contributions from employees	-	2,218,461	(2,218,461)
Net investment income	-	23,653,962	(23,653,962)
Benefit payments, including refunds of employee contributions	(12,879,580)	(12,879,580)	-
Administrative expenses	-	(204,706)	204,706
Net Changes during July 1, 2023 to June 30, 2024	<u>16,070,571</u>	<u>15,961,671</u>	<u>108,900</u>
Balance at June 30, 2024 (Measurement Date)	<u>\$ 279,967,673</u>	<u>\$ 267,535,359</u>	<u>\$ 12,432,314</u>

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 10 – Defined Benefit Pension Plans (Continued)

California Public Employees’ Retirement System Plan (Continued)

C. *Changes in the Net Pension Liability (Continued)*

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

The following presents the net pension liability of the City for all Plans, 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 one percentage point lower or one percentage point higher than the current rate:

	Plan's Net Pension Liability/(Asset)		
	Discount Rate	Current Discount	Discount Rate
	- 1% (5.9%)	Rate (6.9%)	+ 1% (7.9%)
Miscellaneous Plan	\$ 28,986,059	\$ 6,754,955	\$ (11,598,201)
Safety Plan	\$ 50,073,504	\$ 12,432,314	\$ (18,459,757)

Pension Plans Fiduciary Net Position

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

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

For the year ended June 30, 2025, the City recognized pension expense of \$4,464,427 and \$8,870,156, for the Miscellaneous and Safety plan, respectively. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to the pension plan from the following sources:

Miscellaneous Plan		
	Deferred Outflows of Resources	Deferred Inflows of Resources
Contribution made after the measurement date	\$ 2,191,170	\$ -
Difference between expected and actual experience	239,152	-
Net difference between projected and actual earning on pension plan investments	3,537,078	-
Total	\$ 5,967,400	\$ -
Safety Plan		
	Deferred Outflows of Resources	Deferred Inflows of Resources
Contribution made after the measurement date	\$ 3,521,149	\$ -
Difference between expected and actual experience	4,108,650	-
Net difference between projected and actual earnings on pension plan investments	5,525,302	-
Total	\$ 13,155,101	\$ -

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 10 – Defined Benefit Pension Plans (Continued)

California Public Employees’ Retirement System Plan (Continued)

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

The amounts above are net of outflows and inflows recognized in the 2023-2024 measurement period expense. The expected average remaining service lifetime (“EARSLS”) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired). The EARSLS for the Miscellaneous Plan and Safety Plan for the 2023-2024 measurement period is 2.1, and 3.0 years, which was obtained by dividing the total service years of 1,959 and 1,455 (the sum of remaining service lifetimes of the active employees) by 954 and 488 (the total number of participants: active, inactive, and retired), respectively.

The \$2,191,170 and \$3,521,149 for the Miscellaneous and Safety Plans, respectively, reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2026.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension plan will be recognized as pension expense as follows:

Measurement Period Ending June 30	Deferred Outflows/(Inflows) of Resources	
	Miscellaneous Plan	Safety Plan
	2025	\$ 838,284
2026	4,355,811	8,777,902
2027	(596,670)	(959,706)
2028	(821,195)	(1,312,712)
2029	-	-
Thereafter	-	-
	\$ 3,776,230	\$ 9,633,952

Massachusetts Mutual Retirement Plan - Defined Benefit Plan

E. General Information about the Pension Plans

Plan Description

Certain miscellaneous employees are covered by a retirement plan through the Massachusetts Mutual Life Insurance Company (MMRP), a single-employer defined benefit pension plan. All miscellaneous employees who were employed prior to April 1, 1976 participated in the MMRP. Miscellaneous employees under the age of 55 joined CalPERS on and after April 1, 1976. However, these employees still remain vested under the MMRP and are eligible to receive retirement benefits at the time of retirement. Miscellaneous employees over the age of 55 (on or before April 1, 1976) could not participate in CalPERS and remain wholly in the MMRP. The City does not issue a publicly available financial report for the MMRP.

Benefits Provided

The MMRP was amended in 1976 to provide equivalent retirement benefits to all miscellaneous employees, whether totally vested in CalPERS, totally vested in the MMRP or partially vested in both plans. Eligibility requirements for the MMRP are the same as those for CalPERS.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 10 – Defined Benefit Pension Plans (Continued)

Massachusetts Mutual Retirement Plan - Defined Benefit Plan (Continued)

E. General Information about the Pension Plans (Continued)

Employee Covered by Benefit Terms

MMRP is a closed plan. As of the measurement date, June 30, 2025, there are 28 individuals in the plan, 27 inactive receiving benefits and 1 inactive not receiving benefits, all of whom are no longer employed by the City or are currently participating in PERS. The City’s payroll for employees covered by the MMRP was zero for the measurement period July 1, 2024 to June 30, 2025.

Contributions

MMRP is a contributory plan deriving funds from employer contributions and earnings from investments. Employer contributions were based upon the actuarial methods and assumptions. For the current year, the City made contributions to the MMRP in amount of \$50,000.

F. Net Pension Liability

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ended June 30, 2025, the total pension liability was determined by rolling forward the June 30, 2024 total pension liability to June 30, 2025, based on actual benefit payments.

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The total pension liability was based on the following actuarial methods and assumptions:

Contribution Policy	City contributes full ADC
Actuarial Assumptions:	
Discount Rate	5.20% at June 30, 2024 based on the Bond Buyer 20-bond Index at 6/30/25 3.93% at June 30, 2023 based on the Bond Buyer 20-bond Index at 6/30/24
Long-Term Expected Rate of Return on Assets	3.00% at June 30, 2025 (55% confidence level) 3.00% at June 30, 2024 (55% confidence level)
Municipal Bond Rate	5.20% at June 30, 2025 (Bond Buyer 20 Index) 3.93% at June 30, 2024 (Bond Buyer 20 Index)
General Inflation	2.50% annually
Mortality, Retirement, Disability, Termination	CalPERS 2000-2019 Experience Study
Mortality Improvement	Mortality projected fully generational with Scale MP-2021
Cost of Living Adjustment/PPPA	2.00% PPPA valued for each annuitant
Asset Fair Market Value	Fair value factor of 92.969% as of 6/30/2025 supplied by the City

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 10 – Defined Benefit Pension Plans (Continued)

Massachusetts Mutual Retirement Plan - Defined Benefit Plan (Continued)

F. Net Pension Liability (Continued)

Long-term Expected Rate of Return

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

Asset Class	Target Allocation	Expected Real Rate of Return
Fixed Income	97.2%**	0.78%
Global Equity **	n/a	4.56%
REITs	0.10%	3.91%
Cash	2.70%	-0.50%
	<u>100.00%</u>	

** Includes 9.4% “other invested assets” in Empower General Investment Account, which includes Global Equity.

G. Changes in the Net Pension Liability

The following table shows the changes in net pension liability recognized over the measurement period.

	Empower Plan		
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2024	\$ 3,433,754	\$ 3,487,814	\$ (54,060)
Changes Recognized for the Measurement Period:			
Interest on the total pension liability	128,493	-	128,493
Difference between expected and actual experience	(267,768)	-	(267,768)
Contributions from the employer	-	50,000	(50,000)
Net investment income	-	197,415	(197,415)
Benefit payments, including refunds of employee contributions	(328,034)	(328,034)	-
Administrative expenses	-	(10,506)	10,506
Net Changes during July 1, 2024 to June 30, 2025	<u>(467,309)</u>	<u>(91,125)</u>	<u>(376,184)</u>
Balance at June 30, 2025 (Measurement Date)	<u>\$ 2,966,445</u>	<u>\$ 3,396,689</u>	<u>\$ (430,244)</u>

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

The following presents the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 5.2%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (4.2%) or 1 percentage point higher (6.2%) than the current rate:

	Plan's Net Pension Liability/(Asset)		
	Discount Rate - 1% (4.20%)	Current Discount Rate (5.20%)	Discount Rate + 1% (6.20%)
	Net Pension Liability	\$ (223,509)	\$ (430,244)

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 10 – Defined Benefit Pension Plans (Continued)

Massachusetts Mutual Retirement Plan - Defined Benefit Plan (Continued)

H. Pension Expense and Deferred Outflows/Deferred Inflows of Resources Related to Pensions

For the measurement period ending June 30, 2025, the City incurred a pension credit of \$(47,211) for MMRP. As of measurement date of June 30, 2025, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

	Empower plan	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earning on pension plan investments	\$ 117,640	\$ -

Amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Measurement Period Ending June 30	Deferred Outflows/(Inflows) of Resources
2026	\$ 198,804
2027	(26,068)
2028	(35,463)
2029	(19,633)
2030	-
Thereafter	-
	\$ 117,640

Note 11 – Defined Contribution Pension Plans - Monterey Park Part-Time Retirement Plan

During the 1991-1992 fiscal year, the City established the Monterey Park Part-Time Retirement Plan, a defined contribution retirement plan, for all non benefited, part-time employees in accordance with Internal Revenue Code Section 457, to conform to Section 3121(b)(7)(F) of the Internal Revenue Code added by the Omnibus Budget Reconciliation Act of 1990. The plan is administered by Empower Inc. The plan was established by the authority of the City Council who retains the authority to amend the plan.

A defined contribution pension plan provides pension benefits in return for services rendered, provides an individual account for each participant, and specifies how contributions to the individual's account are to be determined instead of specifying the amount of benefits the individual is to receive. Under a defined contribution pension plan, the benefits a participant will receive depend solely on the amount contributed to the participant's account and the returns earned on investments of the contributions. Part-time, non benefited, nonpersable employees of the City must participate in the plan. During the year ended June 30, 2025, 137 part-time employees participated in the plan. All contributions to the plan vest immediately. An employee who leaves the City is entitled to all contributions, including contributions made by the City, and earnings applied to the individual's account through the date of separation, less legally required income tax withholding.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 11 – Defined Contribution Pension Plans - Monterey Park Part-Time Retirement Plan (Continued)

Participants that become full-time employees and enter the CalPERS retirement plan will have the amount in their individual accounts transferred from this plan into a Section 457, Deferred Compensation Plan, subject to all the rules governing Section 457 plans, including substantial penalties for withdrawal prior to the age of normal retirement. Contribution levels into the deferred compensation plan were established by City Council resolution at 4% and 3.5% for the City and non benefited, nonpersable part-time employees, respectively. During the year, the City contributed \$49,784 to the plan.

Note 12 – Other Postemployment Healthcare Plan

A. Plan Description

In addition to the pension benefits, the City provides postretirement medical insurance benefits, through an agent multiple-employer OPEB plan in accordance with contractual provisions of the various Memoranda of Understanding with the City’s recognized employee organizations, to all vested employees who retire with CalPERS pension benefits immediately upon termination of employment from the City. The City has established a California Retiree Benefit Trust (CERBT), an agent-multiple employer trust which CalPERS serves as trustee. Eligible retirees and dependents may elect lifetime coverage through the City’s healthcare plans. The City makes contributions towards the retiree’s premium up to specified caps that vary depending on bargaining unit and whether the participant has more or less than 20 years of service. Retirees pay the portion of premium not paid by the City. In addition to the direct City paid contribution, retirees also receive pre-65 benefits that are subsidized as they are eligible to receive coverage based on blended (active and retiree) premium rates instead of normally higher retiree rates (implied subsidy). For those retirees who are eligible for Medicare, the City contributes toward Medicare supplemental insurance coverage. Upon retirement, vested full-time employees may, at their own cost, convert group life insurance coverage to individual life insurance coverage. Post-employment benefits for employees that separate for reasons other than retirement are limited to those required under the provisions of COBRA and require no contribution by the City.

Members are eligible for the following benefits:

	General	Management	Safety
Benefit Types Provided	Medical Only	Medical Only	Medical Only
Duration of Benefits	Lifetime	Lifetime	Lifetime
Minimum Age	50	50	50
Dependent Coverage	Yes	Yes	Yes
Required Years of Service	5 Years	5 Years	5 Years
City Contribution %	100%	100%	100%

Employees Covered

At the measurement date of June 30, 2025, the following current and former employees were covered by the benefit terms under the plan:

Active plan members	291
Inactives entitled to but not yet receiving benefits	69
Retirees	241
Total	601

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 12 – Other Postemployment Healthcare Plan (Continued)

A. Plan Description (Continued)

Contributions

The contribution requirements are established and amended by the City. Employer contributions are determined through an annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. For the current year, the City’s contributions to the plan included \$1,000,000 to the irrevocable CERBT, an implied subsidy of \$420,000, \$17,578 in administrative expenses, and \$1,427,874 in cash benefit payments, resulting in total contributions of \$2,865,452. The contributions to the OPEB plan are generally made from the general fund.

B. Total OPEB Liability

For the measurement period ended June 30, 2024, the City’s total OPEB liability was rolled forward from June 30, 2023 actuarial accounting valuation. A summary of the principal assumptions and methods used to determine the net OPEB liability is shown below.

Actuarial Assumptions

The total OPEB liability in the June 30, 2023 actuarial valuation and June 30, 2024 measurement date was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Valuation Date	June 30, 2023
Contribution Policy	Pre-funded through CERBT with the Strategy 1 asset allocation
Discount Rate and Long-Term Expected Rate of Return on Assets	6.25% at June 30, 2024 and June 30, 2023 Expected City contributions projected to keep sufficient plan assets to pay all benefits from trust
Inflation	2.5% annually
Salary Increase	Aggregate - 2.75% annually, Merit - CalPERS 2000-2019 Experience Study
Mortality, Retirement, Termination, and Disability	CalPERS 2000-2019 Experience Study
Mortality Improvement Scale	Mortality projected fully generational with Scale MP-2021
Medical Trend	Non-Medicare - 8.50% for 2025, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Non-Kaiser) - 7.5% for 2025, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Kaiser) - 6.25% for 2025, decreasing to an ultimate rate of 3.45% in 2076
PEMHCA Minimum Increases	3.50% annually
Cap Increases	All except Executive Management, CM and Elected Officials: 0% until the end of current MOU, 5% every 3 years thereafter Executive Management, CM and Elected Officials: 5% per year
Participation at Retirement	Tier 1: 90% PEMHCA Minimum Only: 60%

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 12 – Other Postemployment Healthcare Plan (Continued)

B. Total OPEB Liability (Continued)

The long-term expected rate of return on OPEB 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 OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of the arithmetic real rates of return for each major asset class are summarized in the following table.

Asset Class ¹	Target Allocation CERBT- Strategy 1	Expected Real Rate of Return
Global Equity	49.00%	4.56%
Fixed Income	23.00%	1.56%
TIPS	5.00%	-0.08%
Commodities	3.00%	1.22%
REITs	20.00%	4.06%
	100.00%	

Assumed Long-Term Rate of Inflation: 2.5%

Expected Long-Term Net Rate of Return, Rounded: 6.25%

Discount Rate

The discount rate used to measure the total OPEB liability was 6.25%. The projection of cash flows used to determine the discount rate assumed that the City's contributions will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

C. Changes in total OPEB Liability

The change in net OPEB liability are as follows:

	Total OPEB Liability	Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2023	\$ 31,729,399	\$ 13,045,194	\$ 18,684,205
Changes Recognized for the Measurement Period:			
Service Cost	641,021	-	641,021
Interest on the total OPEB liability	1,970,292	-	1,970,292
Changes of benefit terms	-	-	-
Difference between expected and actual experience	-	-	-
Changes of assumptions	-	-	-
Contributions from the employer	-	3,709,837	(3,709,837)
Net investment income	-	1,519,745	(1,519,745)
Administrative expenses	-	(22,928)	22,928
Benefit payments	(1,691,483)	(1,691,483)	-
Net Changes during July 1, 2023 to June 30, 2024	919,830	3,515,171	(2,595,341)
Balance at June 30, 2024 (Measurement Date)	\$ 32,649,229	\$ 16,560,365	\$ 16,088,864

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 12 – Other Postemployment Healthcare Plan (Continued)

C. Changes in total OPEB Liability (Continued)

Change of Assumptions

There were no changes of assumptions.

Change of Benefit Terms

There were no changes of benefit terms.

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

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

Discount Rate		
Discount Rate - 1% (5.25%)	Current Discount Rate (6.25%)	Discount Rate + 1% (7.25%)
\$ 20,122,261	\$ 16,088,864	\$ 12,735,602

The following presents the net OPEB liability of the City, as well as what the City’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher) than the current healthcare cost trend rates:

Healthcare Trend Rate		
-1% Decrease	Current Rates	1% Increase
\$ 14,498,563	\$ 16,088,864	\$ 17,830,499

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

For the year ended June 30, 2025, the City recognized OPEB expense of \$177,355. At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred outflows of Resources	Deferred inflows of Resources
Difference between expected and actual experience	\$ -	\$ (3,541,227)
Changes of assumptions	356,776	(85,823)
Net difference between projected and actual earnings on plan investments	179,193	-
Employer contributions made subsequent to the measurement date	2,865,452	-
Total	\$ 3,401,421	\$ (3,627,050)

The expected average remaining service lifetime (“EARSL”) for OPEB for the 2022-23 measurement period is 3,424.8 years, which was obtained by the average of the EARSL of 6.4 years times 538 covered participants.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 12 – Other Postemployment Healthcare Plan (Continued)

D. OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB (Continued)

\$2,865,452 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ending June 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

Year Ending June 30	Deferred Outflows/ (Inflows) of Resources
2026	\$ (974,635)
2027	(568,784)
2028	(717,471)
2029	(713,229)
2030	(116,962)
Thereafter	-
	\$ (3,091,081)

Note 13 – Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. These risks are handled as described below.

The City is partially self-insured for Workers’ Compensation, General Liability and Automobile Liability. The City is fully self-insured for unemployment insurance claims (reimbursable account with Employment Development Department). The Workers’ Compensation Internal Service Fund and the General Liability Internal Service Fund were established to account for the collection of premiums from various City departments related to the City’s insurance and self-insurance programs.

The City retains the risk for the first \$500,000 of each Workers’ Compensation claim and is a member of the Public Risk Innovation, Solutions and Management (PRISM) for coverage up to \$5,000,000 per occurrence. Excess workers’ compensation insurance has also been purchased up to statutory limits. The City retains the risk for the first \$1,000,000 of each General Liability and Auto Liability claim and is a member of the PRISM for coverage up to \$25 million per occurrence. The City also purchases commercial insurance for other risks of loss, including property loss, emergency vehicle physical damage, cyber liability and special events. The comprehensive general liability insurance includes monetary damages for personal liability, property damage and public officials’ errors and omissions. Deposits made to the PRISM are based on losses incurred by the insured, and rebates are possible if the losses are minimal.

On November 17, 2016, the Independent Cities Risk Management Authority (“ICRMA”) Board approved an assessment on the member cities to fund deficits in its Liability Program for the fiscal years ended 2004, and 2012 through 2015. The City’s share of this assessment was determined to be \$1,635,143 and is due and payable in equal installments of \$163,514 over the next ten years. This insurance assessment liability is recorded in the General Liability Internal Service Fund. At June 30, 2025, the assessment liability balance was \$327,028.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 13 – Risk Management (Continued)

There have been no significant changes in insurance coverage as compared to last year and the City has not experienced settlements in excess of insurance coverage during the past three fiscal years. Estimates for liabilities have been accrued in the Workers' Compensation and General Liability Internal Service Funds. These funds also include an estimate for incurred but not reported claims. At June 30, 2025, total estimated General Liability and Workers' Compensation claims payable were \$6,508,924 and \$15,256,065, respectively.

The claims liabilities are reported in the Statement of Net Position in the Government-Wide Financial Statements and in the Statement of Revenues, Expenses and Changes in Net Position in the Proprietary Fund Statements in the Internal Service Funds.

A reconciliation of changes in the aggregate liabilities for claims for the current fiscal year and the prior two years is as follows:

Year ended June 30,	Beginning of Fiscal Year Liability	Current Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year End
2023	\$ 22,442,706	\$ 5,089,000	\$ (3,635,479)	\$ 23,896,227
2024	23,896,227	1,914,593	(3,865,253)	21,945,567
2025	21,945,567	3,478,000	(3,658,578)	21,764,989

Note 14 – Stewardship, Compliance and Accountability

A. Deficit Fund Balance/Net Position

At June 30, 2025, the following funds had a fund balance (deficit) or unrestricted net position (deficit):

Fund	Fund Type	Deficit
General Liability Fund	Internal Service Fund	\$ (1,646,495)
Workers' Compensation	Internal Service Fund	(9,311,752)
Successor Agency Private-Purpose Trust	Fiduciary Fund	(101,286,431)

City management believes the present cash position of the Internal Service Funds are adequate to meet current needs. The deficit of Fiduciary Fund is expected to be eliminated with future payments from the Redevelopment Property Tax Trust Fund to the Successor Agency for its long-term debt.

B. Excess of Expenditures over Appropriations

Total expenditures exceeded budgeted appropriations in the following funds:

Funds	Final Appropriations	Expenditures	Excess
Nonmajor governmental funds:			
Special Revenue Funds:			
Housing	\$ -	\$ 1,186,222	\$ (1,186,222)
Asset Forfeiture	75,733	77,223	(1,490)
Maintenance District 93-1 Fund	1,016,575	1,257,263	(240,688)

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 15 – Net Investment in Capital Assets

Net investment in capital assets at June 30, 2025 consisted of the following:

	Governmental Activities	Business-Type Activities
Net investment in capital assets:		
Capital assets, net	\$ 100,458,923	\$ 60,073,965
Unspent 2022 sales tax revenue bonds - bond proceeds	983,805	-
Unspent 2023 sales tax revenue bonds - bond proceeds	-	18,500,074
Finance loan proceeds	2,861,549	-
Retention payable	(291,979)	(100,832)
Long-term debt:		
2022 Sales tax revenue bonds	(16,625,000)	-
Water revenue bonds, series 2024	-	(19,985,000)
SGVMWD loan	-	(4,000,000)
Premium	(2,839,305)	(531,054)
Finance purchase loans	(2,491,638)	(4,539,374)
Lease liabilities	(169,786)	-
Subscription liabilities	(1,602,436)	(3,241)
Total net investment in capital assets	\$ 80,284,133	\$ 49,414,538

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 16 – Classification of Fund Balances

At June 30, 2025, fund balances are classified in the governmental funds as follows:

	Special Revenue Funds				Street Capital Projects Funds	Nonmajor Governmental Funds	Total
	General Fund	Grants Fund	Retirement/ Pension Fund	Housing Fund			
Nonspendable:							
Prepaid items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,649	\$ 2,649
Due from Successor Agency	-	-	-	484,282	-	-	484,282
	<u>-</u>	<u>-</u>	<u>-</u>	<u>484,282</u>	<u>-</u>	<u>2,649</u>	<u>486,931</u>
Restricted:							
Housing	-	-	-	2,162,179	-	-	2,162,179
Grants	-	1,218,563	-	-	-	-	1,218,563
Highways and streets	-	-	-	-	-	-	-
Retirement	-	-	4,252,941	-	-	-	4,252,941
OPA Proposition A	-	-	-	-	-	614,078	614,078
State Gas Tax	-	-	-	-	-	107,346	107,346
Measure W	-	-	-	-	-	853,087	853,087
Proposition C	-	-	-	-	-	2,647,469	2,647,469
Air Quality Improvement	-	-	-	-	-	195,686	195,686
Asset forfeiture	-	-	-	-	-	1,286,839	1,286,839
Park Facilities	-	-	-	-	-	1,444,470	1,444,470
Business Improvement Area #1	-	-	-	-	-	244,819	244,819
Maintenance District 93-1	-	-	-	-	-	1,808	1,808
Law Enforcement/Fire/Medic DIF	-	-	-	-	-	-	-
Public Safety Augmentation	-	-	-	-	-	935,828	935,828
Measure R	-	-	-	-	-	477,027	477,027
Circulation Dev Impact Fee	-	-	-	-	-	820,076	820,076
CERCLA Liability	-	-	-	-	-	32,731	32,731
SB1-RMRA	-	-	-	-	-	2,968,161	2,968,161
Measure M	-	-	-	-	-	4,104,553	4,104,553
SB2 Planning	-	-	-	-	-	65,120	65,120
Highway safety improvement	-	-	-	-	-	15,409	15,409
Capital projects-unspent bond proceed	-	-	-	-	262,372	-	262,372
Subtotal	<u>-</u>	<u>1,218,563</u>	<u>4,252,941</u>	<u>2,162,179</u>	<u>262,372</u>	<u>16,814,507</u>	<u>24,710,562</u>
Committed:							
Catastrophic event	8,840,000	-	-	-	-	-	8,840,000
Working capital	3,000,000	-	-	-	-	-	3,000,000
Economic development	1,886,927	-	-	-	-	-	1,886,927
Total committed	<u>13,726,927</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>13,726,927</u>
Assigned:							
City capital improvements	32,140,583	-	-	-	-	-	32,140,583
Subtotal	<u>32,140,583</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,140,583</u>
Unassigned							
	<u>655,119</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>655,119</u>
Total	<u>\$ 46,522,629</u>	<u>\$ 1,218,563</u>	<u>\$ 4,252,941</u>	<u>\$ 2,646,461</u>	<u>\$ 262,372</u>	<u>\$ 16,817,156</u>	<u>\$ 71,720,122</u>

General Fund Committed Catastrophic-Event – The City’s General Fund balance committed for emergency contingencies has been set by resolution and is for specific uses listed as the declaration of a state or federal state of emergency or a local emergency as defined in Monterey Park Municipal Code Section 2.52.020. A state of emergency is the existence of conditions of disasters which may result in property damage, death and/or injuries to the community. An emergency may also result from natural events that did not result in a request for state or federal assistance.

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 17 – Commitments and Contingencies

A. Commitments

The City has active projects as of June 30, 2025. At year-end, the City’s commitments with contractors for these projects are as follows:

Projects	Commitments
Streets	\$ 417,289
Community	22,010
Water	832,862
	\$ 1,272,161

B. Contingencies

The City is a defendant in a number of lawsuits that have arisen in the normal course of business. While substantial damages are alleged in some of these actions, their outcome cannot be predicted with certainty. In the opinion of the City Attorney, these actions when finally adjudicated will not have a material adverse effect on the financial position of the City.

Note 18 – Restatement of Beginning Net Positions and Fund Balances

During fiscal year 2025, restatement of beginning net position and fund balances are as follows:

	June 30, 2024 As Previously Reported	Change in Accounting Principle (a)	Error Correction (b)	June 30, 2024 As Restated
Government-Wide				
Governmental Activities	\$ 19,198,289	\$ (1,265,962)	\$ -	\$ 17,932,327
Business-Type Activities	48,881,675	(63,207)	-	48,818,468
Total primary government	\$ 68,079,964	\$ (1,329,169)	\$ -	\$ 66,750,795
Governmental Funds:				
Major Funds:				
General Fund	\$ 41,891,780	\$ -	\$ -	\$ 41,891,780
Grants special revenue Fund	1,230,698	-	(240,555)	990,143
Retirement Pension Liabilities Special Revenue Fund	6,559,330	-	-	6,559,330
Housing Special Revenue Fund	3,744,119	-	-	3,744,119
Street Capital Project Fund	573,797	-	-	573,797
Nonmajor Funds	19,348,897	-	-	19,348,897
Total Governmental Funds	\$ 73,348,621	\$ -	\$ (240,555)	\$ 73,108,066
Enterprise Funds:				
Water Utility Enterprise Fund	\$ 41,925,511	\$ (44,439)	\$ -	\$ 41,881,072
Refuse Enterprise Fund	(18,061)	(5,761)	-	(23,822)
Sewer Enterprise Fund	12,453,069	(13,007)	-	12,440,062
Total Enterprise Funds	\$ 54,360,519	\$ (63,207)	\$ -	\$ 54,297,312
Internal Service Funds	\$ (11,990,644)	\$ (31,641)	\$ -	\$ (12,022,285)

City of Monterey Park
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2025

Note 18 – Restatement of Beginning Net Positions and Fund Balances (Continued)

(a) Implementation of GASB Statement No. 101, Compensated Absences

Effective for the fiscal year ended June 30, 2025, the City implemented GASB Statement No. 101, *Compensated Absences*. This statement establishes accounting and financial reporting standards for compensated absences, including vacation, sick leave, and other paid time off. The implementation of GASB 101 resulted in a change in accounting principle, and prior year amounts have been restated accordingly.

Under GASB 101, a liability must be recognized for leave that is attributable to services already rendered, accumulates and carries forward to future periods, and is more likely than not to be used or paid. This represents a shift from previous guidance, particularly in how likelihood and eligibility are assessed. The effect of the restatement is as shown above.

(b) Correction of Error

The Grant Special Revenue Fund beginning fund balance was restated to reflect \$240,555 due from other government for revenue which did not meet the criteria of available revenue.

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**REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)**

City of Monterey Park
Required Supplementary Information (Unaudited)
Schedule of Changes in the Net Pension Liability and Related Ratios
California Public Employees' Retirement System ("CalPERS") – Miscellaneous Plan
Last Ten Measurement Periods
For the Year Ended June 30, 2025

Fiscal Year Ended	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Measurement period	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Total pension liability					
Service cost	\$ 2,386,091	\$ 2,183,668	\$ 2,277,310	\$ 2,148,048	\$ 2,180,399
Interest	11,391,609	11,045,245	10,590,605	10,443,716	10,151,939
Changes of benefit terms	-	235,939	-	-	-
Changes of assumptions	-	-	4,675,002	-	-
Differences between expected and actual experience	456,562	1,799,505	(1,948,123)	(746,806)	602,063
Benefit payments, including refunds of employee contributions	(9,007,564)	(8,526,263)	(8,008,871)	(7,915,523)	(7,061,615)
Net change in total pension liability	5,226,698	6,738,094	7,585,923	3,929,435	5,872,786
Total pension liability - beginning	167,949,951	161,211,857	153,625,934	149,696,499	143,823,713
Total pension liability - ending (a)	\$ 173,176,649	\$ 167,949,951	\$ 161,211,857	\$ 153,625,934	\$ 149,696,499
Pension fiduciary net position					
Contributions - employer	\$ 1,674,980	\$ 1,431,213	\$ 1,281,326	\$ 45,650,016	\$ 4,961,827
Contributions - employee	1,052,969	867,801	1,068,666	878,774	919,290
Net plan to plan resource movement	-	-	-	-	-
Net investment income	14,776,954	9,341,983	(12,885,155)	27,613,258	5,268,857
Benefit payments, including refunds of employee contributions	(9,007,564)	(8,526,263)	(8,008,871)	(7,915,523)	(7,061,615)
Administrative expense	(128,608)	(114,018)	(108,208)	(107,471)	(146,111)
Other Miscellaneous income/(expense) ¹	-	-	-	-	-
Net change in plan fiduciary net position	8,368,731	3,000,716	(18,652,242)	66,119,054	3,942,248
Plan fiduciary net position - beginning²	158,052,963	155,052,247	173,704,489	107,585,435	103,643,187
Plan fiduciary net position - ending (b)	\$ 166,421,694	\$ 158,052,963	\$ 155,052,247	\$ 173,704,489	\$ 107,585,435
Plan net pension liability - ending (a) - (b)	\$ 6,754,955	\$ 9,896,988	\$ 6,159,610	\$ (20,078,555)	\$ 42,111,064
Plan fiduciary net position as a percentage of the total pension liability	96.10%	94.11%	96.18%	113.07%	71.87%
Covered payroll³	\$ 12,331,219	\$ 11,198,295	\$ 11,648,645	\$ 12,309,728	\$ 12,120,063
Net pension liability as a percentage of covered payroll	54.78%	88.38%	52.88%	-163.11%	347.45%

¹During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75. Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

² Includes any beginning of year adjustment.

³ Includes one year's payroll growth using 2.80% payroll growth assumption for fiscal years ended in 2022 through 2024; 2.75% payroll growth assumption for fiscal years ended in 2018 through 2021; 3.00% payroll growth assumption for fiscal years ended in 2015 through 2017.

Notes to Schedule:

Changes of Benefit Terms: The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Valuation Date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions: There were no assumption changes in 2023 or 2024. Effective with the June 30, 2021, valuation date (June 30, 2022, measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. In addition, demographic assumptions and the price inflation assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates June 30, 2017, through June 30, 2021, and 7.65% for measurement dates June 30, 2015, through June 30, 2016.

City of Monterey Park
Required Supplementary Information (Unaudited)
Schedule of Changes in the Net Pension Liability and Related Ratios (Continued)
California Public Employees' Retirement System ("CalPERS") – Miscellaneous Plan
Last Ten Measurement Periods
For the Year Ended June 30, 2025

Fiscal Year Ended	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Measurement period	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Total pension liability					
Service cost	\$ 2,265,594	\$ 2,094,764	\$ 2,228,391	\$ 2,069,087	\$ 1,980,088
Interest	9,748,249	9,247,324	8,924,469	8,653,522	8,290,095
Changes of benefit terms	-	-	-	-	-
Changes of assumptions	-	(692,460)	7,347,650	-	(2,040,465)
Differences between expected and actual experience	2,073,497	(117,357)	(1,360,108)	(944,621)	(1,849,112)
Benefit payments, including refunds of employee contributions	(6,792,973)	(6,197,134)	(5,324,401)	(4,855,567)	(4,383,243)
Net change in total pension liability	7,294,367	4,335,137	11,816,001	4,922,421	1,997,363
Total pension liability - beginning	136,529,346	132,194,209	120,378,208	115,455,787	113,458,424
Total pension liability - ending (a)	\$ 143,823,713	\$ 136,529,346	\$ 132,194,209	\$ 120,378,208	\$ 115,455,787
Pension fiduciary net position					
Contributions - employer	\$ 4,364,979	\$ 4,603,513	\$ 3,511,958	\$ 3,019,357	\$ 2,466,015
Contributions - employee	1,139,478	866,540	907,755	917,401	940,132
Net plan to plan resource movement	-	(229)	-	-	-
Net investment income	6,527,890	7,850,165	9,552,250	436,342	1,884,022
Benefit payments, including refunds of employee contributions	(6,792,973)	(6,197,134)	(5,324,401)	(4,855,567)	(4,383,243)
Administrative expense	(70,273)	(142,996)	(122,900)	(51,056)	(94,230)
Other Miscellaneous income/(expense)	229	(271,552)	-	-	-
Net change in plan fiduciary net position	5,169,330	6,708,307	8,524,662	(533,523)	812,696
Plan fiduciary net position - beginning	98,473,857	91,765,550	83,240,888	83,774,411	82,961,715
Plan fiduciary net position - ending (b)	\$ 103,643,187	\$ 98,473,857	\$ 91,765,550	\$ 83,240,888	\$ 83,774,411
Plan net pension liability - ending (a) - (b)	\$ 40,180,526	\$ 38,055,489	\$ 40,428,659	\$ 37,137,320	\$ 31,681,376
Plan fiduciary net position as a percentage of the total pension liability	72.06%	72.13%	69.42%	69.15%	72.56%
Covered payroll	\$ 11,984,909	\$ 11,235,594	\$ 11,745,064	\$ 11,966,954	\$ 11,412,611
Net pension liability as a percentage of covered payroll	335.26%	338.70%	344.22%	310.33%	277.60%

City of Monterey Park
Required Supplementary Information (Unaudited)
Schedule of Changes in the Net Pension Liability and Related Ratios (Continued)
California Public Employees' Retirement System ("CalPERS") – Safety Plan
Last Ten Measurement Periods
For the Year Ended June 30, 2025

Fiscal Year Ended	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Measurement period	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Total pension liability					
Service cost	\$ 4,672,737	\$ 4,490,164	\$ 4,273,500	\$ 3,628,780	\$ 3,826,239
Interest	18,335,739	17,281,068	16,606,680	16,292,437	15,722,454
Changes of benefit terms	-	150,684	-	-	-
Changes of assumptions	-	-	6,196,586	-	-
Differences between expected and actual experience	5,941,675	475,381	(2,515,151)	(986,638)	(2,916,658)
Benefit payments, including refunds of employee contributions	(12,879,580)	(12,158,628)	(11,523,017)	(10,706,492)	(10,276,568)
Net change in total pension liability	16,070,571	10,238,669	13,038,598	8,228,087	6,355,467
Total pension liability - beginning	263,897,102	253,658,433	240,619,835	232,391,748	226,036,281
Total pension liability - ending (a)	\$ 279,967,673	\$ 263,897,102	\$ 253,658,433	\$ 240,619,835	\$ 232,391,748
Pension fiduciary net position					
Contributions - employer	\$ 3,173,534	\$ 2,647,296	\$ 2,584,424	\$ 71,158,474	\$ 6,084,397
Contributions - employee	2,218,461	1,875,875	1,804,252	1,701,579	1,483,430
Net plan to plan resource movement	-	-	-	-	-
Net investment income	23,653,962	14,836,038	(20,264,806)	43,136,498	8,070,569
Benefit payments, including refunds of employee contributions	(12,879,580)	(12,158,628)	(11,523,017)	(10,706,492)	(10,276,568)
Administrative expense	(204,706)	(179,833)	(169,516)	(166,821)	(228,190)
Other Miscellaneous income/(expense) ¹	-	-	-	-	-
Net change in plan fiduciary net position	15,961,671	7,020,748	(27,568,663)	105,123,238	5,133,638
Plan fiduciary net position - beginning²	251,573,688	244,552,940	272,121,603	166,998,365	161,864,727
Plan fiduciary net position - ending (b)	\$ 267,535,359	\$ 251,573,688	\$ 244,552,940	\$ 272,121,603	\$ 166,998,365
Plan net pension liability - ending (a) - (b)	\$ 12,432,314	\$ 12,323,414	\$ 9,105,493	\$ (31,501,768)	\$ 65,393,383
Plan fiduciary net position as a percentage of the total pension liability	95.56%	95.33%	96.41%	113.09%	71.86%
Covered payroll³	\$ 15,508,586	\$ 14,678,535	\$ 14,016,071	\$ 12,831,613	\$ 13,434,829
Net pension liability as a percentage of covered payroll	80.16%	83.96%	64.96%	-245.50%	486.75%

¹During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75.

² Includes any beginning of year adjustment.

³ Includes one year's payroll growth using 2.80% payroll growth assumption for fiscal years ended in 2022 through 2024; 2.75% payroll growth assumption for fiscal years ended in 2018 through 2021; 3.00% payroll growth assumption for fiscal years ended in 2015 through 2017.

Notes to Schedule:

Changes of Benefit Terms: The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Valuation Date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary.

Changes of Assumptions: There were no assumption changes in 2023 or 2024. Effective with the June 30, 2021, valuation date (June 30, 2022, measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. In addition, demographic assumptions and the price inflation assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates June 30, 2017, through June 30, 2021, and 7.65% for measurement dates June 30, 2015, through June 30, 2016.

City of Monterey Park
Required Supplementary Information (Unaudited)
Schedule of Changes in the Net Pension Liability and Related Ratios (Continued)
California Public Employees' Retirement System ("CalPERS") – Safety Plan
Last Ten Measurement Periods
For the Year Ended June 30, 2025

Fiscal Year Ended	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Measurement period	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Total pension liability					
Service cost	\$ 3,799,004	\$ 3,527,711	\$ 3,386,209	\$ 2,947,888	\$ 2,923,036
Interest	15,282,800	14,480,120	13,751,245	13,417,480	12,911,065
Changes of benefit terms	-	-	-	-	-
Changes of assumptions	-	(449,040)	11,578,272	-	(3,224,562)
Differences between expected and actual experience	2,807,034	2,778,709	(2,485,932)	(950,812)	(1,936,767)
Benefit payments, including refunds of employee contributions	(9,782,967)	(9,665,441)	(9,022,216)	(8,465,095)	(8,086,742)
Net change in total pension liability	12,105,871	10,672,059	17,207,578	6,949,461	2,586,030
Total pension liability - beginning	213,930,410	203,258,351	186,050,773	179,101,312	176,515,282
Total pension liability - ending (a)	\$ 226,036,281	\$ 213,930,410	\$ 203,258,351	\$ 186,050,773	\$ 179,101,312
Pension fiduciary net position					
Contributions - employer	\$ 5,484,667	\$ 4,724,661	\$ 4,231,618	\$ 3,647,109	\$ 3,220,567
Contributions - employee	1,282,715	1,224,504	1,181,754	1,075,386	1,046,298
Net plan to plan resource movement	-	(361)	-	-	-
Net investment income	10,122,515	12,263,342	15,234,638	694,336	3,055,678
Benefit payments, including refunds of employee contributions	(9,782,967)	(9,665,441)	(9,022,216)	(8,465,095)	(8,086,742)
Administrative expense	(110,517)	(229,044)	(200,145)	(84,526)	(156,097)
Other Miscellaneous income/(expense)	361	(434,958)	-	-	-
Net change in plan fiduciary net position	6,996,774	7,882,703	11,425,649	(3,132,790)	(920,296)
Plan fiduciary net position - beginning	154,867,953	146,985,250	135,559,601	138,692,391	139,612,687
Plan fiduciary net position - ending (b)	\$ 161,864,727	\$ 154,867,953	\$ 146,985,250	\$ 135,559,601	\$ 138,692,391
Plan net pension liability - ending (a) - (b)	\$ 64,171,554	\$ 59,062,457	\$ 56,273,101	\$ 50,491,172	\$ 40,408,921
Plan fiduciary net position as a percentage of the total pension liability	71.61%	72.39%	72.31%	72.86%	77.44%
Covered payroll	\$ 13,402,257	\$ 12,387,062	\$ 11,847,348	\$ 11,596,274	\$ 11,541,643
Net pension liability as a percentage of covered payroll	478.81%	476.81%	474.98%	435.41%	350.11%

City of Monterey Park
Required Supplementary Information (Unaudited)
Schedule of Changes in the Net Pension Liability and Related Ratios (Continued)
Massachusetts Mutual Retirement Plan ("MMRP")
Last Ten Measurement Periods
For the Year Ended June 30, 2025

Fiscal Year Ended/Measurement Period Ended	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Total pension liability					
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	128,493	143,128	147,660	224,352	232,000
Differences between expected and actual experience	-	(366,919)	-	(882,892)	-
Changes of assumptions	(267,768)	(89,043)	(32,713)	233,562	-
Benefit payments, including refunds of employee contributions	(328,034)	(349,894)	(379,706)	(398,781)	(501,000)
Net change in total pension liability	(467,309)	(662,728)	(264,759)	(823,759)	(269,000)
Total pension liability - beginning	3,433,754	4,096,482	4,361,241	5,185,000	5,454,000
Total pension liability - ending (a)	<u>\$ 2,966,445</u>	<u>\$ 3,433,754</u>	<u>\$ 4,096,482</u>	<u>\$ 4,361,241</u>	<u>\$ 5,185,000</u>
Pension fiduciary net position					
Contributions - employer	\$ 50,000	\$ -	\$ -	\$ -	\$ 605,000
Net investment income	197,415	183,067	66,572	(896,110)	323,000
Benefit payments, including refunds of employee contributions	(328,034)	(349,894)	(379,706)	(398,781)	(501,000)
Administrative Expense	(10,506)	(10,861)	(10,140)	(15,333)	(17,000)
Net change in plan fiduciary net position	(91,125)	(177,688)	(323,274)	(1,310,224)	410,000
Plan fiduciary net position - beginning	3,487,814	3,665,502	3,988,776	5,299,000	4,889,000
Plan fiduciary net position - ending (b)	<u>\$ 3,396,689</u>	<u>\$ 3,487,814</u>	<u>\$ 3,665,502</u>	<u>\$ 3,988,776</u>	<u>\$ 5,299,000</u>
Plan net pension liability (asset) - ending (a) - (b)	<u>\$ (430,244)</u>	<u>\$ (54,060)</u>	<u>\$ 430,980</u>	<u>\$ 372,465</u>	<u>\$ (114,000)</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>114.50%</u>	<u>101.57%</u>	<u>89.48%</u>	<u>91.46%</u>	<u>102.20%</u>
Covered payroll	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net pension liability as a percentage of covered payroll	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

Notes to Schedule:

Benefit Changes: None.

Changes of Assumptions: For 2023, Discount rate was updated based on municipal bond rate. For 2020, mortality improvement scale was updated to Scale MP-18. For 2019, there were none. For 2018, the discount rate is changed from 4.75% to 4.5%, inflation from 3% to 2.75%, and mortality is based on CalPERS 1997-2015 experience study. For 2017 and 2016, there were none. For 2015, the discount rate was 4.75%; inflation 3% and mortality was per CalPERS 1997-2011 experience study.

City of Monterey Park
Required Supplementary Information (Unaudited)
Schedule of Changes in the Net Pension Liability and Related Ratios (Continued)
Massachusetts Mutual Retirement Plan ("MMRP")
Last Ten Measurement Periods
For the Year Ended June 30, 2025

Fiscal Year Ended/Measurement Period Ended	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Total pension liability					
Service cost	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	247,000	263,000	269,000	287,000	305,004
Differences between expected and actual experience	48,000	-	170,000	-	-
Changes of assumptions	(19,000)	-	377,000	-	-
Benefit payments, including refunds of employee contributions	(597,000)	(641,000)	(659,004)	(666,000)	(691,000)
Net change in total pension liability	(321,000)	(378,000)	156,996	(379,000)	(385,996)
Total pension liability - beginning	5,775,000	6,153,000	5,996,004	6,375,004	6,761,000
Total pension liability - ending (a)	<u>\$ 5,454,000</u>	<u>\$ 5,775,000</u>	<u>\$ 6,153,000</u>	<u>\$ 5,996,004</u>	<u>\$ 6,375,004</u>
Pension fiduciary net position					
Contributions - employer	\$ 1,200,000	\$ 1,000,000	\$ 950,000	\$ 950,000	\$ 950,000
Net investment income	447,000	269,000	(98,000)	53,000	(12,000)
Benefit payments, including refunds of employee contributions	(597,000)	(641,000)	(659,000)	(666,000)	(691,000)
Administrative Expense	(17,000)	(16,000)	(18,000)	(15,000)	(14,000)
Net change in plan fiduciary net position	1,033,000	612,000	175,000	322,000	233,000
Plan fiduciary net position - beginning	3,856,000	3,244,000	3,069,000	2,747,000	2,514,000
Plan fiduciary net position - ending (b)	<u>\$ 4,889,000</u>	<u>\$ 3,856,000</u>	<u>\$ 3,244,000</u>	<u>\$ 3,069,000</u>	<u>\$ 2,747,000</u>
Plan net pension liability (asset) - ending (a) - (b)	<u>\$ 565,000</u>	<u>\$ 1,919,000</u>	<u>\$ 2,909,000</u>	<u>\$ 2,927,004</u>	<u>\$ 3,628,004</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>89.64%</u>	<u>66.77%</u>	<u>52.72%</u>	<u>51.18%</u>	<u>43.09%</u>
Covered payroll	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net pension liability as a percentage of covered payroll	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

City of Monterey Park
Required Supplementary Information (Unaudited)
Schedule of Contributions - Pension
California Public Employees' Retirement System ("CalPERS") – Miscellaneous Plan
Last Ten Fiscal Years
For the Year Ended June 30, 2025

Fiscal Year Ended	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Contractually Required Contribution (Actuarially Determined)	\$ 2,191,170	\$ 1,674,980	\$ 1,431,213	\$ 1,281,326	\$ 4,502,361
Contributions in relation to the actuarially determined contribution	<u>(2,191,170)</u>	<u>(1,674,980)</u>	<u>(1,431,213)</u>	<u>(1,281,326)</u>	<u>(45,648,992)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (41,146,631)</u>
Covered payroll	\$ 12,676,493	\$ 12,331,219	\$ 11,198,295	\$ 11,648,645	\$ 12,309,728
Contributions as a percentage of covered payroll	17.29%	13.58%	12.78%	11.00%	370.84%

Notes to Schedule:

Valuation Date	June 30, 2021
Methods and Assumptions Used to Determine Contribution Rates:	
Actuarial cost method	Actuarial Cost Method
Amortization method	For details, see June 30, 2021 Funding Valuation Report.
Asset valuation method	Fair Value of Assets.
Inflation	2.30%
Salary increases	Varies by entry age and service
Payroll Growth	2.80%
Investment rate of return	6.80% net of pension plan investment and administrative expenses; includes inflation.
Retirement age	The probabilities of retirement are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions.
Mortality	The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries.

City of Monterey Park
Required Supplementary Information (Unaudited)
Schedule of Contributions - Pension (Continued)
California Public Employees' Retirement System ("CalPERS") – Miscellaneous Plan
Last Ten Fiscal Years
For the Year Ended June 30, 2025

Fiscal Year Ended	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Contractually Required Contribution (Actuarially Determined)	\$ 4,199,483	\$ 3,761,279	\$ 3,320,513	\$ 3,241,958	\$ 2,779,357
Contributions in relation to the actuarially determined contribution	(4,961,827)	(4,364,979)	(4,603,513)	(3,511,958)	(3,019,357)
Contribution deficiency (excess)	<u>\$ (762,344)</u>	<u>\$ (603,700)</u>	<u>\$ (1,283,000)</u>	<u>\$ (270,000)</u>	<u>\$ (240,000)</u>
Covered payroll	\$ 12,120,063	\$ 12,119,366	\$ 11,235,594	\$ 11,745,064	\$ 11,966,945
Contributions as a percentage of covered payroll	40.94%	36.02%	40.97%	29.90%	25.23%

City of Monterey Park
Required Supplementary Information (Unaudited)
Schedule of Contributions - Pension (Continued)
California Public Employees' Retirement System ("CalPERS") – Safety Plan
Last Ten Fiscal Years
For the Year Ended June 30, 2025

Fiscal Year Ended	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Contractually Required Contribution (Actuarially Determined)	\$ 3,521,149	\$ 3,173,534	\$ 2,647,296	\$ 2,582,210	\$ 6,744,705
Contributions in relation to the actuarially determined contribution	<u>(3,521,149)</u>	<u>(3,173,534)</u>	<u>(2,647,296)</u>	<u>(2,582,210)</u>	<u>(71,143,291)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (64,398,586)</u>
Covered payroll	\$ 15,942,826	\$ 15,508,586	\$ 14,678,535	\$ 14,016,071	\$ 13,434,829
Contributions as a percentage of covered payroll	22.09%	20.46%	18.04%	18.42%	529.54%

Notes to Schedule:

Valuation Date	June 30, 2021
Methods and Assumptions Used to Determine Contribution Rates:	
Actuarial cost method	Actuarial Cost Method
Amortization method	For details, see June 30, 2021 Funding Valuation Report.
Asset valuation method	Fair Value of Assets.
Inflation	2.30%
Salary increases	Varies by entry age and service
Payroll Growth	2.80%
Investment rate of return	6.80% net of pension plan investment and administrative expenses; includes inflation.
Retirement age	The probabilities of retirement are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions.
Mortality	The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries.

City of Monterey Park
Required Supplementary Information (Unaudited)
Schedule of Contributions - Pension (Continued)
California Public Employees' Retirement System ("CalPERS") – Safety Plan
Last Ten Fiscal Years
For the Year Ended June 30, 2025

Fiscal Year Ended	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Contractually Required Contribution (Actuarially Determined)	\$ 6,084,397	\$ 5,484,667	\$ 4,724,661	\$ 4,231,618	\$ 3,647,109
Contributions in relation to the actuarially determined contribution	<u>(6,084,397)</u>	<u>(5,484,667)</u>	<u>(4,724,661)</u>	<u>(4,231,618)</u>	<u>(3,647,109)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 13,251,294	\$ 13,402,257	\$ 12,387,062	\$ 11,847,348	\$ 11,596,274
Contributions as a percentage of covered payroll	45.92%	40.92%	38.14%	35.72%	31.45%

City of Monterey Park
Required Supplementary Information (Unaudited)
Schedule of Contributions - Pension (Continued)
Massachusetts Mutual Retirement Plan ("MMRP")
Last Ten Fiscal Years
For the Year Ended June 30, 2025

Fiscal Year Ended	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Actuarially Determined Contribution	\$ -	\$ -	\$ -	\$ 64,000	\$ 605,000
Contributions in relation to the actuarially determined contribution	-	-	-	-	(605,000)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ 64,000	\$ -
Covered payroll	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A

Notes to Schedule:

Valuation Date	June 30, 2023
Methods and Assumptions Used to Determine Contribution Rates:	
Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar
Asset valuation method	Set equal to Market Value of Assets spreading over 5-year rolling period
Discount Rate	3.00%
General Inflation	2.50%
Mortality Improvement	Mortality projected fully generational with Scale MP-2021
Mortality	CalPERS 2000-2019 Experience Study

City of Monterey Park
Required Supplementary Information (Unaudited)
Schedule of Contributions - Pension (Continued)
Massachusetts Mutual Retirement Plan ("MMRP")
Last Ten Fiscal Years
For the Year Ended June 30, 2025

Fiscal Year Ended	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Actuarially Determined Contribution	\$ 994,000	\$ 994,000	\$ 961,000	\$ 961,000	\$ 950,000
Contributions in relation to the actuarially determined contribution	(1,200,000)	(1,000,000)	(950,000)	(950,000)	(950,000)
Contribution deficiency (excess)	\$ (206,000)	\$ (6,000)	\$ 11,000	\$ 11,000	\$ -
Covered payroll	\$ -	\$ -	\$ -	\$ -	\$ -
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A

City of Monterey Park
Required Supplementary Information (Unaudited)
Schedule of Changes in Net OPEB Liability and Related Ratios
Last Ten Measurement Periods¹
For the Year Ended June 30, 2025

Fiscal Year Ended	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Measurement period	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Total OPEB liability:					
Service cost	\$ 641,021	\$ 778,388	\$ 757,555	\$ 847,594	\$ 822,907
Interest	1,970,292	2,126,500	2,050,988	2,288,889	2,199,290
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	-	(4,152,538)	-	(2,184,649)	-
Changes of assumptions	-	526,668	-	(257,475)	-
Benefit payments, including refunds of employee contributions	(1,691,483)	(1,590,464)	(1,651,920)	(1,744,000)	(1,695,000)
Net change in total OPEB liability	919,830	(2,311,446)	1,156,623	(1,049,641)	1,327,197
Total OPEB liability - beginning	31,729,399	34,040,845	32,884,222	33,933,863	32,606,666
Total OPEB liability - ending (a)	\$ 32,649,229	\$ 31,729,399	\$ 34,040,845	\$ 32,884,222	\$ 33,933,863
OPEB fiduciary net position					
Contributions - employer	\$ 3,709,837	\$ 1,607,808	\$ 2,667,920	\$ 2,760,000	\$ 2,710,000
Net investment income	1,519,745	787,426	(1,924,920)	2,703,454	318,876
Benefit payments, including refunds of employee contributions	(1,691,483)	(1,590,464)	(1,651,920)	(1,744,000)	(1,695,000)
Administrative expense	(22,928)	(20,906)	(19,451)	(19,765)	(19,470)
Net change in plan fiduciary net position	3,515,171	783,864	(928,371)	3,699,689	1,314,406
Plan fiduciary net position - beginning	13,045,194	12,261,330	13,189,701	9,490,012	8,175,606
Plan fiduciary net position - ending (b)	\$ 16,560,365	\$ 13,045,194	\$ 12,261,330	\$ 13,189,701	\$ 9,490,012
Plan net OPEB liability - ending (a) - (b)	\$ 16,088,864	\$ 18,684,205	\$ 21,779,515	\$ 19,694,521	\$ 24,443,851
Plan fiduciary net position as a percentage of the total OPEB liability	50.72%	41.11%	36.02%	40.11%	27.97%
Covered-Employee Payroll	\$ 30,214,347	\$ 27,159,893	\$ 25,472,326	\$ 25,378,000	\$ 25,791,000
Plan's Net OPEB Liability as a Percentage of Covered-Employee Payroll	53.25%	68.79%	85.50%	77.60%	94.78%

¹This schedule is intended to show information for ten years. Additional information will be displayed as it becomes available.

Notes to Schedule:

Benefit Changes: None

Changes of Assumptions: For measurement period ended June 30, 2019, discount rate was changed from 6.50% to 6.75%, demographic assumptions were updated to CalPERS 1997-2015 Experience Summary, mortality improvement scale was updated to Scale MP-2019, and PEMHCA Minimum Trend was updated.

City of Monterey Park
Required Supplementary Information (Unaudited)
Schedule of Changes in Net OPEB Liability and Related Ratios (Continued)
Last Ten Measurement Periods¹
For the Year Ended June 30, 2025

Fiscal Year Ended	June 30, 2020	June 30, 2019	June 30, 2018
Measurement period	June 30, 2019	June 30, 2018	June 30, 2017
Total OPEB liability:			
Service cost	\$ 1,014,890	\$ 985,000	\$ 956,000
Interest	2,418,231	2,307,000	2,204,000
Changes of benefit terms	-	-	-
Differences between expected and actual experience	(5,065,175)	-	-
Changes of assumptions	(1,135,595)	-	-
Benefit payments, including refunds of employee contributions	(1,628,685)	(1,580,000)	(1,653,000)
Net change in total OPEB liability	(4,396,334)	1,712,000	1,507,000
Total OPEB liability - beginning	37,003,000	35,291,000	33,784,000
Total OPEB liability - ending (a)	\$ 32,606,666	\$ 37,003,000	\$ 35,291,000
OPEB fiduciary net position			
Contributions - employer	\$ 2,694,599	\$ 2,565,000	\$ 2,703,000
Net investment income	468,237	491,000	475,000
Benefit payments, including refunds of employee contributions	(1,628,685)	(1,580,000)	(1,653,000)
Administrative expense	(17,545)	(10,000)	(2,000)
Net change in plan fiduciary net position	1,516,606	1,466,000	1,523,000
Plan fiduciary net position - beginning	6,659,000	5,193,000	3,670,000
Plan fiduciary net position - ending (b)	\$ 8,175,606	\$ 6,659,000	\$ 5,193,000
Plan net OPEB liability - ending (a) - (b)	\$ 24,431,060	\$ 30,344,000	\$ 30,098,000
Plan fiduciary net position as a percentage of the total OPEB liability	25.07%	18.00%	14.71%
Covered-Employee Payroll	\$ 29,951,647	\$ 28,530,000	\$ 27,659,000
Plan's Net OPEB Liability as a Percentage of Covered-Employee Payroll	81.57%	106.36%	108.82%

¹This schedule is intended to show information for ten years. Additional information will be displayed as it becomes available.

Notes to Schedule:

Benefit Changes: None

Changes of Assumptions: For measurement period ended June 30, 2019, discount rate was changed from 6.50% to 6.75%, demographic assumptions were updated to CalPERS 1997-2015 Experience Summary, mortality improvement scale was updated to Scale MP-2019, and PEMHCA Minimum Trend was updated.

City of Monterey Park
Required Supplementary Information (Unaudited)
Schedule of Contributions - OPEB
Last Ten Fiscal Years¹
For the Year Ended June 30, 2025

Fiscal Year	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Actuarially Determined Contribution	\$ 1,984,000	\$ 2,199,000	\$ 2,215,000	\$ 2,539,000	\$ 2,487,000
Contributions in relation to the actuarially determined contribution	(2,865,452)	(2,709,837)	(2,607,808)	(2,667,920)	(2,760,000)
Contribution deficiency (excess)	<u>\$ (881,452)</u>	<u>\$ (510,837)</u>	<u>\$ (392,808)</u>	<u>\$ (128,920)</u>	<u>\$ (273,000)</u>
Covered-Employee Payroll	\$ 31,053,372	\$ 30,214,347	\$ 27,159,893	\$ 25,472,326	\$ 25,791,000
Contributions as a Percentage of Covered-Employee Payroll	<u>9.23%</u>	<u>8.97%</u>	<u>9.60%</u>	<u>10.47%</u>	<u>10.70%</u>

Notes to Schedule:

Valuation Date	June 30, 2023
Methods and Assumptions Used to Determine Contribution Rates:	
Actuarial cost method	Entry Age Normal, Level % of pay
Amortization method	Level % of pay
Amortization Period	19-year fixed period for 2024/25
Asset valuation method	Investment gains and losses spread over 5-year rolling period
Discount Rate	6.25%
General Inflation	2.50%
Medical Trend	Non-Medicare - 8.50% for 2025, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Non-Kaiser) - 7.50% for 2025, decreasing to an ultimate rate of 3.45% in 2076 Medicare (Kaiser) - 6.25% for 2025, decreasing to an ultimate rate of 3.45% in 2076
Mortality	CalPERS 2000-2019 Experience Study
Mortality Improvement	Mortality projected fully generational with Scale MP-2021

¹ This schedule is intended to show information for ten years. Additional information will be displayed as it becomes available.

City of Monterey Park
Required Supplementary Information (Unaudited)
Schedule of Contributions - OPEB (Continued)
Last Ten Fiscal Years¹
For the Year Ended June 30, 2025

Fiscal Year	June 30, 2020	June 30, 2019	June 30, 2018
Actuarially Determined Contribution	\$ 2,999,000	\$ 2,925,000	\$ 2,855,000
Contributions in relation to the actuarially determined contribution	(2,710,000)	(2,694,599)	(2,565,000)
Contribution deficiency (excess)	<u>\$ 289,000</u>	<u>\$ 230,401</u>	<u>\$ 290,000</u>
Covered-Employee Payroll	\$ 29,951,647	\$ 28,530,000	\$ 27,659,000
Contributions as a Percentage of Covered-Employee Payroll	<u>9.05%</u>	<u>9.44%</u>	<u>9.27%</u>

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City of Monterey Park
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule
General Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenue:				
Taxes	\$ 51,079,448	\$ 53,051,601	\$ 53,648,347	\$ 596,746
Intergovernmental	235,000	235,000	271,267	36,267
Charges for services	9,623,992	10,148,992	9,275,211	(873,781)
Licenses and permits	2,313,788	3,147,796	4,315,324	1,167,528
Fines and forfeitures	340,000	340,000	708,172	368,172
Investment income	2,195,080	3,095,551	3,240,555	145,004
Miscellaneous	344,600	344,600	2,771,536	2,426,936
Total Revenues	66,131,908	70,363,540	74,230,412	3,866,872
Expenditures:				
Current:				
General government	11,701,568	14,845,869	12,956,776	1,889,093
Public safety	41,712,111	40,995,539	42,157,203	(1,161,664)
Community development	1,785,739	2,180,806	2,156,811	23,995
Culture and recreation	2,605,107	2,620,246	2,792,018	(171,772)
Highways and street	2,766,323	2,899,752	3,905,525	(1,005,773)
Capital outlay	6,005,093	16,334,116	5,705,988	10,628,128
Debt service:				
Principal retirement	125,533	370,388	556,768	(186,380)
Interest and fiscal charges	24,634	87,525	24,634	62,891
Total Expenditures	66,726,108	80,334,241	70,255,723	10,078,518
Excess (deficiency) of revenues over expenditures	(594,200)	(9,970,701)	3,974,689	13,945,390
Other Financing Sources (Uses):				
Insurance of subscription liabilities	-	-	1,677,949	1,677,949
Transfers in	-	-	-	-
Transfers out	(2,643,022)	(72,380)	(1,021,789)	(949,409)
Total Other Financing Sources (Uses)	(2,643,022)	(72,380)	656,160	728,540
NET CHANGE IN FUND BALANCE	\$ (3,237,222)	\$ (10,043,081)	4,630,849	\$ 14,673,930
Fund balance:				
Beginning of year			41,891,780	
End of year			<u>\$ 46,522,629</u>	

City of Monterey Park
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule (Continued)
Grants Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenue:				
Intergovernmental	\$ 8,008,611	\$ 8,721,238	\$ 5,174,742	\$ (3,546,496)
Investment income	6,300	6,300	369,310	363,010
Miscellaneous	187,500	187,500	34,324	(153,176)
Total Revenues	8,382,411	9,095,038	5,773,040	(3,321,998)
Expenditures:				
Current:				
General government	494,762	698,441	225,229	473,212
Public safety	3,071,185	4,311,082	3,052,276	1,258,806
Community development	27,800	290,465	28,607	261,858
Culture and recreation	656,616	795,151	593,219	201,932
Highways and street	142,819	174,712	148,508	26,204
Capital outlay	1,305,233	3,349,739	1,757,176	1,592,563
Debt service:				
Principal retirement	50,260	257,485	257,485	-
Interest and fiscal charges	257,485	50,260	50,260	-
Total Expenditures	6,006,160	9,927,335	6,112,760	3,814,575
Excess (deficiency) of revenues over expenditures	2,376,251	(832,297)	(339,720)	492,577
Other Financing Sources:				
Transfers in	-	-	568,140	568,140
Total Other Financing Sources	-	-	568,140	568,140
NET CHANGE IN FUND BALANCE	\$ 2,376,251	\$ (832,297)	228,420	\$ 1,060,717
Fund balance:				
Beginning of year, as restated			990,143	
End of year			<u>\$ 1,218,563</u>	

City of Monterey Park
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule (Continued)
Retirement/Pension Liability Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenue:				
Taxes	\$ 9,105,084	\$ 9,105,084	\$ 9,581,318	\$ 476,234
Investment income	400,000	400,000	262,007	(137,993)
Total Revenues	9,505,084	9,505,084	9,843,325	338,241
Expenditures:				
Current:				
General government	1,230,800	1,305,487	1,284,610	20,877
Public safety	4,151,244	4,151,244	3,554,653	596,591
Community development	94,639	94,639	99,306	(4,667)
Culture and recreation	101,869	101,869	109,160	(7,291)
Highways and street	68,785	68,785	64,546	4,239
Debt service:				
Principal retirement	4,370,000	4,370,000	4,187,029	182,971
Interest and fiscal charges	2,969,720	2,969,720	2,850,410	119,310
Total Expenditures	12,987,057	13,061,744	12,149,714	912,030
Excess (deficiency) of revenues over expenditures	(3,481,973)	(3,556,660)	(2,306,389)	1,250,271
Other Financing Sources:				
Transfers in	3,475,818	3,475,818	-	(3,475,818)
Total Other Financing Sources	3,475,818	3,475,818	-	(3,475,818)
NET CHANGE IN FUND BALANCE	\$ (6,155)	\$ (80,842)	(2,306,389)	\$ (2,225,547)
Fund balance:				
Beginning of year			6,559,330	
End of year			\$ 4,252,941	

City of Monterey Park
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule (Continued)
Housing Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
Revenue:				
Intergovernmental	\$ 137,342	\$ 137,342	\$ 829	\$ (136,513)
Investment income	25,000	25,000	87,735	62,735
Total Revenues	<u>162,342</u>	<u>162,342</u>	<u>88,564</u>	<u>(73,778)</u>
Expenditures:				
Current:				
Community development	-	-	1,186,222	(1,186,222)
Total Expenditures	<u>-</u>	<u>-</u>	<u>1,186,222</u>	<u>(1,186,222)</u>
Excess (deficiency) of revenues over expenditures	<u>162,342</u>	<u>162,342</u>	<u>(1,097,658)</u>	<u>(1,260,000)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 162,342</u>	<u>\$ 162,342</u>	<u>(1,097,658)</u>	<u>\$ (1,260,000)</u>
Fund balance:				
Beginning of year			<u>3,744,119</u>	
End of year			<u>\$ 2,646,461</u>	

City of Monterey Park
Required Supplementary Information
Notes to the Budgetary Comparison Schedules
For the Year Ended June 30, 2025

Budget and Budgetary Accounting

The City adheres to the following general procedure in establishing the budgetary data reflected in the financial statements:

The annual budget adopted by the City Council serves as a guideline for the operations of the City. It includes proposed expenditures and estimated revenues and is legally adopted for the General and Special Revenue Fund Types. Budgeted expenditures are controlled at the fund level. Council approval is required for an increase or decrease in total appropriations.

Budgets for the General, Special Revenue and Capital Projects Fund Types are adopted on a basis consistent with the generally accepted accounting principles. The modified-accrual basis of accounting is employed in the preparation of the budget for these fund types.

The budget is formally integrated into the accounting system and employed as management control device during the year for all governmental funds. At fiscal year-end, unexpended and unencumbered budget appropriations lapse. Encumbrances outstanding at year-end are carried into the following year for continuing appropriation.

Under Article XIII-B of the California Constitution (The Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations, and if certain proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller or refunded to the taxpayers through revised tax rate or revised fee schedules. For the fiscal year ended June 30, 2024, based on calculations by City Management, proceeds of taxes did not exceed the appropriations limit.

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SUPPLEMENTARY INFORMATION

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City of Monterey Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Street Capital Projects Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with Final Budget
	Original Budget	Final Budget		
REVENUES:				
Investment income	\$ -	\$ -	\$ 74,024	\$ 74,024
Total Revenues	<u>-</u>	<u>-</u>	<u>74,024</u>	<u>74,024</u>
Expenditures:				
Current:				
Highways and street	-	-	2,000	(2,000)
Capital outlay	893,876	1,747,131	1,477,883	269,248
Total Expenditures	<u>893,876</u>	<u>1,747,131</u>	<u>1,479,883</u>	<u>267,248</u>
Excess (deficiency) of revenues over expenditures	<u>(893,876)</u>	<u>(1,747,131)</u>	<u>(1,405,859)</u>	<u>341,272</u>
Other Financing Sources:				
Transfers in	-	-	1,094,434	1,094,434
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>1,094,434</u>	<u>1,094,434</u>
NET CHANGE IN FUND BALANCE	<u>\$ (893,876)</u>	<u>\$ (1,747,131)</u>	<u>(311,425)</u>	<u>\$ 1,435,706</u>
FUND BALANCE:				
Beginning of Year			<u>573,797</u>	
End of Year			<u>\$ 262,372</u>	

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NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds account for the proceeds of specific revenue sources that are restricted by law or administrative regulation for specified purposes. Special Revenue Funds include the following:

Proposition A Fund - used to account for the City's share of an additional one-half percent sales tax which was approved by the electorate in November 1980 and is collected by the County of Los Angeles to finance transportation projects such as the Monterey Park Spirit Buses and the Dial-A-Ride program.

Gas Tax Fund - used to account for expenditures financed by money apportioned under the Streets and Highways Code of the State of California.

Measure W Fund - used to account for the City's share of a special parcel tax based on impermeable areas within the jurisdiction of the Los Angeles County Flood Control District, approved by the electorate in November 2018 as the Safe Clean Water (SCW) Program, to fund projects and programs that improve water quality, increase stormwater and urban runoff capture and reduce stormwater and urban runoff pollution in the District.

Proposition C Fund - used to account for the City's share of an additional one-half percent sales tax which was approved by the electorate in November 1990 and is collected by the County of Los Angeles to finance transit projects within the City.

Air Quality Improvement Fund - used to account for the City's share of additional motor vehicle registration fees imposed by the South Coast Air Quality Management District to finance the implementation of mobile source emission reduction programs and the provisions of the California Clean Air Act.

Asset Forfeiture Fund - used to account for revenues derived from monies and property seized by the Police Department in drug related incidences. These funds may only be expended on activities used to enhance drug enforcement activities.

Parks/Library/Public Facilities Developer Impact Fee (DIF) Fund - used to account for the acquisition and development of parks, library facilities space and collections, that are financed by developer fees, established pursuant to Monterey Park Municipal Code Section 66006.

Business Improvement Area #1 Fund - used to account for receipts and expenditures relating to the promotion of business activities in the downtown area of the City.

Maintenance District 93-1 Fund - used to account for receipts and expenditures relating to the citywide benefit assessment district for street lighting and median maintenance.

Law Enforcement/Fire/Medic Developer Impact Fee (DIF) Fund - used to account for fees collected on new commercial and residential development. These funds will be used exclusively to finance public safety service expansion.

Public Safety Augmentation Fund - used to account for the City's share of the one-half percent sales tax which was approved by the electorate in November of 1993 (Proposition 172). The proceeds are earmarked exclusively for public safety purposes.

Measure R Fund - used to account for the City's share of ½-cent sales tax which was approved by Los Angeles County voters in November 2008 to pay for transportation needs. The proceeds are used exclusively for streets and roads, traffic control, public transit, and bicycle and pedestrian improvements.

Circulation Developer Impact Fee (DIF) Fund - used to account for fees collected on new commercial and residential development. These funds will be used exclusively to improve street lanes, intersections, and traffic management.

CERCLA Liability Fund - used to account for fees collected from the City's permitted haulers for each ton of waste that they dispose. The funds are to be only used to cover future environmental liability costs resulting from incidents falling under the Comprehensive Environmental Response Cleanup and Liability Act (CERCLA).

NONMAJOR GOVERNMENTAL FUNDS (Continued)

SPECIAL REVENUE FUNDS (Continued)

SBI - RMRA Fund - used to account for the City's half-cent per gallon gas tax that began on November 2017 and new vehicle registration taxes that began January 2018. The funds are to address basic road maintenance, rehabilitation and critical safety needs on the local street and road system.

Measure M Fund - used to account for the City's share of an additional half-cent sales tax that became effective on July 1, 2017. The funds are allocated to jurisdictions on a per capita basis. The funds are to improve transportation and ease traffic congestion.

SB2 - Planning Grant Fund - used to account for the funding and technical assistance received to help the City prepare, adopt, and implement plans and process improvements that streamline housing approvals and accelerate housing production.

Bike Routes Fund - accounts for expenditures financed by the State of California Transportation Development Act, Article 3, for bike routes and pedestrian facilities improvements.

Highway Safety Improvement Fund - accounts for expenditures financed by the State of California Highway Safety Improvement Program, funds for roadway safety improvements.

DEBT SERVICE FUND

Sales Tax Bond Fund - used to account for the funds collected for debt service payment on the City's Sales Tax Bond.

**City of Monterey Park
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2025**

Special Revenue Funds

	Proposition A	Gas Tax	Measure W	Proposition C
ASSETS				
Cash and investments	\$ 651,793	\$ 245,792	\$ 850,198	\$ 2,852,405
Receivables:				
Accounts	-	144,313	-	-
Interest	4,370	1,144	3,945	11,891
Prepaid items	2,649	-	-	-
Total assets	\$ 658,812	\$ 391,249	\$ 854,143	\$ 2,864,296
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	29,267	237,846	1,056	214,380
Accrued payroll	12,818	10,915	-	2,447
Retention payable	-	35,142	-	-
Total liabilities	42,085	283,903	1,056	216,827
Fund balances (deficit):				
Nonspendable	2,649	-	-	-
Restricted	614,078	107,346	853,087	2,647,469
Total fund balances	616,727	107,346	853,087	2,647,469
Total liabilities and fund balances	\$ 658,812	\$ 391,249	\$ 854,143	\$ 2,864,296

(Continued)

City of Monterey Park
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds			
	Air Quality Improvement	Asset Forfeiture	Parks/Library/ Facilities DIF	Business Improvement Area #1
ASSETS				
Cash and investments	\$ 194,782	\$ 1,281,199	\$ 1,498,500	\$ 243,688
Receivables:				
Accounts	-	-	-	-
Interest	904	5,945	6,953	1,131
Prepaid items	-	-	-	-
Total assets	<u>\$ 195,686</u>	<u>\$ 1,287,144</u>	<u>\$ 1,505,453</u>	<u>\$ 244,819</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	-	305	60,983	-
Accrued payroll	-	-	-	-
Retention payable	-	-	-	-
Total liabilities	<u>-</u>	<u>305</u>	<u>60,983</u>	<u>-</u>
Fund balances (deficit):				
Nonspendable	-	-	-	-
Restricted	195,686	1,286,839	1,444,470	244,819
Total fund balances	<u>195,686</u>	<u>1,286,839</u>	<u>1,444,470</u>	<u>244,819</u>
Total liabilities and fund balances	<u>\$ 195,686</u>	<u>\$ 1,287,144</u>	<u>\$ 1,505,453</u>	<u>\$ 244,819</u>

(Continued)

City of Monterey Park
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds			
	Maintenance District 93-1	Law Enforcement/ Fire/Medic DIF	Public Safety Augmentation	Measure R
ASSETS				
Cash and investments	\$ 94,165	\$ -	\$ 774,016	\$ 84,288
Receivables:				
Accounts	17,172	-	158,221	649,147
Interest	437	-	3,591	440
Prepaid items	-	-	-	-
Total assets	\$ 111,774	\$ -	\$ 935,828	\$ 733,875
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	107,494	-	-	247,306
Accrued payroll	2,472	-	-	7,943
Retention payable	-	-	-	1,599
Total liabilities	109,966	-	-	256,848
Fund balances (deficit):				
Nonspendable	-	-	-	-
Restricted	1,808	-	935,828	477,027
Total fund balances	1,808	-	935,828	477,027
Total liabilities and fund balances	\$ 111,774	\$ -	\$ 935,828	\$ 733,875

(Continued)

City of Monterey Park
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2025

Special Revenue Funds

	Circulation DIF	CERCLA Liability	SB1 - RMRA	Measure M
ASSETS				
Cash and investments	\$ 816,288	\$ -	\$ 3,271,859	\$ 4,454,341
Receivables:				
Accounts	-	32,731	139,713	-
Interest	3,788	-	15,182	20,618
Prepaid items	-	-	-	-
Total assets	<u>\$ 820,076</u>	<u>\$ 32,731</u>	<u>\$ 3,426,754</u>	<u>\$ 4,474,959</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	-	-	382,325	336,214
Accrued payroll	-	-	-	-
Retention payable	-	-	76,268	34,192
Total liabilities	<u>-</u>	<u>-</u>	<u>458,593</u>	<u>370,406</u>
Fund balances (deficit):				
Nonspendable	-	-	-	-
Restricted	820,076	32,731	2,968,161	4,104,553
Total fund balances	<u>820,076</u>	<u>32,731</u>	<u>2,968,161</u>	<u>4,104,553</u>
Total liabilities and fund balances	<u>\$ 820,076</u>	<u>\$ 32,731</u>	<u>\$ 3,426,754</u>	<u>\$ 4,474,959</u>

(Continued)

City of Monterey Park
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2025

	Special Revenue Funds			Debt Service Fund
	SB - 2 Planning Grant	Bike Route	Highway Safety Improvement	Sales Tax Bond
ASSETS				
Cash and investments	\$ 64,819	\$ -	\$ 63,068	\$ -
Receivables:				
Accounts	-	-	-	-
Interest	301	-	293	-
Prepaid items	-	-	-	-
Total assets	\$ 65,120	\$ -	\$ 63,361	\$ -
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts payable and accrued liabilities	-	-	47,952	-
Accrued payroll	-	-	-	-
Retention payable	-	-	-	-
Total liabilities	-	-	47,952	-
Fund balances (deficit):				
Nonspendable	-	-	-	-
Restricted	65,120	-	15,409	-
Total fund balances	65,120	-	15,409	-
Total liabilities and fund balances	\$ 65,120	\$ -	\$ 63,361	\$ -

(Continued)

**City of Monterey Park
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2025**

	<u>Total Nonmajor Governmental Funds</u>
ASSETS	
Cash and investments	\$ 17,441,201
Receivables:	
Accounts	1,141,297
Interest	80,933
Prepaid items	<u>2,649</u>
Total assets	<u><u>\$ 18,666,080</u></u>
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts payable and accrued liabilities	1,665,128
Accrued payroll	36,595
Retention payable	<u>147,201</u>
Total liabilities	<u>1,848,924</u>
Fund balances (deficit):	
Nonspendable	2,649
Restricted	<u>16,814,507</u>
Total fund balances	<u>16,817,156</u>
Total liabilities and fund balances	<u><u>\$ 18,666,080</u></u>

(Concluded)

City of Monterey Park
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

Special Revenue Funds

	Proposition A	Gas Tax	Measure W	Proposition C
Revenues:				
Taxes	\$ -	\$ 1,695,180	\$ -	\$ -
Intergovernmental	1,555,641	-	739,506	1,290,365
Charges for services	1,629	-	-	-
Investment income	72,640	23,477	28,376	117,464
Total revenues	1,629,910	1,718,657	767,882	1,407,829
Expenditures:				
Current:				
Public safety	-	-	-	-
Community development	-	-	-	-
Culture and recreation	698,894	-	-	-
Highways and street	2,279,955	1,263,530	116,691	1,199,359
Health	-	-	-	-
Capital outlay	170,795	867,030	20,644	140,640
Debt service:				
Principal retirement	13,946	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	3,163,590	2,130,560	137,335	1,339,999
Revenues over (under) expenditures	(1,533,680)	(411,903)	630,547	67,830
Other financing sources (uses):				
Issuance of subscription liabilities	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	(186,627)
Total other financing sources (uses)	-	-	-	(186,627)
Net Change in Fund Balances	(1,533,680)	(411,903)	630,547	(118,797)
Fund balances (deficit):				
Beginning of year	2,150,407	519,249	222,540	2,766,266
End of year	<u>\$ 616,727</u>	<u>\$ 107,346</u>	<u>\$ 853,087</u>	<u>\$ 2,647,469</u>

(Continued)

City of Monterey Park
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

Special Revenue Funds

	Air Quality Improvement	Asset Forfeiture	Parks/Library/ Facilities DIF	Business Improvement Area #1
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	78,394	-	-	60,256
Charges for services	-	-	577,103	-
Investment income	17,254	58,177	62,693	10,809
Total revenues	95,648	58,177	639,796	71,065
Expenditures:				
Current:				
Public safety	43,987	34,959	-	-
Community development	-	-	-	49,380
Culture and recreation	-	-	40,000	-
Highways and street	2,152	-	56,000	-
Health	-	-	-	-
Capital outlay	327,621	28,252	249,461	22,264
Debt service:				
Principal retirement	-	14,012	-	3,176
Interest and fiscal charges	-	-	-	-
Total expenditures	373,760	77,223	345,461	74,820
Revenues over (under) expenditures	(278,112)	(19,046)	294,335	(3,755)
Other financing sources (uses):				
Issuance of subscription liabilities	-	28,252	-	22,264
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	28,252	-	22,264
Net Change in Fund Balances	(278,112)	9,206	294,335	18,509
Fund balances (deficit):				
Beginning of year	473,798	1,277,633	1,150,135	226,310
End of year	<u>\$ 195,686</u>	<u>\$ 1,286,839</u>	<u>\$ 1,444,470</u>	<u>\$ 244,819</u>

(Continued)

City of Monterey Park
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds			
	Maintenance District 93-1	Law	Public Safety Augmentation	Measure R
		Enforcement/ Fire/Medic DIF		
Revenues:				
Taxes	\$ 1,049,510	\$ -	\$ 902,422	\$ -
Intergovernmental	-	-	-	1,952,938
Charges for services	-	96,665	-	-
Investment income	1,737	-	30,590	19,694
Total revenues	1,051,247	96,665	933,012	1,972,632
Expenditures:				
Current:				
Public safety	-	96,665	1,000,000	-
Community development	-	-	-	-
Culture and recreation	169,877	-	-	277,636
Highways and street	1,087,386	-	-	499,733
Health	-	-	-	-
Capital outlay	-	-	-	1,008,601
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	1,257,263	96,665	1,000,000	1,785,970
Revenues over (under) expenditures	(206,016)	-	(66,988)	186,662
Other financing sources (uses):				
Issuance of subscription liabilities	-	-	-	-
Transfers in	255,402	-	-	-
Transfers out	-	-	-	(431,786)
Total other financing sources (uses)	255,402	-	-	(431,786)
Net Change in Fund Balances	49,386	-	(66,988)	(245,124)
Fund balances (deficit):				
Beginning of year	(47,578)	-	1,002,816	722,151
End of year	<u>\$ 1,808</u>	<u>\$ -</u>	<u>\$ 935,828</u>	<u>\$ 477,027</u>

(Continued)

City of Monterey Park
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

Special Revenue Funds

	Circulation DIF	CERCLA Liability	SB1 -RMRA	Measure M
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	203,468	1,512,961	1,096,252
Charges for services	135,821	-	-	-
Investment income	35,273	113	155,419	207,866
Total revenues	<u>171,094</u>	<u>203,581</u>	<u>1,668,380</u>	<u>1,304,118</u>
Expenditures:				
Current:				
Public safety	-	-	-	-
Community development	-	-	-	-
Culture and recreation	-	-	-	-
Highways and street	-	-	-	12,508
Health	-	401,190	-	-
Capital outlay	-	-	1,540,535	922,339
Debt service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total expenditures	<u>-</u>	<u>401,190</u>	<u>1,540,535</u>	<u>934,847</u>
Revenues over (under) expenditures	<u>171,094</u>	<u>(197,609)</u>	<u>127,845</u>	<u>369,271</u>
Other financing sources (uses):				
Issuance of subscription liabilities	-	-	-	-
Transfers in	-	198,246	-	-
Transfers out	-	-	-	(431,786)
Total other financing sources (uses)	<u>-</u>	<u>198,246</u>	<u>-</u>	<u>(431,786)</u>
Net Change in Fund Balances	<u>171,094</u>	<u>637</u>	<u>127,845</u>	<u>(62,515)</u>
Fund balances (deficit):				
Beginning of year	648,982	32,094	2,840,316	4,167,068
End of year	<u>\$ 820,076</u>	<u>\$ 32,731</u>	<u>\$ 2,968,161</u>	<u>\$ 4,104,553</u>

(Continued)

City of Monterey Park
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Special Revenue Funds			Debt Service Fund
	SB2 - Planning Grant	Bike Route	Highway Safety Improvement	Sales Tax Bond
Revenues:				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	5,547	962,461	-
Charges for services	-	-	-	-
Investment income	2,913	-	8,542	-
Total revenues	<u>2,913</u>	<u>5,547</u>	<u>971,003</u>	<u>-</u>
Expenditures:				
Current:				
Public safety	-	-	-	-
Community development	-	-	-	-
Culture and recreation	-	-	-	-
Highways and street	-	-	-	-
Health	-	-	-	-
Capital outlay	-	-	1,001,210	-
Debt service:				
Principal retirement	-	-	-	335,000
Interest and fiscal charges	-	-	-	715,200
Total expenditures	<u>-</u>	<u>-</u>	<u>1,001,210</u>	<u>1,050,200</u>
Revenues over (under) expenditures	<u>2,913</u>	<u>5,547</u>	<u>(30,207)</u>	<u>(1,050,200)</u>
Other financing sources (uses):				
Issuance of subscription liabilities	-	-	-	-
Transfers in	-	-	-	1,050,200
Transfers out	-	-	-	(1,094,434)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(44,234)</u>
Net Change in Fund Balances	<u>2,913</u>	<u>5,547</u>	<u>(30,207)</u>	<u>(1,094,434)</u>
Fund balances (deficit):				
Beginning of year	62,207	(5,547)	45,616	1,094,434
End of year	<u>\$ 65,120</u>	<u>\$ -</u>	<u>\$ 15,409</u>	<u>\$ -</u>

(Continued)

City of Monterey Park
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

	Total Nonmajor Governmental Funds
<hr/>	
Revenues:	
Taxes	\$ 3,647,112
Intergovernmental	9,457,789
Charges for services	811,218
Investment income	853,037
Total revenues	<u>14,769,156</u>
Expenditures:	
Current:	
Public safety	1,175,611
Community development	49,380
Culture and recreation	1,186,407
Highways and street	6,517,314
Health	401,190
Capital outlay	6,299,392
Debt service:	
Principal retirement	366,134
Interest and fiscal charges	715,200
Total expenditures	<u>16,710,628</u>
Revenues over (under) expenditures	<u>(1,941,472)</u>
Other financing sources (uses):	
Issuance of subscription liabilities	50,516
Transfers in	1,503,848
Transfers out	(2,144,633)
Total other financing sources (uses)	<u>(590,269)</u>
Net Change in Fund Balances	<u>(2,531,741)</u>
Fund balances (deficit):	
Beginning of year	<u>19,348,897</u>
End of year	<u>\$ 16,817,156</u>

(Concluded)

City of Monterey Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Proposition A Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,667,572	\$ 1,667,572	\$ 1,555,641	\$ (111,931)
Charges for services	1,500	1,500	1,629	129
Investment income	25,000	25,000	72,640	47,640
Total Revenues	<u>1,694,072</u>	<u>1,694,072</u>	<u>1,629,910</u>	<u>(64,162)</u>
Expenditures:				
Current:				
Culture and recreation	966,042	969,409	698,894	270,515
Highway and streets	1,937,067	2,103,875	2,279,955	(176,080)
Capital outlay	245,000	245,000	170,795	74,205
Debt service:				
Principal retirement	-	-	13,946	(13,946)
Total Expenditures	<u>3,148,109</u>	<u>3,318,284</u>	<u>3,163,590</u>	<u>154,694</u>
Excess (deficiency) of revenues over expenditures	<u>(1,454,037)</u>	<u>(1,624,212)</u>	<u>(1,533,680)</u>	<u>90,532</u>
Other Financing (Uses):				
Transfers out	(53,433)	(53,433)	-	53,433
Total Other Financing (Uses)	<u>(53,433)</u>	<u>(53,433)</u>	<u>-</u>	<u>53,433</u>
NET CHANGE IN FUND BALANCE	<u>\$ (1,507,470)</u>	<u>\$ (1,677,645)</u>	<u>(1,533,680)</u>	<u>\$ 143,965</u>
FUND BALANCE:				
Beginning of year			<u>2,150,407</u>	
End of year			<u>\$ 616,727</u>	

City of Monterey Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Gas Tax Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 1,638,298	\$ 1,638,298	\$ 1,695,180	\$ 56,882
Investment income	5,000	5,000	23,477	18,477
Total Revenues	<u>1,643,298</u>	<u>1,643,298</u>	<u>1,718,657</u>	<u>75,359</u>
Expenditures:				
Current:				
Highway and streets	1,587,635	1,589,256	1,263,530	325,726
Capital outlay	621,486	953,744	867,030	86,714
Total Expenditures	<u>2,209,121</u>	<u>2,543,000</u>	<u>2,130,560</u>	<u>412,440</u>
Excess (deficiency) of revenues over expenditures	<u>(565,823)</u>	<u>(899,702)</u>	<u>(411,903)</u>	<u>487,799</u>
Other Financing (Uses):				
Transfers out	(37,657)	(37,657)	-	37,657
Total Other Financing (Uses)	<u>(37,657)</u>	<u>(37,657)</u>	<u>-</u>	<u>37,657</u>
NET CHANGE IN FUND BALANCE	<u><u>\$ (603,480)</u></u>	<u><u>\$ (937,359)</u></u>	<u>(411,903)</u>	<u><u>\$ 525,456</u></u>
FUND BALANCE:				
Beginning of year			<u>519,249</u>	
End of year			<u><u>\$ 107,346</u></u>	

City of Monterey Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Measure W Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 730,000	\$ 730,000	\$ 739,506	\$ 9,506
Investment income	-	-	28,376	28,376
Total Revenues	<u>730,000</u>	<u>730,000</u>	<u>767,882</u>	<u>37,882</u>
Expenditures:				
Current:				
Highway and streets	240,330	300,330	116,691	183,639
Capital outlay	107,668	857,668	20,644	837,024
Total Expenditures	<u>347,998</u>	<u>1,157,998</u>	<u>137,335</u>	<u>1,020,663</u>
Excess (deficiency) of revenues over expenditures	<u>382,002</u>	<u>(427,998)</u>	<u>630,547</u>	<u>1,058,545</u>
Other Financing (Uses):				
Transfers out	(733)	(733)	-	733
Total Other Financing (Uses)	<u>(733)</u>	<u>(733)</u>	<u>-</u>	<u>733</u>
NET CHANGE IN FUND BALANCE	<u>\$ 381,269</u>	<u>\$ (428,731)</u>	630,547	<u>\$ 1,059,278</u>
FUND BALANCE:				
Beginning of year			<u>222,540</u>	
End of year			<u>\$ 853,087</u>	

City of Monterey Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Proposition C Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,383,207	\$ 1,383,207	\$ 1,290,365	\$ (92,842)
Investment income	25,000	25,000	117,464	92,464
Total Revenues	<u>1,408,207</u>	<u>1,408,207</u>	<u>1,407,829</u>	<u>(378)</u>
Expenditures:				
Current:				
Highway and streets	1,447,718	1,504,764	1,199,359	305,405
Capital outlay	134,049	956,976	140,640	816,336
Total Expenditures	<u>1,581,767</u>	<u>2,461,740</u>	<u>1,339,999</u>	<u>1,121,741</u>
Excess (deficiency) of revenues over expenditures	<u>(173,560)</u>	<u>(1,053,533)</u>	<u>67,830</u>	<u>1,121,363</u>
Other Financing (Uses):				
Transfers out	(7,391)	(7,391)	(186,627)	(179,236)
Total Other Financing (Uses)	<u>(7,391)</u>	<u>(7,391)</u>	<u>(186,627)</u>	<u>(179,236)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (180,951)</u>	<u>\$ (1,060,924)</u>	<u>(118,797)</u>	<u>\$ 942,127</u>
FUND BALANCE:				
Beginning of year			<u>2,766,266</u>	
End of year			<u>\$ 2,647,469</u>	

City of Monterey Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Air Quality Improvement Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 80,000	\$ 80,000	\$ 78,394	\$ (1,606)
Investment income	5,000	5,000	17,254	12,254
Total Revenues	85,000	85,000	95,648	10,648
Expenditures:				
Current:				
Public safety	55,152	55,152	43,987	11,165
Highway and streets	5,152	5,152	2,152	3,000
Capital outlay	-	327,621	327,621	-
Total Expenditures	60,304	387,925	373,760	14,165
NET CHANGE IN FUND BALANCE	\$ 24,696	\$ (302,925)	(278,112)	\$ 24,813
FUND BALANCE:				
Beginning of year			473,798	
End of year			<u>\$ 195,686</u>	

City of Monterey Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Asset Forfeiture Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	\$ 21,000	\$ 21,000	\$ -	\$ (21,000)
Investment income	3,000	3,000	58,177	55,177
Total Revenues	<u>24,000</u>	<u>24,000</u>	<u>58,177</u>	<u>34,177</u>
Expenditures:				
Current:				
Public safety	75,733	75,733	34,959	40,774
Capital outlay	-	-	28,252	(28,252)
Debt service:				
Principal retirement	-	-	14,012	(14,012)
Total Expenditures	<u>75,733</u>	<u>75,733</u>	<u>77,223</u>	<u>(1,490)</u>
Excess (deficiency) of revenues over expenditures	<u>(51,733)</u>	<u>(51,733)</u>	<u>(19,046)</u>	<u>32,687</u>
Other Financing Sources:				
Issuance of subscription liabilities	-	-	28,252	28,252
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>28,252</u>	<u>28,252</u>
NET CHANGE IN FUND BALANCE	<u>\$ (51,733)</u>	<u>\$ (51,733)</u>	9,206	<u>\$ 60,939</u>
FUND BALANCE:				
Beginning of year			<u>1,277,633</u>	
End of year			<u>\$ 1,286,839</u>	

City of Monterey Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Parks/Library/Facilities DIF Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 153,000	\$ 153,000	\$ 577,103	\$ 424,103
Investment income	-	-	62,693	62,693
Total Revenues	<u>153,000</u>	<u>153,000</u>	<u>639,796</u>	<u>486,796</u>
Expenditures:				
Current:				
Culture and recreation	56,000	56,000	40,000	16,000
Highway and streets	-	56,000	56,000	-
Capital outlay	453,198	462,606	249,461	213,145
Total Expenditures	<u>509,198</u>	<u>574,606</u>	<u>345,461</u>	<u>229,145</u>
NET CHANGE IN FUND BALANCE	<u>\$ (356,198)</u>	<u>\$ (421,606)</u>	294,335	<u>\$ 715,941</u>
FUND BALANCE:				
Beginning of year			<u>1,150,135</u>	
End of year			<u>\$ 1,444,470</u>	

City of Monterey Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Business Improvement Area #1 Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 84,000	\$ 84,000	\$ 60,256	\$ (23,744)
Investment income	1,000	1,000	10,809	9,809
Total Revenues	<u>85,000</u>	<u>85,000</u>	<u>71,065</u>	<u>(13,935)</u>
Expenditures:				
Current:				
Community development	73,950	107,017	49,380	57,637
Capital outlay	-	-	22,264	(22,264)
Debt service:				
Principal retirement	-	-	3,176	(3,176)
Total Expenditures	<u>73,950</u>	<u>107,017</u>	<u>74,820</u>	<u>32,197</u>
Excess (deficiency) of revenues over expenditures	<u>11,050</u>	<u>(22,017)</u>	<u>(3,755)</u>	<u>18,262</u>
Other Financing Sources:				
Issuance of subscription liabilities	-	-	22,264	22,264
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>22,264</u>	<u>22,264</u>
NET CHANGE IN FUND BALANCE	<u>\$ 11,050</u>	<u>\$ (22,017)</u>	18,509	<u>\$ 40,526</u>
FUND BALANCE:				
Beginning of year			<u>226,310</u>	
End of year			<u>\$ 244,819</u>	

City of Monterey Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Maintenance District 93-1 Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 1,020,051	\$ 1,020,051	\$ 1,049,510	\$ 29,459
Investment income	-	-	1,737	1,737
Total Revenues	<u>1,020,051</u>	<u>1,020,051</u>	<u>1,051,247</u>	<u>31,196</u>
Expenditures:				
Current:				
Culture and recreation	212,342	212,410	169,877	42,533
Highway and streets	793,019	804,165	1,087,386	(283,221)
Total Expenditures	<u>1,005,361</u>	<u>1,016,575</u>	<u>1,257,263</u>	<u>(240,688)</u>
Excess (deficiency) of revenues over expenditures	<u>14,690</u>	<u>3,476</u>	<u>(206,016)</u>	<u>(209,492)</u>
Other Financing Sources (Uses):				
Transfers in	-	-	255,402	255,402
Transfers out	(14,690)	(14,690)	-	14,690
Total Other Financing Sources (Uses)	<u>(14,690)</u>	<u>(14,690)</u>	<u>255,402</u>	<u>270,092</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ (11,214)</u>	49,386	<u>\$ 60,600</u>
FUND BALANCE (DEFICIT):				
Beginning of year			<u>(47,578)</u>	
End of year			<u>\$ 1,808</u>	

City of Monterey Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Law Enforcement/Fire/Medic DIF Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 33,094	\$ 33,094	\$ 96,665	\$ 63,571
Investment income	300	300	-	(300)
Total Revenues	<u>33,394</u>	<u>33,394</u>	<u>96,665</u>	<u>63,271</u>
Expenditures:				
Current:				
Public safety	131,392	131,392	96,665	34,727
Total Expenditures	<u>131,392</u>	<u>131,392</u>	<u>96,665</u>	<u>34,727</u>
NET CHANGE IN FUND BALANCE	<u>\$ (97,998)</u>	<u>\$ (97,998)</u>	-	<u>\$ 97,998</u>
FUND BALANCE:				
Beginning of year			-	
End of year			<u>\$ -</u>	

City of Monterey Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Public Safety Augmentation Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Taxes	\$ 1,000,000	\$ 1,000,000	\$ 902,422	\$ (97,578)
Investment income	-	-	30,590	30,590
Total Revenues	<u>1,000,000</u>	<u>1,000,000</u>	<u>933,012</u>	<u>(66,988)</u>
Expenditures:				
Current:				
Public safety	1,000,000	1,000,000	1,000,000	-
Total Expenditures	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	(66,988)	<u>\$ (66,988)</u>
FUND BALANCE:				
Beginning of year			<u>1,002,816</u>	
End of year			<u>\$ 935,828</u>	

City of Monterey Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Measure R Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 998,453	\$ 998,453	\$ 1,952,938	\$ 954,485
Investment income	10,000	10,000	19,694	9,694
Total Revenues	<u>1,008,453</u>	<u>1,008,453</u>	<u>1,972,632</u>	<u>964,179</u>
Expenditures:				
Current:				
Culture and recreation	263,059	263,059	277,636	(14,577)
Highway and streets	548,663	571,889	499,733	72,156
Capital outlay	3,446,626	100,043,526	1,008,601	99,034,925
Total Expenditures	<u>4,258,348</u>	<u>100,878,474</u>	<u>1,785,970</u>	<u>99,092,504</u>
Excess (deficiency) of revenues over expenditures	<u>(3,249,895)</u>	<u>(99,870,021)</u>	<u>186,662</u>	<u>100,056,683</u>
Other Financing (Uses):				
Transfers out	(18,397)	(18,397)	(431,786)	(413,389)
Total Other Financing (Uses)	<u>(18,397)</u>	<u>(18,397)</u>	<u>(431,786)</u>	<u>(413,389)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (3,268,292)</u>	<u>\$ (99,888,418)</u>	<u>(245,124)</u>	<u>\$ 99,643,294</u>
FUND BALANCE:				
Beginning of year			<u>722,151</u>	
End of year			<u>\$ 477,027</u>	

City of Monterey Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Circulation DIF Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Charges for services	\$ 100,000	\$ 100,000	\$ 135,821	\$ 35,821
Investment income	1,500	1,500	35,273	33,773
Total Revenues	<u>101,500</u>	<u>101,500</u>	<u>171,094</u>	<u>69,594</u>
 NET CHANGE IN FUND BALANCE	 <u>\$ 101,500</u>	 <u>\$ 101,500</u>	 171,094	 <u>\$ 69,594</u>
 FUND BALANCE:				
Beginning of year			<u>648,982</u>	
End of year			<u>\$ 820,076</u>	

City of Monterey Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
CERCLA Liability Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 150,000	\$ 150,000	\$ 203,468	\$ 53,468
Investment income	1,000	1,000	113	(887)
Total Revenues	<u>151,000</u>	<u>151,000</u>	<u>203,581</u>	<u>52,581</u>
Expenditures:				
Health	401,191	401,191	401,190	1
Total Expenditures	<u>401,191</u>	<u>401,191</u>	<u>401,190</u>	<u>1</u>
Excess (deficiency) of revenues over expenditures	<u>(250,191)</u>	<u>(250,191)</u>	<u>(197,609)</u>	<u>52,582</u>
Other Financing Sources:				
Transfers in	-	-	198,246	198,246
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>198,246</u>	<u>198,246</u>
NET CHANGE IN FUND BALANCE	<u>\$ (250,191)</u>	<u>\$ (250,191)</u>	637	<u>\$ 250,828</u>
FUND BALANCE:				
Beginning of year			<u>32,094</u>	
End of year			<u>\$ 32,731</u>	

City of Monterey Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
SB1 - RMRA Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,461,806	\$ 1,461,806	\$ 1,512,961	\$ 51,155
Investment income	25,000	25,000	155,419	130,419
Total Revenues	<u>1,486,806</u>	<u>1,486,806</u>	<u>1,668,380</u>	<u>181,574</u>
Expenditures:				
Capital outlay	1,461,806	1,547,575	1,540,535	7,040
Total Expenditures	<u>1,461,806</u>	<u>1,547,575</u>	<u>1,540,535</u>	<u>7,040</u>
NET CHANGE IN FUND BALANCE	<u>\$ 25,000</u>	<u>\$ (60,769)</u>	127,845	<u>\$ 188,614</u>
FUND BALANCE:				
Beginning of year			<u>2,840,316</u>	
End of year			<u>\$ 2,968,161</u>	

City of Monterey Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Measure M Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 1,175,726	\$ 1,175,726	\$ 1,096,252	\$ (79,474)
Investment income	25,000	25,000	207,866	182,866
Total Revenues	<u>1,200,726</u>	<u>1,200,726</u>	<u>1,304,118</u>	<u>103,392</u>
Expenditures:				
Current:				
Highway and streets	12,508	12,508	12,508	-
Capital outlay	8,049,117	7,016,033	922,339	6,093,694
Total Expenditures	<u>8,061,625</u>	<u>7,028,541</u>	<u>934,847</u>	<u>6,093,694</u>
Excess (deficiency) of revenues over expenditures	<u>(6,860,899)</u>	<u>(5,827,815)</u>	<u>369,271</u>	<u>6,197,086</u>
Other Financing (Uses):				
Transfers out	(930)	(930)	(431,786)	(430,856)
Total Other Financing (Uses)	<u>(930)</u>	<u>(930)</u>	<u>(431,786)</u>	<u>(430,856)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (6,861,829)</u>	<u>\$ (5,828,745)</u>	<u>(62,515)</u>	<u>\$ 5,766,230</u>
FUND BALANCE:				
Beginning of year			<u>4,167,068</u>	
End of year			<u>\$ 4,104,553</u>	

City of Monterey Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
SB2 - Planning Grant Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Investment income	\$ -	\$ -	\$ 2,913	\$ 2,913
Total Revenues	<u>-</u>	<u>-</u>	<u>2,913</u>	<u>2,913</u>
 NET CHANGE IN FUND BALANCE	 <u>\$ -</u>	 <u>\$ -</u>	 2,913	 <u>\$ 2,913</u>
 FUND BALANCE:				
Beginning of year			<u>62,207</u>	
End of year			<u>\$ 65,120</u>	

City of Monterey Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Bike Route Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Revenues:				
Intergovernmental	\$ 60,886	\$ 60,886	\$ 5,547	\$ (55,339)
Total revenues	60,886	60,886	5,547	(55,339)
NET CHANGE IN FUND BALANCE	\$ 60,886	\$ 60,886	5,547	\$ (55,339)
FUND BALANCE (DEFICIT):				
Beginning of year			(5,547)	
End of year			\$ -	

City of Monterey Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Highway Safety Improvement Special Revenue Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 700,000	\$ 700,000	\$ 962,461	\$ 262,461
Investment income	-	-	8,542	8,542
Total revenues	<u>700,000</u>	<u>700,000</u>	<u>971,003</u>	<u>271,003</u>
Expenditures:				
Capital outlay	14,922	1,085,498	1,001,210	84,288
Total expenditures	<u>14,922</u>	<u>1,085,498</u>	<u>1,001,210</u>	<u>84,288</u>
NET CHANGE IN FUND BALANCE	<u>\$ 685,078</u>	<u>\$ (385,498)</u>	(30,207)	<u>\$ 355,291</u>
FUND BALANCE:				
Beginning of year			45,616	
End of year			<u>\$ 15,409</u>	

City of Monterey Park
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Sales Tax Bond Debt Service Fund
For the Year Ended June 30, 2025

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures:				
Debt service:				
Principal retirement	\$ 335,000	\$ 335,000	\$ 335,000	\$ -
Interest and fiscal charges	715,200	715,200	715,200	-
Total Expenditures	<u>1,050,200</u>	<u>1,050,200</u>	<u>1,050,200</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(1,050,200)</u>	<u>(1,050,200)</u>	<u>(1,050,200)</u>	<u>-</u>
Other Financing Sources (Uses):				
Transfers in	1,050,200	1,050,200	1,050,200	-
Transfers out	-	-	(1,094,434)	(1,094,434)
Total Other Financing Sources (Uses)	<u>1,050,200</u>	<u>1,050,200</u>	<u>(44,234)</u>	<u>(1,094,434)</u>
NET CHANGE IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>(1,094,434)</u>	<u>\$ (1,094,434)</u>
FUND BALANCE:				
Beginning of year			<u>1,094,434</u>	
End of year			<u>\$ -</u>	

INTERNAL SERVICE FUNDS

These funds account for goods or services provided to other departments of the City where the intent of the City is that the costs of these goods or services are to be recovered through interdepartmental charges at the time that the goods are delivered or the services rendered to those departments.

Separation Benefits Fund - used to account for employee separation costs (i.e., vacation, sick and holiday hours).

General Liability Fund - used to account for the City's general liability insurance, including claims, legal and other expenses.

Workers' Compensation Fund - used to account for the City's workers' compensation insurance costs, including claims, legal and other expenses.

Shop Fund - used to account for the purchase and maintenance of all motorized equipment used by City departments.

Technology Fund - used to account for the City's centralized data processing activities and future technological infrastructure improvements.

Fringe Benefits - used for City paid benefits which are charged. Examples include medical, dental, disability, unemployment, life insurance and retirement including PERS. These benefit costs are allocated to the funds based on budget for three quarters and then reconciled to actual in the fourth quarter.

Building Maintenance - to provide building maintenance services to all City departments.

City of Monterey Park
Combining Statement of Net Position
Internal Service Funds
June 30, 2025

	Separation Benefits	General Liability	Workers' Compensation	Shop
ASSETS				
Current assets:				
Cash and investments	\$ 915,381	\$ 5,319,564	\$ 6,195,556	\$ 207,507
Cash and investments with fiscal agent	-	-	-	1,678,092
Accounts receivable	-	15,502	-	-
Total current assets	915,381	5,335,066	6,195,556	1,885,599
Noncurrent assets:				
Capital assets:				
Depreciable/amortizable, net	-	-	-	822,662
Total capital assets	-	-	-	822,662
Total noncurrent assets	-	-	-	822,662
Total assets	915,381	5,335,066	6,195,556	2,708,261
DEFERRED OUTFLOWS OF RESOURCES				
Pension related	41,772	68,028	64,448	132,476
Other postemployment benefits related	-	11,225	10,885	59,525
Total deferred outflows of resources	41,772	79,253	75,333	192,001
LIABILITIES				
Current Liabilities:				
Accounts payable	-	28,301	55,283	155,607
Accrued payroll	69,567	7,078	13,439	13,488
Insurance assessment payable, due within one year	-	163,514	-	-
Lease liabilities, due within one year	-	-	-	2,620
Subscription liabilities, due within one year	-	-	-	44,418
Loan payable, due within one year	-	-	-	158,507
Compensated absences, due within one year	-	39,883	102,459	84,075
Claims payable, due within one year	-	1,470,948	2,465,159	-
Total current liabilities	69,567	1,709,724	2,636,340	458,715
Noncurrent liabilities:				
Insurance assessment payable, due in more than one year	-	163,514	-	-
Lease liabilities, due in more than one year	-	-	-	-
Subscription liabilities, due in more than one year	-	-	-	192,250
Loan payable, due in more than one year	-	-	-	1,519,585
Compensated absences, due in more than one year	-	7,532	19,350	15,878
Claims payable, due in more than one year	-	5,037,976	12,790,906	-
Net pension liability	47,285	77,006	72,954	149,960
Net OPEB liability	-	53,093	51,484	281,555
Total noncurrent liabilities	47,285	5,339,121	12,934,694	2,159,228
Total liabilities	116,852	7,048,845	15,571,034	2,617,943
DEFERRED INFLOW OF RESOURCES				
Other postemployment benefits related	-	11,969	11,607	63,473
	-	11,969	11,607	63,473
NET POSITION:				
Net investment in capital assets	-	-	-	583,374
Unrestricted (deficit)	840,301	(1,646,495)	(9,311,752)	(364,528)
Total net position (deficit)	\$ 840,301	\$ (1,646,495)	\$ (9,311,752)	\$ 218,846

(Continued)

City of Monterey Park
Combining Statement of Net Position (Continued)
Internal Service Funds
June 30, 2025

	Technology	Fringe Benefits	Building Maintenance	Total
ASSETS				
Current assets:				
Cash and investments	\$ -	\$ 722,855	\$ 425,844	\$ 13,786,707
Cash and investments with fiscal agent	-	-	1,183,457	2,861,549
Accounts receivable	-	-	-	15,502
Total current assets	-	722,855	1,609,301	16,663,758
Noncurrent assets:				
Capital assets:				
Depreciable/amortizable, net	1,666,567	-	-	2,489,229
Total capital assets	1,666,567	-	-	2,489,229
Total noncurrent assets	1,666,567	-	-	2,489,229
Total assets	1,666,567	722,855	1,609,301	19,152,987
DEFERRED OUTFLOWS OF RESOURCES				
Pension related	85,334	-	73,996	466,054
Other postemployment benefits related	24,150	-	31,973	137,758
Total deferred outflows of resources	109,484	-	105,969	603,812
LIABILITIES				
Current Liabilities:				
Accounts payable	189,170	4,062	53,348	485,771
Accrued payroll	9,725	-	6,847	120,144
Insurance assessment payable, due within one year	-	-	-	163,514
Lease liabilities, due within one year	71,249	-	-	73,869
Subscription liabilities, due within one year	22,544	-	-	66,962
Loan payable, due within one year	-	-	111,785	270,292
Compensated absences, due within one year	9,787	-	40,287	276,491
Claims payable, due within one year	-	-	-	3,936,107
Total current liabilities	302,475	4,062	212,267	5,393,150
Noncurrent liabilities:				
Insurance assessment payable, due in more than one year	-	-	-	163,514
Lease liabilities, due in more than one year	93,959	-	-	93,959
Subscription liabilities, due in more than one year	-	-	-	192,250
Loan payable, due in more than one year	-	-	1,071,672	2,591,257
Compensated absences, due in more than one year	1,849	-	7,609	52,218
Claims payable, due in more than one year	-	-	-	17,828,882
Net pension liability	96,596	-	83,761	527,562
Net OPEB liability	114,231	-	151,235	651,598
Total noncurrent liabilities	306,635	-	1,314,277	22,101,240
Total liabilities	609,110	4,062	1,526,544	27,494,390
DEFERRED INFLOW OF RESOURCES				
Other postemployment benefits related	25,752	-	34,094	146,895
	25,752	-	34,094	146,895
NET POSITION:				
Net investment in capital assets	1,478,815	-	-	2,062,189
Unrestricted (deficit)	(337,626)	718,793	154,632	(9,946,675)
Total net position (deficit)	\$ 1,141,189	\$ 718,793	\$ 154,632	\$ (7,884,486)

(Concluded)

City of Monterey Park
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2025

	Separation Benefits	General Liability	Workers' Compensation	Shop
OPERATING REVENUES:				
Charges for services	\$ 3,059,538	\$ 8,041,661	\$ 4,662,175	\$ 3,736,276
Miscellaneous	-	30,922	142,559	29,358
Total operating revenues	<u>3,059,538</u>	<u>8,072,583</u>	<u>4,804,734</u>	<u>3,765,634</u>
OPERATING EXPENSES:				
Operation	-	20,000	-	2,400
Salaries and Benefits	2,234,097	370,143	484,312	782,179
Materials and supplies	-	622,009	284,390	2,422,915
Insurance and claims	-	4,170,533	4,967,407	-
Depreciation and amortization	-	-	-	183,280
Total operating expenses	<u>2,234,097</u>	<u>5,182,685</u>	<u>5,736,109</u>	<u>3,390,774</u>
OPERATING INCOME (LOSS)	<u>825,441</u>	<u>2,889,898</u>	<u>(931,375)</u>	<u>374,860</u>
CAPITAL CONTRIBUTIONS AND TRANSFERS:				
Capital contributions	-	-	-	-
Transfers in	-	-	-	-
Total capital contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
CHANGES IN NET POSITION	825,441	2,889,898	(931,375)	374,860
NET POSITION (DEFICIT):				
Beginning of year, as previously reported	14,860	(4,532,002)	(8,363,705)	(150,719)
Change in accounting principle (GASB 101)	-	(4,391)	(16,672)	(5,295)
Beginning of year, as restated (Note 18)	<u>14,860</u>	<u>(4,536,393)</u>	<u>(8,380,377)</u>	<u>(156,014)</u>
End of year	<u>\$ 840,301</u>	<u>\$ (1,646,495)</u>	<u>\$ (9,311,752)</u>	<u>\$ 218,846</u>

(Continued)

City of Monterey Park
Combining Statement of Revenues, Expenses, and Changes in Net Position (Continued)
Internal Service Funds
For the Year Ended June 30, 2025

	Technology	Fringe Benefits	Building Maintenance	Total
OPERATING REVENUES:				
Charges for services	\$ 2,886,324	\$ 3,146,666	\$ 1,697,954	\$ 27,230,594
Miscellaneous	-	-	-	202,839
Total operating revenues	2,886,324	3,146,666	1,697,954	27,433,433
OPERATING EXPENSES:				
Operation	-	-	264,321	286,721
Salaries and Benefits	443,029	2,427,873	418,378	7,160,011
Materials and supplies	1,606,024	-	1,052,157	5,987,495
Insurance and claims	-	-	-	9,137,940
Depreciation and amortization	557,810	-	-	741,090
Total operating expenses	2,606,863	2,427,873	1,734,856	23,313,257
OPERATING INCOME (LOSS)	279,461	718,793	(36,902)	4,120,176
CAPITAL CONTRIBUTIONS AND TRANSFERS:				
Capital contributions	17,572	-	-	17,572
Transfers in	51	-	-	51
Total capital contributions	17,623	-	-	17,623
CHANGES IN NET POSITION	297,084	718,793	(36,902)	4,137,799
NET POSITION (DEFICIT):				
Beginning of year, as previously reported	844,363	-	196,559	(11,990,644)
Change in accounting principle (GASB 101)	(258)	-	(5,025)	(31,641)
Beginning of year, as restated (Note 18)	844,105	-	191,534	(12,022,285)
End of year	\$ 1,141,189	\$ 718,793	\$ 154,632	\$ (7,884,486)

(Concluded)

City of Monterey Park
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2025

	Separation Benefits	General Liability	Workers' Compensation	Shop
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers and users	\$ 3,059,538	\$ 8,072,583	\$ 4,804,734	\$ 3,765,634
Cash paid to suppliers for goods and services	-	(642,009)	(310,041)	(2,406,455)
Cash paid to employees for services	(2,148,574)	(364,151)	(506,614)	(815,409)
Cash paid for insurance claims	-	(5,530,359)	(3,768,160)	-
Net cash provided by (used in) operating activities	<u>910,964</u>	<u>1,536,064</u>	<u>219,919</u>	<u>543,770</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Cash paid to other funds	-	-	-	(7,910)
Net cash (used in) noncapital financing activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>(7,910)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of capital assets	-	-	-	(318,152)
Principal paid	-	(163,515)	-	(10,201)
Proceeds from issuance of long-term liabilities	-	-	-	1,678,092
Net cash provided by (used in) capital and related financing activities	<u>-</u>	<u>(163,515)</u>	<u>-</u>	<u>1,349,739</u>
Net change in cash and cash equivalents	910,964	1,372,549	219,919	1,885,599
CASH AND CASH EQUIVALENTS:				
Beginning of year	4,417	3,947,015	5,975,637	-
End of year	<u>\$ 915,381</u>	<u>\$ 5,319,564</u>	<u>\$ 6,195,556</u>	<u>\$ 1,885,599</u>
CASH AND CASH EQUIVALENTS:				
Cash and investments	\$ 915,381	\$ 5,319,564	\$ 6,195,556	\$ 207,507
Cash and investments with fiscal agent	-	-	-	1,678,092
Total cash and cash equivalents	<u>\$ 915,381</u>	<u>\$ 5,319,564</u>	<u>\$ 6,195,556</u>	<u>\$ 1,885,599</u>

(Continued)

City of Monterey Park
Combining Statement of Cash Flows (Continued)
Internal Service Funds
For the Year Ended June 30, 2025

	Separation Benefits	General Liability	Workers' Compensation	Shop
Reconciliation of Operating Income (Loss) to to Net Cash Provided by (used in) Operating Activities:				
Operating income (loss)	\$ 825,441	\$ 2,889,898	\$ (931,375)	\$ 374,860
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	-	-	-	183,280
Change in assets and liabilities:				
(Increase) decrease in deferred outflows - pension related	72,986	46,730	50,310	211,798
(Increase) decrease in deferred outflows - OPEB related	-	4,974	2,074	17,017
Increase (decrease) in accounts payable	-	19,999	(25,651)	18,860
Increase (decrease) in accrued payroll	65,150	1,062	3,889	(717)
Increase (decrease) in compensated absences	-	7,266	(37,755)	(2,033)
Increase (decrease) in claims payable	-	(1,379,825)	1,199,247	-
Increase (decrease) in net pension liability	(51,685)	(21,964)	(26,016)	(146,950)
Increase (decrease) in total OPEB liability	-	(21,644)	(8,305)	(71,576)
Increase (decrease) in deferred inflows - pension related	(928)	(928)	(928)	(2,783)
Increase (decrease) in deferred inflows - OPEB related	-	(9,504)	(5,571)	(37,986)
Net cash provided by (used in) operating activities	\$ 910,964	\$ 1,536,064	\$ 219,919	\$ 543,770
NONCASH ITEMS:				
Acquisition of lease and subscription assets	\$ -	\$ -	\$ -	\$ (236,668)
Issuance of lease and subscription liabilities	\$ -	\$ -	\$ -	\$ 236,668
Capital contribution	\$ -	\$ -	\$ -	\$ -
Transfer of leases assets from Enterprise Fund to Internal Service Fund	\$ -	\$ -	\$ -	\$ -
Transfer of leases liability from Enterprise Fund to Internal Service Fund	\$ -	\$ -	\$ -	\$ -

(Continued)

City of Monterey Park
Combining Statement of Cash Flows (Continued)
Internal Service Funds
For the Year Ended June 30, 2025

	Technology	Fringe Benefits	Building Maintenance	Total
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers and users	\$ 2,886,324	\$ 3,146,666	\$ 1,697,954	\$ 27,433,433
Cash paid to suppliers for goods and services	(1,517,072)	4,062	(1,426,199)	(6,297,714)
Cash paid to employees for services	(441,327)	(2,427,873)	(368,183)	(7,072,131)
Cash paid for insurance claims	-	-	-	(9,298,519)
Net cash provided by (used in) operating activities	<u>927,925</u>	<u>722,855</u>	<u>(96,428)</u>	<u>4,765,069</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Cash paid to other funds	(722,421)	-	-	(730,331)
Net cash (used in) noncapital financing activities	<u>(722,421)</u>	<u>-</u>	<u>-</u>	<u>(730,331)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of capital assets	(71,979)	-	-	(390,131)
Principal paid	(133,525)	-	-	(307,241)
Proceeds from issuance of long-term liabilities	-	-	1,183,457	2,861,549
Net cash provided by (used in) capital and related financing activities	<u>(205,504)</u>	<u>-</u>	<u>1,183,457</u>	<u>2,164,177</u>
Net change in cash and cash equivalents	-	722,855	1,087,029	6,198,915
CASH AND CASH EQUIVALENTS:				
Beginning of year	-	-	522,272	10,449,341
End of year	<u>\$ -</u>	<u>\$ 722,855</u>	<u>\$ 1,609,301</u>	<u>\$ 16,648,256</u>
CASH AND CASH EQUIVALENTS:				
Cash and investments	\$ -	\$ 722,855	\$ 425,844	\$ 13,786,707
Cash and investments with fiscal agent	-	-	1,183,457	2,861,549
Total cash and cash equivalents	<u>\$ -</u>	<u>\$ 722,855</u>	<u>\$ 1,609,301</u>	<u>\$ 16,648,256</u>

(Continued)

City of Monterey Park
Combining Statement of Cash Flows (Continued)
Internal Service Funds
For the Year Ended June 30, 2025

	Technology	Fringe Benefits	Building Maintenance	Total
Reconciliation of Operating Income (Loss) to to Net Cash Provided by (used in) Operating Activities:				
Operating income (loss)	\$ 279,461	\$ 718,793	\$ (36,902)	\$ 4,120,176
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	557,810	-	-	741,090
Change in assets and liabilities:				
(Increase) decrease in deferred outflows - pension related	144,182	-	40,762	566,768
(Increase) decrease in deferred outflows - OPEB related	4,604	-	(5,649)	23,020
Increase (decrease) in accounts payable	88,952	4,062	(109,721)	(3,499)
Increase (decrease) in accrued payroll	978	-	(680)	69,682
Increase (decrease) in compensated absences	(14,074)	-	2,910	(43,686)
Increase (decrease) in claims payable	-	-	-	(180,578)
Increase (decrease) in net pension liability	(101,344)	-	(15,209)	(363,168)
Increase (decrease) in total OPEB liability	(18,427)	-	29,788	(90,164)
Increase (decrease) in deferred inflows - pension related	(1,855)	-	(928)	(8,350)
Increase (decrease) in deferred inflows - OPEB related	(12,362)	-	(799)	(66,222)
Net cash provided by (used in) operating activities	\$ 927,925	\$ 722,855	\$ (96,428)	\$ 4,765,069
NONCASH ITEMS:				
Acquisition of lease and subscription assets	\$ (205,215)	\$ -	\$ -	\$ (441,883)
Issuance of lease and subscription liabilities	\$ 205,215	\$ -	\$ -	\$ 441,883
Capital contribution	\$ 17,572	\$ -	\$ -	\$ 17,572
Transfer of leases assets from Enterprise Fund to Internal Service Fund	\$ 1,511	\$ -	\$ -	\$ 1,511
Transfer of leases liability from Enterprise Fund to Internal Service Fund	\$ (1,460)	\$ -	\$ -	\$ (1,460)

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STATISTICAL SECTION
(Unaudited)

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STATISTICAL SECTION

For the Year Ended June 30, 2024

Financial Trends:

Net Position by Components - Last Ten Fiscal Years	176
Changes in Net Position - Last Ten Fiscal Years	178
Fund Balances of Governmental Funds - Last Ten Fiscal Years	182
Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years	184

Revenue Capacity:

Assessed Value of Taxable Property - Last Ten Fiscal Years	187
Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years	188
Principal Property Taxpayers - Current Year and Nine Years Ago	190
Property Tax Levies and Collections - Last Ten Fiscal Years	192

Debt Capacity:

Outstanding Debt by Type - Last Ten Fiscal Years	194
Ratio of General Bonded Debt Outstanding - Last Ten Fiscal Years	196
Direct and Overlapping Debt	197
Legal Debt Margin Information - Last Ten Fiscal Years	198

Demographic and Economic Information:

Demographic and Economic Statistics - Last Ten Fiscal Years	201
Principal Employers - Current Year and Nine Years Ago	202

Operating Information:

City Employees by Function - Last Ten Fiscal Years	205
Operating Indicators by Function - Last Ten Fiscal Years	206
Capital Assets by Function - Last Ten Fiscal Years	208

Water District Schedules for Revenue Capacity

Water Sold by Type of Customer - Last Ten Fiscal Years	210
Water Rates - Last Ten Fiscal Years	212
Top Ten Water Customers - Current Year and Four Years Ago	213

City of Monterey Park
Net Position by Components
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year				
	2015/16	2016/17	2017/18	2018/19	2019/20
Governmental Activities:					
Net investment in capital assets	\$ 47,995,442	\$ 49,245,097	\$ 51,940,625	\$ 54,422,220	\$ 50,393,059
Restricted	22,221,698	20,689,401	22,583,024	28,308,812	28,524,906
Unrestricted (deficit)	<u>(68,990,541)</u>	<u>(63,742,375)</u>	<u>(85,102,541)</u>	<u>(94,444,814)</u>	<u>(99,160,818)</u>
Total governmental activities net position	<u>\$ 1,226,599</u>	<u>\$ 6,192,123</u>	<u>\$ (10,578,892)</u>	<u>\$ (11,713,782)</u>	<u>\$ (20,242,853)</u>
Business-Type Activities:					
Net investment in capital assets	\$ 23,132,584	\$ 27,583,180	\$ 32,224,486	\$ 32,343,708	\$ 31,922,658
Restricted	514,518	-	-	-	-
Unrestricted	<u>18,629,778</u>	<u>19,078,479</u>	<u>18,182,441</u>	<u>22,623,485</u>	<u>23,894,813</u>
Total business-type activities net position	<u>\$ 42,276,880</u>	<u>\$ 46,661,659</u>	<u>\$ 50,406,927</u>	<u>\$ 54,967,193</u>	<u>\$ 55,817,471</u>
Primary Government:					
Net investment in capital assets	\$ 71,128,006	\$ 76,828,277	\$ 84,165,111	\$ 86,765,928	\$ 82,315,717
Restricted	22,736,216	20,689,401	22,583,024	28,308,812	28,524,906
Unrestricted (deficit)	<u>(50,360,763)</u>	<u>(44,663,896)</u>	<u>(66,920,100)</u>	<u>(71,821,329)</u>	<u>(75,266,005)</u>
Total primary government net position	<u>\$ 43,503,459</u>	<u>\$ 52,853,782</u>	<u>\$ 39,828,035</u>	<u>\$ 43,253,411</u>	<u>\$ 35,574,618</u>

Source: City of Monterey Park Finance Department

City of Monterey Park
Net Position by Components (Continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year				
	2020/21	2021/22	2022/23	2023/24	2024/25
Governmental Activities:				(Restated)	
Net investment in capital assets	\$ 53,107,029	\$ 60,290,327	\$ 68,652,436	\$ 72,981,980	\$ 80,284,133
Restricted	22,377,681	52,852,580	41,267,487	30,284,966	26,574,721
Unrestricted (deficit)	(97,899,017)	(124,096,720)	(110,242,641)	(85,334,619)	(79,854,758)
Total governmental activities net position	<u>\$ (22,414,307)</u>	<u>\$ (10,953,813)</u>	<u>\$ (322,718)</u>	<u>\$ 17,932,327</u>	<u>\$ 27,004,096</u>
Business-Type Activities:					
Net investment in capital assets	\$ 32,466,443	\$ 35,740,792	\$ 42,383,764	\$ 48,792,581	\$ 49,414,538
Restricted	-	2,637,265	-	5,739	6,275
Unrestricted	22,403,284	16,933,113	8,423,058	20,148	6,539,046
Total business-type activities net position	<u>\$ 54,869,727</u>	<u>\$ 55,311,170</u>	<u>\$ 50,806,822</u>	<u>\$ 48,818,468</u>	<u>\$ 55,959,859</u>
Primary Government:					
Net investment in capital assets	\$ 85,573,472	\$ 96,031,119	\$ 111,036,200	\$ 121,774,561	\$ 129,698,671
Restricted	22,377,681	55,489,845	41,267,487	30,290,705	26,580,996
Unrestricted (deficit)	(75,495,733)	(107,163,607)	(101,819,583)	(85,314,471)	(73,315,712)
Total primary government net position	<u>\$ 32,455,420</u>	<u>\$ 44,357,357</u>	<u>\$ 50,484,104</u>	<u>\$ 66,750,795</u>	<u>\$ 82,963,955</u>

Source: City of Monterey Park Finance Department

City of Monterey Park
Changes in Net Position
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year				
	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Expenses:					
Governmental activities:					
General government	\$ 3,771,179	\$ 4,935,827	\$ 13,276,893	\$ 8,675,180	\$ 7,024,897
Public safety	27,479,974	30,527,993	35,442,619	41,058,210	46,448,518
Community development	2,456,567	2,368,605	2,536,781	2,555,488	385,629
Culture and recreation	7,151,089	7,383,391	8,037,936	8,394,326	8,194,387
Highway and streets	6,223,450	5,555,218	5,856,197	6,778,639	7,592,489
Health	116,629	250,000	160,000	150,000	137,500
Interest and fiscal charges	990,315	993,823	940,605	931,970	923,137
Total governmental activities expenses	<u>48,189,203</u>	<u>52,014,857</u>	<u>66,251,032</u>	<u>68,543,813</u>	<u>70,706,557</u>
Business-type activities:					
Water	11,962,698	13,197,497	11,978,551	15,975,908	16,130,638
Refuse	7,562,168	7,648,908	6,364,504	6,782,261	6,643,796
Sewer	1,117,677	1,332,184	2,120,013	1,925,498	2,066,260
Total business-type activities expenses	<u>20,642,543</u>	<u>22,178,589</u>	<u>20,463,068</u>	<u>24,683,667</u>	<u>24,840,693</u>
Total primary government expenses	<u>68,831,746</u>	<u>74,193,446</u>	<u>86,714,100</u>	<u>93,227,480</u>	<u>95,547,250</u>
Program revenues:					
Governmental activities:					
Charges for services:					
General government	1,157,100	1,216,968	1,290,795	1,951,847	1,418,515
Public safety	3,766,713	2,665,634	4,239,502	3,263,720	3,123,842
Community development	2,607,075	3,660,518	3,364,687	2,828,385	1,591,515
Culture and recreation	1,289,483	1,327,230	1,956,845	1,012,436	747,940
Highway and Streets	1,403,282	1,688,010	1,382,500	1,341,088	1,523,872
Operating grants and contributions	7,953,884	6,928,332	8,281,863	12,119,613	9,349,191
Capital grants and contributions	502,276	1,134,757	159,994	1,209,222	279,624
Total government activities program revenues	<u>18,779,813</u>	<u>18,621,449</u>	<u>20,676,186</u>	<u>23,726,311</u>	<u>18,034,499</u>
Business-type activities:					
Charges for services:					
Water	12,323,342	13,439,676	14,213,398	15,251,324	13,791,440
Refuse	6,954,603	7,124,768	6,760,312	6,674,188	6,722,940
Sewer	2,673,585	2,843,412	3,164,108	3,546,475	3,158,607
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	97,507	1,916,453	2,341,781	1,362,136	149,262
Total business-type activities revenues	<u>22,049,037</u>	<u>25,324,309</u>	<u>26,479,599</u>	<u>26,834,123</u>	<u>23,822,249</u>
Total primary government revenues	<u>\$ 40,828,850</u>	<u>\$ 43,945,758</u>	<u>\$ 47,155,785</u>	<u>\$ 50,560,434</u>	<u>\$ 41,856,748</u>

Source: City of Monterey Park Management Services Department

City of Monterey Park
Changes in Net Position (Continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year				
	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025
Expenses:				(Restated)	
Governmental activities:					
General government	\$ 16,862,932	\$ 4,997,877	\$ 13,258,409	\$ 13,269,716	\$ 15,618,363
Public safety	41,432,208	32,974,783	40,064,832	52,015,492	53,526,285
Community development	500,831	7,545,425	7,570,239	2,202,235	3,716,245
Culture and recreation	7,367,933	7,250,027	4,436,619	6,624,989	5,130,841
Highway and streets	6,349,422	5,300,505	6,952,909	8,706,939	14,590,749
Health	187,500	234,375	292,969	301,655	401,190
Interest and fiscal charges	1,533,531	3,435,272	3,803,497	3,638,579	3,531,497
Total governmental activities expenses	<u>74,234,357</u>	<u>61,738,264</u>	<u>76,379,474</u>	<u>86,759,605</u>	<u>96,515,170</u>
Business-type activities:					
Water	16,900,021	15,173,088	18,647,640	18,002,870	17,164,365
Refuse	7,102,416	6,773,649	7,797,114	7,640,784	1,798,998
Sewer	2,826,252	2,386,431	3,547,895	2,512,931	3,396,652
Total business-type activities expenses	<u>26,828,689</u>	<u>24,333,168</u>	<u>29,992,649</u>	<u>28,156,585</u>	<u>22,360,015</u>
Total primary government expenses	<u>101,063,046</u>	<u>86,071,432</u>	<u>106,372,123</u>	<u>114,916,190</u>	<u>118,875,185</u>
Program revenues:					
Governmental activities:					
Charges for services:					
General government	1,430,819	2,369,083	2,656,843	3,267,346	2,414,031
Public safety	2,765,703	2,792,022	2,993,687	4,012,748	3,590,622
Community development	1,894,660	2,722,923	510,301	1,244,363	1,373,429
Culture and recreation	230,570	485,573	3,009,094	3,296,911	4,480,447
Highway and Streets	2,410,818	3,661,000	2,670,460	3,210,447	2,056,556
Operating grants and contributions	12,199,854	14,675,500	19,675,615	28,096,861	27,472,151
Capital grants and contributions	-	-	772,831	3,855,700	1,894,020
Total government activities program revenues	<u>20,932,424</u>	<u>26,706,101</u>	<u>32,288,831</u>	<u>46,984,376</u>	<u>43,281,256</u>
Business-type activities:					
Charges for services:					
Water	16,087,723	14,231,262	12,752,125	14,658,624	19,710,829
Refuse	6,905,547	6,843,084	7,041,047	7,584,290	1,812,874
Sewer	3,273,154	3,252,413	3,331,412	4,394,766	6,464,085
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	93,503	880,892	-	-	-
Total business-type activities revenues	<u>26,359,927</u>	<u>25,207,651</u>	<u>23,124,584</u>	<u>26,637,680</u>	<u>27,987,788</u>
Total primary government revenues	<u>\$ 47,292,351</u>	<u>\$ 51,913,752</u>	<u>\$ 55,413,415</u>	<u>\$ 73,622,056</u>	<u>\$ 71,269,044</u>

Source: City of Monterey Park Management Services Department

City of Monterey Park
Changes in Net Position (Continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year				
	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Net (expense)/revenue:					
Governmental activities:	\$ (29,409,390)	\$ (33,393,408)	\$ (45,574,846)	\$ (44,817,502)	\$ (52,672,058)
Business-type activities:	1,406,494	3,145,720	6,016,531	2,150,457	(1,018,444)
Total primary government revenues	<u>\$ (28,002,896)</u>	<u>\$ (30,247,688)</u>	<u>\$ (39,558,315)</u>	<u>\$ (42,667,046)</u>	<u>\$ (53,690,502)</u>
General revenues and other					
Changes in net position:					
Governmental activities:					
Taxes:					
Property Taxes	\$ 22,235,616	\$ 23,154,960	\$ 24,306,944	\$ 25,904,561	\$ 27,133,836
Sales Taxes	6,427,211	6,517,491	5,341,854	7,156,102	6,923,739
Vehicle In-lieu Taxes	25,041	27,482	32,428	29,876	48,934
Utility User Taxes	3,212,890	3,212,912	2,964,825	3,107,983	2,846,105
Franchise Taxes	992,615	938,802	966,346	973,084	982,837
Business License Taxes	1,052,086	1,244,295	1,146,838	1,140,840	985,158
Transient Occupancy Taxes	1,248,578	1,261,777	1,163,775	1,064,049	847,272
Other Taxes/Special Accessment	285,845	269,734	585,106	158,828	171,413
Revenues from use of money and property	1,155,649	701,151	1,689,011	2,413,637	2,096,340
Other	1,403,883	1,030,348	1,736,642	1,733,652	1,565,830
Transfers	-	-	-	-	541,523
Total general revenues and transfers	<u>38,039,414</u>	<u>38,358,952</u>	<u>39,933,769</u>	<u>43,682,612</u>	<u>44,142,987</u>
Extraordinary item	5,638,626	-	-	-	-
Business-type activities:					
Revenues from use of money and property	-	105	-	-	562,859
Other	1,601,079	1,238,954	1,053,244	2,409,810	2,260,426
Transfers	-	-	-	-	(541,523)
Total business-type activities	<u>1,601,079</u>	<u>1,239,059</u>	<u>1,053,244</u>	<u>2,409,810</u>	<u>2,281,762</u>
Total primary government	39,640,493	39,598,011	40,987,013	46,092,422	46,424,749
Changes in net position					
Governmental activities	14,268,650	4,965,544	(5,641,077)	(1,134,890)	(8,529,071)
Business-type activities	<u>3,007,573</u>	<u>4,384,779</u>	<u>7,069,775</u>	<u>4,560,267</u>	<u>1,263,318</u>
Total primary government	<u>\$ 17,276,223</u>	<u>\$ 9,350,323</u>	<u>\$ 1,428,698</u>	<u>\$ 3,425,377</u>	<u>\$ (7,265,753)</u>

Source: City of Monterey Park Finance Department

City of Monterey Park
Changes in Net Position (Continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year				
	2020/2021	2021/2022	2022/2023	2023/2024 (Restated)	2024/2025
Net (expense)/revenue:					
Governmental activities:	\$ (53,301,933)	\$ (35,032,163)	\$ (44,090,643)	\$ (38,509,268)	\$ (53,233,914)
Business-type activities:	(468,762)	874,483	(6,868,065)	(1,518,905)	5,627,773
Total primary government revenues	<u>\$ (53,770,695)</u>	<u>\$ (34,157,680)</u>	<u>\$ (50,958,708)</u>	<u>\$ (40,028,173)</u>	<u>\$ (47,606,141)</u>
General revenues and other					
Changes in net position:					
Governmental activities:					
Taxes:					
Property Taxes	\$ 29,942,243	\$ 29,676,242	\$ 31,571,303	\$ 23,785,927	\$ 25,053,071
Sales Taxes	9,063,297	9,294,060	11,640,655	18,577,911	19,758,995
Vehicle In-lieu Taxes	44,545	69,754	62,585	75,418	96,316
Utility User Taxes	2,931,943	3,278,449	3,799,736	3,780,890	3,627,964
Franchise Taxes	1,011,131	1,067,908	1,230,330	1,284,606	1,122,089
Business License Taxes	721,601	661,415	713,015	862,074	1,815,173
Transient Occupancy Taxes	953,200	2,098,921	2,653,156	3,324,068	3,951,670
Other Taxes/Special Accessment	220,485	284,927	1,035,312	-	-
Revenues from use of money and property	395,918	(1,858,601)	1,354,512	4,224,086	2,787,210
Other	1,339,319	1,445,282	1,182,587	1,733,523	4,093,144
Transfers	533,787	474,300	479,411	381,772	51
Total general revenues and transfers	<u>47,157,469</u>	<u>46,492,657</u>	<u>55,722,602</u>	<u>58,030,275</u>	<u>62,305,683</u>
Extraordinary item	-	-	-	-	-
Business-type activities:					
Revenues from use of money and property	53,395	41,256	558,250	(195,511)	1,513,669
Other	1,410	4	-	107,834	-
Transfers	(533,787)	(474,300)	(479,411)	(381,772)	(51)
Total business-type activities	<u>(478,982)</u>	<u>(433,040)</u>	<u>78,839</u>	<u>(469,449)</u>	<u>1,513,618</u>
Total primary government	46,678,487	46,059,617	55,801,441	57,560,826	63,819,301
Changes in net position					
Governmental activities	(6,144,464)	11,460,494	11,631,959	18,255,046	9,071,769
Business-type activities	(947,744)	441,443	(6,789,226)	(1,988,354)	7,141,391
Total primary government	<u>\$ (7,092,208)</u>	<u>\$ 11,901,937</u>	<u>\$ 4,842,733</u>	<u>\$ 16,266,692</u>	<u>\$ 16,213,160</u>

Source: City of Monterey Park Finance Department

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

	Fiscal Year				
	2015/16	2016/17	2017/18	2018/19	2019/20
General Fund:					
Nonspendable	\$ 741,556	\$ 816,495	\$ 74,939	\$ 75,778	\$ 78,802
Restricted	78,799	-	-	-	-
Committed	10,979,027	10,826,927	10,826,927	7,226,927	7,226,927
Assigned	12,052,503	14,414,724	15,064,826	20,147,039	19,365,589
Unassigned	4,554,426	4,144,661	3,994,828	5,105,667	5,838,129
Total general fund	<u>\$ 28,406,311</u>	<u>\$ 30,202,807</u>	<u>\$ 29,961,520</u>	<u>\$ 32,555,411</u>	<u>\$ 32,509,447</u>
All other governmental funds:					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	21,597,574	21,426,308	22,145,598	26,088,353	26,887,421
Committed	584,570	472,919	437,426	417,741	418,383
Unassigned (deficit)	(168,139)	(1,369,489)	-	-	(72,645)
Total all other governmental funds	<u>22,014,005</u>	<u>20,529,738</u>	<u>22,583,024</u>	<u>26,506,094</u>	<u>27,233,159</u>
Total for Governmental Funds:	<u><u>\$ 50,420,316</u></u>	<u><u>\$ 50,732,545</u></u>	<u><u>\$ 52,544,544</u></u>	<u><u>\$ 59,061,505</u></u>	<u><u>\$ 59,742,606</u></u>

Source: City of Monterey Park Finance Department

City of Monterey Park
Fund Balances of Governmental Funds (Continued)
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year				
	2020/21	2021/22	2022/23	2023/24 (Restated)	2024/25
General Fund:					
Nonspendable	\$ 72,590	\$ 82,310	\$ 77,450	\$ -	\$ -
Restricted	-	-	-	-	-
Committed	9,226,927	9,726,927	10,226,927	10,726,927	13,726,927
Assigned	21,418,237	19,156,028	18,029,418	31,029,418	32,140,583
Unassigned	4,419,338	-	119,426	135,435	655,119
Total general fund	<u>\$ 35,137,092</u>	<u>\$ 28,965,265</u>	<u>\$ 28,453,221</u>	<u>\$ 41,891,780</u>	<u>\$ 46,522,629</u>
All other governmental funds:					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ 486,931
Restricted	20,468,071	44,755,797	41,063,132	31,237,317	24,710,562
Committed	367,752	276,809	152,403	32,094	-
Unassigned	(58,728)	(380,362)	(119,919)	(53,125)	-
Total all other governmental funds	<u>20,777,095</u>	<u>44,652,244</u>	<u>41,095,616</u>	<u>31,216,286</u>	<u>25,197,493</u>
Total for Governmental Funds:	<u><u>\$ 55,914,187</u></u>	<u><u>\$ 73,617,509</u></u>	<u><u>\$ 69,548,837</u></u>	<u><u>\$ 73,108,066</u></u>	<u><u>\$ 71,720,122</u></u>

Source: City of Monterey Park Finance Department

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

	Fiscal Year				
	2015/16	2016/17	2017/18	2018/19	2019/20
Revenues:					
Taxes	\$ 41,158,303	\$ 37,078,002	\$ 36,662,530	\$ 39,864,511	\$ 40,160,022
Licenses and permits	2,428,895	2,913,671	2,729,412	3,038,847	1,837,426
Intergovernmental revenues	3,203,752	6,664,547	8,945,319	11,577,229	9,385,537
Charges for services	6,110,829	6,721,667	8,417,372	7,161,652	6,057,607
Revenues from use of money & property/Investment income	1,207,629	694,820	1,727,784	2,701,145	2,329,927
Fines and forfeitures	1,295,647	605,957	680,133	1,623,039	587,059
Other/Miscellaneous	1,414,172	1,074,799	1,756,785	1,741,046	1,566,488
Total revenues	56,819,227	55,753,463	60,919,335	67,707,469	61,924,066
Expenditures					
Current:					
General government	5,744,019	5,844,104	7,146,292	6,136,588	6,898,124
Public safety	28,396,653	29,258,673	30,235,225	34,708,110	35,762,037
Community development	2,261,895	2,392,374	2,497,952	2,563,517	316,097
Culture and recreation	6,464,589	6,634,294	6,981,663	7,383,682	7,034,788
Highways and streets/Public Works	5,103,275	4,780,221	4,812,085	5,347,037	6,627,295
Health	-	250,000	160,000	150,000	137,500
Capital outlay	4,594,721	3,415,464	4,413,196	2,927,407	3,111,577
Debt service:					
Principal	1,291,263	1,370,156	1,416,257	1,079,149	1,115,754
Interest and fiscal charges	1,058,676	995,948	944,666	895,018	853,417
Total expenditures	54,915,091	54,941,234	58,607,336	61,190,508	61,856,589
Excess (deficiency) of revenues over (under) expenditures	1,904,136	812,229	2,311,999	6,516,961	67,477
Other financing sources (uses):					
Transfers in	2,327,332	2,246,686	2,225,885	3,003,264	4,319,658
Transfers out	(2,577,332)	(2,746,686)	(2,725,885)	(3,003,264)	(3,706,035)
Issuance of lease/subscription	-	-	-	-	-
Proceeds from sale of property	-	-	-	-	-
Issue of long term debt	-	-	-	-	-
Total other financing Sources (uses)	(250,000)	(500,000)	(500,000)	-	613,623
Net change in fund balances before Extraordinary Item	1,654,136	312,229	1,811,999	6,516,961	681,100
Extraordinary Items	5,638,626	-	-	-	-
Net change in fund balances	\$ 7,292,762	\$ 312,229	\$ 1,811,999	\$ 6,516,961	\$ 681,100
Debt services as a percentage of noncapital expenditures ⁽¹⁾	4.67%	4.59%	4.36%	3.39%	3.35%

Notes:

(1) The ratio of total debt service to noncapital expenditures is calculated as total debt service expenditures (principal and interest) / total noncapital expenditures (the difference between total expenditures and capitalized capital outlay expenditures).

Source: City of Monterey Park Finance Department

City of Monterey Park
Changes in Fund Balances of Governmental Funds (Continued)
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year				
	2020/21	2021/22	2022/23	2023/24	2024/25
Revenues:				(Restated)	
Taxes	\$ 45,232,837	\$ 46,856,891	\$ 58,309,757	\$ 63,799,991	\$ 67,071,441
Licenses and permits	1,849,831	2,153,956	2,533,406	2,851,271	4,315,324
Intergovernmental revenues	11,430,832	13,698,421	12,633,179	18,644,290	14,904,627
Charges for services	6,458,077	9,723,880	9,956,525	12,079,130	10,086,429
Revenues from use of money & property/Investment income	518,793	(1,734,973)	2,361,132	5,931,838	4,886,668
Fines and forfeitures	446,741	595,615	321,059	968,586	708,172
Other/Miscellaneous	1,622,030	1,715,830	839,004	984,552	2,805,860
Total revenues	67,559,141	73,009,620	86,954,062	105,259,658	104,778,521
Expenditures					
Current:					
General government	115,631,413	8,127,513	12,131,984	12,232,288	14,466,615
Public safety	37,642,012	33,805,125	39,157,595	42,947,493	49,939,743
Community development	430,627	7,424,848	7,545,853	1,894,832	3,520,326
Culture and recreation	6,618,326	6,260,135	3,938,763	4,712,499	4,680,804
Highways and streets/Public Works	5,621,649	5,893,763	8,061,381	8,519,763	10,637,893
Health	187,500	234,375	292,969	301,655	401,190
Capital outlay	9,655,402	6,696,125	14,179,923	22,450,426	15,240,439
Debt service:					
Principal	1,154,028	4,165,346	5,795,552	5,311,034	5,367,416
Interest and fiscal charges	809,641	3,949,977	3,876,712	3,715,692	3,640,504
Total expenditures	177,750,598	76,557,207	94,980,732	102,085,682	107,894,930
Excess (deficiency) of revenues over (under) expenditures	(110,191,457)	(3,547,587)	(8,026,670)	3,173,976	(3,116,409)
Other financing sources (uses):					
Transfers in	4,488,195	4,146,091	10,036,484	4,275,938	3,166,422
Transfers out	(4,929,208)	(3,583,991)	(9,557,343)	(3,894,166)	(3,166,422)
Issuance of lease/subscription	2,682,300	-	66,901	3,481	1,728,465
Proceeds from sale of property	-	-	-	-	-
Issue of long term debt	100,892,026	21,026,121	-	-	-
Total other financing Sources (uses)	103,133,313	21,588,221	546,042	385,253	1,728,465
Net change in fund balances before Extraordinary Item	(7,058,144)	18,040,634	(7,480,628)	3,559,229	(1,387,944)
Extraordinary Items	-	-	-	-	-
Net change in fund balances	\$ (7,058,144)	\$ 18,040,634	\$ (7,480,628)	\$ 3,559,229	\$ (1,387,944)
Debt services as a percentage of noncapital expenditures ⁽¹⁾	1.17%	11.62%	12.40%	11.34%	9.70%

Notes:

(1) The ratio of total debt service to noncapital expenditures is calculated as total debt service expenditures (principal and interest) / total noncapital expenditures (the difference between total expenditures and capitalized capital outlay expenditures).

Source: City of Monterey Park Finance Department

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City of Monterey Park
Assessed Value of Taxable Property ⁽¹⁾
Last Ten Fiscal Years
(In Thousands)

Fiscal Year	Residential Property	Commercial Property	Industrial Property	Other Property	Tax-Exempt Property⁽²⁾	Total Taxable Assessed Value	Total Direct Tax Rate^{(3) (4)}
2015/16	\$ 5,057,044,107	\$ 1,093,431,570	\$ 164,909,195	\$ 276,512,462	\$ 29,538,778	\$ 6,591,897,334	0.24437
2016/17	5,307,806,812	1,140,647,311	173,217,543	312,397,210	28,011,283	6,934,068,876	0.24460
2017/18	5,602,078,820	1,173,225,228	186,112,221	308,114,143	27,269,372	7,269,530,412	0.24384
2018/19	5,900,997,427	1,246,669,672	202,037,631	301,345,786	27,122,190	7,651,050,516	0.24490
2019/20	6,154,110,366	1,385,210,969	214,058,031	335,807,643	27,122,190	8,089,187,009	0.24507
2020/21	6,452,593,484	1,442,805,214	225,355,790	362,258,108	27,122,190	8,483,012,596	0.24526
2021/22	6,696,922,280	1,485,031,636	236,761,070	352,907,188	27,122,190	8,771,622,174	0.24540
2022/23	7,069,923,565	1,575,607,923	257,317,476	357,318,569	27,122,190	9,260,167,533	0.24561
2023/24	7,434,617,743	1,633,045,043	275,138,753	372,293,661	27,122,190	9,715,095,200	0.24576
2024/25	7,852,829,749	1,685,970,081	282,013,645	377,331,206	27,122,190	10,198,144,681	0.24596

Notes:

- (1) In 1978 the voters of the State of California passed Proposition 13 which limited property taxes to a total maximum rate of 1% based upon the assessed value of the property being taxed. Each year, the assessed value of property may be increased by an "inflation factor" (limited to a maximum increase of 2%). With few exceptions, property is only re-assessed as a result of new construction activity or at the time that it is sold to a new owner. At that point, the property is reassessed based on the added value of the construction or at the purchase price (market value) or economic value of the property sold. The assessed valuation data shown above represents the only data currently available with respect to the actual market value of taxable property and is subject to the limitations described above.
- (2) Exempt values are not included in total.
- (3) Total direct rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information.
- (4) Retirement tax at 0.091170 per \$100 of Assessed Valuation.

Sources:

1. HDL Coren & Cone
2. County of Los Angeles Department of Auditor-Controller

City of Monterey Park
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Rate per \$100 of taxable value)

Agency	Fiscal Year				
	2015/16	2016/17	2017/18	2018/19	2019/20
Basic Levy ⁽¹⁾	1.00000	1.00000	1.00000	1.00000	1.00000
City Direct Rates:					
Monterey Park - General Obligation Bonds	0.09117	0.09117	0.09117	0.09117	0.09117
Total Direct Rates	1.09117	1.09117	1.09117	1.09117	1.09117
Overlapping Rates:					
Alhambra Unified School District	0.04926	0.03615	0.05786	0.05404	0.04501
Garvey School District	0.05874	0.06067	0.08332	0.08705	0.08623
Garvey-Alhambra	0.04538	0.05303	0.09319	0.08800	0.07055
Los Angeles Community College District	0.03575	0.03596	0.04599	0.04621	0.02717
Los Angeles Unified School District	0.12971	0.13110	0.12219	0.12323	0.12552
Metropolitan Water District	0.01800	0.02300	0.03000	0.03000	0.03000
Montebello Unified School District	0.08715	0.14705	0.13514	0.13921	0.09306
Monterey Park GO Debt	0.09117	0.09117	0.09117	0.09117	0.09117
Total Overlapping Rates	0.51516	0.57813	0.65886	0.65891	0.56871
Total Direct & Overlapping ⁽²⁾ Tax Rates	1.60633	1.66930	1.75003	1.75008	1.65988
City's Share of 1% Levy Per Prop 13 ⁽³⁾	0.15778	0.15778	0.15778	0.15778	0.15778
General Obligation Debt Rate	0.09117	0.09117	0.09117	0.09117	0.09117
Redevelopment Rate ⁽⁴⁾	0.00000	0.00000	0.00000	0.00000	0.00000
Total Direct Rate ⁽⁵⁾	0.24437	0.24460	0.24384	0.24490	0.24507

Notes:

- (1) In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.
- (2) Overlapping rates are those of local and county governments that apply to property owners within the city. Not all overlapping rates apply to all City property owners.
- (3) City's share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the city. ERAF general fund tax shifts may not be included in tax ratio figure.
- (4) Redevelopment rate is based on the largest RDA tax rate area and only includes rates(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values. The approval of ABX1 26 eliminated Redevelopment from the State of California for the fiscal year 2012/13 and years thereafter.
- (5) Total direct rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information and excludes revenue derived from aircraft. Beginning in 2013/14 the total direct rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13. For the purposes of this report, residual revenue is assumed to be distributed to the City in the same proportions as general fund revenue.

Sources:

1. HDL Coren & Cone
2. County of Los Angeles Department of Auditor-Controller

City of Monterey Park
Direct and Overlapping Property Tax Rates (Continued)
Last Ten Fiscal Years
(Rate per \$100 of taxable value)

Agency	Fiscal Year				
	2020/21	2021/22	2022/23	2023/24	2024/25
Basic Levy ⁽¹⁾	1.00000	1.00000	1.00000	1.00000	1.00000
City Direct Rates:					
Monterey Park - General Obligation Bonds	0.09117	0.09117	0.09117	0.09117	0.09117
Total Direct Rates	1.09117	1.09117	1.09117	1.09117	1.09117
Overlapping Rates:					
Alhambra Unified School District	0.04509	0.04405	0.05131	0.05404	0.04094
Garvey School District	0.08425	0.08837	0.08566	0.08686	0.09258
Garvey-Alhambra	0.07360	0.05726	0.05737	0.05693	0.10293
Los Angeles Community College District	0.04016	0.04376	0.02488	0.06023	0.05136
Los Angeles Unified School District	0.13993	0.11323	0.12107	0.12422	0.12802
Metropolitan Water District	0.03000	0.03000	0.03000	0.03000	0.03000
Montebello Unified School District	0.09706	0.09031	0.12770	0.11275	0.09160
Monterey Park GO Debt	0.09117	0.09117	0.09117	0.09117	0.09117
Total Overlapping Rates	0.60126	0.55815	0.58916	0.61620	0.62860
Total Direct & Overlapping ⁽²⁾ Tax Rates	1.69243	1.64932	1.68033	1.70737	1.71977
City's Share of 1% Levy Per Prop 13 ⁽³⁾	0.15778	0.15778	0.15778	0.15778	0.15778
General Obligation Debt Rate	0.09117	0.09117	0.09117	0.09117	0.09117
Redevelopment Rate ⁽⁴⁾	0.00000	0.00000	0.00000	0.00000	0.00000
Total Direct Rate ⁽⁵⁾	0.24526	0.24540	0.24561	0.24576	0.24596

Notes:

- (1) In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1.00% fixed amount. This 1.00% is shared by all taxing agencies for which the subject property resides within. In addition to the 1.00% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of any voter approved bonds.
- (2) Overlapping rates are those of local and county governments that apply to property owners within the city. Not all overlapping rates apply to all City property owners.
- (3) City's share of 1% Levy is based on the City's share of the general fund tax rate area with the largest net taxable value within the city. ERAF general fund tax shifts may not be included in tax ratio figure.
- (4) Redevelopment rate is based on the largest RDA tax rate area and only includes rates(s) from indebtedness adopted prior to 1989 per California State statute. RDA direct and overlapping rates are applied only to the incremental property values. The approval of ABX1 26 eliminated Redevelopment from the State of California for the fiscal year 2012/13 and years thereafter.
- (5) Total direct rate is the weighted average of all individual direct rates applied by the government preparing the statistical section information and excludes revenue derived from aircraft. Beginning in 2013/14 the total direct rate no longer includes revenue generated from the former redevelopment tax rate areas. Challenges to recognized enforceable obligations are assumed to have been resolved during 2012/13. For the purposes of this report, residual revenue is assumed to be distributed to the City in the same proportions as general fund revenue.

Sources:

1. HDL Coren & Cone
2. County of Los Angeles Department of Auditor-Controller

**City of Monterey Park
Principal Property Taxpayers
(Current Year and Nine Years Ago)**

Taxpayers	2024/25	
	Taxable Assessed Valuation	Percent of Total City Taxable Assessed Valuation
ATLANTIC TIMES SQUARE X LLC	\$ 161,016,328	1.58%
MPRP TRACT 2 LLC LESSOR	148,346,712	1.45%
OMNINET LACC LLC ET AL	92,175,151	0.90%
ETHAN CAPITAL LLC	90,583,509	0.89%
GARFIELD CALMED INVESTMENT LP	59,230,826	0.58%
HMC STRATCAP 1980 SATURN LLC	54,364,924	0.53%
ATLANTIC SQUARE LLC	54,050,978	0.53%
B9 SEQUOIA MONTEREY OWNER LP	46,847,580	0.46%
HMC STRATCAP 1977 SATURN LLC	43,505,240	0.43%
MAR CENTER LLC	40,627,349	0.40%
	\$ 790,748,597	7.75%
Total City Assessed Value	\$ 10,198,144,681	

Sources:

1. HDL Coren & Cone
2. County of Los Angeles Department of Auditor-Controller

**City of Monterey Park
Principal Property Taxpayers (Continued)
(Current Year and Nine Years Ago)**

Taxpayers	2015/16	
	Taxable Assessed Valuation	Percent of Total City Taxable Assessed Valuation
ATLANTIC TIMES SQUARE LLC	\$ 143,444,441	2.18%
LOS ANGELES CORPORATE CENTER LLC	66,907,064	1.01%
UNION BANK	62,488,798	0.95%
GARFIELD CALMED INVESTMENT LP	50,845,231	0.77%
BRE CALIFORNIA OFFICE OWNER LLC	46,900,000	0.71%
GMS FIVE LLC	45,872,626	0.70%
EMERALD HILLS LLC	32,293,184	0.49%
MONTEREY PARK CALMED INVEST LP	27,522,793	0.42%
MPM PARTNERS LLC	27,104,414	0.41%
CARE 1ST HEALTH PLAN INC	25,023,516	0.38%
	<u>\$ 528,402,067</u>	<u>8.02%</u>
Total City Assessed Value	<u>\$ 6,591,897,334</u>	

Sources:

1. HDL Coren & Cone
2. County of Los Angeles Department of Auditor-Controller

City of Monterey Park
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Original Levy			1% - CY PER BOOK			
	Taxes Levied for the Fiscal Year			Collected within the Fiscal Year of Levy			
	1%	D.S.	Amount	1%	D.S.	Amount	Percentage of Levy
2015/16	\$ 8,455,052	\$ 4,956,680	\$ 13,411,732	\$ 8,163,466	\$ 4,837,739	\$ 13,001,205	96.94%
2016/17	8,824,332	5,182,017	14,006,349	8,497,606	5,046,043	13,543,649	96.70%
2017/18	9,279,439	5,447,199	14,726,639	8,918,736	5,290,647	14,209,382	96.49%
2018/19	9,729,981	5,745,652	15,475,634	9,348,499	5,629,544	14,978,043	96.78%
2019/20	10,218,301	5,990,008	16,208,309	9,742,395	5,844,063	15,586,458	96.16%
2020/21	10,722,859	6,244,037	16,966,896	10,230,502	6,088,919	16,319,421	96.18%
2021/22	10,954,338	6,470,729	17,425,067	10,109,659	6,194,802	16,304,462	93.57%
2022/23	11,569,892	6,799,424	18,369,316	11,037,821	6,607,287	17,645,108	96.06%
2023/24	12,169,748	7,229,498	19,399,246	11,689,739	7,014,334	18,704,073	96.42%
2024/25	12,919,751	7,488,358	20,408,109	12,439,724	7,307,617	19,747,341	96.76%

Note: The amounts presented are the City's property tax including secured and unsecured, but excluding interest and penalties.

(1) This percentage may exceed 100% due to information provided by Tax Assessor may not clearly identify the year collected.

(2) Amount included pension override voter approved portion generated from the former redevelopment project areas.

Source:
1. City of Monterey Park Finance Department
2. County of Los Angeles Assessor

City of Monterey Park
Property Tax Levies and Collections (Continued)
Last Ten Fiscal Years

Fiscal Year	1% - PY PER BOOK			Total Collections to Date			
	Collections in Subsequent Years			1%	D.S.	Amount	Percentage of Levy ⁽¹⁾
	1%	D.S.	Amount				
2015/16	\$ 196,898	\$ 120,616	\$ 317,514	\$ 8,360,364	\$ 4,958,355	\$ 13,318,719	99%
2016/17	265,175	110,404	375,579	8,762,781	5,156,448	13,919,228	99%
2017/18	109,223	150,134	259,357	9,027,959	5,440,781	14,468,740	98%
2018/19	196,298	130,331	326,629	9,544,797	5,759,875	15,304,672	99%
2019/20	456,762	107,931	564,692	10,199,157	5,951,993	16,151,150	100%
2020/21	285,221	126,640	411,860	10,515,722	6,215,559	16,731,281	99%
2021/22	357,825	139,127	496,952	10,467,484	6,333,929	16,801,414	96%
2022/23	309,212	121,454	430,666	11,347,033	6,728,741	18,075,774	98%
2023/24	222,711	222,964	445,675	11,912,450	7,237,298	19,149,748	99%
2024/25	223,657	196,167	419,824	12,663,381	7,503,784	20,167,165	99%

Note: The amounts presented are the City's property tax including secured and unsecured, but excluding interest and penalties.

(1) This percentage may exceed 100% due to information provided by Tax Assessor may not clearly identify the year collected.

(2) Amount included pension override voter approved portion generated from the former redevelopment project areas.

Source:

1. City of Monterey Park Finance Department
2. County of Los Angeles Assessor

**City of Monterey Park
Outstanding Deby by Type
Last Ten Fiscal Years
(In Thousands)**

Fiscal Year	Governmental Activities					Total Governmental Activities
	Pension Obligation Bonds	Street Bonds	HUD Section 108 Loans	Library Special Tax Revenue Note	Lease Subscription and Lease Loan	
2015/16	\$ 13,970	\$ -	\$ 3,182	\$ 731	\$ 2,307	\$ 20,190
2016/17	13,520	-	2,804	373	2,123	18,820
2017/18	13,075	-	2,403	-	1,926	17,404
2018/19	12,635	-	1,977	-	4,162	18,774
2019/20	12,200	-	1,526	-	3,587	17,313
2020/21	112,662	-	1,047	-	5,669	119,378
2021/22	109,268	17,585	539	-	4,969	132,361
2022/23	105,185	17,280	-	-	4,242	126,707
2023/24	101,065	19,909	-	-	3,081	124,055
2024/25	96,878	19,464	-	-	7,126	123,468

Notes:

- (1) Percentage of Personal Income was based on data from Los Angeles County State of California Employment Department.
- (2) Debt per capita data was based on the number of population within the City of Monterey Park.

Source:

1. HDL Coren & Cone
2. City of Monterey Park Finance Department

City of Monterey Park
Outstanding Debt by Type (Continued)
Last Ten Fiscal Years
(In Thousands)

Fiscal Year	Business-Type Activities				Total Primary Government	⁽¹⁾ Percentage of Personal Income	Population	⁽²⁾ Debt Per Capita
	Lease Subscription and Lease Loan	Loans Payable	Pension Obligation Bonds	Water Revenue Bonds				
2015/16	\$ 12,127	\$ -	\$ -	\$ -	\$ 32,317	1744.93%	61,346	527
2016/17	10,567	-	-	-	29,387	2020.42%	61,606	477
2017/18	9,809	-	-	-	27,213	9.24% ⁽³⁾	62,240	437
2018/19	9,167	-	-	-	27,941	9.11%	61,828	452
2019/20	8,466	-	-	-	25,779	10.82%	60,734	424
2020/21	7,915	-	5,443	-	132,736	2.26%	60,380	2,198
2021/22	7,310	4,000	5,282	-	148,953	2.03%	60,207	2,474
2022/23	6,646	4,000	5,085	-	142,438	2.20%	59,288	2,402
2023/24	5,259	4,000	4,885	21,104	159,303	2.12%	59,347	2,684
2024/25	4,542	4,000	4,702	20,516	157,228	N/A	59,269	2,653

Notes:

- (1) Percentage of Personal Income was based on data from Los Angeles County State of California Employment Department.
- (2) Debt per capita data was based on the number of population within the City of Monterey Park.
- (3) Start from FY17/18, personal income data for California.

Source:

- 1. HDL Coren & Cone
- 2. City of Monterey Park Finance Department

City of Monterey Park
Ratio of General Bonded Debt Outstanding
Last Ten Fiscal Years
(In Thousands, except Per Capita)

Fiscal Year	Pension Obligation Bonds ⁽¹⁾	Actual Taxable Value of Property	Percent of Actual Taxable Value of Property ⁽²⁾	Population	Net Bonded Debt Per Capita
2015/16	\$ 13,970	\$ 6,591,897	0.21%	61,346	\$ 228
2016/17	13,520	6,934,069	0.19%	61,606	219
2017/18	13,075	7,269,530	0.18%	62,240	210
2018/19	12,635	7,651,050	0.17%	61,828	204
2019/20	12,200	8,089,187	0.15%	60,734	201
2020/21	118,105	8,483,013	1.39%	60,380	1,956
2021/22	114,550	8,771,622	1.31%	60,207	1,903
2022/23	110,270	9,260,168	1.19%	59,288	1,860
2023/24	105,950	9,715,095	1.09%	59,347	1,785
2024/25	101,580	10,198,145	1.00%	59,269	1,714

Note:

- (1) The City has Pension Obligation bonds and does not have any other General Obligation Bonds.
- (2) Assessed value has been used because the actual value of taxable property is not readily available in the State of California.

Source: City of Monterey Park Finance Department

City of Monterey Park
Direct and Overlapping Debt
As of June 30, 2025

2024-25 Assessed Valuation:
 \$10,198,144,681

	Total Debt	% Applicable (1)	City's Share of Debt
<u>OVERLAPPING TAX AND ASSESSMENT DEBT:</u>			
Metropolitan Water District	\$ 17,155,000	0.014 %	\$ 2,402
Los Angeles Community College District	4,919,505,000	0.858	42,209,353
Alhambra Unified School District	133,919,695	32.366	43,344,448
Alhambra Unified School District School Facilities Improvement District No. 1	85,522,107	33.265	28,448,929
Alhambra Unified School District (former Elementary School District)	7,023,640	33.265	2,336,414
Los Angeles Unified School District	11,745,405,000	0.034	3,993,438
Montebello Unified School District	228,369,179	8.789	20,071,367
Garvey School District	67,119,010	29.408	19,738,358
TOTAL OVERLAPPING TAX AND ASSESSMENT DEBT			\$ 160,144,709
<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>			
Los Angeles County General Fund Obligations	\$ 3,036,637,390	0.485 %	\$ 14,727,691
Los Angeles County Superintendent of Schools Certificates of Participation	2,331,775	0.485	11,309
Los Angeles Unified School District General Fund Obligations	225,010,000	0.034	76,503
Montebello Unified School District General Fund Obligations	3,185,000	8.789	279,930
City of Monterey Park Governmental Activities Obligations	123,467,994	100.000	123,467,994
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT			\$ 138,563,427
<u>OVERLAPPING TAX INCREMENT DEBT (Successor Agency):</u>	\$ 4,790,000	100 %	\$ 4,790,000
TOTAL DIRECT DEBT			\$ 123,467,994
TOTAL OVERLAPPING DEBT			\$ 180,030,142
COMBINED TOTAL DEBT			\$ 303,498,136

Notes:

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

Ratios to 2024-25 Assessed Valuation:

Total Direct Debt (\$123,467,994)	1.21%
Total Overlapping Tax and Assessment Debt	1.77%
Combined Total Debt	2.98%

Ratios to Redevelopment Successor Agency Incremental Valuation (\$2,123,512,480):

Overlapping Tax Increment Debt	0.23%
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Source: Cal Muni

City of Monterey Park
Legal Debt Margin Information
Last Ten Fiscal Years
(In Thousands)

	Fiscal Year				
	2015/16	2016/17	2017/18	2018/19	2019/20
Assessed valuation	\$ 6,591,897	\$ 6,934,068	\$ 7,269,530	\$ 7,651,050	\$ 8,089,187
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit	988,785	1,040,110	1,090,430	1,147,657	1,213,378
Total net debt applicable to limit:					
Pension obligation bonds	13,970	13,520	13,075	12,635	12,200
Legal debt margin	\$ 974,815	\$ 1,026,590	\$ 1,077,355	\$ 1,135,022	\$ 1,201,178
Total debt applicable to the limit as a percentage of debt limit	1.41%	1.30%	1.20%	1.10%	1.01%

Note: In accordance with California Government Code Section 43605, total general obligation bonds outstanding cannot exceed 15 percent of total assessed valuation.

Sources:

1. City of Monterey Park Finance Department
2. HDL Coren & Cone
3. County of Los Angeles Department of Auditor-Controller

City of Monterey Park
Legal Debt Margin Information (Continued)
Last Ten Fiscal Years
(In Thousands)

	Fiscal Year				
	2020/21	2021/22	2022/23	2023/24	2024/25
Assessed valuation	\$ 8,483,013	\$ 8,771,622	\$ 9,260,168	\$ 9,715,095	10,198,145
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit	1,272,452	1,315,743	1,389,025	1,457,264	1,529,722
Total net debt applicable to limit:					
Pension obligation bonds	118,105	114,550	110,270	105,950	101,580
Legal debt margin	<u>\$ 1,154,347</u>	<u>\$ 1,201,193</u>	<u>\$ 1,278,755</u>	<u>\$ 1,351,314</u>	<u>\$ 1,428,142</u>
Total debt applicable to the limit as a percentage of debt limit	9.28%	8.71%	7.94%	7.27%	6.64%

Note: In accordance with California Government Code Section 43605, total general obligation bonds outstanding cannot exceed 15 percent of total assessed valuation.

Sources:

1. City of Monterey Park Finance Department
2. HDL Coren & Cone
3. County of Los Angeles Department of Auditor-Controller

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City of Monterey Park
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population	Personal Income	Per Capita Personal Income	Unemployment Rate
2015/16	61,346	\$ 563,907,868	\$ 55,624	5.2%
2016/17	61,606	593,741,110	58,419	4.5%
2017/18 ⁽¹⁾	62,240	2,514,503	63,720	3.9%
2018/19	61,828	2,544,235	64,513	4.1%
2019/20	60,734	2,790,524	70,647	9.6%
2020/21	60,380	3,006,184	76,614	13.3%
2021/22	60,207	3,018,471	77,339	5.4%
2022/23	59,288	3,133,679	80,423	4.0%
2023/24	59,347	3,372,091	85,518	4.6%
2024/25	59,269	N/A	N/A	5.1%

Note: (1) Starting in FY17/18, personal income and per capita personal income are the data shown for California from Bureau of Economic Analysis.

Sources:

1. U.S. Bureau of Economic Analysis
2. HDL Coren & Cone
3. California Employment Development Department

**City of Monterey Park
Principal Employers
(Current Year and Nine Years Ago)**

Employers	2024/25	
	Number of Employees	Percentage of Total Employment ⁽¹⁾
GARFIELD MEDICAL CENTER	819	0.017%
SOUTHERN CALIFORNIA GAS COMPANY	765	0.016%
COSTCO WHOLESALE #1318	449	0.009%
MONTEREY PARK HOSPITAL	368	0.008%
NETWORK MEDICAL MANAGEMENT INC	325	0.007%
HOME DEPOT #2304	225	0.005%
RALPHS GROCERY CO (2 LOCATIONS)	161	0.003%
BEHAVIOR RESPITE IN ACTION INC	149	0.003%
REMITCO L L C	142	0.003%
MONTEREY PARK CONVALESCENT HOSPITAL INC	132	0.003%
CARMICHAEL INTERNATIONAL SERVICE	130	0.003%
CAMINO REAL CHEVROLET	113	0.002%
HERITAGE MANOR HEALTHCARE	112	0.002%
LA COLONIAL TORTILLA PRODUCTS INC	85	0.002%
GREAT WALL SUPERMARKET	75	0.002%

Note:

(1) Percentage of total employment is calculated based on Los Angeles County's total employment annual force of 4,812,600 in 2024 and 4,657,000 in 2015.

Sources:

1. City of Monterey Park Finance Department
2. State of California Employment Development Department

**City of Monterey Park
Principal Employers (Continued)
(Current Year and Nine Years Ago)**

Employers	2015/16	
	Number of Employees	Percentage of Total Employment ⁽¹⁾
GARFIELD MEDICAL CENTER	976	0.021%
CARE 1ST HEALTH PLAN	541	0.012%
SOUTHERN CALIFORNIA GAS COMPANY	387	0.008%
SYNER MED INC	356	0.008%
MONTEREY PARK HOSPITAL	320	0.007%
REMITCO LLC	187	0.004%
RALPHS GROCERY (2 LOCATIONS)	171	0.004%
24 HOUR FITNESS #867	143	0.003%
CHINESE DAILY NEWS	142	0.003%
CALIFORNIA PSYCHCARE INC	103	0.002%
CAMINO REAL CHEVROLET	100	0.002%
MONTEREY PARK CONVALESCENT	92	0.002%
SOUTHERN CALIFORNIA EDISON	90	0.002%
HERITAGE MANOR HEALTHCARE	90	0.002%
LA COLONIAL TORTILLA PRODUCTS INC	85	0.002%

Note:

(1) Percentage of total employment is calculated based on Los Angeles County's total employment annual force of 4,812,600 in 2024 and 4,657,000 in 2015.

Sources:

1. City of Monterey Park Finance Department
2. State of California Employment Development Department

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City of Monterey Park
City Employees by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24	24-25
General Government	32	33	33	35	38	40	55	42	44	45
Public Safety										
Police	116	119	119	122	122	124	124	126	129	128
Fire	58	59	61	61	66	66	64	64	65	64
Public Works	71	71	71	71	80	83	74	74	72	74
Culture and Recreation										
Library	26	26	26	26	25	25	19	24	27	27
Recreation/Community Services	37	37	37	37	36	38	37	37	37	37
Community/Economic Development ⁽¹⁾	14	15	17	17	-	-	-	15	15	15
Total	352	359	364	368	367	376	373	382	388	390

Note: Numbers represent Full-Time-Equivalent positions.

(1) In FY2019-20, personnel and functions from Community/Economic Development are distributed to Fire and Public Works Departments. In FY2019-20, Code Enforcement Division is under the supervision of Fire Department and Planning and Building Divisions are under the supervision of Public Works Department. In FY22-23, further organizational restructuring moved the Planning and Building Divisions from Public Works and Economic Development Division from the City Manager's Office to become the Community Development Department.

Source: City of Monterey Park Annual Adopted Budget

City of Monterey Park
Operating Indicators by Function
Last Ten Fiscal Years

	Fiscal Year				
	2015/16	2016/17	2017/18	2018/19	2019/20
Police:					
Number of service calls	54,183	53,646	54,696	53,534	50,153
Response time priority I (emergency) (minutes/seconds)	4:49	4:46	4:22	4:02	3:59
Fire:					
Number of emergency calls	4,985	5,047	5,121	4,355	4,251
Inspections	5,139	3,523	3,523	2,922	3,200
Public works:					
Street resurfacing (miles)	2.12	2.71	2.80	-	2.79
Parks and recreation:					
Hours of recreation classes	650	600	922	960	640
Number of facility rentals/ Number of hours of facility rentals ⁽¹⁾	175	1,197	1,230	2,816	640
Water:					
Meters changed and upgrades ⁽²⁾	98	112	8	5	7
Water turn-ons and turn-offs	2,682	2,440	2,440	2,080	3,471
Average daily consumption (thousand of gallons)	8,000	8,000	8,000	8,000	8,000

Note:

- (1) Start FY 2016/17, number of hours of facility rentals are being used.
- (2) Start FY 2017/18, total meters installed to field-testable and/or field-repairable standards was being omitted.

Sources:

- 1. City of Monterey Park Annual Budget
- 2. City of Monterey Park Finance, Fire, Public Works, Recreation Departments

City of Monterey Park
Operating Indicators by Function (Continued)
Last Ten Fiscal Years

	Fiscal Year				
	2020/21	2021/22	2022/23	2023/24	2024/25
Police:					
Number of service calls	49,154	49,899	45,941	50,578	53,410
Response time priority I (emergency) (minutes/seconds)	3:32	3:59	3:39	4:29	4:27
Fire:					
Number of emergency calls	4,979	5,266	5,535	5,420	5,501
Inspections	2,356	1,776	3,972	3,400	3,357
Public works:					
Street resurfacing (miles)	-	9	12.39	16.66	6.46
Parks and recreation:					
Hours of recreation classes	95	441	441	374	380
Number of facility rentals/ Number of hours of facility rentals ⁽¹⁾	-	264	690	910	1,451
Water:					
Meters changed and upgrades ⁽²⁾	2	3	2	3	6
Water turn-ons and turn-offs	1,078	1,866	2,000	1,967	1,582
Average daily consumption (thousand of gallons)	8,000	8,000	8,000	8,000	8,000

Note:

- (1) Start FY 2016/17, number of hours of facility rentals are being used.
- (2) Start FY 2017/18, total meters installed to field-testable and/or field-repairable standards was being omitted.

Sources:

- 1. City of Monterey Park Annual Budget
- 2. City of Monterey Park Finance, Fire, Public Works, Recreation Departments

**City of Monterey Park
Capital Assets by Function
Last Ten Fiscal Years**

	Fiscal Year				
	2015/16	2016/17	2017/18	2018/19	2019/20
Police:					
Stations	1	1	1	1	1
Fire:					
Fire stations	3	3	3	3	3
Public works:					
Streets (miles)	119	119	119	119	119
Streetlights	3,359	3,359	3,359	3,359	3,359
Traffic signals	75	75	75	75	75
Parks and recreation:					
Parks	14	14	14	14	14
Community centers					
Water:					
Water mains (miles)	134	134	134	134	134
Maximum Actual Daily Pumped (thousands of gallons)	7,200	6,800	7,000	6,700	6,700
Wastewater:					
Sanitary sewers (miles)	126	126	126	126	126
Storm sewers (miles)	12.43	12.43	12.43	12.43	12.43

Sources:

1. City of Monterey Park Annual Budget
2. City of Monterey Park Water Division

City of Monterey Park
Capital Assets by Function (Continued)
Last Ten Fiscal Years

	Fiscal Year				
	2020/21	2021/22	2022/23	2023/24	2024/25
Police:					
Stations	1	1	1	1	1
Fire:					
Fire stations	3	3	3	3	3
Public works:					
Streets (miles)	119	119	119	119	119
Streetlights	3,359	3,359	3,359	3,359	3,359
Traffic signals	75	75	75	75	75
Parks and recreation:					
Parks	14	14	14	14	14
Community centers					
Water:					
Water mains (miles)	134	134	134	134	134
Maximum Actual Daily Pumped (thousands of gallons)	6,800	6,300	6,000	5,700	5,900
Wastewater:					
Sanitary sewers (miles)	126	126	126	126	126
Storm sewers (miles)	12.43	12.43	12.43	12.43	12.43

Sources:

1. City of Monterey Park Annual Budget
2. City of Monterey Park Water Division

City of Monterey Park
Water Sold by Type of Customer
Last Ten Fiscal Years
(in millions of gallons)

Type of Customers:	Fiscal Year				
	2015/16	2016/17	2017/18	2018/19	2019/20
Residential	1,564.2	1,555.6	1,571.6	1,524.5	1,557.1
Commercial	594.0	618.0	610.0	579.5	530.4
Institutional	4.4	6.0	6.0	5.1	5.3
Government	37.3	45.7	98.5	48.8	48.8
Total	2,199.9	2,225.3	2,286.1	2,157.9	2,141.6

Source: City of Monterey Park Public Works Department

City of Monterey Park
Water Sold by Type of Customer (Continued)
Last Ten Fiscal Years
(in millions of gallons)

	Fiscal Year				
	2020/21	2021/22	2022/23	2023/24	2024/25
Type of Customers:					
Residential	1,734.8	1,552.1	1,847.2	2,195.0	2,357.1
Commercial	507.0	507.8	603.9	1,369.0	1,377.5
Institutional	5.9	5.8	5.8	13.1	16.5
Government	67.6	56.5	60.3	126.2	176.5
Total	<u>2,315.3</u>	<u>2,122.2</u>	<u>2,517.2</u>	<u>3,703.3</u>	<u>3,927.6</u>

Source: City of Monterey Park Public Works Department

**City of Monterey Park
Water Rates
Last Ten Fiscal Years**

Fiscal Year	Monthly Base Rate	Rate per 1,000 Gallons
2015/16	15.95	2.49
2016/17	17.55	2.89
2017/18	19.30	3.02
2018/19	21.25	3.15
2019/20	19.20	3.01
2020/21	19.20	3.01
2021/22	19.20	3.01
2022/23	19.20	3.01
2023/24 (a)	26.29	3.50
2024/25	28.39	3.65

Note: Rates are based on 5/8" meter and 3/4 meters (the City is standardizing to 3/4 meters), which is the standard household meter size.

(a) Rate beginning March 2024

Source: City of Monterey Park Finance Department

**City of Monterey Park
Top Ten Water Customers
(Current Year and Four Years Ago)**

Water Customer	2024/25		2020/2021	
	Water Charges	Percent of Total Water Revenues	Water Charges	Percent of Total Water Revenues
MP 3600 LLC	\$ 114,636	0.71%	\$ 107,095	1.05%
Atlantic Times Square II, LLC	98,539	0.61%	80,016	0.78%
Garfield Medical Ctr	92,838	0.57%	88,143	0.86%
Aespace America Inc	80,579	0.50%		
Atlantic Times Square II, LLC	77,035	0.48%	60,756	0.59%
Judicial Council of CA, 19-Q1	73,829	0.46%		
Garfield Estates	54,722	0.34%	117,032	1.14%
Golden Age Village	53,550	0.33%		
Atlantic Times Square II, LLC	53,284	0.33%		
Mtry Pk Intrcm Hosp	53,242	0.33%	49,603	0.48%
	\$ 752,254	4.66%	\$ 502,645	4.90%

Source: City of Monterey Park Finance Department

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