



Annual Comprehensive Financial Report

2022

Fiscal Year Ended June 2022

Carson, California

CITY OF CARSON, CALIFORNIA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FISCAL YEAR ENDED JUNE 30, 2022

PREPARED BY:
FINANCE DEPARTMENT

TARIK RAHMANI
DEPUTY CITY MANAGER
ANNUAL COMPREHENSIVE FINANCIAL REPORT



CITY OF CARSON
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022
Table of Contents

	<u>Page Number</u>
INTRODUCTORY SECTION	
Letter of Transmittal	i
Directory of City Officials	vi
Organization Chart	vii
 FINANCIAL SECTION	
Independent Auditor’s Report	1
Management’s Discussion and Analysis (Required Supplementary Information)	5
 Basic Financial Statements:	
Government-wide Financial Statements	
Statement of Net Position	19
Statement of Activities	20
 Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	22
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	24
Statement of Revenues, Expenditures and Changes in Fund Balances	25
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	27
Fiduciary Funds:	
Statement of Fiduciary Net Position	28
Statement of Changes in Fiduciary Net Position	29
Notes to Basic Financial Statements	30
 REQUIRED SUPPLEMENTARY INFORMATION:	
California Public Employees’ Retirement System - Miscellaneous Plan:	
Schedule of Changes in the Net Pension Liability and Related Ratios	104
Schedule of Contributions	106
Schedule of Changes in the Net OPEB Liability and Related Ratios	108
Schedule of Contributions – OPEB Plan	109

CITY OF CARSON
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022
Table of Contents

	<u>Page Number</u>
REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED):	
Major Governmental Funds:	
Fund Descriptions	110
Budgetary Comparison Schedules:	
General Fund	111
Carson Housing Authority Special Revenue Fund	113
American Rescue Plan Act 2 Special Revenue Fund	114
Note to Required Supplementary Information	115
 SUPPLEMENTARY INFORMATION:	
Nonmajor Governmental Funds:	
Fund Descriptions	116
Combining Balance Sheet	119
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	128
 Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual:	
Measure M & R Local Street Projects Capital Projects Fund	137
State Gas Tax Special Revenue Fund	138
TDA Article 3 Special Revenue Fund	139
Proposition A Local Return Special Revenue Fund	140
Proposition C Local Return Special Revenue Fund	141
Air Quality Improvement Special Revenue Fund	142
Capital Asset Replacement Special Revenue Fund	143
Measure R Special Revenue Fund	144
Restricted Administrative Tow Fee Special Revenue Fund	145
Youth Services Program Special Revenue Fund	146
City Special Events Special Revenue Fund	147
MTA Call for Projects Special Revenue Fund	148
Park Development Special Revenue Fund	149
Los Angeles County Park District Special Revenue Fund	150
Beverage Container Recycling Special Revenue Fund	151
State COPS Grant Special Revenue Fund	152

CITY OF CARSON
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022
Table of Contents

	<u>Page Number</u>
REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED):	
Nonmajor Governmental Funds (Continued):	
Schedules of Revenues, Expenditures and Changes in Fund	
Balance - Budget and Actual (Continued):	
Used Oil State Grant Special Revenue Fund	153
Family Support Grant Special Revenue Fund	154
HOME Grant Special Revenue Fund	155
Community Development Block Grant Special Revenue Fund	156
Federal Highway Planning Grant Special Revenue Fund	157
Neighborhood Stabilization Grant Special Revenue Fund	158
Facilities Maintenance Special Revenue Fund	159
Load Shed Program Special Revenue Fund	160
Public Education and Government Access (PEG) Special Revenue Fund	161
Raised Median In-Lieu Special Revenue Fund	162
Development Impact Fees Special Revenue Fund	163
Utility Underground In-Lieu Special Revenue Fund	164
SB1 Special Revenue Fund	165
Measure M Special Revenue Fund	166
Measure R Special Revenue Fund	167
Community Facilities District Special Revenue Fund	168
Carson Stormwater Special Revenue Fund	169
States Grants Program Special Revenue Fund	170
Cooperation Agreement Bond Proceeds Special Revenue Fund	171
State CIP Grants Special Revenue Fund	172
Measure M PS & E and Construction Special Revenue Fund	173
SB1383 Special Revenue Fund	174
Custodial Funds:	
Fund Descriptions	175
Combining Statement of Fiduciary Net Pension	176
Combining Statement of Changes in Fiduciary Net Pension	177

CITY OF CARSON
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2022
Table of Contents

	<u>Page Number</u>
STATISTICAL SECTION (UNAUDITED):	
Description of Statistical Section	178
Financial Trends:	
Net Position by Component - Last Ten Fiscal Years	179
Changes in Net Position - Last Ten Fiscal Years	180
Fund Balances of Governmental Funds - Last Ten Fiscal Years	182
Changes in Fund Balances of Governmental Funds - Last Ten Fiscal Years	183
Revenue Capacity:	
General Governmental Revenues by Source - Last Ten Fiscal Years	184
Assessed Value and Estimated Actual Value of Taxable Property - Last Ten Fiscal Years	185
Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years	186
Principal Property Taxpayers - Current Year and Nine Years Ago	187
Property Tax Levies and Collections - Last Ten Fiscal Years	188
Debt Capacity:	
Direct and Overlapping Governmental Activities Debt	189
Legal Debt Margin Information - Last Ten Fiscal Years	190
Pledged-Revenue Coverage - Last Ten Fiscal Years	191
Ratios of Total Net Direct Debt	192
Demographic and Economic Information:	
Demographic and Economic Statistics - Last Ten Calendar Years	193
Principal Employers - Current Year and Nine Years Ago	194
Operating Information:	
Full-Time Equivalent City Government Employees by Function/Workgroup - Last Ten Fiscal Years	195
Operating Indicators by Workgroup - Last Ten Fiscal Years	196
Capital Asset Statistics by Function - Last Ten Fiscal Years	197

INTRODUCTORY SECTION

**CITY OF CARSON, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT**





CITY OF CARSON

January 25, 2022

**Honorable Mayor, Members of the City Council
and the Citizens of the City of Carson, California:**

The Annual Comprehensive Financial Report (ACFR) of the City of Carson, California for the fiscal year ended June 30, 2022, is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that the City issue annually a report on its financial position and activity, and that an independent firm of certified public accountants audit this report. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner that presents fairly the financial position and results of operations of the various funds and component units of the City. In addition, to the best of our knowledge, there are no untrue statements of material fact within the financial statements or omissions of material fact to cause the financial statements to be misleading. All disclosures necessary to enable the reader to gain an understanding of the City's financial activity have been included.

The financial section of the Annual Report includes Management's Discussion and Analysis (MD&A) of the financial activity. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

THE REPORTING ENTITY

The financial reporting entity includes all the funds of the primary government, the City of Carson as legally defined, as well as its component units. A component unit is a legally separate organization for which the elected officials of the agency are financially accountable. The City has three component units, which are reported as blended component units: the Carson Financing Authority, which was created to finance public capital improvements for the former Redevelopment Agency and the City; the Carson Housing Authority, which was established to carry out the housing function of the dissolved Carson Redevelopment Agency; and the Carson Reclamation Authority, which was formed to oversee and facilitate the remediation of contaminated properties in the City. Separate financial statements are also issued for the Carson Reclamation Authority and are available at City Hall.

CITY PROFILE

Located in the South Bay section of Los Angeles, Carson has a documented population of approximately 95,000. Over the years, three annexations have increased the City's size to 19.2 square miles.

Steady and continued growth has enabled Carson to become a city of regional significance. Carson has been included in the top 20 highest valued cities in the county since 1998, according to the Annual Report of the Assessor's Office of the County. While Carson is well known as an industrial center with unparalleled access to transportation and the Pacific Rim, it is also a culturally diverse community that is attractive place to live, work and play. The City has more than 120 acres of park land divided into 12 parks, 2 mini-parks and sports/recreational facilities that include 3 swimming pools, a boxing center, a state-of-the art sports complex and the Carson Community Center. These facilities allow the residents of Carson to enjoy a variety of sports, recreational and cultural programs. The city's educational needs are served by Los Angeles Unified School District, and the community has access to 47 church organizations.

GOVERNMENT

The City was incorporated as a General-Law city on February 20, 1968. On November 6, 2018, with the City's voters' approval, the City became a California Chartered city. The City Council serves as the governing and policy making body of the City. The City Council is composed of the mayor, elected every four years and four City Councilpersons elected to four-year terms of office by elections at large. Municipal elections are held every two years with two councilpersons being elected for four-year terms. In March of each year, the City Council selects one of its members to act as Mayor Pro-Tempore. The duties of the Mayor include presiding at City Council meetings, appointing members of boards and commissions, and serving as the official head of the City. All City Councilpersons must be registered voters within the City limits of Carson.

The City Council appoints a City Manager to serve as the chief administrative officer of the City. The City Manager acts as the chief advisor to the City Council; implements City Council decisions; acts as liaison between City Council and other agencies; and directs and coordinates the City resources and workgroups. The City's resources are administered by the City Manager and have been organized around eight departments: City Manager, City Clerk, City Treasurer, Community Services, Community Development, Public Works, Finance, and Human Resources established to deal with the City's specific functions and services.

The City contracts with the County for law enforcement, building and safety services, library services, and sewer services. The Los Angeles County Fire Department and the Los Angeles Unified School District also serve the City's residents. Solid waste collection and disposal, gas, water, electric, and communication services are provided by private companies.

MAJOR INITIATIVES AND ACCOMPLISHMENTS

On April 27, 2020, the City of Carson became the first city in Southern California to offer free COVID-19 testing to allow its residents and others in neighboring communities. The City partnered with USHealthFairs.org to provide the testing. The testing site is located at the Carson Community Center.

On June 18, 2019, the City Council approved the Land Exchange of the City Yard Real Property at 2390/2400 E. Dominguez for the Prologis Targeted U.S. Logistics Fund, L.P. owned property at 18620 S Broadway & 18601 S Main Street, Carson. The appraisals determined that the fair market value of the City Property was \$25.8 million, and the fair market value of the Prologis Property was \$15.6 million with the net difference being \$10.2 million. Prologis graciously provided \$2.4 million towards the build-out of the New Corporate Yard. During the project, the City Council approved the expenditure of an additional \$2.7 million for certain additional features to enable the facility to be more efficient and effective for future growth and to maximize the space. With the allocation of these additional funds, the total amount the City had spent to build the New Corporate Yard was \$4.9 million, leaving a Net Balance of \$5.3 million that the City received on November 20th, 2020, upon Certificate of Occupancy/Close of Escrow.

On June 10, 2020, the City issued \$108.0 million in pension obligation bonds. The bonds were transferred to California Public Employees Retirement System (CalPERS) to fund the City's unfunded accrued actuarial liability to the benefit of City employees. Because of the low interest rates, the net savings to the City over the next two decades is approximately \$43.0 million.

On October 19, 2019, the Carson Public Finance Authority issued \$18.8 million in revenue bonds, the bonds will be used to finance the design, acquisition, and construction of certain local roadway and street improvement projects. The debt service payments for the bonds are being paid by proceeds from Measure R and Measure M.

On June 19, 2019, the Carson Public Finance Authority issued \$18.9 million in reassessment revenue refunding bonds. The bonds were issued to refund a series of outstanding City reassessment bonds issued by the City in 2006 and produced approximately \$2.0 million in available cash to fund a series of street improvements within the district area, the Dominguez Technology Center.

The City's fiscal year 2021-22 adopted operating budget continues to be both balanced and fiscally responsible. The spending plan maintains essential services for the community and continues to look for means to stimulate local economy through various development and beautification projects throughout the City. The City departments' implementation and accomplishments of the following projects and activities during the year:

Community Development

The Department of Community Development administers the City's General Plan, as well as the City's zoning, building, and environmental regulations, to ensure the orderly physical growth of the community. Program activities include advance and current planning, building plan check, permit issuance, and inspection and city real property and asset Management. The Department also oversees the Community Development Block Grant program, Mobile Home Rental Review Board, Successor Agency and Housing Authority functions. We strive to push the envelope beyond bureaucracy who think outside the box and who provide excellent customer service.

Public Works

A key role that the Public Works Department plays for the City of Carson and its importance to the City's operations, include the following:

- Road maintenance and safety
- Beautification
- Implementing required components for economic development

The department had implemented and accomplished various capital improvement projects involving streets, sidewalks, medians, buildings, and utilities.

Information Technology

The Information and Technology department functions are to:

- provide the technical infrastructure – such that computers, telephones, and information systems - enable other city departments to improve their service delivery.
- help keeping up to date on City Council actions, as well as city events, through the City's cable television channel, Time Warner Cable - Channel 35.

- provide an elaborate webpage to keep aware of the City's organizational structure.
- provide an "emergency warning system" to advise for any disasters that may occur.

Public Safety and Emergency Management Services

The Department of Public Safety and Emergency Management Services develops and administers programs designed to enhance public safety, crime prevention and emergency preparedness. Community Safety Services provides oversight of the City's law enforcement program and directs the City's Code Enforcement Detail, Parking Enforcement Detail, Crossing Guard program, Block Captains program, Neighborhood Watch program, Community Emergency Response Team (C.E.R.T.) program and the City's Emergency Operations Center.

FINANCIAL INFORMATION

The officials having direct responsibility for the financial administration and management of the City are the City Manager, the City Treasurer, and the Director of Finance. Fiscal operations include general accounting, financial reporting, treasury and investment management, business license, payroll, accounts payable, accounts receivable, procurement of supplies and services, and budget preparation.

The Finance Department is responsible for establishing and maintaining an appropriate internal control structure. The internal control system is designed to ensure that the assets of the City are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of the control should not exceed the benefits likely derived, and the valuation of costs and benefits requires estimates and judgments by management.

The City maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions contained in the annual appropriated budgets approved by the City Council and the component unit Boards. Activities of the General Fund and Special Revenue Funds are included in the annual appropriated budgets of the government units. The level of budgetary control, that is the level at which expenditures cannot legally exceed the appropriated amount, is established at the department level within each fund. Formal budgetary integration is employed as a management control device. The City also maintains an encumbrance accounting system as one method of maintaining budgetary control and the control of expenditures. Encumbrances lapse at fiscal year-end, and unspent balances are eligible to be carried over to the following year's budget appropriations with City Council approval.

OTHER INFORMATION

The City requires an annual audit by independent certified public accountants. The accounting firm of Vasquez & Company LLP conducted this year's audit. The auditor's report on the financial statements is included in the financial section of this report.

As a recipient of federal, state, and county financial assistance, the City is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management in years when over \$750,000 is expended on federal financial assistance programs, the City is required to undergo an annual single audit in conformity with the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

For the year ended June 30, 2022, \$9.9 million was expended on federal financial assistance programs. Information related to this single audit, including a schedule of Federal financial assistance, the independent auditors' reports on internal controls and compliance with applicable laws and regulations, and a schedule of findings are included in a separately issued single audit report.

The Finance Department staff continuously strives to ensure the integrity of the financial information provided to elected officials, management and staff, and the public. I would like to thank the entire Finance Department; especially the Acting Accounting Manager Hnin Phyu, the Acting Senior Accountant Phat Nguyen, and the Accountants Priscilla Carreras and Susan Delirio. I would like to thank the Directors and Analysts of the City's departments for all the information they patiently provided. Finally, I would like to thank the Mayor, the members of the City Council, the City Treasurer, the City Clerk, the City Manager, and the City Attorney for their support towards conducting the financial operations of the City in a fiscally responsible manner.

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke extending to the right.

Tarik Rahmani
Deputy City Manager

City of Carson Elected Officials Fiscal Year 2022



Lula Davis-Holmes
Mayor



Jawane Hilton
Mayor Pro Tem
District 1



Cedric L. Hicks, Sr.
Councilmember
District 3



Jim Dear
Councilmember
District 2



Arleen Bocatija Rojas
Councilmember
District 4



Dr. Khaleah Bradshaw
City Clerk

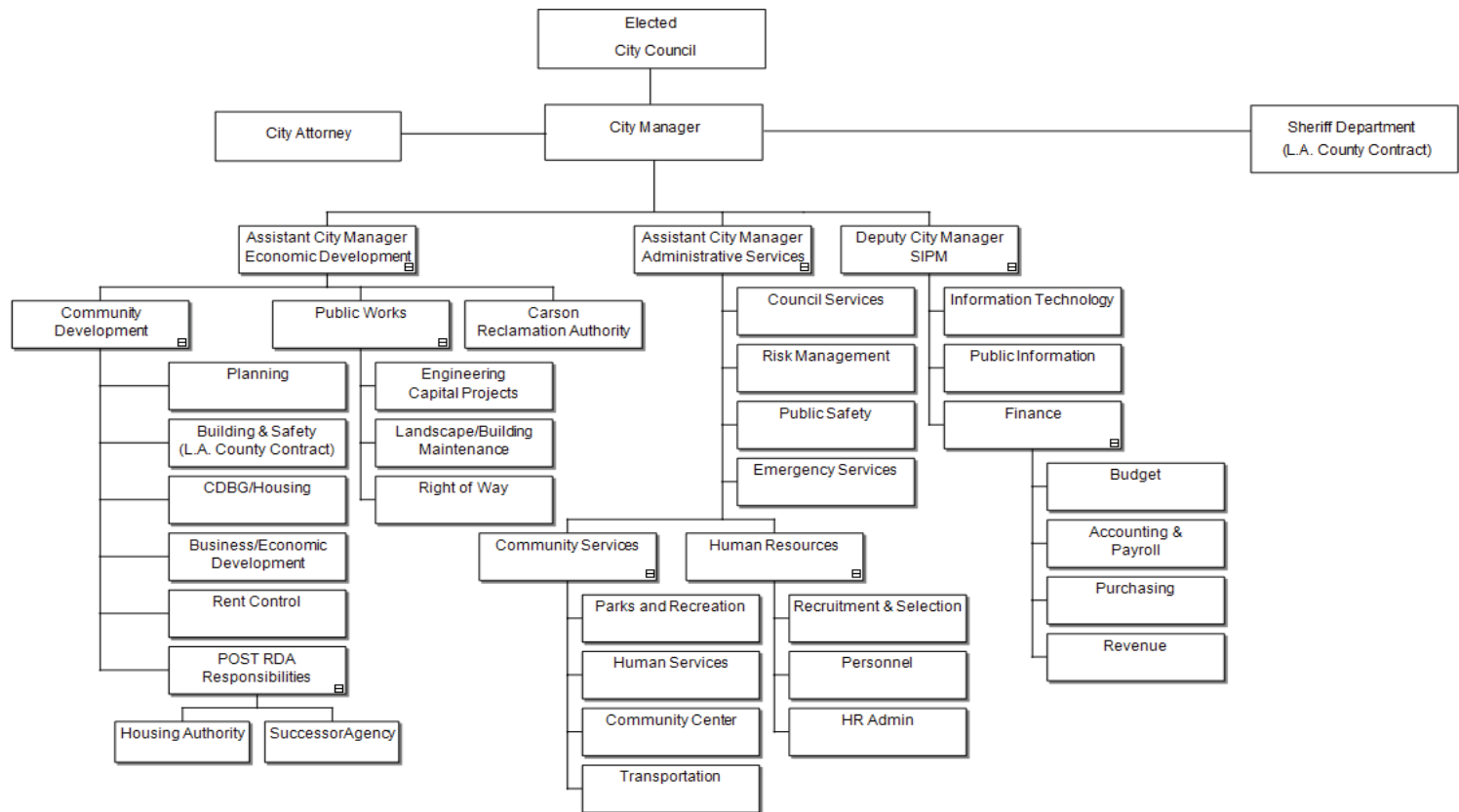


Monica Cooper
City Treasurer

City Management

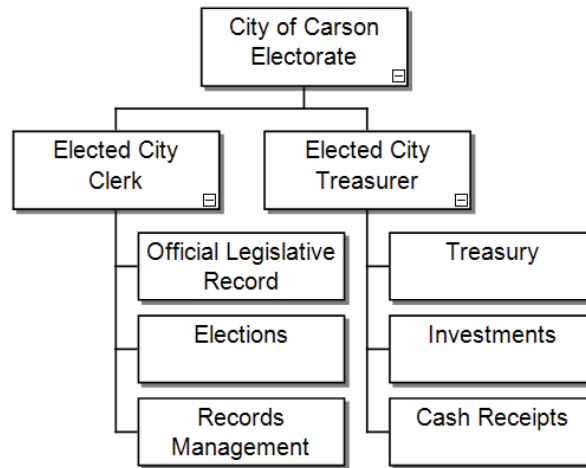
David Roberts, City Manager
John S. Raymond, Assistant City Manager, Economic Development
Robert Lennox, Assistant City Manager, Administrative Services
Tarik Rahmani, Deputy City Manager
Eliza Jane Whitman, Director of Public Works
Saied Naaseh, Director of Community Development

Organization Chart



*Fire protection and emergency medical services are provided by the L.A. County Fire Department

Organization Chart



FINANCIAL SECTION

**CITY OF CARSON, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT**





655 N. Central Avenue
Suite 1550
Glendale, CA 91203

www.vasquez.cpa

213-873-1700
OFFICE

LOS ANGELES
SAN DIEGO
IRVINE
SACRAMENTO
FRESNO
PHOENIX
LAS VEGAS
MANILA, PH

Independent Auditor's Report

To the City Council
City of Carson, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Carson, California (the City), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Carson, California as of June 30, 2022, and the respective changes in financial position 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the City implemented the provisions of Governmental Accounting Standards Board Statement No. 87, *Leases*, during the fiscal year ended June 30, 2022. 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 on pages 5 through 18 and the required supplementary information on pages 104 through 115 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 and budgetary comparison schedules as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is 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 January 25, 2023 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 the 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 the City's internal control over financial reporting and compliance.

Vaughan & Company LLP

**Glendale, California
January 25, 2023**

**MANAGEMENT'S DISCUSSION
AND ANALYSIS**

CITY OF CARSON, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT



This discussion and analysis of the City of Carson's (the City) financial performance offers readers of the City's financial statements an overview of the financial activities of the City for the fiscal year ended June 30, 2022. Our analysis includes information regarding the City's overall financial position and results of operations to assist users in evaluating the City's financial position. Please read it in conjunction with the accompanying transmittal letter, the basic financial statements, and the accompanying notes to those financial statements.

Financial Highlights

Government-Wide Financial Statements

- The total assets and deferred outflows of resources of the City exceeded its total liabilities and deferred inflows of resources at June 30, 2022, by \$428.2 million. This amount is referred to as the net position of the City. Of this amount, \$394.6 million represents net investment in capital assets, \$89.5 million is restricted, and \$55.9 million is unrestricted deficit in net position.
- The City's net position increased by approximately \$77.2 million during the fiscal year.
- The City's total long-term liabilities decreased by \$23.9 million for the fiscal year ended June 30, 2022, from \$191.5 million to \$167.5 million.

Fund Financial Statements

- As of June 30, 2022, the City's governmental funds reported combined ending fund balances of \$195.2 million, an increase of \$62.4 million over the prior fiscal year's fund balance. Approximately \$86.8 million is unassigned.
- As of June 30, 2022, the total fund balance of the City's General Fund was \$107.9 million, an increase of \$48.5 million from the prior year level of \$59.4 million. The increase is mainly due to the proceeds from sale of properties of \$7.4 million and increase in sales taxes, and utility users' taxes. Approximately \$88.5 million of the \$107.9 million general fund balance is unassigned and is available for spending at the government's discretion.
- In the General Fund, revenues exceeded expenditures by \$41.3 million, before other financing sources/uses. The excess was due to more revenues earned during the year.

USING THIS ANNUAL REPORT

The financial statements presented herein include all the activities of the City as prescribed by Governmental Accounting Standards Board (GASB) statement No. 34. The three components of the basic financial statements are as follows:

1) Government-wide Financial Statements

The Government-wide Financial Statements present the financial picture of the City from the economic resources measurement focus using the accrual basis of accounting in a similar manner to a private-sector business. These statements include all assets of the City (including infrastructure) as well as all liabilities (including long-term debt).

2) Fund Financial Statements

The fund financial statements include statements for each of the two categories of activities: governmental and fiduciary. For governmental activities, these fund statements tell how these services were financed in the short term, as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds and other funds.

3) Notes to the Basic Financial Statements

The notes provide additional information necessary to enable the user to fully understand the various financial statements.

In addition to the basic financial statements and notes, this report contains other supplementary information.

REPORTING THE CITY AS A WHOLE – GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities

The Statement of Net Position and the Statement of Activities report information about the City as a whole. These statements include all assets and liabilities of the City using the accrual basis of accounting, which is similar as the accounting used by most private-sector companies. All the current year's revenues and expenses are considered, regardless of when cash is received or paid.

The *Statement of Net Position* reports all the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *Statement of Activities* presents information relating to how the City's net position changed during the fiscal year. All activities resulting in changes in net position are reported when earned or incurred, regardless of the receipt or disbursement of the related transactions cash flows. Some of the revenues and expenses reported in this statement will result in future fiscal period cash flows, such as the receipt of uncollected taxes, payment of interest expense or compensated absences.

In the Statement of Net Position and the Statement of Activities, we separate the City's activities as follows:

Governmental Activities – Most of the City's basic services are reported in this category, including public services, public works, community development (planning and engineering), parks, recreation and community services. These activities are distinguished due to the use of property taxes, sales tax, transient occupancy tax, user fees, interest income, franchise fees, state and federal grants, contributions from other agencies and other revenues to finance these activities.

Component Unit Activities – The City of Carson is the primary government unit, with three component units that are legally separate entities. The Carson Joint Powers Financing Authority is reported as part of the City, as the City Council also serves as the governing board of the Finance Authority. Separate financial statements are not issued for the Financing Authority.

The activity of the Carson Housing Authority is reported in a major special revenue fund. Separate financial statements are not issued for the Housing Authority.

The Carson Reclamation Joint Powers Authority (CRA) is reported as a discretely presented component unit. Separate financial statements are not issued for the CRA.

Fund Financial Statements

A fund is a grouping of related accounts used to account for and accumulate financial information related to a specific activity or objective. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City's two types of funds are governmental, and fiduciary funds.

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the City's near-term financial 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. Reconciliation of the Fund Financial Statements to the Government-Wide Financial Statements are provided to explain the differences created by this integrated approach.

The City maintains several individual governmental funds. The General Fund, Carson Housing Authority Special Revenue Fund, American Rescue Plan Act 2 Special Revenue Fund, and Measure M & R Local Street Projects Capital Projects Fund are presented separately as major funds in the governmental fund balance sheet and in the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balance. Financial data for the remaining non-major governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* in the *non-major governmental funds supplementary information* section of this report.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. These funds are custodial in nature and the measurement of operations is not appropriate. The fiduciary funds include the Successor Agency to the Dissolved Carson Redevelopment Agency Private-purpose Trust Fund and the Custodial Funds.

Notes to the Basic Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the comparison of budgeted to actual results for the major

governmental funds, other post-employment benefits schedule of funding progress, schedule of changes in the City's net pension liability and related ratios, and a schedule of the City's pension contributions. This section is located after the Notes to the Financial Statements.

The combining statements referred to earlier in connection with the other governmental fund, internal service funds and fiduciary funds are presented immediately following the required supplementary information described in the previous paragraph in the supplementary information section.

Government-Wide Financial Analysis

The analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the City's governmental activities.

Net Position - The City's net position may be analyzed and used as an indicator of the City's overall financial condition. The City's net position increased by \$77.2 million, from \$351.0 million in the prior period to \$428.2 million in fiscal year 2021/22.

Table 1
City of Carson's Net Position
June 30, 2022 and 2021

	Governmental Activities	
	2022	2021
ASSETS		
Cash and other assets	\$ 262,909,260	\$ 151,084,622
Capital assets net of accumulated depreciation	<u>401,599,202</u>	<u>402,303,357</u>
Total assets	<u>664,508,462</u>	<u>553,387,979</u>
Deferred outflows of resources	<u>8,287,041</u>	<u>13,842,420</u>
Total deferred outflows of resources	<u>8,287,041</u>	<u>13,842,420</u>
LIABILITIES		
Current and other liabilities	<u>18,115,996</u>	<u>18,099,966</u>
Long-term liabilities	<u>167,526,381</u>	<u>191,464,554</u>
Total liabilities	<u>185,642,377</u>	<u>209,564,520</u>
Deferred inflows of resources	<u>59,001,390</u>	<u>6,667,070</u>
Total deferred outflows of resources	<u>59,001,390</u>	<u>6,667,070</u>
NET POSITION		
Net investment in capital assets	<u>394,564,955</u>	<u>402,303,357</u>
Restricted	<u>89,466,102</u>	<u>68,566,588</u>
Unrestricted	<u>(55,879,322)</u>	<u>(119,871,136)</u>
Total net position	<u>\$ 428,151,735</u>	<u>\$ 350,998,809</u>

The City's net position is made up of three components: Net Investment in Capital Assets, Restricted Net Position, and Unrestricted Net Position.

The largest component of the City’s net position is represented by its \$394.6 million net investment in capital assets (e.g., infrastructure, lands, buildings and improvements, equipment, and construction in progress) less accumulated depreciation and any outstanding debt used to acquire the capital assets. These capital assets are used to provide services to the citizens, and therefore are not available to finance future operations.

In addition, resources necessary to repay the related debt must be provided by sources other than the capital assets, as the assets themselves cannot be used to satisfy these liabilities.

Table 2
City of Carson's Changes in Net Position
Years ended June 30, 2022 and 2021

	Governmental Activities	
	2022	2021
Program revenues:		
Charges for services	\$ 17,075,778	\$ 11,603,061
Operating grants and contributions	30,659,237	11,409,044
Capital grants and contributions	5,871,113	4,811,802
General revenues:		
Taxes:		
Sales taxes	47,018,045	30,133,399
Property taxes	18,146,493	20,559,180
Utility user taxes	11,828,914	8,670,112
Transient occupancy taxes	2,026,323	1,648,497
Franchise taxes	12,663,295	11,355,476
Oil industry business tax	14,063,172	3,013,731
Motor vehicle license fee, unrestricted	105,953	68,289
Investment income	471,601	933,031
Other revenues	12,208,002	3,394,228
Gain on sale of properties	7,292,712	23,767,689
Transfers in from Successor Agency	-	8,720
Total revenues	179,430,636	131,376,259
Expenses:		
Governmental Activities		
General government	22,067,231	26,066,129
Community development	13,245,928	6,239,238
Public works	17,294,653	21,232,635
Community services	21,076,356	13,644,261
Public safety	24,680,637	28,697,914
Interest	3,912,905	4,354,424
Total expenses	102,277,710	100,234,601
Change in net position	77,152,926	31,141,658
Net position, beginning, as restated	350,998,809	319,857,151
Net position, ending	\$ 428,151,735	\$ 350,998,809

Key elements of significant increases and decreases in both revenues and expenses during the fiscal year 2021-2022 are as follow:

REVENUES

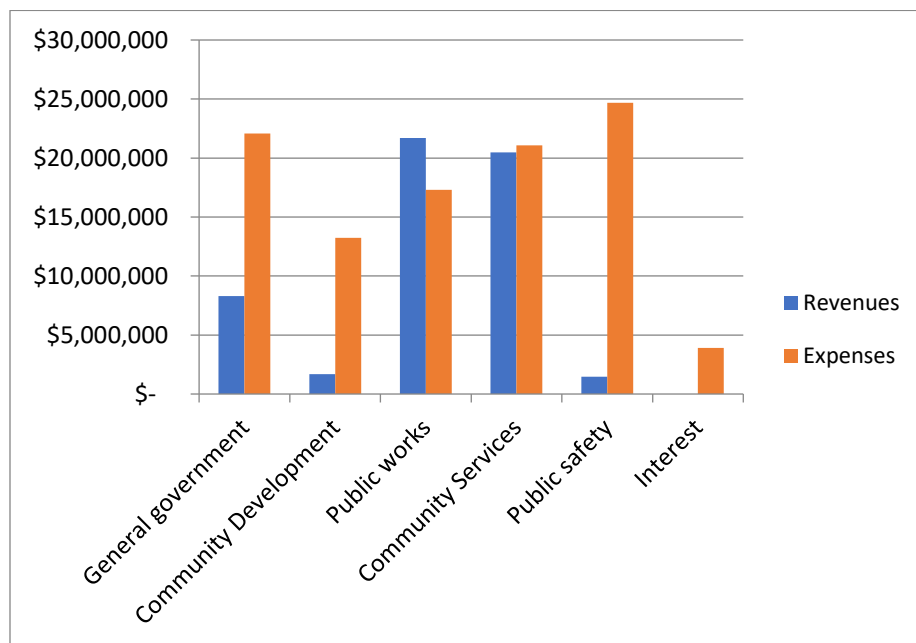
- Charges for services increased by \$5.5 million from the preceding year primarily due to lifting of the state and county COVID-19 restrictions which results in more City-wide activities and programs being available.
- Operating and Capital contributions and grants increased by a combined total of \$20.3 million comparing to the preceding year. The increase was attributed mainly to the ARPA Federal funding of \$17.8 million plus \$2.5 million funding for capital projects from local and State governments.
- Sales taxes and Franchise taxes increased by \$16.9 million and \$1.3 million respectively, resulting from the economic recovery due to the lessening of the state and county COVID-19 restrictions.
- Property taxes – The City is considered as a “no and low” property tax. The passage of Proposition 13 in 1978 has limited the reassessment of property taxes. Although the spike in the housing market contributes to the rising in higher proper tax assessments, property taxes decreased by \$2.4 million during the year.
- Oil industry business tax increased by \$11.0 million compared to prior fiscal year due to increase in production and sale of natural gas and oil.
- Investment income decreased by \$461,000 due to market value changes and lower interest rates on investment funds.
- Other revenues derived from various funding sources such as community benefits funding by Tesoro, increased by \$8.8 million compared to the preceding year.
- Gain/Loss from sale and exchange of properties - the City recognized a gain of \$7.3 million from the sale and exchange of real estate property during the fiscal year.

EXPENSES

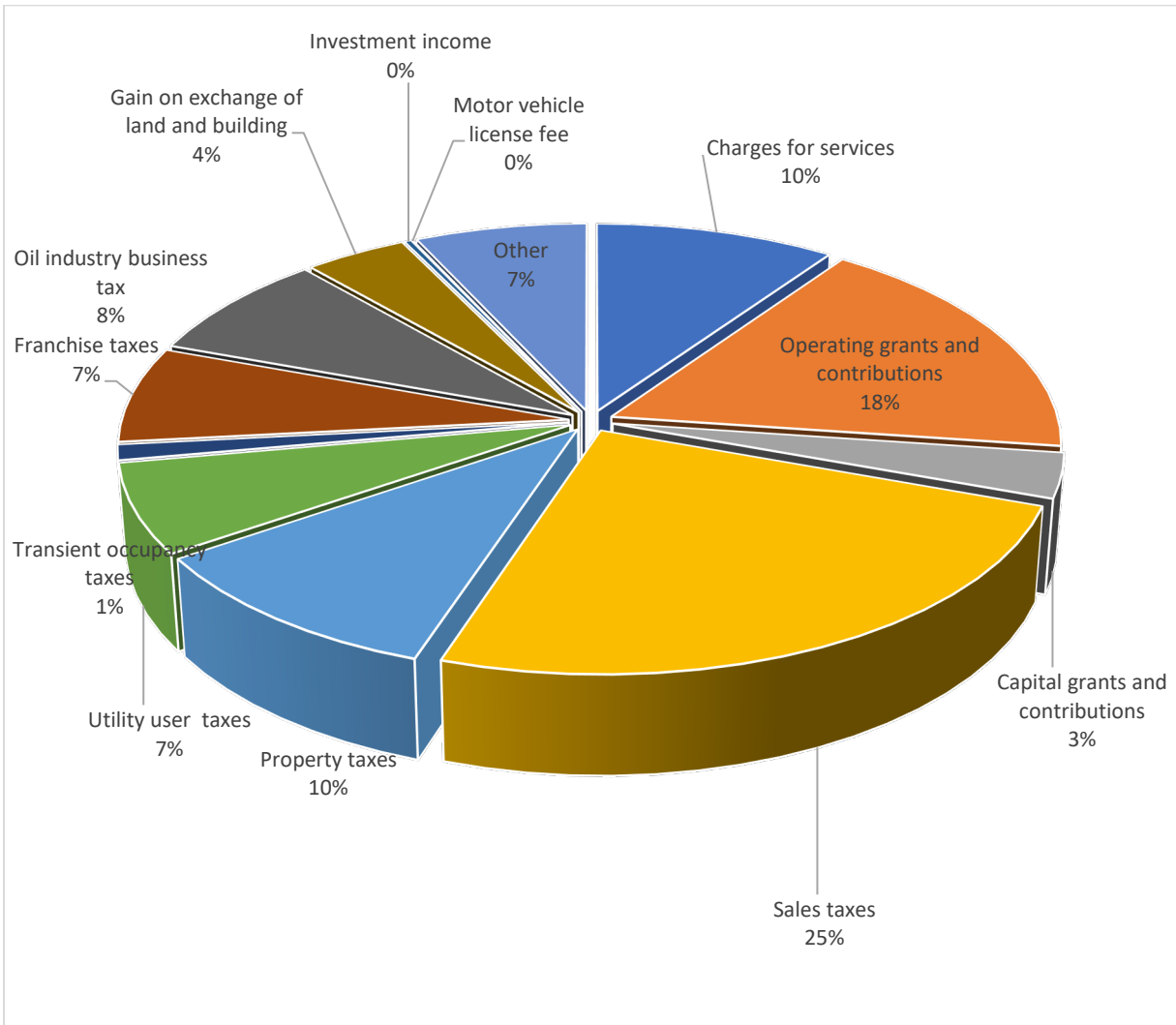
- Public Safety ranked the largest and major expense in the category of the governmental activities category, which recorded \$24.7 million or 24% of the total governmental expenses. Expenses for this category decreased by \$4.0 million compared to the prior fiscal year due to decrease in the expenses of police services contracted with the Los Angeles County Sheriff’s Department.
- General Government - ranked second largest in the expense category recorded a total \$22.1 million or 21.6% of the total governmental expenses. Expenses for this category decreased by \$4.0 million due to decrease in the payout of the unfunded pension obligation resulting from payment of the unfunded pension liability from the proceeds of pension obligation bonds that the City issued in the Fiscal Year 2020-2021.

- Community Services - ranked the third largest in the expenses category which recorded \$21.1 million or 20.6% of the total governmental expenses. An increase of \$7.4 million compared to the preceding year due to additional funding for City’s social activities and programs for seniors and residents during the post-pandemic recovery.
- Public Works - ranked fourth largest in the expenses category recorded \$17.3 million or 16.9% of the total governmental expenses. A decrease of \$3.9 million compared to the preceding year due to less implementation of capital projects during Covid pandemic.
- Community Development - ranked fifth largest in the expenses category recorded \$13.2 million or 13% of the total governmental expenses. An increase of \$7.0 million comparing to the preceding year due to more investments in capital projects from developers during post-pandemic recovery.
- Interest – Expenses are decreased by \$440,000 due to decrease in interest payments made for the Pension obligation bonds (POB) during the fiscal year.

Expenses and Program Revenues – Governmental Activities



Revenues by Source – Governmental Activities



Governmental Funds Financial Analysis

The City uses fund accounting method to demonstrate and compliance with financial related legal requirements. At the end of current fiscal year 2021-2022, the total governmental funds reported fund balances of \$195.2 million, an increase of \$62.4 million over the prior year. Approximately \$108.4 million is non-spendable in form (e.g., inventory), restricted, committed and assigned for specific purposes. Approximately \$86.8 million is unassigned as of June 30, 2022. The General Fund is the City's operating fund. The other major funds are Measure M & R Local Street Capital Projects, Carson Housing Authority Special Revenue Fund and American Rescue Plan Act - ARPA Fund.

General Fund

General Fund revenues increased by \$40.4 million over the prior fiscal year from \$89.0 million to \$129.4 million. The General Fund is the primary operating fund of the City. Within the General Fund revenues, there are eight categories of sources, in which, the largest increase during the fiscal year is mainly due to increase in sales tax for \$16.9 million from \$30.1 million to \$47.0 million. The second largest revenue source is oil business taxes which increased by \$11.0 million from \$3.0 million to \$14.0 million. The General Fund also received the proceeds from the sale of properties for \$7.3 million during the fiscal year 2021-22. The overall increase in General Fund revenues is due to the economic recovery from the easing of state and county COVID pandemic restrictions that promotes additional businesses and their related transactions.

General Fund expenditures increased by \$7.5 million over the prior fiscal year from \$80.5 million to \$88.0 million. The largest and main category of General Fund expenditures is Public Safety, however, the total expenses increased from \$25.2 million to \$25.8 million in the fiscal year 2021-22 due to the increase in cost and contract with Los Angeles County Sherriff's Department. The expenditures in the Community services category have significantly increased from \$9.6 million to \$12.9 million during the fiscal year. The major changes incurred were in Community services due to various programs for seniors and residents during the post-pandemic recovery. However, other areas in the General Fund experienced a decrease from budget reduction efforts and vacant positions held throughout the year.

The overall General Fund balance increased \$48.5 million from \$59.4 million in the prior year to \$107.9 million in the fiscal year 2021-22. Approximately \$88.5 million of the \$107.9 million general fund balance is unassigned and available for spending at the City's discretion. Additional detailed information about the City's classification of fund balances is presented in Note 10 to the financial statements.

Other Major Fund Balance Changes

Carson Housing Authority Special Revenue Fund

The Carson Housing Authority (CHA) funded by the federal, state and local funds, and partnered with developers to create and preserve affordable housing in the City of Carson. Projects assisted by the CHA include, multi-family, senior and for-sale housing. During the fiscal year 2021-22, the total revenues in CHA fund decreased by approximately \$615 thousand from the prior year due to less rental income and loan payoffs.

Projects accomplished by the Carson Housing Authority include:

1. Existing Affordable Housing Sites:

- Carson City Center – 86 affordable rental units for Senior
- Villaggio – 149 affordable rental units for family
- Carson Terrace – 61 affordable rental units for Senior
- Avalon Courtyard – 91 affordable rental units for Senior 62+
- Via 425 – 105 affordable rental units for family
- Arbor Green – 40 affordable rental units for family
- Bella Vita/Sepulveda Senior Housing – 65 affordable rental units for Senior 65+

2. Newly Completed Affordable Projects:

- Veterans Village – 50 affordable rental units for family
- Carson Arts Colony – 46 affordable housing units for family

3. Moderate Income Projects:

- The Renaissance at City Center – 150 Moderate Income Apartments
- Union South Bay – 357 Moderate Income Apartments

4. Market Rate for Sale

- Veo – 129 Single Family Residential units (Below market rate condominiums only for sale)

American Rescue Plan Act 2 (ARPA) Special Revenue Fund

The American Rescue Plan Act of 2021 (ARPA) is a \$1.9 trillion economic stimulus bill. Within the ARPA, the Coronavirus Local Fiscal Recovery Fund (SLFRF) provides \$350 billion for states, municipalities, counties, tribes, and territories. Of the \$350 billion, the City of Carson received a one-time funding of \$17.8 million. The funding can be spent by local governments to provide healthier and safer indoor and outdoor environments for residents, visitors, and employees; assist with investments in outdoor spaces and programs that promote responsible public gatherings; help pay for essential affordable housing, broadband and other critical public infrastructure; and compensate for relevant first responder expenses.

In the fiscal year 2021/22, \$8.9 million of the \$17.8 million ARPA fund was expended toward employees' premium pay, emergency operation upgrades, and investment in technology upgrades.

Measure M&R Local Street Projects Capital Projects Fund

Measure R was funded with 1/2-cent sales tax revenues that Los Angeles County voters approved in November 2008 to meet the transportation needs of Los Angeles County. Collection of the tax began on July 1, 2009. Fifteen percent (15%) of the Measure R tax is designated for the Local Return ("LR") Program to be used by cities and the County of Los Angeles ("Jurisdictions"). The Los Angeles County Metropolitan Transportation Authority ("LACMTA") allocates and distributes LR funds monthly to Jurisdictions on a per capita basis.

During the fiscal year 2021/22, the City expended \$1.8 million of Measure R funds for the following ongoing capital improvement projects:

1. PW675 – Sepulveda Widening: \$75,000
2. PW1393 – Citywide Annual Overlay: \$1.3 million
3. PW1411 – Citywide Annual Concrete Replacement: \$96,371
4. PW1422 – Broadway Traffic Signal Upgrades: \$193,900
5. PW1665 – 189th Street Pedestrian Bridge: \$172,700

Measure M, which is a half-cent sales tax measure, that provides funding for transportation improvements and eases traffic congestion across Los Angeles County, was approved by the voters on November 8, 2016. LACMTA allocates and distributes LR funds monthly to Jurisdictions on a per capita basis.

During the fiscal year 2021/22, the City expended \$197,000 of Measure M funds for the following ongoing capital improvement projects:

1. PW1422 – Broadway Traffic Signal Upgrades: \$190,000
2. PW1611, PW1621, PW1628 – Traffic Signal at various locations: \$7,000

General Fund Budgetary Highlights

The City’s budget is adopted by the City Council based upon staff recommendations in order to execute the City Council’s plan to provide services to the Carson community. Staff prepares estimates for all revenues and expenditures and presents findings and recommendations to the City Council and the public at budget workshops.

General Fund Balance Reserve is the City’s “reserve”, and it provides a measure of the City’s ability to mitigate future risks associated with providing important services in times of economic uncertainties. To provide funding for emergencies, the City Council has adopted a policy that requires fund balance to be maintained at a minimum level equal to 20% of the General Fund’s budget.

The City has maintained a healthy Fund Balance (“reserve”) and it is anticipated that the upcoming fiscal year will continue to follow this trend. In addition, for the first time in about a decade, the proposed Fiscal Year 2021-2022 budget was adopted as a structurally balanced budget where projected ongoing revenues are expected to balance the proposed operating expenditures. For that to occur in the future, it is important for the City to manage ongoing expenditures with an eye toward potential downward fluctuations in long-term revenue. For example, the City needs to be mindful that its Utility Users Tax sunsets in 2023 and resist the desire to make assumptions about its continuation past that date.

The purpose of the financial revenue forecast is to provide insight on the potential long-term financial trends for the General Fund resources. This perspective will allow the City Council to make informed decisions today while fully understanding the future anticipated changes to the City’s revenues. It was the staff’s expectation that General Fund recurring revenues will recover by an average of 3.9% of the next fiscal year. Although the regional Stay-at-Home orders were lifted on January 25, 2021, the County of Los Angeles remains in the Purple Tier, with restrictions still in place, pushing the projections for economic recovery further out into Q3 and Q4 of 2021. While vaccinations are now available, distribution is occurring slowly and will likely take months to trigger a significant economic recovery.

Capital Asset and Debt Administration

Capital Assets - The City's investment in capital assets for its governmental activities totals \$401.6 million (net of accumulated depreciation of \$278.8 million) as of June 30, 2022. This investment in capital assets includes lands, buildings, improvements other than building, infrastructure (roads, sidewalks, streetlights, etc.), and machinery and equipment.

Capital Assets (Net of Accumulated Depreciation) June 30, 2022 and 2021

	Governmental Activities	
	2022	2021
Land, land rights, land improvements	\$ 99,625,765	\$ 101,123,058
Infrastructure - street trees	18,741,363	16,420,630
Buildings and improvements	65,402,966	67,717,122
Machinery and equipment	2,151,795	2,155,169
Infrastructure	187,494,246	193,686,885
Right-of-use lease asset	173,435	-
Construction in Progress	28,009,632	21,200,493
	\$ 401,599,202	\$ 402,303,357

Additional information on the City's capital assets can be found in Note 4 to the basic financial statements of this report.

Debt Administration. In October 2019, the City issued \$18.8 million of Carson Public Financing Authority Revenue Bonds, Series 2019 (Measure M & R Local Street Project) (the "Bonds"). The Bonds were issued to finance the design, acquisition, and construction of certain local roadway and street improvement projects in the City, purchase a debt service reserve policy to satisfy the reserve requirement for the Bonds, and, pay the costs of issuing the Bonds.

In Fiscal Year 19/20, the City issued \$108 million in Pension obligation bonds (POB). As of the fiscal year 2021/22, the unamortized POB was \$108 million. The POB was issued to pay the City's unfunded accrued actuarial liability to CalPERS for the benefit of City employees and pay the cost of issuing the Bonds. Additional information on the City's long-term liabilities can be found on Note 6.

The City entered into a \$6 million lease financing contract for its HVAC capital project for the City Hall and Community Center during the fiscal year 2020/21. As of the fiscal year 2021/22, the HVAC unamortized loan balance was \$5.4 million.

Debt Administration (Continued)

Outstanding Debt and Obligations June 30, 2022 and 2021

	Governmental Activities	
	2022	2021
Governmental activities:		
Bonded indebtedness:		
Measure M&R bonds	\$ 16,620,000	\$ 17,420,000
Bond premium	3,550,566	3,759,423
Pension obligation bonds	108,020,000	108,020,000
Direct borrowings:		
SCE loan	426,056	558,551
Lease-purchase obligation	5,442,579	6,000,000
Other long-term liabilities		
Compensated absences	4,848,383	4,713,410
Self-insurance claims payable	5,479,017	3,651,708
Right-of-use lease liability	178,453	219,684
Total	<u>\$ 144,565,054</u>	<u>\$ 144,342,776</u>

Additional information on the City's OPEB obligation can be found in Note 9 to the basic financial statements of this report. Additional information on the City's net pension liability can be found in Note 8 to the basic financial statements of this report.

Economic Factors and Next Year's Budget

The City of Carson's projected operational budget revenues are \$104 million, and projected expenditures are \$103 million. For the Fiscal year 2022-2023, the City of Carson conducted a re-organization of operations, and two new departments were created (Information Technology, and I.S.P.M. (Innovation, Sustainability, and Performance Management). Also, the re-organization added 14 new full-time positions to personnel budget. Additionally, the City of Carson is projected to maintain a robust reserve for City Projects and Emergencies.

The operating budget totals \$103 million and the capital budget totals \$81 million in the Fiscal Year 2022-2023 and \$501 million over the five-year CIP. The fiscal Year 2022-2023 budget addresses the City Council's strategic priorities and policy direction on fiscal sustainability by adopting a structurally balanced budget for the second time since the Fiscal Year 2010-2011 wherein our recurring expenditures do not exceed our recurring revenues.

The city's budget regulates the services provided to the community, and the staffing of the organization, and determines the amounts of funds allocated in any given fiscal year. The consideration and adoption of the city's budget is one of the most important actions that the City Council takes, and the council has a proven history of taking intentional, proactive, and strategic steps to ensure the long-term needs and maintaining a 20 percent General Fund reserve level.

Request for Information

This financial report is designed to provide a general overview of the City's finances for its readers of the financial statements. Questions concerning any of the information in this report or request for additional financial information should be addressed to the Finance Department at, 701 E. Carson St. Carson, CA 90745.

BASIC FINANCIAL STATEMENTS

CITY OF CARSON, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT



CITY OF CARSON

STATEMENT OF NET POSITION

June 30, 2022

	Primary Governmental Activities	Component Unit Reclamation Authority
ASSETS		
Cash and investments	\$ 149,883,651	\$ 2,617,797
Restricted cash and investments	2,262,501	13,715,289
Cash and investments with fiscal agents	34,058,516	-
Receivables		
Taxes	5,954,931	-
Accounts	6,016,332	-
Accrued interest	42,859	14,033
Loans, net of allowance for uncollectible accounts	3,593,465	-
Leases	143,769	-
Due from Successor Agency	1,333,981	-
Due from component unit	238,539	-
Due from government agencies	10,911,135	-
Due from primary government	-	11,530
Inventory	199,984	12,896,159
Prepaid and other assets	564,087	3,299,350
Land held for resale	571,938	-
Net pension asset	47,133,572	-
Capital assets not being depreciated	146,376,760	92,401,051
Capital assets, net of accumulated depreciation	255,222,442	-
TOTAL ASSETS	664,508,462	124,955,209
DEFERRED OUTFLOWS OF RESOURCES		
Deferred amounts from pension	5,352,765	-
Deferred amounts from OPEB	2,934,276	-
TOTAL DEFERRED OUTFLOWS OF RESOURCES	8,287,041	-
LIABILITIES		
Accounts payable and accrued liabilities	11,260,510	5,688
Accrued payroll	1,476,396	2,342
Interest payable	1,581,625	-
Due to other governmental agencies	472,551	-
Due to primary government	-	238,539
Retention payable	987,159	-
Refundable deposits	2,337,755	12,800,000
Unearned revenues	-	1,089,467
Long-term liabilities		
Due within one year	6,507,441	-
Due in more than one year	138,057,613	-
Net OPEB liability - due in more than one year	22,961,327	-
Landfill remediation liability - due in more than one year	-	97,728,433
TOTAL LIABILITIES	185,642,377	111,864,469
DEFERRED INFLOWS OF RESOURCES		
Deferred amounts from leases	139,613	-
Deferred amounts from pension	33,742,225	-
Deferred amounts from OPEB	25,119,552	-
TOTAL DEFERRED INFLOWS OF RESOURCES	59,001,390	-
NET POSITION:		
Net investment in capital assets	394,564,955	92,401,051
Restricted for:		
Economic development	331,557	-
Public works	54,597,607	-
Housing projects	11,855,780	-
Community services	22,681,158	-
Unrestricted	(55,879,322)	(79,310,311)
TOTAL NET POSITION	\$ 428,151,735	\$ 13,090,740

CITY OF CARSON
STATEMENT OF ACTIVITIES
For the year ended June 30, 2022

Functions/programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities				
General government	\$ 22,067,231	\$ 8,264,587	\$ 33,900	\$ -
Public safety	24,680,637	1,227,962	227,112	-
Community development	13,245,928	1,244,651	206,999	222,586
Public works	17,294,653	4,762,865	12,135,445	4,795,109
Community services	21,076,356	1,575,713	18,055,781	853,418
Interest	3,912,905	-	-	-
Total governmental activities	<u>102,277,710</u>	<u>17,075,778</u>	<u>30,659,237</u>	<u>5,871,113</u>
Component unit:				
Reclamation authority	<u>3,145,775</u>	<u>-</u>	<u>-</u>	<u>305</u>
Total primary government	<u>\$ 105,423,485</u>	<u>\$ 17,075,778</u>	<u>\$ 30,659,237</u>	<u>\$ 5,871,418</u>

General revenues:

Taxes:

- Property taxes
- Sales taxes
- Transient occupancy taxes
- Franchise taxes
- Utility users tax
- Oil industry business tax
- Motor vehicle license fee, unrestricted
- Investment income (loss)
- Other revenues
- Gain from sale of properties

Total general revenues

Change in net position

Net position at beginning of year, as restated

Net position at end of year

CITY OF CARSON
STATEMENT OF ACTIVITIES
For the year ended June 30, 2022

Net (Expenses) Revenues and Changes in Net Position			
Primary Governmental Activities	Component unit Reclamation Authority		
\$	(13,768,744)	\$	-
	(23,225,563)		-
	(11,571,692)		-
	4,398,766		-
	(591,445)		-
	(3,912,905)		-
	(48,671,584)		-
	-		(3,145,470)
	(48,671,584)		(3,145,470)
	18,146,493		-
	47,018,045		-
	2,026,323		-
	12,663,295		-
	11,828,914		-
	14,063,172		-
	105,953		-
	471,601		(125,147)
	12,208,002		-
	7,292,712		-
	125,824,510		(125,147)
	77,152,926		(3,270,617)
	350,998,809		16,361,357
\$	428,151,735	\$	13,090,740

CITY OF CARSON
GOVERNMENTAL FUNDS
BALANCE SHEET

June 30, 2022

	General Fund	Carson Housing Authority Special Revenue Fund	American Rescue Plan Act 2 Special Revenue Fund
ASSETS			
Cash and investments	\$ 102,218,597	\$ 4,921,892	\$ -
Cash and investments with fiscal agent	1,665,482	3,774,179	-
Restricted cash	2,262,501	-	-
Receivables:			
Taxes	5,954,931	-	-
Accounts	4,724,729	7,685	-
Accrued interest	42,859	-	-
Due from government agencies	-	-	8,888,382
Loans, net of allowance	8,842	3,112,072	-
Leases	143,769		
Due from other funds	3,765,131	60,857	-
Due from Carson Reclamation Agency	238,539	-	-
Due from Successor Agency	1,275,145	-	-
Prepaid items	564,087	-	-
Inventory	199,984	-	-
Land held for resale	-	571,938	-
TOTAL ASSETS	\$ 123,064,596	\$ 12,448,623	\$ 8,888,382
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES:			
Accounts payable and accrued liabilities	\$ 8,012,962	\$ 1,438	\$ 1,095
Accrued payroll	1,393,158	4,673	31,613
Due to other funds	9,960	565,732	5,779
Due to government agencies	-	-	-
Retentions payable	72,980	-	-
Refundable deposits	2,271,097	21,000	-
TOTAL LIABILITIES	11,760,157	592,843	38,487
DEFERRED INFLOWS OF RESOURCES:			
Leases	139,613	-	-
Unavailable revenues	3,306,932	-	-
TOTAL DEFERRED INFLOWS OF RESOURCES	3,446,545	-	-
FUND BALANCES:			
Nonspendable	764,071	-	-
Restricted	2,262,501	11,855,780	8,849,895
Committed	15,324,165	-	-
Assigned	1,000,000	-	-
Unassigned	88,507,157	-	-
TOTAL FUND BALANCES	107,857,894	11,855,780	8,849,895
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 123,064,596	\$ 12,448,623	\$ 8,888,382

CITY OF CARSON

GOVERNMENTAL FUNDS
BALANCE SHEET

June 30, 2022

Measure			
M&R Local		Nonmajor	Total
Street Projects		Governmental	Governmental
Capital Projects		Funds	Funds
Fund			
\$	5	\$ 42,743,157	\$ 149,883,651
	22,618,855	6,000,000	34,058,516
	-	-	2,262,501
	-	-	5,954,931
	-	1,283,918	6,016,332
	-	-	42,859
	-	2,022,753	10,911,135
	-	472,551	3,593,465
	-	-	143,769
	-	-	3,825,988
	-	-	238,539
	-	-	1,275,145
	-	-	564,087
	-	-	199,984
	-	-	571,938
\$	<u>22,618,860</u>	\$ <u>52,522,379</u>	\$ <u>219,542,840</u>
\$	-	\$ 3,245,015	\$ 11,260,510
	-	46,952	1,476,396
	-	3,185,681	3,767,152
	-	472,551	472,551
	-	914,179	987,159
	-	45,658	2,337,755
	-	<u>7,910,036</u>	<u>20,301,523</u>
	-	-	139,613
	-	<u>552,838</u>	<u>3,859,770</u>
	-	<u>552,838</u>	<u>3,999,383</u>
	-	-	764,071
	22,618,860	45,743,323	91,330,359
	-	-	15,324,165
	-	-	1,000,000
	-	<u>(1,683,818)</u>	<u>86,823,339</u>
	<u>22,618,860</u>	<u>44,059,505</u>	<u>195,241,934</u>
\$	<u>22,618,860</u>	\$ <u>52,522,379</u>	\$ <u>219,542,840</u>

(This page intentionally left blank)

CITY OF CARSON

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION

June 30, 2022

Fund balances - total governmental funds		\$ 195,241,934
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore, are not reported in the governmental funds. The capital assets consist of:		
Capital assets	\$ 680,199,995	
Accumulated depreciation	<u>(278,774,228)</u>	401,425,767
Right-of-use lease asset, net of amortization reported in governmental activities are not current resources and, therefore, are not reported in the governmental funds balance sheet.		
		173,435
Long-term liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.		
Self-insurance claims payable	(5,479,017)	
Compensated absences	(4,848,383)	
Loan payable	(5,868,635)	
Bonds payable	(124,640,000)	
Bond premium	(3,550,566)	
Right-of-use lease liability	<u>(178,453)</u>	(144,565,054)
Accrued interest payable on long-term debt is not due and payable in the current period and is not reported in the governmental funds.		
		(1,581,625)
Unavailable revenues are not available to pay for current period expenditures and therefore are deferred in the funds and recognized as revenue in the Statement of Activities.		
		3,859,770
Pension-related debt/assets applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities or assets. Deferred outflows of resources and deferred inflows of resources related to pensions are only reported in the statement of net position, as the changes in these amounts affect only the government-wide statements for governmental activities.		
Deferred outflows of resources	5,352,765	
Deferred inflows of resources	(33,742,225)	
Net pension asset	<u>47,133,572</u>	18,744,112
OPEB-related debt applicable to the City's governmental activities is not due and payable in the current period and accordingly is not reported as fund liabilities. Deferred outflows of resources related to OPEB are only reported in the statement of net position, as the changes in these amounts affect only the government-wide statements for governmental activities.		
Deferred outflows of resources	2,934,276	
Deferred inflows of resources	(25,119,552)	
Net OPEB liability	<u>(22,961,327)</u>	(45,146,603)
Net position of governmental activities		<u>\$ 428,151,735</u>

CITY OF CARSON
 GOVERNMENTAL FUNDS
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the year ended June 30, 2022

	General Fund	Carson Housing Authority Special Revenue Fund	American Rescue Plan Act 2 Special Revenue Fund
REVENUES:			
Taxes	\$ 105,595,868	\$ -	\$ -
Licenses and permits	8,380,077	-	-
Fines and forfeitures	1,560,652	-	-
Intergovernmental	105,953	222,586	17,776,763
Charges for services	2,941,102	-	-
Use of money and property	981,744	132,486	-
Developer impact fee	-	-	-
Miscellaneous	9,810,862	(145,912)	-
TOTAL REVENUES	129,376,258	209,160	17,776,763
EXPENDITURES:			
Current:			
General government	22,989,070	-	-
Public safety	25,774,588	-	-
Community development	4,310,803	578,271	4,721,868
Public works	18,749,423	-	-
Community services	12,897,631	-	4,205,000
Capital improvement programs	-	-	-
Debt service:			
Principal payments	-	-	-
Interest	3,310,964	-	-
TOTAL EXPENDITURES:	88,032,479	578,271	8,926,868
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	41,343,779	(369,111)	8,849,895
OTHER FINANCING SOURCES (USES):			
Sale of land	7,369,817	-	-
Transfers in	966	-	-
Transfers out	(255,742)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	7,115,041	-	-
NET CHANGE IN FUND BALANCES	48,458,820	(369,111)	8,849,895
FUND BALANCES - BEGINNING OF YEAR	59,399,074	12,224,891	-
FUND BALANCES - END OF YEAR	\$ 107,857,894	\$ 11,855,780	\$ 8,849,895

CITY OF CARSON

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the year ended June 30, 2022

Measure			
M&R Local		Nonmajor	Total
Street Projects		Governmental	Governmental
Capital Projects		Funds	Funds
Fund			
\$ -	\$ 9,823,643	\$ 115,419,511	
-	33,600	8,413,677	
-	-	1,560,652	
-	6,615,511	24,720,813	
-	139,166	3,080,268	
12,832	(99,575)	1,027,487	
-	3,441,038	3,441,038	
-	2,719,183	12,384,133	
<u>12,832</u>	<u>22,672,566</u>	<u>170,047,579</u>	
-	510,068	23,499,138	
-	-	25,774,588	
-	1,931,057	11,541,999	
-	191,756	18,941,179	
-	3,144,544	20,247,175	
-	10,058,744	10,058,744	
800,000	-	800,000	
801,200	-	4,112,164	
<u>1,601,200</u>	<u>15,836,169</u>	<u>114,974,987</u>	
<u>(1,588,368)</u>	<u>6,836,397</u>	<u>55,072,592</u>	
-	-	7,369,817	
1,601,200	262,517	1,864,683	
-	(1,608,941)	(1,864,683)	
<u>1,601,200</u>	<u>(1,346,424)</u>	<u>7,369,817</u>	
12,832	5,489,973	62,442,409	
22,606,028	38,569,532	132,799,525	
<u>\$ 22,618,860</u>	<u>\$ 44,059,505</u>	<u>\$ 195,241,934</u>	

CITY OF CARSON

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES

For the year ended June 30, 2022

Net change in fund balances - total governmental funds \$ 62,442,409

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense or are allocated to the appropriate functional expense when the cost is below the capitalization threshold. This activity includes right of use assets and is reconciled as follows:

Capital outlay	\$ 9,527,432	
Depreciation and amortization expense	<u>(10,374,166)</u>	(923,839)

The issuance of long-term debt provides current financial resources to governmental funds while repayment of principal and issuance costs consumes current financial resources of the governmental funds. In the Statement of Activities, the issuance of long-term debt increases long-term liabilities and the repayment of debt reduces long-term liabilities.

The amounts are the net effect of these differences in the treatment of long-term debt:

Principal payments of bonds, loans and lease payable	1,531,147
--	-----------

Governmental funds report interest in the fiscal year it is paid; however, in the Statement of Activities, interest is recorded in the fiscal year it is incurred. This is the net change in accrued interest for the current period.

2,667

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

Compensated absences	(134,973)	
Claims and judgments	(1,827,309)	
Bond premium amortization expense	<u>208,857</u>	(1,753,425)

Pension expense reported in the governmental funds includes the annual required contributions. In the statement of activities, pension expense includes the change in the net pension liability and related change in pension amounts for deferred outflows of resources and deferred inflows of resources.

10,116,621

OPEB expense reported in the governmental funds includes the actuarial determined contributions. In the statement of activities, OPEB expense includes the change in the net OPEB liability and related change in OPEB amounts for deferred outflows of resources.

3,647,000

Revenues that are measurable but not available are recorded as unavailable revenue under the modified accrual basis of accounting.

2,090,347

Change in net position of governmental activities \$ 77,152,926

CITY OF CARSON
 FIDUCIARY FUNDS
 STATEMENT OF FIDUCIARY NET POSITION

June 30, 2022

	Successor Agency to the Dissolved Redevelopment Agency Private-purpose Trust Fund	Custodial Funds
ASSETS:		
Cash and investments	\$ 13,048,070	\$ 4,350,009
Cash and investments with fiscal agents	13,787,852	3,628,850
Receivables		
Interest	30,970	-
Taxes	-	461,572
Prepaid Expenses	5,036	-
TOTAL ASSETS	26,871,928	8,440,431
DEFERRED OUTFLOWS OF RESOURCES:		
Deferred amounts on refundings	3,079,030	-
LIABILITIES:		
Accounts payable and accrued liabilities	7,491	-
Accrued interest payable	1,901,075	-
Retention and refundable deposits	236,172	3,172,231
Due to City of Carson	1,333,981	58,536
Due to assessed parties	-	-
Noncurrent liabilities		
Due within one year	13,190,000	-
Due in more than one year	133,135,757	-
TOTAL LIABILITIES	149,804,476	3,230,767
NET POSITION:		
Held in trust for private purpose	\$ (119,853,518)	\$ 5,209,664

CITY OF CARSON
 FIDUCIARY FUNDS
 STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the year ended June 30, 2022

	Successor Agency to the Dissolved Redevelopment Agency Private-purpose Trust Fund	Custodial Funds
	<u> </u>	<u> </u>
ADDITIONS:		
Property tax and other assessments	\$ 18,073,068	\$ 4,350,778
Investment income (loss)	(224,464)	(2,864)
Other income	(145)	-
Proceeds from sale of capital assets	515,000	-
	<u>18,363,459</u>	<u>4,347,914</u>
TOTAL ADDITIONS	<u>18,363,459</u>	<u>4,347,914</u>
DEDUCTIONS:		
General government	578,895	5,258
Property tax administration costs	934,738	5,126
Payment to bondholders	-	4,472,591
Interest and fiscal charges	6,238,345	-
Other financing (sources) uses	222,585	-
	<u>7,974,563</u>	<u>4,482,975</u>
TOTAL DEDUCTIONS	<u>7,974,563</u>	<u>4,482,975</u>
CHANGE IN NET POSITION	10,388,896	(135,061)
NET POSITION - BEGINNING OF YEAR, AS RESTATED	<u>(130,242,414)</u>	<u>5,344,725</u>
NET POSITION - END OF YEAR	<u>\$ (119,853,518)</u>	<u>\$ 5,209,664</u>

**NOTES TO THE BASIC
FINANCIAL STATEMENTS**

CITY OF CARSON, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT



CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Carson, California (the City) have been prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies are described below.

A. Reporting Entity

The City was incorporated under the provisions of Act 279, P.A. 1909, as amended (Home Rule City Act). The City operates under a Council-Manager form of government and provides a full range of services, including city administration, economic development, public works, community development, transportation, public safety and recreational and cultural activities. The City contracts with the County of Los Angeles for police protection and building and safety services. Library services, fire protection and sewer services are provided by Special Districts of the County of Los Angeles.

As defined by U.S. GAAP established by the Governmental Accounting Standards Board, the financial reporting entity consists of the primary government, as well as its component financial reporting units, which are legally separate organizations that must be included in the financial report of the primary government.

The accompanying basic financial statements present the City of Carson (the primary government) and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

Blended Component Units

The Carson Joint Powers Financing Authority (Financing Authority) was established pursuant to a Joint Exercise of Powers Agreement dated November 17, 1992, between the City and the former Carson Redevelopment Agency. The Financing Authority was created for the purpose of providing financing for public capital improvements for the former Redevelopment Agency and the City. Even though it is legally separate, it is reported as if it were part of the City because the City Council serves as the governing board of the Financing Authority and a financial benefit/burden relationship exists. Separate financial statements of the Financing Authority are not issued.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

Blended Component Units (Continued)

The Carson Housing Authority (Housing Authority) was established on March 8, 2011, to carry out the housing function of the former Carson Redevelopment Agency in accordance with the California Housing Authority Law and other applicable housing-related regulations. Even though it is legally separate, it is reported as if it were part of the City because the City Council serves as the governing board of the Housing Authority and a financial benefit/burden relationship exists. Separate financial statements of the Housing Authority may be obtained at City Hall.

The Carson Community Facilities Districts Nos. 2012-1 and 2012-2 (Districts) were established pursuant to the Mello-Roos Community Facilities Act of 1982 to provide funding for the ongoing operation, maintenance and monitoring of environmental remediation systems and for the construction of public facilities and infrastructure improvements, respectively, related to the 157 acre site owned by the Carson Reclamation Authority. The City Council serves as the governing board for these Districts and a financial benefit/burden relationship exists. For the fiscal year ended June 30, 2022, the Districts did not have any financial activity. Separate financial statements of the Districts are not issued.

Discretely Presented Component Unit

The Carson Reclamation Joint Powers Authority (Reclamation Authority) was formed in February 2015 by the governing boards of the Housing Authority and the Carson Community Facilities Districts Nos. 2012-1 and 2012-2. The purpose of the Reclamation Authority is to oversee and facilitate the remediation of contaminated properties in the City. The Reclamation Authority's role is to facilitate and fund the environmental study, investigation, and remediation and reclamation of any and all contaminated properties in the City, or the acquisition and subsequent reclamation of contaminated properties. These powers also include any improvements on property related to environmental cleanup and any negotiations or processing of property reclamation required in connection with the California Department of Toxic Substances Control or any other state or federal environmental agency.

The Reclamation Authority is governed by a five-member board. The Housing Authority appoints a voting majority of this board. Since the Reclamation Authority was formed to remediate contamination of a 157 acre site within the City boundaries and to make the property marketable in order to create economic development opportunities for the benefit of the City and its residents and since management oversight of the Reclamation Authority's operations is performed by the City's Director of Community Development, it would be misleading to exclude the Reclamation Authority from these financial statements.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus, Basis of Accounting, and Financial Presentation

The statement of net position and statement of activities (i.e., the government-wide financial statements) display information on all of the nonfiduciary activities of the primary government (the City) and its blended component units. A separate column has been included to report the Reclamation Authority, a discretely presented component unit. Eliminations have been made to minimize the effect of interfund activity. The City does not have any business-type activities.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and are clearly identifiable to a particular function. Program revenues include (1) charges paid by the recipients of goods or services offered by the functions or programs and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the economic resources measurement focus, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources (whether current or noncurrent) associated with their activity are included on their statement of net position. Under the accrual basis of accounting, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity with a self-balancing set of accounts established for the purpose of carrying out specific activities or attaining certain objectives in accordance with applicable regulations, restrictions or limitations. The governmental funds financial statements are provided for major funds individually and nonmajor funds in the aggregate, as well as for the fiduciary activities, even though the latter is excluded from the government-wide financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the current financial resources measurement focus, only current assets, current liabilities and deferred inflows of resources are generally included on their balance sheets. The reported fund balance is considered to be a measure of "available spendable resources."

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

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Measurement Focus, Basis of Accounting, and Financial Presentation (Continued)

Sales taxes, property taxes, franchise fees, gas taxes, motor vehicle in-lieu, and transient occupancy taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the related cash is received by the government.

Exchange transactions are recognized as revenues in the period in which they are earned (i.e., the related goods or services are provided). Locally imposed derived tax revenues are recognized as revenues in the period in which the underlying exchange transaction upon which they are based takes place. Imposed nonexchange transactions are recognized as revenues in the period for which they were imposed. If the period of use is not specified, they are recognized as revenues when an enforceable legal claim to the revenues arises or when they are received, whichever occurs first. Government-mandated and voluntary nonexchange transactions are recognized as revenues when all applicable eligibility requirements have been met.

Nonexchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year, which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all the eligibility requirements have been satisfied.

Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

The City’s fiduciary fund financial statements are comprised of a private-purpose trust fund and custodial funds. The private-purpose trust fund and custodial funds are reported using the “economic resources measurement focus” and the “accrual basis of accounting.”

C. Fund Classifications

The funds designated as major funds are determined by a mathematical calculation consistent with GASB No. 34, *Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments* and GASB No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Fund Classifications (Continued)

The City reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the City. All general tax revenues and other receipts that are not allocated by law or contractual agreement to a specific fund are accounted for in this fund. Expenditures of this fund include general operating costs and capital improvement costs that are not paid through other funds.

Carson Housing Authority Special Revenue Fund - The Carson Housing Authority Fund accounts for assets used for low and moderate income housing activities in accordance with the applicable housing-related regulations. The housing assets of the dissolved redevelopment agency's Low and Moderate Income Housing Fund were transferred to Carson Housing Authority.

American Rescue Plan Act 2 (ARPA) Special Revenue Fund - accounts for the ARPA funds provided by the federal government to cover revenue shortfalls and COVID-19 related costs.

Measure M & R Local Street Projects Capital Project Fund - The Measure M & R Local Street Projects Capital Projects Fund accounts for all bond proceeds issued for the purpose of financing the design, acquisition, and construction of certain local roadway and street improvement projects in the City.

The City's fund structure also includes the following fund types:

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditure for specific purposes.

Capital Projects Fund is used to account for the construction, rehabilitation and acquisition of capital assets.

Fiduciary Funds are used to account for assets held by the City as an agent for individuals, private organizations, other governmental units and/or other funds. The City has the following Fiduciary Funds:

- *Successor Agency to the Dissolved Redevelopment Agency Private-purpose Trust Fund* - This fund is used by the City to report trust arrangements under which principal and income benefit other governments. This fund reports the assets, liabilities and activities of the Successor Agency to the Dissolved Carson Redevelopment Agency. Private-purpose Trust Fund follow accrual basis of accounting and reports a Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.
- *Custodial Funds* - These funds account for money and property held by the City as trustee or custodian. Among the activities are the disposition of funds, deposits made for the account of other governmental agencies, developers, and others under the terms of agreements for which the deposits were made.

Custodial funds use the economic measurement focus and report Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. New Accounting Pronouncements

Current Year Standards

GASB 87, "*Leases*", effective for periods beginning after June 15, 2021. During the fiscal year ended June 30, 2022, the City implemented GASB Statement No. 87 - Leases. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The implementation of this new accounting standards resulted in the recognition of right-of-use asset, lease liability, lease receivable and deferred inflows of resources in the City's June 30, 2022 financial statements.

GASB 89, "*Accounting for Interest Cost Incurred before the End of a Construction Period*", effective for periods beginning after December 15, 2020. This statement requires that interest costs incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. The implementation of this standard did not have an impact on the City's financial statements.

GASB 98, "*The Annual Comprehensive Financial Report*", effective for fiscal years ending after December 15, 2021. This statement establishes the term annual comprehensive financial report and its acronym ACFR, and replaces instances of comprehensive annual financial report and its acronym in generally accepted accounting principles for state and local governments.

Pending Accounting Standards

GASB has issued the following statements, which may impact the City's financial reporting requirements in the future:

GASB 91, "*Conduit Debt Obligations*", effective for periods beginning after December 15, 2021.

GASB 93, "*Replacement of Interbank Offered Rates*", effective for fiscal years beginning after June 15, 2022.

GASB 94, "*Public-Private and Public-Public Partnerships and Availability Payment Arrangements*", effective for fiscal years beginning after June 15, 2022.

GASB 96, "*Subscription-Based Information Technology Arrangements*", effective for fiscal years beginning after June 15, 2022.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. New Accounting Pronouncements (Continued)

GASB 97, "*Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*", effective for periods beginning after June 15, 2021.

GASB 99, "*Omnibus 2022*", effective upon issuance for requirements related to the extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63. This statement is effective for fiscal years beginning after June 15, 2022 for requirements related to leases, PPPs, and SBITAs. This statement is also effective for fiscal years beginning after June 15, 2023 for requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53.

GASB 100, "*Accounting Changes and Error Corrections*", effective for fiscal years beginning after June 15, 2023.

GASB 101, "*Compensated Absences*", effective for fiscal years beginning after December 15, 2023.

E. Investments

Investments are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of the investments is generally based on published market prices and quotations from custodians. Investment earnings are allocated based on the source of funds.

Changes in fair value that occur during a fiscal year are recognized as investment income reported for that fiscal year. Investment income also reports interest earnings, rental income, and any gains or losses realized upon the liquidation, maturity, or sale of investments.

F. Property Taxes

Property tax revenue is recognized in the fiscal year for which the taxes have been levied providing they become available. Available means due, or past due and receivable within the current period and collected within the current period or expected to be collected soon enough thereafter (not to exceed 60 days) to be used to pay liabilities in the current period.

The City receives funds from the State of California via the County, as the City is considered to be a "no and low" property tax City. The City's current year allocation of the "no and low" property tax of \$8,396,384 was included in the General Fund tax revenues.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Property Taxes (Continued)

Under California law, property taxes are assessed and collected by the counties up to 1% of assessed value plus other increases approved by the voters. Property taxes are assessed and collected each fiscal year according to the following property tax calendar:

Lien Date:	January 1 st
Levy Date:	July 1 st to June 30 th
Due Date:	First Installment - November 1 st Second Installment - March 1 st
Delinquent Date:	First Installment - December 10 th Second Installment - April 10 th

G. Receivables

The City extends credit to customers in the normal course of operations. Uncollectible amounts are accounted for by the reserve method, which establishes an allowance for doubtful accounts based upon historical losses and review of past due accounts.

The City leases communication sites to multiple entities with agreements ranging from 3 to 5 years and an interest rate of 3%. The City recognized \$59,384 of lease revenue during the fiscal year ended June 30, 2022, and reported \$143,769 and \$139,613 of lease receivables and deferred inflows of resources, respectively, as of June 30, 2022.

H. Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements, or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans).

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs costs, charges the appropriate benefiting fund and reduces its related costs as a reimbursement. All other interfund transactions are treated as transfers.

I. Inventory

Inventory is stated at cost on a first-in, first-out (FIFO) basis. The City uses the consumption method which means that inventory is expensed as the items are used. Inventory in the General Fund consists principally of fuel, office supplies, recreational activity supplies and other miscellaneous materials and supplies. Inventory in the Component Unit Reclamation Authority consists principally of liner, backfill material, gravel, pile cap boots, geotextile and miscellaneous landfill gas components. Materials and supplies are charged to inventories when purchased and treated as expenditures when issued. Inventory amounts in the General Fund are classified as nonspendable in the fund balance since they do not represent available spendable resources.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Capital Assets

Capital assets are recorded at cost where historical records are available and at estimated historical cost where no historical records exist. Contributed capital assets are valued at their acquisition value at the date of the contribution. Generally, capital asset purchases in excess of \$10,000 are capitalized if they have an expected useful life of one year or more.

Capital assets include additions to public domain (infrastructure) consisting of certain improvements including land rights, roads, streets, overpass, sidewalks, medians, trees and storm drains.

Depreciation has been provided using the straight-line method over the estimated useful life of the asset in the government-wide financial statements.

The following schedule summarizes capital assets estimated useful lives:

Buildings and improvements	25 - 50 years
Machinery and equipment	5 - 20 years
Infrastructure:	
Roadways	7 - 100 years
Sewer	25 - 30 years
Storm drain	20 - 50 years

K. Land Held for Resale

Land held for resale in the Carson Housing Authority Fund represents housing properties transferred to the Carson Housing Authority from the Low- and Moderate-Income Housing Fund of the former Redevelopment Agency. Land held for resale in the Fiduciary Funds represents land purchased by the former Redevelopment Agency to further the Redevelopment Plan. This property will be sold, and proceeds will be sent to the County of Los Angeles for distribution to affected taxing agencies. Land held for resale is recorded at the lower of acquisition cost or estimated net realizable value.

L. Employee Compensated Absences

It is the policy of the City to record the cost of employee compensated absences in the government-wide financial statements as earned. A liability is recorded for unused vacation and similar compensatory leave balances since the employees' entitlement to these balances are attributable to services already rendered and it is probable that virtually all of these balances will be liquidated by either paid time off or payments upon leave redemption, termination, or retirement.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

L. Employee Compensated Absences (Continued)

A liability is recorded for unused sick leave balances only to the extent that it is probable that the unused balances will result in termination payments. This is estimated by including in the liability the unused balances of employees currently entitled to receive termination payment, as well as those who are expected to become eligible to receive termination benefits as a result of continuing their employment with the City. Other amounts of unused sick leave are excluded from the liability since their payment is contingent solely upon the occurrence of a future event (illness), which is outside the control of the City and the employee.

M. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense) until that time. The City has the following items that qualify for reporting in this category:

- Deferred outflows related to OPEB and pension plans equal to employer contributions made after the measurement date of the net OPEB liability and the net pension liability, respectively.
- Deferred outflows related to OPEB and pensions plans for differences between actual and expected experiences. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with retiree healthcare benefits or pensions through the plans.
- Deferred outflows from pension plans resulting from changes in assumptions. These amounts are amortized over a closed period equal to the average expected remaining service lives of all employees that are provided with pensions through the plans.

In addition to liabilities, the statement of net position and governmental funds balance sheet report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position or fund balance that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The City has the following items that qualify for reporting in this category:

- Deferred inflows from unavailable revenues, which are reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: taxes and grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

M. Deferred Outflows/Inflows of Resources (Continued)

- Deferred inflows related to pension plans for differences between actual and expected experiences. These amounts are amortized over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the plans.
- Deferred inflows from OPEB and pension plans resulting from changes in assumptions. These amounts are amortized over a closed period equal to the average expected remaining service lives of all employees that are provided with retiree healthcare benefits or pensions through the plans.
- Deferred inflows related to OPEB and pension plans resulting from the net differences between projected and actual earnings on plan investments of the OPEB and pension plan's fiduciary net position. These amounts are amortized over five years.
- Deferred inflows from leases, which are measured at the present value of future lease payments and reported in the governmental funds Balance Sheet and government-wide Statement of Net Position. These amounts are deferred and recognized as an inflow of resources over the terms of the leases.

N. Pensions

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

O. Postemployment Benefits Other Than Pensions (OPEB)

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 OPEB Plan and additions to/deductions from the OPEB Plans' fiduciary net position have been determined on the same basis as they are reported by the Plan. 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.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Fund Balances and Flow Assumptions

The fund balances reported in the governmental funds financial statements consist of the following classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds:

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 expenses and inventory.

Restricted fund balance includes resources that are subject to externally enforceable legal restrictions. It includes amounts that can be spent only for the specific purposes stipulated by the constitution, external resource providers, or through enabling legislation. The City's restricted fund balances represent resources restricted for programs funded by grants and other restricted sources, capital projects and the low/moderate income housing program, and more.

Committed fund balance includes amounts that can be used only for the specific purposes determined by formal action of the City's highest level of decision-making authority. The City Council, as the City's highest level of decision-making authority, may commit, through a resolution, fund balance for specific purposes pursuant to constraints imposed by such formal actions taken. Committed amounts cannot be used for any other purpose unless the City Council removes or changes the specific use through the same type of formal action taken to establish 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 Council delegates the authority to assign fund balance to the City Manager and the Administrative Services General Manager for purposes of reporting in the annual financial statements in accordance with Resolution No. 11-084, Classifying the Various Components of the Fund Balance of the City of Carson.

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. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

P. Fund Balances and Flow Assumptions (Continued)

The City considers the restricted fund balances to have been spent when expenditures are incurred for purposes for which both unrestricted and restricted fund balance is available. The City considers unrestricted fund balances to have been spent when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the policy of the City to reduce the committed amounts first, followed by assigned amounts, and then unassigned amounts.

Q. Net Position and Flow Assumptions

Net position is the excess of all the City's assets and deferred outflows of resources over all its liabilities and deferred inflows of resources. Net position is divided into three captions. These captions are described below and apply only to the net position, which is applicable only to the government-wide financial statements.

Net investment in capital assets - describes the portion of net position which is represented by the current net book value of the City's capital assets, less the outstanding balance of any debt issued to finance these capital assets and capital-related payables.

Restricted - describes the portion of net position which is restricted as to use by the terms and conditions of agreements with outside parties, governmental regulations, laws, or other restrictions which the City cannot unilaterally alter.

Unrestricted - describes the portion of net position which is not restricted as to use.

Sometimes the City will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the City's practice to consider restricted net position to have been depleted before unrestricted net position is applied.

R. Use of Estimates

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

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 2 - CASH AND INVESTMENTS

Cash and Investments

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

	Government- Wide Statement of Net Assets	Fiduciary Fund Statement of Net Assets		Total
		Private-purpose Trust Fund	Custodial Funds	
Unrestricted assets:				
Cash and investments	\$ 152,501,448	\$ 13,048,070	\$ 4,350,009	\$ 169,899,527
Restricted assets:				
Cash and investments	15,977,790	-	-	15,977,790
Cash and investments with fiscal agents	34,058,516	13,787,852	3,628,850	51,475,218
Total cash and investments	<u>\$ 202,537,754</u>	<u>\$ 26,835,922</u>	<u>\$ 7,978,859</u>	<u>\$ 237,352,535</u>

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

Cash on hand	\$ 4,050
Deposits with financial institutions	91,741,070
Investments	145,607,415
Total cash and investments	<u>\$ 237,352,535</u>

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

The following table identifies the investment types that are authorized for the City and its component units by the California Government Code and the City's investment policy. 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.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 2 - CASH AND INVESTMENTS (CONTINUED)

Authorized Investment Type	Authorized by Investment Policy	Maximum Maturity*	Maximum Percentage of Portfolio*	Maximum Investment In One Issuer
United States Treasury Bills	Yes	5 Years	None	None
Federal Government Obligations	Yes	5 Years	None	40%
Collateralized Time Deposits	Yes	5 Years	50%	None
Banker's Acceptance	Yes	7 Days	10%	None
Commercial Paper	Yes	270 Days	15%	10%
Negotiable Certificates of Deposit	Yes	5 Years	30%	None
Certificates of Deposit - Private Placement	Yes	5 Years	30%	None
Local Agency Investment Fund (LAID)	Yes	N/A	\$65 Million	None
Money Market Funds or Mutual Funds	Yes	5 Years	20%	10%
Medium-Term Corporate Notes	Yes	5 Years	20%	5%
State/Municipal Bonds	Yes	5 Years	20%	None
Supranational Obligations	Yes	5 Years	30%	5%
Bond Revenue	Yes	5 Years	None	None
Maximum Maturities	Yes	3 Years	None	None
Common Stocks	No	N/A	N/A	N/A
Derivative Based Instruments	No	N/A	N/A	N/A
Repurchase Agreements	No	N/A	N/A	N/A
Reverse Repurchase Agreements	No	N/A	N/A	N/A
Inverse Floaters	No	N/A	N/A	N/A
Futures and Options	No	N/A	N/A	N/A
Mortgage Backed Securities	No	N/A	N/A	N/A

*Based on state law requirements or investment policy requirements, whichever is more restrictive.

N/A - Not Applicable

Investments Authorized by Administration Agreement

Restricted cash and investments of the Reclamation Authority are to adhere to the City's investment policy pursuant to an enterprise fund administration agreement with the California Department of Toxic Substances Control. The Reclamation Authority may only draw down funds from these restricted accounts upon submission of payment requests to the California Department of Toxic Substances Control.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 2 - CASH AND INVESTMENTS (CONTINUED)

Investments Authorized by Debt Agreements

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio	Maximum Investment In One Issuer
Local Agency Bonds	None	None	None
U.S. Treasury Obligations	None	None	None
U.S. Agency Securities	None	None	None
Banker's Acceptance	1 Year	None	None
Commercial Paper	270 Days	None	None
Negotiable Certificates of Deposit	None	None	None
Repurchase Agreement	30 Days	None	None
Money Market Mutual Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Investment Agreements	N/A	None	None

N/A - Not Applicable

Disclosures Relating to Interest Rate Risk

Interest rate risk pertains to the changes in market interest rates that 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 over time as necessary to provide the cash flow and liquidity needed for operations.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 2 - CASH AND INVESTMENTS (CONTINUED)

Disclosures Relating to Interest Rate Risk (Continued)

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

Investment Type	Remaining Maturity (in Months)			Total
	12 Months Or Less	13 to 24 Months	25-60 Months	
Local Agency Investment Fund (LAIF)	\$ 27,222,692	\$ -	\$ -	\$ 27,222,692
Money Market Funds	29,630,296	957,956	1,150,430	31,738,682
Medium-Term Corporate Notes	10,725,916	4,203,630	20,241,277	35,170,823
Held by Fiscal Agent:				
Money Market Funds	51,475,218	-	-	51,475,218
	<u>\$ 119,054,122</u>	<u>\$ 5,161,586</u>	<u>\$ 21,391,707</u>	<u>\$ 145,607,415</u>

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. 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 as of June 30, 2022	Minimum Legal Rating	Rating		
			AAA	AA-	Not Rated
LAIF	\$ 27,222,692	\$ N/A	\$ -	\$ -	\$ 27,222,692
Money Market Funds	31,738,682	AAA	31,738,682	-	-
Medium-Term Corporate Notes	35,170,823	A	-	35,170,823	-
Held by Fiscal Agent:					
Money Market Funds	51,475,218	N/A	51,475,218	-	-
Total	<u>\$ 145,607,415</u>		<u>\$ 83,213,900</u>	<u>\$ 35,170,823</u>	<u>\$ 27,222,692</u>

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 2 - CASH AND INVESTMENTS (CONTINUED)

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.

Custodial Credit Risk

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

Investment in State Investment Pool

The City is a voluntary participant in LAIF that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. LAIF's and the City's exposure to risk (credit, market or legal) is not currently available.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 2 - CASH AND INVESTMENTS (CONTINUED)

Fair Value Measurements

The City categorizes its fair value measurement within the fair value hierarchy established by U.S. GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the investments. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are quoted prices of similar assets in active markets, and Level 3 inputs are significant unobservable inputs.

Investment Type	Quoted Prices Level 1	Observable Inputs Level 2	Unobservable Inputs Level 3	Totals
U.S. Agency Securities	\$ -	\$ -	\$ -	\$ -
Medium-Term Corporate Notes	-	35,170,823	-	35,170,823
Total Leveled Investments	\$ -	\$ 35,170,823	\$ -	\$ 35,170,823
Local Agency Investment Fund (LAIF)				27,222,692
Money Market Funds				31,738,682
Held by Fiscal Agent:				
Money Market Funds				51,475,218
Total Investment Portfolio				145,607,415

NOTE 3 - LOANS RECEIVABLE

Details of the City’s loans receivable as of June 30, 2022 are as follows:

Loans relative to development projects under various disposition and development agreements	\$ 67,286,453
First Time Homebuyer Loan Program	3,112,072
Computer Loan Program	8,842
HOME Loan Program	307,551
Neighborhood Stabilization Program Loans	165,000
Total loans receivable	70,879,918
Less: Allowance for uncollectible accounts	(67,286,453)
Loans receivable, net	\$ 3,593,465

Because of the nature of various loans receivable in relation to development projects under various disposition and development agreements, the City provides an allowance for collectability against such loans. The City reports such loans as program costs.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 4 - CAPITAL ASSETS

Governmental Activities

The following is a summary of changes in capital assets of the Governmental Activities for the year ended June 30, 2022:

	Balance at July 1, 2021	Additions	Deletions/ Transfers	Balance at June 30, 2022
Capital assets not being depreciated:				
Land	\$ 23,531,248	\$ 886,288	\$ -	\$ 24,417,536
Land rights	75,285,334	-	(77,105)	75,208,229
Land improvements	-	-	-	-
Infrastructure-street trees	18,727,106	14,257	-	18,741,363
Construction-in-progress	21,200,494	8,378,740	(1,569,602)	28,009,632
Total capital assets, not being depreciated	<u>138,744,182</u>	<u>9,279,285</u>	<u>(1,646,707)</u>	<u>146,376,760</u>
Capital assets, being depreciated and amortized:				
Buildings and improvements	110,321,889	-	-	110,321,889
Machinery and equipment	14,257,011	608,915	(346,512)	14,519,414
Infrastructure				
Roadways	374,203,119	1,555,345	-	375,758,464
Sewer	20,500,503	-	-	20,500,503
Storm drain	12,722,965	-	-	12,722,965
Right-of-use Lease Asset	219,684	-	-	219,684
Total capital assets, being depreciated	<u>532,225,171</u>	<u>2,164,260</u>	<u>(346,512)</u>	<u>534,042,919</u>
Less accumulated depreciation for:				
Buildings and Improvements	(42,604,767)	(2,314,156)	-	(44,918,923)
Machinery and equipment	(12,101,842)	(568,036)	302,259	(12,367,619)
Infrastructure				-
Roadways	(191,484,970)	(7,224,391)	-	(198,709,361)
Sewer	(17,895,432)	(267,731)	-	(18,163,163)
Storm drain	(4,359,300)	(255,862)	-	(4,615,162)
Total accumulated depreciation	<u>(268,446,311)</u>	<u>(10,630,176)</u>	<u>302,259</u>	<u>(278,774,228)</u>
Less accumulated depreciation for:				
Right-of-use Lease Asset		(46,249)	-	(46,249)
Total accumulated depreciation	<u>-</u>	<u>(46,249)</u>	<u>-</u>	<u>(46,249)</u>
Total capital assets, being depreciated and amortized, net	<u>263,778,860</u>	<u>(8,512,165)</u>	<u>(44,253)</u>	<u>255,222,442</u>
Total governmental activities capital assets, net	<u>\$ 402,523,042</u>	<u>\$ 767,120</u>	<u>\$ (1,690,960)</u>	<u>\$ 401,599,202</u>

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 4 - CAPITAL ASSETS (CONTINUED)

Governmental Activities (Continued)

Depreciation expense was charged to the following functions in the Statement of Activities for the year ended June 30, 2022:

General government	\$	2,114,304
Community services		4,155,167
Public works		1,873,087
Community development		2,487,618
Total depreciation expense	\$	<u>10,630,176</u>

Reclamation Authority - Discretely Presented Component Unit

The following is a summary of changes in capital assets of the Reclamation Authority for the year ended June 30, 2022:

	Balance at July 1, 2021	Additions	Deletions/ Transfers	Balance at June 30, 2022
Capital assets, not being depreciated:				
Land	\$ 21,977,052	\$ -	\$ -	\$ 21,977,052
Construction-in-progress	70,162,698	261,301	-	70,423,999
Total	<u>\$ 92,139,750</u>	<u>\$ 261,301</u>	<u>\$ -</u>	<u>\$ 92,401,051</u>

NOTE 5 – INTERFUND TRANSACTIONS

Due From/To Other Funds

Due from/due to other funds as of June 30, 2022, are as follows:

	Due to Other Funds					Total
	General Fund	Carson Housing Authority Special Revenue Fund	American Rescue Act Fund	Nonmajor Governmental Funds	Custodial Funds	
Due from Other Funds						
General Fund	\$ 9,960	565,732	\$ 5,779	\$ 3,185,681	\$ (2,021)	\$ 3,765,131
Carson Housing Authority Special Revenue Fund	-	-	-	-	60,857	60,857
	<u>\$ 9,960</u>	<u>565,732</u>	<u>\$ 5,779</u>	<u>\$ 3,185,681</u>	<u>\$ 58,836</u>	<u>\$ 3,825,988</u>

Current interfund receivables and payables were due to (1) short-term borrowings to eliminate negative cash, (2) reimbursement of certain administrative costs, and (3) short-term borrowing for project costs.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 5 – INTERFUND TRANSACTIONS (CONTINUED)

Interfund Transfers

Transfers in and out for the year ended June 30, 2022, were as follows:

Transfers Out	Tranfers In			Total
	General Fund	Measure M & R Local Street Projects Capital Projects Fund	Nonmajor Governmental Funds	
Nonmajor Governmental Funds	\$ 7,741	\$ 1,601,200	\$ -	1,608,941
General Fund	-	-	255,742	255,742
Subtotals	7,741	1,601,200	255,742	1,864,683
Successor Agency Private Purpose Trust Fund	(6,775)	-	6,775	-
Totals	966	1,601,200	262,517	1,864,683

Interfund transfers were principally used to transfer monies to cover costs accounted for in other funds.

NOTE 6 - LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended June 30, 2022:

	Balance at July 1, 2021	Additions	Deletions	Balance at June 30, 2022	Due Within One Year	Due in More Than One Year
Governmental activities:						
Bonded indebtedness:						
Measure M&R bonds	\$ 17,420,000	\$ -	\$ (800,000)	\$ 16,620,000	\$ 830,000	\$ 15,790,000
Bond premium	3,759,423	-	(208,857)	3,550,566	208,857	3,341,709
Pension obligation bonds	108,020,000	-	-	108,020,000	4,085,000	103,935,000
Direct borrowings:						
SCE loan	558,551	-	(132,495)	426,056	149,255	276,801
Lease-purchase obligation	6,000,000	-	(557,421)	5,442,579	566,479	4,876,100
Other long-term liabilities						
Compensated absences	4,713,410	134,973	-	4,848,383	-	4,848,383
Self-insurance claims payable	3,651,708	2,243,258	(415,949)	5,479,017	624,089	4,854,928
Right-of-use lease liability	219,684	-	(41,231)	178,453	43,761	134,692
Total	\$ 144,342,776	\$ 2,378,231	\$ (2,155,953)	\$ 144,565,054	\$ 6,507,441	\$ 138,057,613

Carson Public Financing Authority Revenue Bonds, Series 2019

In October 2019, the City of Carson issued \$18,830,000 of Carson Public Financing Authority Revenue Bonds, Series 2019 (Measure M & R Local Street Project) (the “Bonds”). The Bonds were issued to finance the design, acquisition, and construction of certain local roadway and street improvement projects in the City, purchase a debt service reserve policy to satisfy the reserve requirement for the Bonds and, to pay the costs of issuing the Bonds. The proceeds of the bonds are to fund only projects that constitute Measure M Project or a Measure R Project. Principal installments are due annually ranging in amounts from \$640,000 to \$1,410,000 plus interest at 3.00% to 5.00% through June 1, 2039. The outstanding balance at June 30, 2022 is \$16,620,000.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 6 - LONG-TERM LIABILITIES (CONTINUED)

Carson Public Financing Authority Revenue Bonds, Series 2019 (Continued)

The Bonds are payable from the revenues, pledged under the indenture, consisting primarily of installment payments to be made by the City to the Carson Public Financing Authority from Measure M and Measure R nonmajor special revenue funds receipts. For the fiscal year ended June 30, 2022, principal and interest payments were \$800,000 and \$801,200, respectively. Measure R and Measure M Special Revenue Funds taxes collected that are pledged for this debt total \$1,462,504 and \$1,654,991, respectively, which, in total, represent 194% of the current year required debt service payments.

The following schedule summarizes the debt service to maturity requirement for the Carson Public Financing Authority Revenue Bonds, Series 2019 as of June 30, 2022:

Year Ending June 30	Principal	Interest	Total
2023	\$ 830,000	\$ 769,200	\$ 1,599,200
2024	875,000	727,700	1,602,700
2025	915,000	683,950	1,598,950
2026	960,000	638,200	1,598,200
2027	1,010,000	590,200	1,600,200
2028 - 2032	5,850,000	2,265,350	8,115,350
2033 - 2037	5,440,000	679,600	6,119,600
2038 - 2039	740,000	58,600	798,600
Totals	<u>\$ 16,620,000</u>	<u>\$ 6,412,800</u>	<u>\$ 23,032,800</u>

2020 Taxable Pension Obligation Bonds

In June 2020, the City of Carson issued \$108,020,000 in 2020 Taxable Pension Obligation Bonds. The Bonds were issued to pay the City’s currently unamortized, unfunded accrued actuarial liability to CalPERS for the benefit of City employees and pay the cost of issuing the Bonds. The City is not required to maintain a reserve fund for the bonds. Principal installments are due annually ranging in amounts from \$3,775,000 to \$5,885,000 plus interest at 1.503% to 3.696% through January 15, 2044.

The Bonds maturing on or after January 15, 2031, may be redeemed at the option of the City from any source of funds on any date on or after January 15, 2030 in whole or in part from such maturities. The Bonds maturing on January 15, 2038 and January 15, 2044 are subject to mandatory sinking fund redemption at a redemption price equal to the principal amount thereof, plus accrued interest to the redemption date, without premium.

This liability is primarily liquidated from the General Fund.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 6 - LONG-TERM LIABILITIES (CONTINUED)

2020 Taxable Pension Obligation Bonds (Continued)

The following schedule summarizes the debt service to maturity requirement for the 2020 Taxable Pension Obligation Bonds as of June 30, 2022:

Year Ending June 30	2020 Pension Obligation Bonds		
	Principal	Interest	Total
2023	\$ 4,085,000	\$ 3,310,964	\$ 7,395,964
2024	4,145,000	3,249,567	7,394,567
2025	4,215,000	3,180,221	7,395,221
2026	4,295,000	3,103,381	7,398,381
2027	4,390,000	3,006,830	7,396,830
2028 - 2032	23,675,000	15,582,131	39,257,131
2033 - 2037	27,490,000	9,492,805	36,982,805
2038 - 2042	27,050,000	4,494,783	31,544,783
2043 - 2044	8,675,000	460,152	9,135,152
Totals	\$ <u>108,020,000</u>	\$ <u>45,880,834</u>	\$ <u>153,900,834</u>

SCE Loan

In June 2020, the City of Carson entered into a zero percent interest on-bill financing agreement with Southern California Edison Company (SCE) for the installation of certain energy efficient equipment. The loan will be repaid in monthly principal installments in the amount of \$12,438 through July 2026.

The following schedule summarizes the debt service to maturity requirement for the SCE loan as of June 30, 2022:

Year Ending June 30	SCE Loan		
	Principal	Interest	Total
2023	\$ 149,255	\$ -	\$ 149,255
2024	126,953	-	126,953
2025	114,982	-	114,982
2026	34,866	-	34,866
Totals	\$ <u>426,056</u>	\$ <u>-</u>	\$ <u>426,056</u>

The City's policies relating to compensated absences are described in Note 1. The liability is primarily liquidated from the General Fund.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 6 - LONG-TERM LIABILITIES (CONTINUED)

Capital Lease Financing Agreement

On January 29, 2021, the City entered into a master lease-purchase agreement to finance the development and implementation of air quality and heating, ventilation, and air conditioning (HVAC) improvement at the City Hall and Juanita Millender-McDonald Community Center. No lease payment is due until the lessee accepts the equipment under the lease agreement or the parties execute an escrow agreement. The escrow agreement was executed and the proceeds of the loan of \$6,000,000 were transferred in an escrow account under the name of the City in February 2021. The lease bears an interest rate of 1.625% payable annually starting on January 29, 2022 through January 2031.

The following schedule summarizes the debt service to maturity requirement for the lease as of June 30, 2022

Year Ending June 30	SCE Loan		
	Principal	Interest	Total
2023	\$ 566,479	\$ 88,442	\$ 654,921
2024	575,684	79,237	654,921
2025	585,039	69,882	654,921
2026	594,546	60,375	654,921
2027	604,208	50,713	654,921
2028-2031	2,516,623	103,061	2,619,684
Totals	\$ 5,442,579	\$ 451,710	\$ 5,894,289

Right-of-use Lease Liability

The City has entered into an agreement to lease copiers for 5 years with quarterly payments of \$13,374. The lease liability is measured at a discount rate of 6%. As a result of the lease, the City recorded a right-of-use asset with a net book value of \$173,434 and a right-of-use lease liability of \$178,453 on June 30, 2022. The future minimum lease payments as of June 30, 2022 were as follows:

Year ending June 30	Principal	Interest	Total
2023	\$ 43,761	\$ 9,735	\$ 53,496
2024	46,447	7,049	53,496
2025	49,297	4,199	53,496
2026	38,949	1,173	40,122
Total	\$ 178,453	\$ 22,157	\$ 200,610

The City's self-insurance claims payable are described in Note 7.

NOTE 7 - SELF-INSURANCE PROGRAMS

The City is self-insured for general and unemployment insurance. Additionally, the City is self-insured for the first \$250,000 per liability claim, including employment practices. The liability excess insurance carrier is Lloyds Syndicates. The City is self-insured for the first \$750,000 per workers' compensation claim. The workers' compensation excess insurance carrier is Great American Insurance Company. The City is self-insured for the first

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 7 - SELF-INSURANCE PROGRAMS (CONTINUED)

\$10,000 per property claim. The property insurance carrier is Affiliated FM Insurance Company. The City is self-insured for the first \$10,000 per crime claim. The crime insurance carrier is Fidelity and Deposit Company of Maryland.

At June 30, 2022, \$5,479,017 has been accrued for claims payable. Such amount represents estimates of amounts to be paid for reported claims as well as a provision for incurred but not reported claims. The amount is based upon the City’s past experience, as modified for current trends and information on the total liability. While the ultimate amount of losses incurred through June 30, 2022, is dependent on future developments, based upon information from the independent claims administrators and others involved with the administration of the programs, City management believes that the aggregate accrual is adequate to cover such losses.

A summary of the City’s claims activity for the two years through June 30, 2022, is as follows:

	Workers' Compensation Claims	General Liability Claims	Totals
Balance at June 30, 2020	\$ 1,823,414	\$ 1,734,810	\$ 3,558,224
Additions	1,638,360	317,577	1,955,937
Payments	<u>(1,387,618)</u>	<u>(474,835)</u>	<u>(1,862,453)</u>
Balance at June 30, 2021	2,074,156	1,577,552	3,651,708
Additions	1,804,711	438,547	2,243,258
Payments	<u>(1,017,426)</u>	<u>601,477</u>	<u>(415,949)</u>
Balance at June 30, 2022	<u>\$ 2,861,441</u>	<u>\$ 2,617,576</u>	<u>\$ 5,479,017</u>

NOTE 8 - DEFINED BENEFIT PENSION PLAN

A. General Information about the Pension Plan

Plan Description

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

CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Members with five years of total service are eligible to retire at age 50 to 62 with statutorily reduced benefits. All members are eligible for non-industrial disability benefits after five (5) years of service. The death benefit is one of the following: the Basic Death Benefit, the 1957 Survivor Benefit, or the Optional Settlement 2W Death Benefit. The cost of living adjustments for each plan are applied as specified by the Public Employees’ Retirement Law.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 8 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

A. General Information about the Pension Plan (Continued)

The Plan’s provisions and benefits in effect at the fiscal year ended June 30, 2022, are summarized as follows:

	Prior to <u>November 21, 2010</u>	Prior to <u>January 1, 2013</u>	On or After <u>January 1, 2013</u>
Hire date			
Benefit formula	3%@60	2%@55	2%@62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life
Retirement age	50 - 67 & up	50 - 67 & up	52 - 67 & up
Monthly benefits, as a % of eligible compensation	2.000% to 3.000%	1.426% to 2.418%	1.000% to 2.500%
Required employee contribution rates	8%	7%	7%
Required employer contribution rates:			
Normal cost rate	11.600%	11.600%	7.00%
Payment of unfunded liability	-	\$ 133,670	-

Employees Covered

At the measurement date ended June 30, 2021, the following employees were covered by the benefit terms of the Plan:

	<u>Miscellaneous</u>
Inactive employees or beneficiaries currently receiving benefits	465
Inactive employees entitled to but not yet receiving benefits	248
Active employees	<u>373</u>
Total	<u><u>1,086</u></u>

Contributions

Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers are determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS’ 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. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. City contribution rates may change if plan contracts are amended. Payments made by the employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contributions requirements are classified as plan member contributions.

B. Net Pension Liability

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

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 8 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

B. Net Pension Liability (Continued)

Actuarial Assumptions

The total pension liability in the June 30, 2020 actuarial valuation was determined using the following actuarial assumptions:

Valuation Date	Miscellaneous
Measurement Date	June 30, 2020
Actuarial Cost Method	June 30, 2021
	Entry-Age Normal
	Cost Method
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Projected Salary Increase	(1)
Mortality Rate Table	(2)
Post Retirement Benefit Increase	(3)

(1) Various by entry age and service

(2) The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.

(3) The less of contract COLA or 2.50% until Purchasing Power Protection Allowance Floor on purchasing power applies, 2.50% thereafter.

Long-term Expected Rate of Return

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

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

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 8 - DEFINED BENEFIT PENSION 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:

Asset Class (a)	Assumed Asset Allocation	Real Return Years 1 - 10 (b)	Real Return Years 11+ (c)
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
Total	100.00%		

- (a) In the System's CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities.
- (b) An expected inflation of 2.00% used for this period
- (c) An expected inflation of 2.92% used for this period

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily 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.

Subsequent Events

There were no subsequent events that would materially affect the results in this disclosure.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 8 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

C. Changes in the Net Pension Liability

The changes in the net pension liability for the Miscellaneous Plan, using the measurement date of June 30, 2021 are as follows:

	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at June 30, 2020	\$ 313,342,021	\$ 312,592,424	\$ 749,597
Changes in the Year:			
Service cost	4,390,630	-	4,390,630
Interest on the total pension liability	21,889,618	-	21,889,618
Differences between expected and actual experience	(1,080,591)	-	(1,080,591)
Contribution - employer	-	2,779,693	(2,779,693)
Contribution - employee	-	1,757,039	(1,757,039)
Net investment income	-	68,858,355	(68,858,355)
Benefit payments, including refunds of employee contributions	(16,616,517)	(16,616,517)	-
Administrative expenses	-	(312,261)	312,261
Other Miscellaneous Income/(Expense)	-	-	-
Net Changes	<u>8,583,140</u>	<u>56,466,309</u>	<u>(47,883,169)</u>
Balance at June 30, 2021 (Measurement Date)	<u>\$ 321,925,161</u>	<u>\$ 369,058,733</u>	<u>\$ (47,133,572)</u>

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 8 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

C. Changes in the Net Pension Liability (Continued)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the DiscountRate

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

	<u>Miscellaneous</u>
1% Decrease	6.15%
Net pension liability (Asset)	(6,969,324)
Current discount rate	7.15%
Net pension liability (Asset)	(47,133,572)
1% Increase	8.15%
Net pension liability (Asset)	(80,588,642)

Pension Plan Fiduciary Net Position

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

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

For the year ended June 30, 2022, the City recognized negative pension expense of \$7,189,216. At June 30, 2022, the City reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Contributions made subsequent to the measurement date	\$ 4,831,985	\$ -
Differences between actual and expected experience	520,780	(762,770)
Change of assumptions	-	-
Net differences between projected and actual earnings on plan investments	-	(32,979,455)
Total	<u>\$ 5,352,765</u>	<u>\$ (33,742,225)</u>

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 8 - DEFINED BENEFIT PENSION PLAN (CONTINUED)

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

\$4,831,985 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, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ending June 30	Amount
2022	\$ (8,135,279)
2023	(7,750,159)
2024	(7,933,014)
2025	(9,402,993)
2026	-
Thereafter	-

E. Payable to the Pension Plan

At June 30, 2022, the City had no outstanding amount of contributions to the pension plan required for the fiscal year ended June 30, 2022.

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN

A. General Information about the OPEB Plan

Plan Description

The City offers a defined benefit OPEB plan, which provides medical insurance benefits to eligible retirees and qualified family members through an agent multiple employer trust administered by CalPERS.

An employee is eligible for the City contribution provided they are vested in their CalPERS pension benefit and commence payment of their pension benefit within 120 days of retirement with the City. Vesting requires at least 5 years of PERS eligible service. The surviving spouse of an eligible retiree who elected spouse coverage under CalPERS is eligible for the employer contribution upon the death of the retiree.

The City contributes to the retiree health coverage of eligible retirees and eligible surviving spouses. The City's financial obligation is to pay for the retiree and eligible dependent coverage up to a monthly maximum.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

A. General Information about the OPEB Plan (Continued)

City’s Funding Policy

Contributions

The Plan provisions and contribution requirements of plan members and the City are established and may be amended by City Council. The City joined the California Employer’s Retiree Benefit Trust (CERBT) to pre-fund its OPEB liability. No contributions were made to CERBT during the current year. However, the City did directly pay retiree insurance premiums of \$2,382,926 during the current year, and the implicit rate subsidy for the OPEB Plan was \$551,350, resulting in total payments of \$2,934,276.

Plan Membership

As of June 30, 2021, the measurement date, the following current and former employees were covered by the benefit terms under the plan:

Inactive plan members or beneficiaries currently receiving benefits	348
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	375
Total	723

B. Net OPEB Liability

The City’s net OPEB liability was measured as of June 30, 2021 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation dated June 30, 2021. A summary of the principal assumptions and methods used to determine the total OPEB liability is shown below.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

B. Net OPEB Liability (Continued)

Actuarial Assumptions

The total OPEB liability in the June 30, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2021
Actuarial Cost Method	Entry Age Normal Level % of Salary method
Actuarial Assumptions:	
Discount Rate	6.80%
Inflation	2.75%
Projected Salary Increase	2.75% per year, plus merit increases based the 2021 experience study for the CalPERS pension plan
Expected Long Term Investment Rate of Return	6.8% assuming CERBT asset allocation
Healthcare Cost Trend Rates	6.50% in 2022, decreasing 0.25% annually to 4.5% for 2030 and thereafter
Pre-retirement Turnover	According to the retirement rates under the 2021 experience study for the CalPERS pension plan.
Mortality	Society of Actuaries (SOA) Pub-2010

The actuarial assumptions used in the June 30, 2021 valuation were based on a standard set of assumptions the actuary has used for similar valuations, modified as appropriate for the City.

The long-term expected rate of return 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.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

B. Net OPEB Liability (Continued)

Best estimates of arithmetic real rates of return for each major asset class included in the OPEB plan’s target asset allocation as of June 30, 2021, the measurement date, are summarized in the following table:

Asset Class	New Strategic Allocation	Long-Term Expected Real Rate of Return
CERBT (Strategy 1):		
Global Equity	59.00%	N/A
Global Debt Securities	25.00%	N/A
Inflation Assets	5.00%	N/A
Commodities	3.00%	N/A
REITs	8.00%	N/A
Total	100.00%	6.80%

Discount Rate

The rate used for a funded plan is the real rate of return expected for plan assets plus long-term inflation assumption. For an unfunded plan, the discount rate is based on an index of 20-year general obligation municipal bonds. For partially funded plans, the discount rate is a blend of the funded and unfunded rates.

The discount rate used to measure the total OPEB liability was 6.8%. The discount rate is a blended rate between the rate of return at 7% and the 2.21%, the Bond Buyer 20-Bond GO Index. The City does not currently have a pre-funding policy or practice for additional prefunding but does not reimburse for its current retiree payments from the Trust. The projection of cash flows used to determine the discount rate assumed that no future contributions are made to the Trust. Based on these assumptions, the OPEB’s fiduciary net position was not projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries and therefore, a blended rate was utilized.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

C. Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability (Asset)
Balance at June 30, 2020	\$ 66,418,278	\$ 19,826,413	\$ 46,591,865
Changes in the Year:			
Service cost	1,696,552	-	1,696,552
Interest on the total OPEB liability	3,837,393	-	3,837,393
Differences between expected net actual experience	(5,758,334)	-	(5,758,334)
Changes in assumptions	(15,168,312)	-	(15,168,312)
Contribution- employer	-	2,794,181	(2,794,181)
Net investment income	-	5,451,160	(5,451,160)
Administrative expenses	-	(7,504)	7,504
Benefit payments	(2,794,181)	(2,794,181)	-
Net Changes	(18,186,882)	5,443,656	(23,630,538)
Balance at June 30, 2021 (Measurement Date)	\$ 48,231,396	\$ 25,270,069	\$ 22,961,327

Change of Assumptions:

The discount rate utilized for the measurement periods ended June 30, 2020 and 2021 were 5.75% and 6.80%, respectively. The discount rate was changed due to capital market assumptions.

Change of Benefit Terms

There were no changes in benefit terms.

Subsequent Events

There were no subsequent events that would materially affect the results presented in this disclosure.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

C. Changes in the Net OPEB Liability (Continued)

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

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

	1% Decrease (5.80%)	Discount Rate (6.80%)	1% Increase (7.80%)
Net OPEB Liability	\$ 28,421,620	\$ 22,961,327	\$ 18,347,847

Sensitivity of the Net OPEB Liability to Changes in Health-Care Cost Trend Rates

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 1-percentage point lower or 1-percentage point higher than the current healthcare cost trend rates:

	1% Decrease 5.25% decreasing to 3.5%	Current Healthcare Cost Trend Rate 6.5% decreasing to 4.5%	1% Increase 7.50% decreasing to 5.5%
Net OPEB Liability	\$ 17,863,524	\$ 22,961,327	\$ 29,093,782

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

For the year ended June 30, 2022, the City recognized OPEB expense of \$(1,044,703). At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 2,934,276	\$ -
Differences between expected and actual experience	-	(7,275,116)
Changes in assumptions	-	(15,012,882)
Differences between projected and actual earnings on plan investments	-	(2,831,554)
Total	\$ 2,934,276	\$ (25,119,552)

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN (CONTINUED)

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

\$2,934,276 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2023. 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	Amount
2023	\$ (3,751,254)
2024	(3,712,611)
2025	(3,742,449)
2026	(3,875,204)
2027	(3,062,486)
Thereafter	(6,975,548)

E. Payable to the OPEB Plan

At June 30, 2022, the City had no outstanding amount of contributions to the OPEB plan required for the year ended June 30, 2022.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 10 - GOVERNMENTAL FUND BALANCE CLASSIFICATIONS

The various fund balance classifications established as of June 30, 2022, were as follows:

	General Fund	Special Revenue Fund Carson Housing Authority	Special Revenue Fund American Rescue Plan Act 2	Capital Projects Fund Measure M&R Local Street Projects	Nonmajor Governmental Funds
Nonspendable:					
Prepaid items	\$ 564,087	\$ -	\$ -	\$ -	\$ -
Inventory	199,984	-	-	-	-
Total nonspendable	<u>764,071</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Restricted for:					
Housing projects	-	11,855,780	-	-	-
Special revenue funds	-	-	8,849,895	-	45,743,323
Capital projects	2,262,501	-	-	22,618,860	-
Total restricted	<u>2,262,501</u>	<u>11,855,780</u>	<u>8,849,895</u>	<u>22,618,860</u>	<u>45,743,323</u>
Committed:					
Economic uncertainties	15,274,165	-	-	-	-
Reward funds	50,000	-	-	-	-
Total committed	<u>15,324,165</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Assigned:					
Self insurance	1,000,000	-	-	-	-
Unassigned					
	88,507,157	-	-	-	(1,683,818)
Total fund balances	<u>\$ 107,857,894</u>	<u>\$ 11,855,780</u>	<u>\$ 8,849,895</u>	<u>\$ 22,618,860</u>	<u>\$ 44,059,505</u>

NOTE 11 - OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

Deficit Fund Balances

The following funds reported an accumulated deficit in fund balance as of June 30, 2022:

	Accumulated Deficit
Nonmajor Special Revenue Funds:	
TDA Article 3	\$ (7,405)
City Special Events	(18)
Proposition 1B	(3,574)
Family Support Grant	(548)
Community Development Block Grant	(142,917)
Federal Highway Planning Grant	(519,548)
Building Plan Retention	(381,767)
Measure R Highway Program	(109,786)
State Grants Program	(310,000)
Measure M PS&E and Construction	(208,255)

Management expects that these deficits will be remedied after the related reimbursements from the grants are received or by transfers from the General Fund.

NOTE 11 - OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES (CONTINUED)

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

Excess Expenditures over Appropriations

For the year ended June 30, 2022, expenditures exceeded appropriations of the following City funds:

	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget</u>
Major Fund:			
General Fund			
General Government			
City Attorney	\$ 3,100,000	\$ 3,117,379	\$ (17,379)
Debt service:			
Interest	-	3,310,964	(3,310,964)
Capital Projects Fund:			
Measure M&R Local Street Projects Capital Projects Fund			
Debt service:			
Principal payments	-	800,000	(800,000)
Interest	-	801,200	(801,200)
Nonmajor special revenue funds			
State Gas Tax Special Revenue Fund			
Community Services	-	52	(52)
Measure R Special Revenue Fund			
Public Works	-	130,227	(130,227)
Community Services	-	52	(52)
Family Support Grant Special Revenue Fund			
Community Services	3,150	44,133	(40,983)
State Grants Program Special Revenue Fund			
Community Development	-	310,000	(310,000)
Measure M PS&E Special Revenue Fund			
Community Development	60,244	380,985	(320,741)

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 12 - DEBT ISSUED WITHOUT GOVERNMENT COMMITMENT

Reassessment Revenue Bonds, Series A and Subordinate Series B

In November 2006, the Carson Public Financing Authority issued \$25,000,000 and \$7,955,000 of Reassessment Revenue Bonds, Series A and Subordinate Series B, respectively, (collectively, the 2006 Bonds). The 2006 Bonds were issued to finance certain public capital improvements within the Reassessment District No. 2001-1 (Dominguez Technology Center), purchase the \$29,645,000 City of Carson Reassessment District No. 2001-1 Limited Obligation Refunding Improvement Bonds, Series 2006 (Local Obligation Bonds) (concurrently issued), establish Reserve Funds, and pay the cost of issuing the 2006 Bonds and Local Obligation Bonds.

The City and Public Financing Authority are not liable for repayment of this debt but are only acting as agents for the property owners in collecting the assessments for the Reassessment District No. 2001-1, forwarding the collections to bondholders, and initiating foreclosure proceedings for the benefit of the bondholders.

For these reasons, neither the debt nor the related debt service transactions are recorded on the City's basic financial statements. During the year ended June 30, 2020, these bonds were currently refunded with proceeds from the concurrently-issued Carson Public Financing Authority Reassessment Revenue Refunding Bonds, Series 2019 and City of Carson Reassessment District No. 2001-1 Limited Obligation Refunding Improvement Bonds, Series 2019.

Limited Obligation Improvement Bonds, Assessment District No. 92-1, Series 1992

In October 1992, the City issued \$13,100,000 of Assessment District No. 92-1 Sepulveda Special District) Limited Obligation Improvement Bonds, Series 1992 (the Bonds). The Bonds were issued to finance a portion of the costs of the construction of certain street improvements, particularly the widening of a portion of Sepulveda Boulevard and included the reconstruction, removal, modification and relocation of pipelines, facilities, and the relocation of railroad tracks from the public right-of-way, storm drainage improvements, signaling, and landscaping. Bond proceeds were also used to establish the Reserve Fund, and to pay the cost of issuing the bonds.

The City's obligation to transfer funds to the Redemption Fund in the event of delinquent installments is limited to the balance in the Reserve Fund. The City is in no way liable for repayment but is only acting as an agent for the property owners in collecting the assessments, forwarding the collections to bondholders, and initiating foreclosure proceedings for the benefit of the bondholders.

For these reasons, neither the debt nor the related debt service transactions are recorded on the City's basic financial statements. The principal balance outstanding at June 30, 2022 is \$180,000.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 12 - DEBT ISSUED WITHOUT GOVERNMENT COMMITMENT (CONTINUED)

Reassessment Revenue Refunding Bonds, Series 2019

In July 2019, the Carson Public Financing Authority (Authority) issued \$18,975,000 of Reassessment Revenue Refunding Bonds, Series 2019 (the Authority Bonds). The Bonds were issued to fund a reserve fund for the Bonds, pay costs of issuance and to purchase the concurrently-issued City of Carson Reassessment District No. 2001-1 (Dominguez Technology Center West) Limited Obligation Refunding Improvement Bonds, Series 2019 (the "Reassessment Bonds"), the proceeds of which were, in turn, used to refund a series of reassessment bonds (the "2006 City Bonds") previously issued by the City, and thereby provide funds to refund two series of bonds issued by the Public Financing Authority, proceeds of which were used by the Public Financing Authority to acquire the 2006 City Bonds and to finance certain public capital improvements. The Reassessment Bonds are payable from Reassessments levied by the City on property in the City's Reassessment District No. 2001-1 (Dominguez Technology Center West).

The City's and Public Financing Authority's obligation to transfer funds to the Redemption Fund in the event of delinquent installments is limited to the balance in the Reserve Fund. The City and Public Financing Authority are in no way liable for repayment but are only acting as an agent for the property owners in collecting the assessments, forwarding the collections to bondholders, and initiating foreclosure proceedings for the benefit of the bondholders.

For these reasons, neither the debt nor the related debt service transactions are recorded on the City's basic financial statements. The principal balance outstanding at June 30, 2022 is \$16,515,000.

As of June 30, 2022, the City's General Fund is reporting \$2,262,501 of restricted cash and investments related to the unspent portion of the Authority Bonds proceeds that were contributed to the City for the purpose of financing certain public capital improvements within Reassessment District No. 2001-1 (Dominguez Technology Center West).

NOTE 13 - CONTINGENCIES - CLAIMS

The City is a defendant in several general damage and personal injury lawsuits and claims. These claims arise primarily from injuries sustained by the claimants while on property owned or maintained by the City. City management believes that the reported claims and provisions for incurred but not reported claims accrued as of June 30, 2022 is adequate to cover any losses.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 14 - HOUSING AUTHORITY COMMITMENTS UNDER DEVELOPMENT AGREEMENTS

Following are details of the Housing Authority's commitments under Development Agreements:

East Carson Housing Partners, L.P.

On June 15, 2010, the former Carson Redevelopment Agency (Agency) entered into a disposition and development agreement (DDA) with East Carson Housing Partners, L.P. (Developer) for the development of a 65-unit workforce housing community on a 1.75-acre Agency-owned property (Property) located at 425 E. Carson Street. The development was completed and fully leased by June 2012. The site provides housing for very low, low and moderate-income households. The product type ranges from one-bedroom to three-bedroom units.

The Agency provided assistance for the development of the project by selling the Property to the Developer for the fair market value of \$1,906,500 (Purchase Price). In addition, the Agency provided project assistance in the amount of \$6,888,000 towards Project development costs (Agency Assistance). The combined value of the land and set-aside funds are evidenced by a promissory note and secured by a Deed of Trust recorded on March 9, 2011. The Purchase Price and the Agency Assistance totals \$8,794,500. This amount is to be repaid by the Developer with residual receipts over a 55-year period, with interest accruing at 0.5% per annum (Note). Any balance on the Note is due and payable at the end of 55 years from the commencement of their permanent loan. The permanent loan commenced March 1, 2013. At June 30, 2022, the balance on the Note is \$7,808,034.

East Carson II Housing Partners, L.P.

On February 19, 2013, the Housing Authority entered into an Affordable Housing Agreement with East Carson II Housing Partners, L.P. (Developer) for the development of a 40-unit workforce housing community on approximately 1.0 acre Housing Authority-owned property. On November 25, 2013, the Housing Authority closed escrow for the sale of the property and the Developer began construction. The project was completed with a grand opening ceremony held on April 2, 2015. The development serves as phase two to the East Carson Housing Partners, L.P. project at 425 E. Carson Street, which was completed in June 2012.

The Housing Authority's financial assistance for this project included a loan of \$3,320,000 for pre-development and construction costs and the property purchase price of \$1,565,446 for a total assistance amount of \$4,885,446. The total assistance amount was provided by a promissory note (Note) and secured by a Deed of Trust to be recorded at the time the Housing Authority sells the property to the Developer. The Note is to be repaid by the Developer with residual receipts over a 55 year period, with interest accruing at 0.5% per annum. Any balance on the Note will be due and payable at the end of 55 years from commencement of the permanent senior loan. The permanent financing began on November 25, 2013. At June 30, 2022, the balance on the Note is \$4,827,966.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

***NOTE 14 - HOUSING AUTHORITY COMMITMENTS UNDER DEVELOPMENT AGREEMENTS
(CONTINUED)***

Affirmed Housing Group, Inc.

On March 1, 2011, the Agency entered into a disposition and development agreement (DDA) with Affirmed Housing Group, Inc. (Developer) for the development of a 40-unit workforce housing community on Agency-owned property located at 21227 Figueroa Street (Property). The Agency's financial assistance for this project included a loan of \$2,855,000 for pre-development and construction costs, and the property purchase price of \$1,345,000 for a total assistance amount of \$4,200,000 (Agency Assistance). The Agency Assistance is evidenced by a promissory note (Note) and secured by a Deed of Trust recorded on December 24, 2012. The Agency Assistance is to be repaid by the Developer with residual receipts over a 55 year period, with interest accruing at 0.5% per annum (Note). Any balance on the Note is due and payable at the end of 55 years from issuance of a certificate of occupancy. The certificate of occupancy was issued on March 6, 2014. At June 30, 2022, the balance on the Note is \$4,200,000.

Thomas Safran & Associates

In July 1992, the Agency entered into a disposition and development agreement (DDA) with Thomas Safran & Associates (Developer) for the development and operation of an affordable senior citizen housing project (Project). Pursuant to the DDA, the Developer executed a promissory note for a loan in the amount of \$2,681,000 with a simple interest rate of 5%. The amount of Developer loan repayments is equal to 50% of the positive cash flow generated by the Project. As of June 30, 2022, the outstanding loans receivable from the Developer is \$2,681,000. Pursuant to the DDA, as amended, the Agency is also required to provide the Developer a rent subsidy in the amount of \$160,524 per year for 30 years following the date of the certificate of occupancy for the Project (or until August 1, 2025).

Carson Terrace, L.P.

In June 1999, the Agency entered into an Owner Participation Agreement (OPA) with Carson Terrace, L.P. (Original Developer) for the development and operation of an affordable senior citizen housing project (Project). Carson Terrace, L.P. includes Los Angeles Housing Partnership, Inc. a California non-profit public benefit corporation ("LAHP") as the general partner, and LAHP Holdings III, LLC as the limited partner. Pursuant to the OPA, the Developer executed a promissory note for a short-term construction loan in the amount of \$2,205,000 with a simple interest rate of 3%. Subsequently, the Original Developer executed a promissory note (Note) for a long-term loan with a 5% simple interest rate for the purpose of retiring the construction loan. An amendment dated December 15, 2000, increased the amount of the long-term loan to \$2,296,988. The amount of Original Developer loan repayments is equal to 50% of the positive cash flow generated by the Project. Pursuant to the OPA, the Agency is also required to provide the Original Developer a rent subsidy in the amount of \$73,320 per year for 30 years following the date of the certificate of occupancy issued in 2001 (or until December 26, 2030).

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

***NOTE 14 - HOUSING AUTHORITY COMMITMENTS UNDER DEVELOPMENT AGREEMENTS
(CONTINUED)***

Carson Terrace, L.P. (Continued)

In late 2017, LAHP, the limited partner with Original Developer, approached the Authority about additional assistance to help them apply for 5% Tax Credit assistance and Affordable Housing Program (AHP) funding in order to undertake a major interior remodel. Specifically, LAHP and The Richman Group of California Development Company, a California limited liability company (“TRG”) executed a Joint Development Agreement to serve as the New Developer. On May 7, 2019, a new OPA was entered into with the New Developer. As of December 12, 2019, the New Developer also executed a new promissory note (Note) amounting to \$4,115,366, which is recorded on January 8, 2020. The promissory note is a residual receipts loan that accrues simple interest at three percent (3%) per annum, payable in fifty-five (55) years following the recordation of the Release of Construction Covenants (or until December 31, 2077). Repayment of the Loan is made in annual payments from fifty percent 50% of the Net Cash Flow. At June 30, 2022, the balance on the Note remains at \$4,033,454.

Gramercy Urban Housing, LLC - 21521 Avalon Boulevard

On January 21, 2014, the Housing Authority entered into a purchase and sale agreement with Gramercy Urban Housing, LLC (Developer) for the sale of approximately 1.0-acre Housing Authority-owned property located at 21521 Avalon Boulevard. Once purchased, the Developer will build a mixed-use commercial/residential project generally consistent with the City’s Carson Street Master Plan. The Developer desires to assemble the property with its property at the northwest corner of Avalon Boulevard and Carson Street, and the Carson Successor Agency-owned property located at 615 E. Carson Street for the mixed-use development. There was no Housing Authority assistance in connection with this sale. The property was sold for the highest and best use fair market appraised value of \$1,000,000. Escrow closed on August 12, 2015. The parcel was combined with another Agency-owned parcel plus a privately owned shopping center to assemble property for a 357-unit market rate housing project plus 30,000 square feet of commercial and retail space. Construction of the project commenced in Q2 2017 and was completed in 2021.

AHGI - Sepulveda Senior Housing

As part of a Development Agreement, the Developer proposed a 65-unit senior affordable housing project. The original DDA provided that the City would grant the property for the development, at no cost to the developer, as required by the tax-exempt bonds issued to acquire the property. The land was acquired for \$3,135,000. In addition, the Housing Authority was to provide cash assistance in the amount of \$2,765,000, which is evidenced by a promissory note secured by a deed of trust. The note will bear interest at 3% and have a term of 55 years. As a result of the developer not being able to obtain a TCAC award, they asked and gained additional assistance from the City, totaling \$2,700,000 in the form of a grant award, to be disbursed in the form of construction draws. At June 30, 2022, the balance on the note is \$2,765,000. Work started on the project in December 2016 and the project was completed and opened in September 2018.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 14 - HOUSING AUTHORITY COMMITMENTS UNDER DEVELOPMENT AGREEMENTS (CONTINUED)

21205 Carson Arts LP

This Agreement is for the development of 45 units of affordable housing with 21205 Carson Arts LP (Developer). The Agreement provides that the Housing Authority will provide \$4,200,000 in cash as a loan to the Developer to assist in acquiring the land, as well as provide an additional \$2,800,000 in the form of a grant to the Developer's non-profit partner. The loan is evidenced by a promissory note (Note) and is secured by a Deed of Trust on the property. An agreement with the Developer was approved in March 2017, and the Developer proceeded with the acquisition and demolition of the property. The project received an allocation of Low-Income Housing Tax Credits (LIHTC) in September 2017 and commenced construction in April 2018. The project was completed on December 24, 2019. At June 30, 2022, the balance on the Note remains at \$4,200,000.

Carson Figueroa Affordable Housing, LP

On January 24, 2017, the Housing Authority approved an agreement with Carson Figueroa Affordable Housing, LP to provide financial assistance to develop a 51-unit affordable housing community at 600 West Carson Street with a leasing preference to veterans of the United States Armed Forces. The project will be developed at "market rate quality" and will include amenities such as a community room, open outdoor courtyard with grilling and seating areas, a fitness center, a computer room and classes/social services for the residents.

The Housing Authority's assistance consisted of providing land valued at \$2,930,000 for the project and providing \$5,500,000 in financial assistance towards development costs. The developer also received a 9% Low Income Housing Tax Credit award from the California Tax Credit Allocation Committee (TCAC) to finance the project. On March 31, 2017, the Housing Authority closed escrow on the property. Following the close of escrow, the Housing Authority and the developer executed the Cal ReUSE Regulatory Agreement and the document was recorded on April 25, 2017.

The official groundbreaking was held on March 1, 2018. Construction on the project was completed in February 2020. The Certificate of Occupancy was issued earlier this year. At June 30, 2022, the balance on the note is \$6,128,000.

NOTE 15 - RECENT CHANGES IN LEGISLATION AFFECTING CALIFORNIA REDEVELOPMENT AGENCIES

On June 28, 2011, Assembly Bills x1 26 (the Dissolution Act) and x1 27 were enacted, whereby each California redevelopment agency (each Dissolved RDA) was dissolved as of February 1, 2012, and the sponsoring community that formed the Dissolved RDA, together with other designated entities, have initiated the process under the Dissolution Act to unwind the affairs of the Dissolved RDA. On January 10, 2012, the City became the Successor Agency of the former redevelopment agency by operation of law in accordance with the Bill.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 15 - RECENT CHANGES IN LEGISLATION AFFECTING CALIFORNIA REDEVELOPMENT AGENCIES (CONTINUED)

The Dissolution Act allowed the sponsoring community that formed the Dissolved RDA to elect to assume the housing functions and take over certain housing assets of the Dissolved RDA. The Housing Authority elected on January 27, 2012 to serve as the Housing Successor Agency.

As of the date of dissolution, the housing assets, obligations, and activities of the Dissolved RDA have been transferred and are reported in the Carson Housing Authority Special Revenue Fund in the financial statements of the City. All other assets, obligations, and activities of the Dissolved RDA have been transferred and are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City.

In the current and future fiscal years, the Successor Agency will only be allocated revenue from the County of Los Angeles in the amount that is necessary to pay the estimated annual installment payments on enforceable obligations of the Dissolved RDA until all enforceable obligations of the Dissolved RDA have been paid in full and all assets have been liquidated.

NOTE 16 - SUCCESSOR AGENCY DISCLOSURES

The accompanying financial statements also include the Private-purpose Trust Fund for the Successor Agency to the City’s former Redevelopment Agency (Successor Agency). The City, as the Successor Agency, serves in a fiduciary capacity, as custodian for the assets and to wind down the affairs of the former Redevelopment Agency. Its assets are held in trust for the benefit of the taxing entities within the former Redevelopment Agency’s boundaries and as such, are not available for the use of the City.

Loans Receivable

Details of the Successor Agency’s loans receivable as of June 30, 2022, are as follows:

Loans relative to development projects under various disposition and development agreements	\$ 11,432,041
Less: Allowance for uncollectible accounts	<u>(11,432,041)</u>
Loans Receivable, Net	<u>\$ -</u>

Because of the nature of various loans receivable in relation to development projects under various disposition and development agreements, the Successor Agency provides an allowance for uncollectibility against such loans.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 16 - SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Long-term Liabilities

The following is a summary of changes in long-term liabilities for the year ended June 30, 2022:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Due Within One Year	Due in More Than One Year
Other Long-term Liabilities:						
Redevelopment Project Area 1:						
2003B Tax Allocation Bonds	\$ 13,977,178	\$ 788,906	\$ -	\$ 14,766,084	\$ -	\$ 14,766,084
2014A Tax Allocation Refunding Bonds	13,385,000	-	(3,405,000)	9,980,000	3,600,000	6,380,000
2016A Tax Allocation Refunding Bonds	17,440,000	-	(895,000)	16,545,000	915,000	15,630,000
2017A Tax Allocation Refunding Bonds	10,190,000	-	(525,000)	9,665,000	540,000	9,125,000
Less: Bond Discounts	(363,698)	-	23,808	(339,890)		(339,890)
Redevelopment Project Area 2:						
2014A Tax Allocation Refunding Bonds	7,045,000	-	(1,625,000)	5,420,000	1,705,000	3,715,000
2020B Subordinate Tax Allocation Refunding Bonds	11,725,000	-	(170,000)	11,555,000	170,000	11,385,000
Add: Bond Premium	2,507,370	-	(71,639)	2,435,731		2,435,731
Low and Moderate Income Housing:						
2020A Tax Allocation Refunding Bonds	23,220,000	-	(1,625,000)	21,595,000	2,035,000	19,560,000
Successor Agency:						
2015B Subordinate Tax Allocation Refunding Bonds	37,555,000	-	(3,470,000)	34,085,000	3,590,000	30,495,000
2018 Tax Allocation Bonds	20,410,000	-	(615,000)	19,795,000	635,000	19,160,000
Add: Bond Premium	866,624	-	(42,792)	823,832	-	823,832
Total	<u>\$ 157,957,474</u>	<u>\$ 788,906</u>	<u>\$ (12,420,623)</u>	<u>\$ 146,325,757</u>	<u>\$ 13,190,000</u>	<u>\$ 133,135,757</u>

All bonds are in compliance with their respective reserve requirements, by either the purchase of a surety bond or the placement of cash in a reserve account with the fiscal agent trustee.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 16 - SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Long-term Liabilities - Redevelopment Project Area 1

2003B Tax Allocation Bonds

In December 2003, the Carson Redevelopment Agency issued \$32,495,863 of Tax Allocation Bonds, Series 2003B for Redevelopment Project Area No. 1 to fund redevelopment projects within the project area. The first principal installment was due on October 1, 2004; and then on October 1, 2017 annually thereafter ranging from \$466,575 to \$3,940,000 plus interest at 2.0% to 5.25% through October 2034. In April 2014, this debt was partially defeased when the Successor Agency of the former Carson Redevelopment Agency issued the Tax Allocation Refunding Bonds, Series 2014A. The capital appreciation bonds of \$5,410,863 that were issued as part of the bond issuance Tax Allocation Bonds, Series 2003B with maturity dates from October 1, 2023 through 2032 were not defeased. Prior to their applicable maturity dates, each capital appreciation bond will accrete interest on the principal component, with all interest accreting through the applicable maturity date and payable only upon the maturity or prior payment of the principal component. Accreted interest of \$8,566,316 has been reflected as long-term debt.

The following schedule summarizes the debt service to maturity requirement for the Redevelopment Project Area 1 - 2003B Tax Allocation Bonds as of June 30, 2022:

Year ending June 30	Principal	Interest	Total
2023	-	-	-
2024	765,610	1,444,390	2,210,000
2025	715,465	1,494,535	2,210,000
2026	671,951	1,538,049	2,210,000
2027	626,539	1,693,461	2,320,000
2028 - 2032	1,670,075	5,289,925	6,960,000
2033	961,222	3,678,778	4,640,000
Subtotals	\$ 5,410,862	\$ 15,139,138	\$ 20,550,000
Accreted Interest	9,355,222	-	9,355,222
Totals	\$ <u>14,766,084</u>	\$ <u>15,139,138</u>	\$ <u>29,905,222</u>

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 16 - SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Long-term Liabilities - Redevelopment Project Area 1 (Continued)

2014A Tax Allocation Refunding Bonds

In April 2014, the Successor Agency of the former Carson Redevelopment Agency issued \$26,190,000 Tax Allocation Refunding Bonds, Series 2014A, for Redevelopment Project Area No. 1 to advance refund \$1,540,000 of the outstanding 2003 Tax Allocation Refunding Bonds and \$26,850,000 of the outstanding 2003B Tax Allocation Bonds, establish a reserve account for the bonds, and to pay the cost of issuing the bonds. Principal installments are due annually ranging in amounts from \$245,000 to \$3,600,000 plus interest at 3.0% to 5.0% through October 1, 2034. The interest and principal of the bonds are payable from pledged tax increment revenues of the Redevelopment Obligation Retirement Fund.

As a result of the refunding, the entire 2003 Tax Allocation Refunding Bonds and \$26,850,000 of the 2003B Tax Allocation Bonds are considered to be defeased and the liability for these bonds has been removed from the statement of fiduciary net position in the accompanying fiduciary fund financial statements.

The following schedule summarizes the debt service to maturity requirement for the Redevelopment Project Area 1 - 2014A Tax Allocation Refunding Bonds as of June 30, 2022:

Year ending June 30	Principal	Interest	Total
2023	\$ 3,600,000	\$ 376,338	\$ 3,976,338
2024	-	286,338	286,338
2025	-	286,338	286,338
2026	-	286,338	286,338
2027	-	286,337	286,337
2028 - 2032	2,025,000	689,725	2,714,725
2033 - 2035	4,355,000	557,281	4,912,281
Total	\$ 9,980,000	\$ 2,768,693	\$ 12,748,693

2016A Tax Allocation Refunding Bonds

In December 2016, the Successor Agency of the Carson Redevelopment Agency issued \$21,350,000 Tax Allocation Refunding Bonds Series 2016A, for Redevelopment Project Area No. 1 to advance refund \$19,930,000 of the outstanding 2009A Tax Allocation Refunding Bonds, establish a reserve account for the bonds, and to pay the cost of issuing the bonds. Principal installments are due annually ranging in amounts from \$575,000 to \$3,140,000 plus interest at 1.545% to 3.625% through February 1, 2037. The interest and principal of the bonds are payable from pledged tax increment revenues of the Redevelopment Obligation Retirement Fund.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 16 - SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Long-term Liabilities - Redevelopment Project Area 1 (Continued)

2016A Tax Allocation Refunding Bonds (Continued)

Of the Series 2016A proceeds, \$23,032,015 were used to purchase U.S. Government securities to refund in full the 2009A Tax Allocation Refunding Bonds. Those securities were placed in an irrevocable trust with an escrow agent to provide for all future debt service payments on the entire balance of the 2009A Tax Allocation Refunding Bonds. As a result, the entire 2009A Tax Allocation Refunding Bonds are considered to be defeased, and the liability for these bonds has been removed from the statement of fiduciary net position in the accompanying fiduciary fund financial statements. This defeased debt was fully redeemed on October 1, 2019.

The defeasance resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$2,859,009. This difference, reported in the accompanying statements as a deferred outflow of resources, is being charged to interest expense through 2037. The remaining balance at June 30, 2022, is \$2,067,471.

The following schedule summarizes the debt service to maturity requirement for the Redevelopment Project Area 1 - 2016A Tax Allocation Refunding Bonds as of June 30, 2022:

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 915,000	\$ 649,504	\$ 1,564,504
2024	2,885,000	622,054	3,507,054
2025	2,980,000	524,685	3,504,685
2026	295,000	424,110	719,110
2027	310,000	413,416	723,416
2028 - 2032	1,765,000	1,836,202	3,601,202
2033 - 2037	7,395,000	1,339,934	8,734,934
Total	<u>\$ 16,545,000</u>	<u>\$ 5,809,904</u>	<u>\$ 22,354,904</u>

2017A Tax Allocation Refunding Bonds

In February 2017, the Successor Agency of the Carson Redevelopment Agency issued \$12,315,000 Tax Allocation Refunding Bonds Series 2017A, for Redevelopment Project Area No. 1 to advance refund \$11,055,000 of the outstanding Carson Public Financing Authority Lease Revenue Bonds (Redemption Project Series 2009), establish a reserve account for the bonds, and to pay the cost of issuing the bonds. Principal installments are due annually ranging in amounts from \$490,000 to \$875,000 plus interest at 1.765% to 3.25% through February 1, 2036. The interest and principal of the bonds are payable from pledged tax increment revenues of the Redevelopment Obligation Retirement Fund.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 16 - SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Long-term Liabilities - Redevelopment Project Area 1 (Continued)

Of the Series 2017A proceeds, \$12,663,099 were used to purchase U.S. Government securities to refund in full the 2009 Revenue Bonds. Those securities were placed in an irrevocable trust with an escrow agent to provide for all future debt service payments on the entire balance of the 2009 Revenue Bonds. As a result, the entire 2009 Revenue Bonds are considered to be defeased, and the liability for these bonds has been removed from the statement of fiduciary net position in the accompanying fiduciary fund financial statements. This defeased debt was fully redeemed on October 1, 2019.

The defeasance resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$1,325,830. The difference reported in the accompanying statements as a deferred outflow of resources is being charged to interest expense through 2036. The remaining balance at June 30, 2022, is \$946,165.

The following schedule summarizes the debt service to maturity requirement for the Redevelopment Project Area 1 – 2017A Tax Allocation Refunding Bonds as of June 30, 2022:

Year ending June 30	Principal	Interest	Total
2023	\$ 540,000	\$ 370,006	\$ 910,006
2024	560,000	353,806	913,806
2025	580,000	336,306	916,306
2026	595,000	317,456	912,456
2027	620,000	296,631	916,631
2028 - 2032	3,465,000	1,164,656	4,629,656
2033 - 2036	3,305,000	291,137	3,596,137
Total	\$ <u>9,665,000</u>	\$ <u>3,129,999</u>	\$ <u>12,794,999</u>

Long-term Liabilities - Redevelopment Project Area 2

2007A Tax Allocation Refunding Bonds

In October 2007, the Carson Redevelopment Agency issued \$16,845,000 of Tax Allocation Refunding Bonds, Series 2007A for Redevelopment Project Area No. 2 to advance refund \$14,925,000 of the outstanding 2003 Tax Allocation Refunding Bonds, establish a reserve account for the bonds and to pay the cost of issuing the bonds. Principal installments are due annually ranging in amounts from \$105,000 to \$1,655,000 plus interest at 0.5% to 5.3% through January 1, 2036. In September 2020, this debt was defeased when the Successor Agency of the former Carson Redevelopment Agency issued the Subordinate Tax Allocation Refunding Bonds, 2020 Series B.

As a result of the refunding, the entire 2007A Tax Allocation Refunding Bonds are considered to be defeased and the liability for this bond has been removed from the statement of fiduciary net position in the accompanying fiduciary fund financial statements

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 16 - SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Long-term Liabilities - Redevelopment Project Area 2 (Continued)

2014A Tax Allocation Refunding Bonds

In April 2014, the Successor Agency of the former Carson Redevelopment Agency issued \$17,040,000 Tax Allocation Refunding Bonds, Series 2014A, for Redevelopment Project Area No. 2 to advance refund \$10,720,000 of the outstanding 2003A Tax Allocation Refunding Bonds, \$2,455,000 of the outstanding 2003B Tax Allocation Refunding Bonds, \$7,885,000 of the outstanding 2003C Tax Allocation Bonds, and to pay the cost of issuing the bonds. Principal installments are due annually ranging in amounts from \$1,660,000 to \$1,925,000 plus interest at 4.0% to 5.0% through October 1, 2024. The interest and principal of the bonds are payable from pledged tax increment revenues of the Redevelopment Obligation Retirement Fund.

As a result of the refunding, the entire 2003A Tax Allocation Refunding Bonds, 2003B Tax Allocation Refunding Bonds and 2003C Tax Allocation Bonds are considered to be defeased and the liability for these bonds has been removed from the statement of fiduciary net position in the accompanying fiduciary fund financial statements.

The following schedule summarizes the debt service to maturity requirement for the Redevelopment Project Area 2 - 2014A Tax Allocation Refunding Bonds as of June 30, 2022:

Year ending June 30	Principal	Interest	Total
2023	\$ 1,705,000	\$ 228,375	\$ 1,933,375
2024	1,790,000	141,000	1,931,000
2025	1,925,000	48,125	1,973,125
Total	\$ 5,420,000	\$ 417,500	\$ 5,837,500

2020B Subordinate Tax Allocation Refunding Bonds

In September 2020, the Successor Agency of the former Carson Redevelopment Agency issued \$11,900,000 Subordinate Tax Allocation Refunding Bonds, 2020 Series B, for Redevelopment Project Area No.2 to refund the outstanding Merged and Amended Project Area Subordinate Lien Tax Allocation Refunding Bonds, Series 2007A and to pay the cost of issuing the bonds. Principal installments are due annually ranging amounts from \$170,000 to \$1,210,000 plus interest at 3% to 4% through February 1, 2036. The interest and principal of the bonds are payable from pledged tax revenues on a parity with the pledge of Pledged Tax Revenues to the 2015B Bonds.

As a result of the refunding, the entire 2007A Tax Allocation Refunding Bonds are considered to be defeased and the liability for these bonds has been removed from the statement of fiduciary net position in the accompanying fiduciary fund financial statements.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 16 - SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Long-term Liabilities - Redevelopment Project Area 2 (Continued)

2020B Subordinate Tax Allocation Refunding Bonds (Continued)

The following schedule summarizes the debt service to maturity requirement for the Redevelopment Project Area 2 - 2020B Subordinate Tax Allocation Refunding Bonds as of June 30, 2022:

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 170,000	\$ 462,200	\$ 632,200
2024	180,000	455,400	635,400
2025	185,000	448,200	633,200
2026	820,000	440,800	1,260,800
2027	850,000	408,000	1,258,000
2027 - 2031	4,785,000	1,502,600	6,287,600
	<u>4,565,000</u>	<u>465,400</u>	<u>5,030,400</u>
Total \$	<u><u>11,555,000</u></u>	<u><u>4,182,600</u></u>	<u><u>15,737,600</u></u>

Long-term Liabilities - Redevelopment Project Area 4

Tax Allocation Refunding Bonds, Series 2018

On February 27, 2018, the Successor Agency issued \$21,715,000 Successor Agency Tax Allocation Refunding Bonds, Series 2018 to advance refund the 2006 Tax Allocation Bonds. Principal installments are due annually in amounts ranging from \$595,000 to \$1,365,000 plus interest semiannually ranging from 2.00% to 3.5% through October 1, 2041. The principal and interest of the bonds are payable from pledged tax increment revenues of the Redevelopment Obligation Retirement Fund.

The 2006 Tax Allocation Bonds are now considered to be defeased, and the liability for these bonds has been removed from the statement of fiduciary net position in the accompanying fiduciary fund financial statements.

The defeasance resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$80,446. This difference, reported in the accompanying financial statements as a deferred outflow of resources, is being charged to interest expense through 2041. The remaining balance at June 30, 2022, is \$65,394.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 16 - SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Long-term Liabilities - Redevelopment Project Area 4 (Continued)

Tax Allocation Refunding Bonds, Series 2018 (Continued)

The following schedule summarizes the debt service to maturity requirement for the Successor Agency Tax Allocation Refunding Bonds, Series 2018 as of June 30, 2022:

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 635,000	\$ 759,519	\$ 1,394,519
2024	665,000	727,019	1,392,019
2025	705,000	692,769	1,397,769
2026	735,000	656,769	1,391,769
2027	775,000	619,019	1,394,019
2028 - 2032	4,490,000	2,468,869	6,958,869
2033 - 2037	5,415,000	1,555,384	6,970,384
2038 - 2042	6,375,000	569,987	6,944,987
Total \$	<u>19,795,000</u>	<u>\$ 8,049,334</u>	<u>\$ 27,844,334</u>

Long-term Liabilities - Low and Moderate Income Housing

2010A-T Tax Allocation Housing Bonds

In October 2010, the Carson Redevelopment Agency issued \$14,940,000 of Tax Allocation Housing Bonds, Series 2010A-T to fund low and moderate-income housing projects. Principal installments are due annually beginning on October 1, 2011, with interest rates ranging from 1.725% to 5.8% through October 1, 2021. In September 2020, this debt was defeased when the Successor Agency of the former Carson Redevelopment Agency issued the Tax Allocation Housing Refunding Bonds, 2020 Series A.

As a result of the refunding, the entire 2010A-T Tax Allocation Refunding Bonds are considered to be defeased and the liability for this bond has been removed from the statement of fiduciary net position in the accompanying fiduciary fund financial statements

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 16 - SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Long-term Liabilities - Low and Moderate Income Housing (Continued)

2010A Tax Allocation Housing Bonds

In October 2010, the Carson Redevelopment Agency issued \$25,620,000 of Tax Allocation Housing Bonds, Series 2010A to fund low and moderate-income housing projects. Principal installments are due annually beginning on October 1, 2011, with interest rates ranging from 4.25% to 5.35% through October 1, 2036. In September 2020, this debt was defeased when the Successor Agency of the former Carson Redevelopment Agency issued the Tax Allocation Housing Refunding Bonds, 2020 Series A.

As a result of the refunding, the entire 2010A Tax Allocation Refunding Bonds are considered to be defeased and the liability for this bond has been removed from the statement of fiduciary net position in the accompanying fiduciary fund financial statements.

2020A Tax Allocation Housing Refunding Bonds

In September 2020, the Successor Agency of the former Carson Redevelopment Agency issued \$23,220,000 Tax Allocation Housing Refunding Bonds, 2020 Series A, for Low and Moderate Income Housing to refund the outstanding Taxable Tax Allocation Housing Bonds 2010 Series A-T and Tax Allocation Housing Bonds 2010 Series A and to pay the cost of issuing the bonds. Principal installments are due annually ranging amounts from \$1,110,000 to \$2,075,000 plus interest at 0.809% to 2.775% through August 1, 2036. The interest and principal of the bonds are payable from pledged tax revenues on a parity with the pledge of all Housing Tax Revenues that were eligible for allocation to the former redevelopment agency with respect to the Project Area and are allocated to the Successor Agency.

As a result of the refunding, the entire 2010A-T Tax Allocation Hosing Bonds and 2010A Tax Allocation Housing Bonds are considered to be defeased and the liability for these bonds has been removed from the statement of fiduciary net position in the accompanying fiduciary fund financial statements.

The following schedule summarizes the debt service to maturity requirement for the Low and Moderate Income Housing – 2020A Tax Allocation Housing Refunding Bonds as of June 30, 2022:

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 2,035,000	\$ 395,580	\$ 2,430,580
2024	2,055,000	376,251	2,431,251
2025	2,075,000	353,846	2,428,846
2026	1,610,000	331,152	1,941,152
2027	1,630,000	307,483	1,937,483
2028 - 2032	5,765,000	1,188,597	6,953,597
2033 - 2037	6,425,000	449,841	6,874,841
Total	\$ <u>21,595,000</u>	\$ <u>3,402,749</u>	\$ <u>24,997,749</u>

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 16 - SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Long-term Liabilities – Successor Agency

2015B Subordinate Tax Allocation Refunding Bonds

In August 2015, the Successor Agency to the Carson Redevelopment Agency issued \$52,920,000 of Tax Allocation Refunding Bonds Series, 2015B to refund certain outstanding indebtedness previously issued by the Successor Agency. Interest payments are due semi-annually beginning on February 1, 2016 with interest rates ranging from 2.26% to 5.41% through February 1, 2036. Principal installments are due annually beginning on February 1, 2020.

The following schedule summarizes the debt service to maturity requirement for the Successor Agency - 2015B Subordinate Tax Allocation Refunding Bonds as of June 30, 2022:

<u>Year ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 3,590,000	\$ 1,723,583	\$ 5,313,583
2024	3,390,000	1,562,787	4,952,787
2025	3,495,000	1,404,169	4,899,169
2026	5,290,000	1,233,648	6,523,648
2027	4,875,000	963,910	5,838,910
2028 - 2032	6,520,000	2,940,713	9,460,713
2033 - 2037	6,925,000	956,956	7,881,956
Total	<u>\$ 34,085,000</u>	<u>\$ 10,785,765</u>	<u>\$ 44,870,765</u>

The above outstanding debt issuances are collateralized by pledged tax increment revenue. The term of the commitment of pledged revenues and the purposes for which the proceeds of these debt issuances were utilized are disclosed in the debt descriptions provided herein. The amount of the remaining commitment of the pledge is equal to the amount of the remaining debt service to maturity of the related debt issuances as disclosed above.

Commitments under Development Agreements

Carson Real Estate Leasing, LLC

On May 18, 2004, the Agency entered into a Disposition and Development Agreement (DDA) with the Carson Real Estate Leasing, LLC, a California limited liability company (Developer), for the development of approximately 92,000 square feet of a new and used car sales facility in the then Merged and Amended Project Area. The Agency agreed to sell the land to the Developer for a total purchase price of \$8,581,718. The purchase price consists of a \$4,666,848 cash payment and a promissory note of \$3,914,870 - the Agency's subsidy to the project. The term shall be for 20 years with an option to extend for an additional five years. Each year, an amount equal to 50% of the sales tax generated from the site in excess of the average sales tax amount generated in year 2002-2003 shall be credited towards the payment of the principal amount and any interest accrued. As of June 30, 2022, the balance of the loan from this developer is \$2,931,386.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 16 - SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Commitments Under Development Agreements (Continued)

BP West Coast Products, LLC/Tesoro Corporation

On November 15, 2005, the Agency entered into an agreement with BP West Coast Products, LLC, a Delaware limited liability company (Developer), for development of a new office/business park campus of up to 280,000 square feet in potentially three different phases. The first phase consisted of an office building of approximately 125,000 square feet.

The Agency agreed to sell the 4.5 acre development parcel, located at 2254 E. 223rd Street, to the Developer for the sum of one dollar (\$1.00) and a note amount equal to \$2,960,000 (Note). Each year, seventy-five percent (75%) of the site tax increment is credited against any amounts outstanding under the Note. The term is for 15 years and simple interest accrues at two percent (2%) per annum. On June 1, 2013, the Developer sold the property and transferred all rights and responsibilities under the Note to Tesoro Corporation. As of June 30, 2022, the balance on the Note is \$1,098,371.

Thomas Safran (Developer) - The Gateway at City Center - 720 E. Carson St. & the Renaissance at City Center - 21800 S. Avalon

On March 18, 2008, the Agency entered into three separate agreements with Thomas Safran (Developer), for a mixed-use development with two major components: an affordable senior housing component and a commercial component. This large scale development is located on a 4.5 acre site at the southeast corner of Carson Street and Avalon Boulevard.

On April 7, 2009, the Agency entered into an Owner Participation Agreement (OPA) with the Developer to develop a mixed-use project that includes 85 units of affordable senior rental housing plus one market-rate manager's unit, approximately 10,000 square foot of commercial space, and underground and surface-level parking (Phase I). On May 3, 2010, the Agency provided \$13,900,000 in financial assistance in the form of a secured, 57.5 year, interest-free loan for the senior housing component (this note was transferred to the Carson Housing Authority as part of the Agency's dissolution). Payment of the principal balance is due upon maturity. In the event of default, principal plus 3% accrued interest is due immediately. Phase I was completed in April 2011.

On June 1, 2010, the Agency entered into a Disposition and Development Agreement (DDA) with Thomas Safran & Associates, Inc. and Carson City Center South LLC (Developer) for Phase II, a mixed-used project consisting of 150 new market-rate rental housing units, and approximately 25,000 square feet of commercial space, including subterranean and surface parking. The Agency sold three parcels to the developer immediately adjacent to the site for \$2,340,000 (fair market value). The Agency-owned properties together with the Developer's properties constitute the full development site.

On July 29, 2010, the Agency provided \$7,500,000 in financial assistance in the form of a grant to assist with the commercial component of the project.

As of June 30, 2022, there are two notes totaling \$1,667,702 associated with the commercial component of this project. The two notes are secured by deeds of trust and accrue interest at 3%. The notes and any accrued interest are due in full on January 1, 2039.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 16 - SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

WIN Chevrolet, Properties, LLC - 2201 E. 223rd St.

On April 21, 2009, the Agency approved the purchase of the C-P Land Company (Developer) property at 2201 E. 223rd Street (Property). The Agency then leased Property to the Cormier Chevrolet Company (Dealership) at the same address. In November 2011, after entering into a partnership with the Win Company (Win), with Win as majority interest partner, the Dealership exercised its repurchase rights of the Property under the DDA. The Agency sold the Property to the partnership, which renamed the new dealership Win Chevrolet. The Property was sold for \$12,000,000; there was a \$5,000,000 cash payment and a performance promissory note (Note) of \$7,000,000 which was carried back by the Agency. The Note amount will be reduced at a rate of 1/20 of the original principal balance each year that the dealership operates in compliance with the 20-year operating covenant. If the new dealership ceases to operate, the balance of the Note will become due and payable to the Agency. As of June 30, 2022, WIN Chevrolet has a loan balance of \$3,500,000.

Hilland - Nissan Real Estate - 1505 E. 223rd St.

On July 6, 2010, the Agency and Hilland Nissan (Owner) entered into a Disposition and Development Agreement (DDA) pursuant to which the Agency provided the Owner with \$3,000,000 of financial assistance to facilitate the Owner's long-term operation of a new Nissan dealership at the property located at 1505 E. 223rd St. (Site). Pursuant to the terms of the DDA, the Agency provided the Owner with a \$3,000,000 loan backed by a performance promissory note (Note), secured by a deed of trust on the Site. Principal due on the 15-year Note is reduced annually by an amount equal to 50% of the sales tax generated above a threshold gross sales amount defined in the Note. In mid-2017, Owner entered an Agreement to sell the site to Lithia Motors. Such sale was presented to the Oversight Board on August 28, 2017 and approved by the California Department of Finance on October 10, 2017. The Note has now been assigned to Lithia Motors. As of June 30, 2022, the loan balance is \$1,407,397.

NOTE 17 - DISCRETELY PRESENTED RECLAMATION AUTHORITY COMMITMENTS

CAM-CARSON, LLC

CAM-CARSON, LLC, a Delaware limited liability company (Developer), a joint venture of The Macerich Company of Santa Monica, California, and SI-Carson, an affiliate of Simon Property Group proposed developing a "Project" on a portion of the 157 Acre Site currently owned by the Reclamation Authority and which was to be conveyed to the Developer through the agreements described below, which was to be a high-quality, state of the art, fashion outlet and retail center of not less than 450,000 GBA square feet (for Phase I only) and up to 711,500 GBA square feet (taking into account Phase I and Phase II, which may be developed separately or concurrently), on a part of the Site called the Cell 2 Subsurface Lot.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 17 - DISCRETELY PRESENTED RECLAMATION AUTHORITY COMMITMENTS (CONTINUED)

CAM-CARSON, LLC (CONTINUED)

City Role in the Project

The City has no real property interest in the 157 Acre Site, which is wholly owned by the Reclamation Authority. However, the City possesses the legal authority to regulate the zoning of the 157 Acre Site, to approve and modify the general plan designation and specific plans, to approve development agreements, all pursuant to state law, and to undertake environmental review and approve mitigation programs and development applications for specific projects including to the Project (the “Entitlement Obligations”). In addition to such regulatory authority, City provides public infrastructure and services to the 157 Acre Site, including streets, sidewalks, parkways, sewer, water, drainage, lighting, and other utilities, and must assure public accessibility to the 157 Acre Site including, without limitation, by assuring construction of the Offsite Improvements and installation and maintenance of all utilities required or reasonably necessary for the Project and compliance with the Conditions of Approval and SEIR Mitigation Measures applicable to the foregoing (the “Infrastructure Obligations”).

Project Agreements

In September, 2018 (1) the Reclamation Authority separately entered into a “Conveyancing Agreement” with Developer whereby Reclamation Authority would convey and Developer would acquire the Developer Property through a ground lease; and (2) the City entered into a Cooperation Agreement with Reclamation Authority (Cooperation Agreement) whereby Reclamation Authority agreed to construct certain public infrastructure on behalf of City and City agreed to provide sales tax proceeds to Reclamation Authority to enable Reclamation Authority to meet its obligations to, among other things, remediate Cell 2 and construct the Offsite Improvements. The Development Agreement, the Cooperation Agreement and the Conveyancing Agreement are contingent upon one another. The Conveyancing Agreement provided Developer with a legal or equitable interest in the portion of the 157 Acre Site, described as the Developer Property.

Because the entire 157 Acre Site, including the Cell 2 Subsurface Lot, is a contaminated landfill, the cost to develop the Project on the Cell 2 Surface Lot was projected to greatly exceed the cost to develop the Project on an uncontaminated parcel of native soil, and that therefore development of the Project on the Cell 2 Surface Lot would be financially infeasible without substantial financial participation by the Reclamation Authority. However, the City and Reclamation Authority believed the environmental benefits of legally closing the landfill and the benefits of economic development justify such investment.

The division of responsibility on the Site was driven in part by the environmental liability, as well as developing a manageable and equitable business deal for both sides. The Reclamation Authority agreed to (i) construct the Remedial Systems and Building Protection Systems (BPS) in accordance with applicable governmental requirements, (ii) deliver foundation systems within the subsurface lot and a structural slab upon which Developer can construct, (iii) the Developer will not have to undertake construction or maintenance within the contaminated soils or groundwater of the Subsurface Lot, and (iv) these mechanisms in accordance with the insurance provided for in the Agreements would limit Developer’s exposure to environmental liability in the undertaking of the Project.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 17 - DISCRETELY PRESENTED RECLAMATION AUTHORITY COMMITMENTS (CONTINUED)

CAM-CARSON, LLC (CONTINUED)

Project Agreements (Continued)

The Reclamation Authority contracted with third parties to construct the Remedial Systems and perform its related obligations, to operate remedial systems, to manage the construction process and remedial systems, and provide various related expert services (the Horizontal Master Developer) for the entire 157 Acre Site. The Reclamation Authority and Developer worked together to coordinate and share information with respect to plans and specifications, bidding materials, insurance, phasing, scheduling and consultants and contractors for the foregoing. Until the Reclamation Authority completes its work on the Cell 2 Subsurface Lot up to the regulatory sign-off by the Department of Toxic Substances Control (DTSC), the Reclamation Authority retains site control over all of Cell 2.

Working under the Conveyancing Agreement approved in September 2018 and through its Horizontal Master Developer, the Reclamation Authority began undertaking all the work on the site that involved environmental liability in October 2018. Some non-remediation work performed in the regulated layer, such as installing the piles or the structural slab, was to be reimbursed to the Reclamation Authority by the Developer. Work falls on a spectrum from clearly environmental (installing the remedial systems) to purely vertical (the vertical construction of the core and shell of the mall). Some work undertaken by the Reclamation Authority, as described above, would be at the Developer's cost.

After performing construction on the Site for approximately a year, in November 2019, work on the Project stopped, as it was the Horizontal Master Developer and the Reclamation Authority that needed to work through payment issues with the civil general contractor and its subcontractors. That workout and settlement are described in the next section.

These obligations are documented in the Conveyancing Agreement and the Cooperation Agreement. In addition to the conveyance of the Developer Property pursuant to the Conveyancing Agreement, Reclamation Authority agreed to carry out the following work and to provide the following assurances to City and Developer:

1. Remedial Systems. The Remedial Action Plan (RAP) requires that the Remedial Systems be constructed and operated and maintained for many years to cap the landfill and remove gas and contaminants which would pollute air or groundwater or endanger human health. This work includes excavation and grading necessary to install such systems. Reclamation Authority was to cause the construction and operation of (i) the Remedial Systems other than the BPS at its sole cost, and (ii) the BPS, which was to be funded by Reclamation Authority up to an agreed-upon dollar cap.
2. Infrastructure. Under the terms of the Conveyancing Agreement, the Reclamation Authority would construct required public offsite infrastructure and other improvements (the "Offsite Improvements"). Due to the Reclamation Authority's shortage of resources to complete all its necessary work, Developer was to advance Ten Million Dollars (\$10,000,000) to the Reclamation Authority for this purpose.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 17 - DISCRETELY PRESENTED RECLAMATION AUTHORITY COMMITMENTS (CONTINUED)

CAM-CARSON, LLC (CONTINUED)

Project Agreements (Continued)

3. Excess Development Costs. Due to the contaminated condition of the 157 Acre Site and uncompacted condition of the soils thereon, resulting in excessive development costs, the 157 Acre Site has been undevelopable despite the interest of numerous developers over decades. These costs include grading and site work and installing structural sub-foundation systems including piles, all of which must be done in contaminated soils using special safeguards. More specifically, prior to the conveyance of the Developer Property to Developer, Reclamation Authority was to carry out the work defined in the Conveyancing Agreement as the “Site Development Improvements,” which includes the following: (i) site grading, the excavation of soil and relocation and consolidation of waste layers (Site Preparation Work) on the 157 Acre site; (ii) installation of structural piles and pile caps, grade beams, vaults, and under-slab utilities (Sub-Foundation Work); (iii) establishing underground utility runs from the property lines to the building (Utility Work); (iv) constructing the structural slab for the foundation of the buildings.

Construction Issues

A significant amount of work was completed by the Reclamation Authority under this section in 2019, but certain unknown site conditions manifested as major issues for the schedule and the project budget, including “pile refusal” and excessive amounts of waste consolidation. Both the project delays and the rapid cost escalation were due in large part to these unknown site conditions, which are generally inherent in brownfield projects. The tight project schedule meant that the Reclamation Authority was often identifying problems too late to pause, reassess, and redesign the project to potentially do the same activity more cost effectively given the financial consequences of trying to pause construction work (standby changes, lost productivity, and demobilization/remobilization costs).

Major delays occurred in the first quarter 2019 in grading and waste consolidation activity due to weather. TRC, the environmental general contractor, was trying to get “ahead” of the pile driving schedule by having the south end of the Site graded and waste consolidated before pile driving commenced in April, but an unanticipated amount of waste consolidation and significant rain during Q1 2019 meant the grading and pile driving schedules ended up closer together, with grading occurring just ahead of pile installation.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 17 - DISCRETELY PRESENTED RECLAMATION AUTHORITY COMMITMENTS (CONTINUED)

CAM-CARSON, LLC (CONTINUED)

Construction Issues (Continued)

The problem with waste consolidation originated with an inaccurate and incomplete “top of trash” map produced by the prior environmental contractor, Tetra Tech; based on the information in the map, it was anticipated that about 19,000 cubic yards of waste would need to be relocated – consolidated – from one part of Cell 2 to another to produce the flat site necessary for the mall. By the time grading was completed, however, crews had moved more than 202,000 cubic yards, a task that pulled grading resources away from other tasks for several critical months during pile driving, when TRC could have made up lost time on the schedule. The additional waste consolidation also cost the Reclamation Authority an unanticipated \$14 million more than the anticipated project budget. The remedy, however, would have been to flag the problem in April 2019, when the waste consolidation quantities first went over the estimate, and request (again) from DTSC to pothole the entire cell, at extra time and expense, and stop work on the project just when pile drilling was commencing. This is because the solution would have been to raise the elevation of the slab by several feet by importing several hundred thousand yards of dirt to lift it above the additional waste, but that would have required a redesign of the building, all the structural systems including the piles, the civil engineering, and the landfill liner. It was estimated such a delay would have been 6-9 months and resulted in millions of dollars in wasted design costs and other construction delay costs.

The other major delay was encountering “refusal” during pile installation, the delay in obtaining DTSC approval for a pile driving work plan, and ultimately the resulting loss of productivity in installing piles. The 2018 indicator pile program showed the pile driving rigs encountering “refusal” in several locations: compacted sand in certain undefined areas of the site was too hard for the piles to be driven into without destroying the structural integrity of the pile. This required a modification of the pile driving work plan, allowing pre-drilling of the piles into the soil below the trash. The possibility of drilling too far and opening up a pathway for landfill leachate (liquid waste) to flow into the groundwater below the landfill was of paramount concern to DTSC, and a number of iterations of plans were necessary to finally receive their approval. Pile installation did commence in April and fortunately only a handful of piles (3) encountered refusal requiring their abandonment of the 2,238 piles installed.

All the pile installation was completed in early October 2019. However, the anticipated design and contracted rate of pile installation in 2018 was 9 piles per pile rig per day; mostly, because of the double drilling (the pre-drilling into the soil below the waste was with a smaller diameter auger than the drilling through the waste, requiring the use of two drills on each hole) most rigs only achieved 6-7 piles per day, stretching the duration of pile drilling and complicating the grading/trenching/waste consolidation activity as well. One proposed solution considered at the same time the Reclamation Authority was redrafting the pile driving work plan would have been to redesign the pile grid to install more, shorter piles with less embedment in the formation (soil) below the waste. An earlier iteration of the CAM plan featured about 2,900 shorter piles, while the final number ended up being about 2,200 deeper piles. Part of the decision by CAM to go to fewer piles in the first place, however, was in part to save time and money on pile installation but also partly driven by the complexity of designing the landfill liner with utility trenches and 35% more piles. Similar to the waste consolidation issue above, such a redesign would have caused a work stoppage of at least six months while the pile grid and structural systems as well as the liner and other remedial systems were redesigned, which would have needed to be redesigned and rebid on behalf of the Reclamation Authority.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 17 - DISCRETELY PRESENTED RECLAMATION AUTHORITY COMMITMENTS (CONTINUED)

CAM-CARSON, LLC (CONTINUED)

Construction Issues (Continued)

Based on several of these extraordinary cost increases, the Reclamation Authority notified CAM in October, 2019 of its inability to fund the completion of its remedial system work. CAM ceased making reimbursement payments at that time, leaving more than \$10 million in unpaid bills for the Reclamation Authority to cover. Work on the horizontal and civil construction (Snyder Langston) ceased on November 26, 2019 and environmental construction work (TRC) funded by the Reclamation Authority stopped about January 30, 2020. O&M work as required by DTSC remains ongoing. Information about the settlement of the Snyder Langston claims is included below.

Litigation Issues

Further, on April 30, 2020 CAM filed suit in Los Angeles Superior Court against the Reclamation Authority, its contractor RES, the City of Carson and the Successor Agency to the former Redevelopment Agency, seeking damages of \$80 million.

As of the date of this report, the Reclamation Authority is working with CAM on a potential restart of the Project under different deal terms, and CAM is in a due diligence period until January 9, 2023 (which may be extended), but the parties remain in litigation and still in the discovery and pre-trial motion phase. On March 15, 2021, the Los Angeles Superior Court granted a demurrer to the City of Carson and the Carson Successor Agency, removing them from the action (and awarded the City attorney's fees), and approved the removal of the negligence and negligent supervision claims against the Reclamation Authority, making the legal action largely contractual (notwithstanding the appeal rights of CAM-Carson). CAM appealed the decision and in the Fall of 2022, the Court of Appeals overturned the lower court ruling removing the City, agreeing that there may be merit to the City's claims of non-involvement but it was premature to remove the City from the action via a demurrer.

With a separate agreement with Faring Capital for Cells 3, 4, and 5 done, the financing-related factors necessary for CAM to return to the project are in place. Mediation with CAM occurred on July 16, 2021. At that time CAM indicated some willingness to consider a modified project at the site, but as of last year, the Reclamation Authority had not received a formal proposal with a new site plan for Cell 2; such a proposal, currently approved with the parties now in due diligence, was received in March 2022. If at the end of the due diligence period CAM opts not to proceed with the project, under the terms of the Conveyancing Agreement, CAM's remedies are limited to marketing the property to another developer and recovering its investment from the proceeds; there is clearly market interest in the Site so that remedy remains available. The trial also remains a possibility.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 17 - DISCRETELY PRESENTED RECLAMATION AUTHORITY COMMITMENTS (CONTINUED)

CAM-CARSON, LLC (CONTINUED)

Litigation Issues (Continued)

The disruption in retail and in the development of in-person gathering places due to the COVID-19 pandemic may have been a factor in CAM's decision to pursue litigation in 2020, but positive developments in the pandemic seem to have been good news for the project as well. The 2021 reopening in California has unlocked pent-up demand in brick-and-mortar retail, and retail rent collections by landlords have returned to near pre-pandemic levels. If CAM opts not to pursue the project and elects to market the property instead, the Reclamation Authority will move as quickly as possible to negotiate with another developer for Cell 2. The question then would be whether the existing improvements would be usable for a different project, meaning the already-installed piles, liner, BPS, and slab. That process of finding a new developer, negotiating a new agreement, and determining how a new project would fit on top of the already-installed improvements could take several months although there are viable parties interested in the Site.

FARING CAPITAL, LLC AGREEMENTS FOR CELL 3, 4, AND 5

Project Agreements

In September 2019, the CRA issued an RFQ seeking a developer for Cells 3, 4, and 5 (the "Remainder Cells"), which required the developers to bear the responsibility for all vertical and horizontal (including remediation) project costs based on the CRA's experience on the Cell 2 Project and demonstrate that their project pro forma reflected that. As a result, most of the proposals received were for industrial/warehouse uses, given the strong real estate economics of such uses, as opposed to retail, entertainment or other commercial, which have weakened over the past several years. The 2019 RFQ included much more detailed information learned from Cell 2 to inform proposers of the developer's responsibilities, rather than deferring these discussions to the negotiation of the definitive agreements.

Following the RFQ, in March 2020, the CRA Board selected Faring Capital, LLC ("Faring") to proceed with negotiations for its proposed project on the Remainder Cells, to include a 12-acre signature community park with restaurants, park and playground space, retail, and entertainment uses along with an industrial/fulfillment/logistics center along the back of the Remainder Cells ("Project").

On December 16, 2020, the CRA approved an agreement with Faring Capital, LLC (its entity for the project is Carson Goose Owner, LLC) for the Remainder Cells, who have agreed to (i) construct all of the remedial systems on their cells at their own cost without a contribution or subsidy from the CRA or from the Enterprise Fund, and (ii) pay a "residual value" of \$45,000,000 for the site in two payments, generally upfront. It was estimated in early 2020 that such an amount would be enough to complete the Cell 2 work, though such work will need to be rebid prior to resumption.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 17 - DISCRETELY PRESENTED RECLAMATION AUTHORITY COMMITMENTS (CONTINUED)

FARING CAPITAL, LLC AGREEMENTS FOR CELL 3, 4, AND 5 (CONTINUED)

Project Agreements (Continued)

The first deposit for CEQA processing and other entitlement was received the next day. The Option Agreement contained a 30-day due diligence period, after which the first deposit of \$12,500,000 (plus accrued carrying costs and other costs) were paid to the CRA on January 19, 2021; the second \$32,500,000 is due upon the earlier of (i) receiving the entitlement for the Faring project from the City, or (ii) CAM Carson, LLC, the Cell 2 developer (CAM), is prepared to recommence its work on Cell 2 and has paid the CRA its outstanding obligations under the original Conveyancing Agreement.

The Faring Business Deal

The Option Agreement describes the obligation to comply with the Remedial Action Plan (“RAP”) approved by DTSC in 1995, and requires that Faring complete all remediation work, provide any financial assurances associated with the construction of the Project, and complete the remedy as required under the Compliance Framework Agreement (“CFA”), the RAP, the Management Approach to Phased Occupancy (“MAPO”) and all other applicable regulatory documents and agreements.

Unlike the Cell 2 transaction, Faring will fund and perform all remediation work on the Remainder Cells at its sole cost and expense, including the investigation of the environmental conditions, testing, and the development of the remediation plan on these Cells. From a regulatory perspective, however, the CRA will remain the responsible party for closure of the landfill and will oversee and approve the remedial design and construction activities conducted by Faring on the Remainder Cells. The CRA will also remain responsible for the performance of all O&M activities at the Site, during the construction period and, through a Community Facilities District, after the completion of the Project.

Faring’s acquisition of the Remainder Cells pursuant to the Option Agreement shall include (i) all permits, licenses, authorizations, consents, approvals and certificates relating to the Remainder Cells, to the extent assignable from CRA; and (ii) all rights, privileges, easements, rights-of-way and appurtenances used or connected with the beneficial use or enjoyment of the “Surface Lot” of the Remainder Cells, including without limitation, development rights and air rights.

Fortunately, the Faring transaction provides the CRA with a substantial infusion of cash that is available to allow CRA to resume the Cell 2 work upon either settlement with CAM or the acquisition of the Cell 2 Project by another developer. Just as significant is the agreement by Faring to bear all of the financial obligation, as well as the design and contracting responsibility, for the installation of the Remedial Systems on the Remainder Cells. This is a major departure from the Cell 2 deal structure and a much simpler and more conventional brownfield development transaction. In short, it is a significant benefit to the CRA in completing the closure and full redevelopment of the landfill.

NOTE 17 - DISCRETELY PRESENTED RECLAMATION AUTHORITY COMMITMENTS (CONTINUED)

FARING CAPITAL, LLC AGREEMENTS FOR CELL 3, 4, AND 5 (CONTINUED)

Project Agreements (Continued)

Carrying Cost Reimbursement

Faring will also reimburse 100% of the CRA’s monthly carrying costs attributable to the Remainder Cells on a pro rata basis (60%), based on the acreage of the Remainder Cells in relation to the overall net Site acreage. Such carrying costs include: O&M for the installed Remedial Systems; general Site maintenance; utilities; security; DTSC oversight costs; and similar expenses, up to a negotiated monthly cap amount. Faring is also responsible for reimbursement of the City of Carson’s costs for entitlement and legal work attributable to the Remainder Cells development.

Insurance Program

Faring will participate in the CRA’s Pollution Legal Liability (“PLL”) insurance program, which still has five years of term remaining, on a pro-rata or risk allocation basis based on acreage or construction values. The CRA and Faring are developing a new CPL/PLI Builder’s Risk, General Liability and OCIP program to support the development of the Remainder Cells separate from the Cell 2 CAM-Carson programs.

Construction of Remedial Systems, Building Protection Systems (“BPS”), and Landfill Operations Center (“LOC”)

Unlike the Cell 2 project, Faring will construct and install the Remedial Systems (to the extent not already completed) on CRA’s behalf and install BPS on, under and within the Remainder Cells at its sole cost in accordance with applicable governmental requirements, including all requirements under the RAP and CFA approved by the DTSC. This is a significant change in how the project is funded, of course, but it also requires coordination between the environmental designer and general contractor (both of whom are retained by Faring) and the CRA (as the property owner and responsible party), and with DTSC as the lead regulatory authority.

The “Remedial Systems” consist of the following: (i) a groundwater extraction and treatment system (“GETS”) that serves the entire 157 Acre Site, (ii) the landfill gas collection and control system (“GCCS”) on the Remainder Cells and required buffer areas, and (iii) the landfill cap and liner on the Remainder Cells and required buffer areas. Faring’s obligations include rough grading (cut and fill) and waste consolidation/reconsolidation of the “Subsurface Lot” of the Remainder Cells, and placement and compaction of imported fill on the Subsurface Lot of the Remainder Cells as needed to enable vertical development. All of these were tasks undertaken by the CRA on Cell 2.

1. GETS. The GETS construction has been completed and was approved by DTSC in 2014. The Project is not expected to conflict with the existing GETS, so no work associated with the GETS is anticipated as part of Faring’s responsibilities to complete the Remedial Systems or perform the site development improvements, except to the extent necessary to relocate specific existing GETS components if conflicts with the Project are identified in the future. The operation of the GETS is included in the monthly carrying costs, which Faring pays on the pro rata basis described above.

NOTE 17 - DISCRETELY PRESENTED RECLAMATION AUTHORITY COMMITMENTS (CONTINUED)

FARING CAPITAL, LLC AGREEMENTS FOR CELL 3, 4, AND 5 (CONTINUED)

Project Agreements (Continued)

Construction of Remedial Systems, Building Protection Systems (“BPS”), and Landfill Operations Center (“LOC”) (Continued)

2. GCCS. Part of the GCCS has already been built on Cells 3, 4 and 5, and Faring will finish construction of the GCCS on the Remainder Cells. As part of their Workplan for “bottom of trash” investigation, they were forced to cut through certain areas of already-installed liner in order to access the sub-surface area. DTSC required that they reseal the damaged liner and cover the cuts with bentonite (a type of clay) to reduce the chance of fugitive methane, but that such remedy was only acceptable if the liner was sacrificial and would be replaced. While Faring had intended to use and not replace the installed GCCS on the Remainder Cells, nearly all of the previously-installed liners will be replaced and many of the GCCS wells will be relocated to be outside building footprints. There has already been considerable review and investigation of the installed system under the new Faring Project, which is considerably different in footprint than the previous Carson Marketplace site plan (i.e. more building footprint, less parking lot).

GCCS horizontal collectors, vertical wells, lateral piping, and vaults have been installed or will be installed on the Remainder Cells within the footprint of buried landfill waste (most areas except former haul roads). Header piping and sumps on the Remainder Cells have generally been installed within the former haul road footprints (Stamps and Lenardo). The remaining GCCS infrastructure, except perimeter probes, is located within the LOC.

Completion of the GCCS work for the Remainder Cells consists of: installation of remaining horizontal collectors and vertical wells; lateral piping for new and existing inactive vertical wells; possible relocation of existing GCCS components if in conflict with the Project; startup of the existing installed but inactive horizontal collectors and vertical wells; startup of the newly installed GCCS components; documentation of the GCCS completion on the Remainder Cells via submittal of a Remedial Action Completion Report (“RACR”) to DTSC; and approval of the Remainder Cells RACR by DTSC.

3. Landfill Cap. Part of the landfill cap and liner has already been installed on portions of the Remainder Cells as part of the installation of the GCCS in these areas, and Faring will replace most of the installed liner (as described above) and finish construction of the landfill cap and liner on the Remainder Cells. The liner design will not change from the approved design, as follows: the first layer of the landfill cap will be a minimum 24-inch soil foundation layer placed immediately above the waste material within the Remainder Cells; a 60 mil LLDPE geomembrane will serve as the primary impermeable barrier of the landfill cap system and be placed on top of the foundation layer and will contain drainage strips that will direct surface water off of the landfill cap to help avoid accumulation or infiltration; the drainage strips will be covered by a geotextile fabric layer to help avoid the accumulation of silt and clogging of the drainage system; the geotextile layer will then be covered with aggregate fill as may be required as part of the BPS below the structural slab, or with a minimum of 12 inches of select cover soil topped with an orange snow fence or similar

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 17 - DISCRETELY PRESENTED RECLAMATION AUTHORITY COMMITMENTS (CONTINUED)

FARING CAPITAL, LLC AGREEMENTS FOR CELL 3, 4, AND 5 (CONTINUED)

Project Agreements (Continued)

Construction of Remedial Systems, Building Protection Systems (“BPS”), and Landfill Operations Center (“LOC”) (Continued)

Landfill Cap (Continued)

colored witness barrier to demarcate the boundary between the Subsurface Lot and the Surface Lot; and, finally, an additional two (2) feet of cover soil and/or paving base will be placed above the orange snow fence to achieve final grade in areas outside of the structural slab.

Portions of the landfill cap were installed by Tetra Tech between 2008 and 2012 in portions of the Remainder Cells that were planned for parking under the outdated “The Boulevards at South Bay” development plan. In addition, clay caps were installed along perimeter slopes along the Torrance Lateral and the I-405 San Diego Freeway. Completion of the landfill cap on these Cells was documented in Addendum #1 to Landfill Cap Completion Report #4, Geosynthetic Cap Areas in Cells 3 and 4, prepared by Tetra Tech.

4. Landfill Operations Center. Faring is also responsible for finishing out the construction of the Landfill Operations Center (“LOC”), including the operations building and office and other related improvements.
5. Building Protection System. While Building Protection Systems (“BPS”) are a mitigation measure required by the County of Los Angeles, Faring is responsible for completing and installing BPS in all buildings and structures on the Remainder Cells that are part of the Project. BPS design and installation includes both below-ground and related above-ground improvements including venting systems and gas monitoring systems, as well as any necessary methane monitoring and venting equipment within buildings constructed on the Remainder Cells. DTSC reviews the BPS design because of its integration with the liner and the other Remedial Systems.

Offsite Improvements

While Faring is solely responsible for performing the environmental remediation of the Remainder Cells and completion of the Remedial Systems in the Subsurface Lot of the Remainder Cells, as noted above, except as otherwise provided in the Option Agreement, the Reclamation Authority remains obligated to: (i) develop on behalf of the City, the offsite public infrastructure required to serve and support the Project, including streets, sidewalks, parkways, sewer, water, drainage, lighting, and other utilities; and (ii) prior to the transfer of the Remainder Cells to Faring, perform the Stormwater Work and the measures under the Standard Urban Stormwater Mitigation Plan (SUSMP) for Los Angeles County. The Reclamation Authority remains obligated to perform all of the operations and maintenance activities for the Remedial Systems at the Site in perpetuity, subject to proportional reimbursement for such costs by Faring and other developers and Site users. All such work by Faring or the Reclamation Authority, as applicable, will be performed in strict compliance with all Environmental Laws, including without limitation, the RAP, CFA, MAPO, and the technical requirements of the 1995 Consent Decree to the extent pertaining specifically to such work.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 17 - DISCRETELY PRESENTED RECLAMATION AUTHORITY COMMITMENTS (CONTINUED)

FARING CAPITAL, LLC AGREEMENTS FOR CELL 3, 4, AND 5 (CONTINUED)

Project Agreements (Continued)

Environmental Responsibility

Notwithstanding their agreement to fund and construct the Remedial Systems, Faring is not directly assuming any payment obligation under any of the Consent Decrees applicable to the Site and is not assuming any liability from the Reclamation Authority with respect to the presence or existence of Hazardous Materials at the Site prior to the effective date of the Option Agreement, EIR (and any supplement or amendment thereto), and the Mitigation Monitoring and Reporting Program under the EIR. To facilitate Faring's construction and/or maintenance of the Remedial Systems on the Remainder Cells, BPS, and other site development improvements, the Reclamation Authority will allow access to the Subsurface Lot of the Remainder Cells pursuant to a License Agreement.

Until the closing with Faring, the Reclamation Authority shall retain ultimate Site control on the Remainder Cells. After the closing, Faring will own and control the Surface Lot of the Remainder Cells, and the Reclamation Authority will continue to own the Subsurface Lot and shall continue to perform all responsibilities and liabilities related to the performance of O&M of the Remedial Systems after DTSC's approval of RACRs for all the Remainder Cells.

DISPOSITION OF CELL 1 OF THE 157 ACRE SITE

The Reclamation Authority has offered Cell 1 for sale/transfer numerous times since its acquisition of the Property in 2015, including pursuant to a Master Developer Request for Qualifications in 2016, an Invitation to Propose in 2017/18 and another Invitation to Propose in 2019. Following those unsuccessful efforts, the Reclamation Authority is again proposing to put up the Property for sale and enter negotiations with potential private developers for the disposition of Cell 1. However, in 2019, Governor Newsom signed into law AB 1486, which significantly expanded the procedural requirements that a local agency must adhere to prior to selling or leasing properties it owns to a private party (the Surplus Land Act or "Act"). The Act now governs the disposition of land owned by a city or local agency (including the Reclamation Authority), which is sought to be sold or leased when it is no longer necessary for the city's/agency's use. The Act went into effect on January 1, 2020, and its penalty provisions for failures by any city/agency to comply with the new terms and procedural requirements under the Act took effect until January 1, 2021.

The Act requires that prior to any sale or lease of property owned by a local agency (or even entering negotiations with a prospective transferee), the agency must formally declare land as either "surplus land" or "exempt surplus land" as supported by written findings in a Resolution approved by the local agency (i.e., the Reclamation Authority Board) at a regular public meeting of the agency. The Reclamation Authority Board adopted a Resolution declaring Cell 1 "surplus land" under the recent changes to the Act, and Cells 3, 4, and 5 constitute "exempt surplus land."

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 17 - DISCRETELY PRESENTED RECLAMATION AUTHORITY COMMITMENTS (CONTINUED)

CELL 1 DISPOSITION

Surplus Land Act

In August 2021 the Reclamation Authority adopted a resolution declaring Cell 1 of the Site as “surplus” pursuant to the State’s Surplus Land Act. The cell is zoned residential (approved for up to 1,200 units) and went through the Surplus Land Act process with the California Department of Housing and Community Development (HCD). One offer was received by an affordable housing developer by the November 14, 2021 deadline, Standard Property Company, Inc. As housing, any Cell 1 project will always need a subsidy of at least a portion of the cost of the remedial systems. The 90-day negotiation period with the proposer expired on February 14, 2022 though the Reclamation Authority kept the offer open pending the resolution of Cell 2.

The Reclamation Authority and Standard negotiated an Exclusive Negotiating Agreement in November 2022, and they are updating their cost estimates due to inflation in materials and labor and are also updating their financing model. They originally anticipated using tax-exempt bonds for all- or a part of their construction (or take out) but the tax-exempt bond market has suffered in the rising interest rate environment making that option much less feasible. Their revised offer no longer assumes the Reclamation Authority would provide millions of dollars in remediation assistance but still requires a substantial grant-funded subsidy to close the feasibility gap faced by previous residential proposers.

Because Cell 1 (and its approved housing allocation in the District at South Bay Specific Plan) is included in the City’s General Plan and Housing Element, the State will require any proposal for a use other than housing on Cell 1 to require the City to find another alternative site in Carson to accommodate the “lost” 1,200 units of capacity at that site for Housing Element compliance. The site and its 1,200 allocated units have become critically important to the approval of the City’s Housing Element by HCD. Notwithstanding the extraordinary foundation costs for housing on the Cell 1 site, developers are still especially motivated to pursue it for high density housing because the project across the street, Evolve South Bay, recently sold to a San Diego investor for the highest per-unit cost of any rental property in the South Bay, or \$570,000 per unit.

Since Cell 1 constitutes a 15-acre portion of the overall 157 Acre Site, any potential developer (including any Responding Entities to the Reclamation Authority’s Notice of Availability) shall be required to comply with the Site’s regulatory requirements (and any others imposed by the State and/or DTSC with respect to such development) and pay for all costs associated with its proposed development.

Additionally, Cell 1 currently does not currently constitute a legally developable parcel, since it forms a part of the overall 157 Acre Site, and therefore, any proposed developer/purchaser of it will be required to parcelize the Cell (the “Parcelization Requirement”) prior to acquisition in accordance with the requirements under the Subdivision Map Act. However, the 157 Acre Site has been vertically subdivided into a surface lot (the “Surface Lot”) and a subsurface lot (the “Subsurface Lot”), and thus, the purchaser/developer of Cell 1 shall only be required to acquire the Surface Lot following the Parcelization Requirement; the Reclamation Authority shall retain the Subsurface Lot of the Property. Any Responding Entity or proposed developer of the Property shall be required to obtain access from the Reclamation Authority to the Subsurface Lot to implement and comply with the above-referenced Development Requirements.

NOTE 17 - DISCRETELY PRESENTED RECLAMATION AUTHORITY COMMITMENTS (CONTINUED)

CLOSURE AND POST-CLOSURE LANDFILL REMEDIATION

In January 2017, the Reclamation Authority, to prepare for the commencement of the development of the 157 Acre Site, entered into a series of agreements that ultimately transferred the responsibility for landfill closure and post-closure costs related to the former Cal Compact Landfill which had been operating on the 157-acre site. As a result, the Reclamation Authority has the commitments described below.

Pursuant to an Enterprise Fund Administration Agreement with the DTSC, the Reclamation Authority established a separate investment account to receive contributions of \$31,367,397 that came from the termination of a trust that had held funds for the purpose of landfill closure and post-closure activity on the 157-acre site. The investment account is comprised of two subaccounts: one for funding designated to remediation work (closure activity) and one for funding designated to operating and maintenance work (post-closure activity). The Reclamation Authority must submit payment requests and detailed supporting documentation to the DTSC to utilize these funds for their intended purpose.

As a result of the compliance requirements established by the DTSC, the balance in this investment account at fiscal year-end is reported as restricted cash and investments on the statement of net position.

Pursuant to a release and commutation agreement with AIG, the holder of a previous Environmental Protection Program insurance policy, the Reclamation Authority also received contributions of \$7,180,811 for the purpose of landfill closure and post-closure activities from the commutation of an insurance policy that the previous owner of the property had established. These funds were used toward the closure activity on Cell 2.

The landfill closure and post-closure activity for the former landfill site is regulated by the following documents:

1. State of California, Environmental Protection Agency, Department of Toxic Substances Control, Remedial Action Order and Consent Order pursuant to Health and Safety Code Sections 25355.5(a)(1)(B) and 25355.5(a)(1)(C), Docket No. HSA 94/95-035, issued to Respondent BKK Corporation, dated May 25, 1995.
2. Final Remedial Action Plan, Cal Compact Landfill (Upper Operable Unit), Carson, California, submitted by BKK Corporation, dated October 1995.
3. Consent Decree Resolving Claims Against BKK Corporation, in the case styled as *The California Department of Toxic Substances Control v. Commercial Realty Projects, Inc. et al.*, in the United States District Court for the Central District of California, dated February 4, 2004.
4. Final Remedial Action Plan for Lower Operable Unit, Cal Compact Landfill, Carson, California, prepared by URS Corporation, dated January 2005.
5. Compliance Framework Agreement by and between the California Department of Toxic Substances Control, the Hazardous Waste Control Account and the Hazardous Substances Account, on the one hand, and Carson Marketplace LLC on the other hand, dated September 28, 2006.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 17 - DISCRETELY PRESENTED RECLAMATION AUTHORITY COMMITMENTS (CONTINUED)

CLOSURE AND POST-CLOSURE LANDFILL REMEDIATION (CONTINUED)

6. First Amendment to the Compliance Framework Agreement by and between the California Department of Toxic Substances Control, the Hazardous Waste Control Account and the Hazardous Substances Account, on the one hand, and Carson Marketplace LLC on the other hand, dated December 31, 2007.
7. Assignment and Assumption Agreement by and among the California Department of Toxic Substances Control, Carson Marketplace, LLC and Carson Reclamation Authority dated as of May 18, 2015.

Management of the Reclamation Authority has reevaluated the estimated total current costs of remaining landfill closure and post-closure activities as of fiscal year-end as follows:

Landfill Closure (1)

Cell 1	\$ 15,000,000
Cell 2	42,200,000
Cell 3, 4, 5	18,700,000
Subtotal	<u>75,900,000</u>
Operation and Maintenance of Landfill Systems (2)	15,000,000
Other Soft Costs	7,000,000
Total Estimated Costs (3)	<u>\$ 97,900,000</u>

- 1) Estimated landfill closure costs include completion of the installation of a landfill cap and the construction of a landfill gas collection, control and treatment system.
- 2) Estimate is for only five years. Once properties have been developed, the existing Community Facilities Districts will be assessing the Surface Lot owners to cover subsequent operating and maintenance costs of the landfill systems.
- 3) Cell 1 anticipates a “button up” cost, meaning there is no vertical development but rather the installation of the GGCS and liner without vertical development.
- 4) Cell 2 anticipates the completion of the remedial system work associated with the partially-finished improvements on Cell 2. All of the GGCS wells are already installed but the system is not connected to the Landfill Operations Center, and about 1/3 of the liner is installed. If the decision were made to “button up” Cell 2 and not complete the vertical development, the closure cost would be closer to \$20,000,000.

CITY OF CARSON
Notes to Basic Financial Statements
June 30, 2022

NOTE 17 - DISCRETELY PRESENTED RECLAMATION AUTHORITY COMMITMENTS (CONTINUED)

CLOSURE AND POST-CLOSURE LANDFILL REMEDIATION (CONTINUED)

- 5) This was the estimated “button up” cost of Cells 3, 4, and 5 developed in 2017. It also assumes no development and is somewhat lower because about half the site has installed landfill gas well and liner. The completion of the remedial system associated with vertical development will be five or six times higher than this but will be the Developer’s responsibility, not the Reclamation Authority’s.

NOTE 18 – COVID-19 PANDEMIC

In January 30, 2020, the World Health Organization (“WHO”) announced a global health emergency because of an outbreak of a new strain of coronavirus (“COVID-19 outbreak”) and the risks that is posed to the international community as the virus spread globally beyond its point of origin. In March 2020, the WHO classified the COVID-19 outbreak as a pandemic based on the rapid increase in exposure globally.

The City’s operations are primarily dependent on the ability to collect property taxes, transient occupancy taxes, franchise taxes, utility user taxes and sales taxes. Additionally, access to grants and contracts from federal, state, and local governments may decrease or may not be available depending on appropriations. The COVID-19 outbreak may have a continued adverse impact on economic and market conditions, triggering a period of global economic slowdown. This situation is expected to depress the tax bases and other areas in which the City receives revenue during fiscal year 2021. The COVID-19 outbreak could also have other potential impacts, including disruptions or restrictions on employees’ ability to work. As such, this may hinder the ability for the City to meets the needs of its constituents The City cannot estimate the length or gravity of the impact of the COVID-19 outbreak at this time; however, if the pandemic continues, it may have an effect on the City’s results of future operations and financial position in fiscal year 2022.

NOTE 19 – SUBSEQUENT EVENT

The City has evaluated events subsequent to June 30, 2022 to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through January 25, 2023, the date the financial statements were available to be issued. Based upon this evaluation, it was determined that no subsequent events occurred that require recognition or additional disclosure in the financial statements.

**REQUIRED SUPPLEMENTARY
INFORMATION**

CITY OF CARSON, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT



(This page intentionally left blank.)

CITY OF CARSON

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
CA PUBLIC EMPLOYEES RETIREMENT SYSTEM- MISCELLANEOUS PLAN

Last Ten Fiscal Years*

Fiscal Year ended	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019
Measurement period	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Total Pension Liability:				
Service cost	\$ 4,390,630	\$ 4,522,067	\$ 4,524,317	\$ 4,901,075
Interest on total pension liability	21,889,618	21,302,839	20,562,599	19,821,114
Changes in assumptions	-	-	-	(1,676,966)
Differences between expected and actual experience	(1,080,591)	1,032,485	245,232	(1,748,992)
Benefit payments, including refunds of employee contributions	(16,616,517)	(16,327,319)	(15,203,216)	(13,614,042)
Net Change in Total Pension Liability	8,583,140	10,530,072	10,128,932	7,682,189
Total Pension Liability - Beginning of Year	313,342,021	302,811,949	292,683,017	285,000,828
Total Pension Liability - End of Year (a)	\$ 321,925,161	\$ 313,342,021	\$ 302,811,949	\$ 292,683,017
Plan Fiduciary Net Position:				
Plan to plan resource movement	\$ -	\$ -	\$ -	\$ (447)
Contributions - employer	2,779,693	116,735,668	8,358,878	7,293,749
Contributions - employee	1,757,039	2,025,219	1,875,759	1,930,908
Net investment income	68,858,355	9,928,404	12,642,645	15,376,239
Benefit payments	(16,616,517)	(16,327,319)	(15,203,216)	(13,614,042)
Administrative expense	(312,261)	(282,674)	(137,712)	(284,877)
Other miscellaneous income/(expense)	-	-	447	(540,987)
Net Change in Plan Fiduciary Net Position	\$ 56,466,309	\$ 112,079,298	\$ 7,536,801	\$ 10,160,543
Plan Fiduciary Net Position - Beginning of Year	312,592,424	200,513,126	192,976,325	182,815,782
Plan Fiduciary Net Position - End of Year (b)	\$ 369,058,733	\$ 312,592,424	\$ 200,513,126	\$ 192,976,325
Net Pension Liability - Ending (a)-(b)	\$ (47,133,572)	\$ 749,597	\$ 102,298,823	\$ 99,706,692
Plan Fiduciary net position as a percentage of the total pension liability				
Covered payroll	114.64%	99.76%	66.22%	65.93%
Net pension liability as percentage of covered - employee payroll	-195.12%	3.16%	440.23%	397.74%

Notes to Schedule:

Benefit Changes:

The figures above do not include any liability impact that may have resulted from plan changes which occurred after June 30, 2018 valuation date. This applies for voluntary benefit changes as well as any offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes).

Changes in Assumptions:

From fiscal year June 30, 2015 to June 30, 2016:

GASB 68, paragraph 68 states that the long-term expected rate of return should be determined net of pension plan investment expense but without reduction for pension plan administrative expense. The discount rate of 7.50% used for the June 30, 2014 measurement date was net of administrative expenses. The discount rate of 7.65% used for the June 30, 2015 measurement date is without reduction of pension plan administrative expense.

From fiscal year June 30, 2016 to June 30, 2017:

There were no changes in assumptions.

From fiscal year June 30, 2017 to June 30, 2018:

The discount rate was reduced from 7.65% to 7.15%.

From fiscal year June 30, 2018 to June 30, 2019:

Demographic assumptions and inflation rate were changed in accordance to CalPERS Experience Study and Review of Actuarial Assumptions December 2017

There were no changes in the discount rate.

From fiscal year June 30, 2019 to June 30, 2020:

There were no changes in assumptions.

From fiscal year June 30, 2020 to June 30, 2021:

There were no changes in assumptions.

From fiscal year June 30, 2021 to June 30, 2022:

There were no changes in assumptions.

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

CITY OF CARSON

SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
CA PUBLIC EMPLOYEES RETIREMENT SYSTEM- MISCELLANEOUS PLAN

Last Ten Fiscal Years*

	June 30, 2018 June 30, 2017	June 30, 2017 June 30, 2016	June 30, 2016 June 30, 2015	June 30, 2015 June 30, 2014
\$	4,806,568	\$ 4,558,044	\$ 4,326,829	\$ 4,634,164
	19,276,794	18,605,765	17,550,999	16,199,814
	15,778,040	-	(4,237,527)	-
	(923,400)	2,148,324	6,597,837	-
	(12,569,527)	(10,930,075)	(9,777,863)	(9,448,777)
	26,368,475	14,382,058	14,460,275	11,385,201
	258,632,353	244,250,295	229,790,020	218,404,819
\$	285,000,828	\$ 258,632,353	\$ 244,250,295	\$ 229,790,020
\$	-	\$ -	\$ (228,538)	\$ -
	6,899,003	6,254,187	5,746,641	6,276,475
	2,015,333	2,155,129	2,169,417	2,460,111
	18,521,130	1,013,852	3,717,143	25,449,700
	(12,569,527)	(10,930,075)	(9,777,863)	(9,448,777)
	(248,333)	(103,489)	(191,232)	-
	-	-	-	-
\$	14,617,606	\$ (1,610,396)	\$ 1,435,568	\$ 24,737,509
	168,198,176	169,808,572	168,373,004	143,635,495
\$	182,815,782	\$ 168,198,176	\$ 169,808,572	\$ 168,373,004
\$	102,185,046	\$ 90,434,177	\$ 74,441,723	\$ 61,417,016
	64.15%	65.03%	69.52%	73.27%
\$	24,225,433	\$ 25,529,537	\$ 23,784,241	\$ 23,683,572
	421.81%	354.23%	312.99%	259.32%

CITY OF CARSON

SCHEDULE OF CONTRIBUTIONS
CA PUBLIC EMPLOYEES RETIREMENT SYSTEM- MISCELLANEOUS PLAN

Last Ten Fiscal Years*

Fiscal year ended	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019
Contractually required contribution (actuarially determined)	\$ 4,831,985	\$ 4,684,518	\$ 9,737,198	\$ 8,358,878
Contributions in relation to the actuarially determined contributions	(4,831,985)	(4,684,518)	(116,629,470)	(8,358,878)
Contribution deficiency (excess)	\$ -	\$ -	\$ (106,892,272)	\$ -
Covered payroll	\$ 23,656,414	\$ 24,156,342	\$ 23,745,257	\$ 23,237,828
Contributions as a percentage of covered- employee payroll	20.43%	19.39%	491.17%	35.97%

Notes to Schedule:

Valuation Date	June 30, 2020	June 30, 2019	June 30, 2017	June 30, 2016
Methods and Assumptions Used to Determine Contribution Rates:				
Actuarial cost method	Entry Age	Entry Age	Entry Age	Entry Age
Amortization method	(1)	(1)	(1)	(1)
Asset valuation method	Fair Value	Fair Value	Fair Value	Fair Value
Inflation	2.500%	2.625%	2.625%	2.750%
Salary increases	(2)	(2)	(2)	(2)
Investment rate of return	7.00% (3)	7.25% (3)	7.25% (3)	7.375% (3)
Retirement age	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)

(1) Level percentage of payroll, closed

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

(3) Net of pension plan investment expense, including inflation

(4) 50 with the exception of 52 for Miscellaneous PEPR 2% @62

(5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board

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

CITY OF CARSON

SCHEDULE OF CONTRIBUTIONS
CA PUBLIC EMPLOYEES RETIREMENT SYSTEM- MISCELLANEOUS PLAN

Last Ten Fiscal Years*

<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
\$ 7,293,749	\$ 6,899,003	\$ 6,254,187	\$ 5,746,641
(7,293,749)	(6,899,003)	(6,254,187)	(5,746,641)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 25,068,155	\$ 24,225,433	\$ 25,529,537	\$ 23,784,241
29.10%	28.48%	24.50%	24.16%

<u>June 30, 2015</u>	<u>June 30, 2014</u>	<u>June 30, 2013</u>	<u>June 30, 2012</u>
Entry Age (1)	Entry Age (1)	Entry Age (1)	Entry Age (1)
Fair Value 2.75% (2)	Fair Value 2.75% (2)	Fair Value 2.75% (2)	Fair Value 2.75% (2)
7.50% (3) (4) (5)	7.50% (3) (4) (5)	7.50% (3) (4) (5)	7.50% (3) (4) (5)

CITY OF CARSON

SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS

Last Ten Fiscal Years*

Fiscal year end	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018
Measurement date	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Total OPEB Liability:					
Service cost	\$ 1,696,552	\$ 1,810,290	\$ 1,971,400	\$ 2,393,726	\$ 2,296,140
Interest on total OPEB Liability	3,837,393	3,808,169	3,614,491	3,287,464	3,150,579
Changes of assumptions	(15,168,312)	(2,141,914)	(4,565,917)	(9,857,740)	-
Difference between expected and actual experience	(5,758,334)	(3,019,237)	908,566	-	-
Benefit payments, including refunds and the implied subsidy benefit payments	(2,794,181)	(2,897,579)	(2,565,759)	(2,572,106)	(2,074,858)
Net Change in Total OPEB Liability	(18,186,882)	(2,440,271)	(637,219)	(6,748,656)	3,371,861
Total OPEB Liability - Beginning of Year	66,418,278	68,858,549	69,495,768	76,244,424	72,872,563
Total OPEB Liability - End of Year (a)	48,231,396	66,418,278	68,858,549	69,495,768	76,244,424
Plan Fiduciary Net Position:					
Contributions - employer	2,794,181	2,897,579	2,565,759	1,572,106	1,409,106
Net investment income	5,451,160	677,019	1,114,064	1,395,100	1,757,999
Administrative expenses	(7,504)	(9,361)	(3,868)	(9,260)	(8,868)
Other income/(expenses)	-	-	-	(23,399)	-
Benefit payments, including refunds and the implied subsidy benefit payments	(2,794,181)	(2,897,579)	(2,565,759)	(2,572,106)	(2,074,858)
Net Change in Plan Fiduciary Net Position	5,443,656	667,658	1,110,196	362,441	1,083,379
Plan Fiduciary Net Position - Beginning of Year	19,826,413	19,158,755	18,048,559	17,686,118	16,602,739
Plan Fiduciary Net Position - End of Year (b)	25,270,069	19,826,413	19,158,755	18,048,559	17,686,118
Net OPEB Liability - Ending (a)-(b)	\$ 22,961,327	\$ 46,591,865	\$ 49,699,794	\$ 51,447,209	\$ 58,558,306
Plan fiduciary net position as a percentage of the total OPEB liability	52.39%	29.85%	27.82%	25.97%	23.20%
Covered payroll	\$ 23,949,613	\$ 29,684,243	\$ 28,889,774	\$ 28,889,774	\$ 22,542,046
Net OPEB liability as a percentage of covered - employee payroll	95.87%	156.96%	172.03%	178.08%	259.77%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits

Changes in assumptions:

For the fiscal years ended June 30, 2018, 2019, 2020, 2021 and 2022 the discount rates were 4.25%, 5.15%, 5.50%, 5.75% and 6.80%, respectively.

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

CITY OF CARSON

SCHEDULE OF CONTRIBUTIONS – OPEB PLAN

Last Ten Fiscal Years*

	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018
Actuarially determined contribution	\$ 3,559,814	\$ 5,150,253	\$ 5,150,253	\$ 4,612,779	\$ 4,572,804
Contributions in relation to the actuarially determined contribution	2,934,276	2,794,181	3,342,678	2,565,759	1,572,106
Contribution deficiency (excess)	\$ 625,538	\$ 2,356,072	\$ 1,807,575	\$ 2,047,020	\$ 3,000,698
Covered payroll	\$ 23,542,657	\$ 23,949,613	\$ 29,684,243	\$ 28,889,774	\$ 28,889,774
Contributions as a percentage of covered-employee payroll	12.46%	11.67%	11.26%	8.88%	5.44%

Notes to Schedule:

Valuation Date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2017	June 30, 2017
----------------	---------------	---------------	---------------	---------------	---------------

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry age normal
Amortization method	Level percentage of payroll
Asset valuation method	Investment gains and losses spread over 5-year rolling period

Discount Rate	6.80%	5.75%	5.50%	5.15%	4.25%
Inflation			2.75%		
Project Salary Increase			3.00% per annum, in aggregate		
Expected long-term Investment Rate of Return			7.00%		
Medical Trend		(3)	(2)	(1)	(1)
Pre-Retirement Turnover, Retirement		(5)	(5)	(4)	(4)
Mortality		(6)	(6)	(4)	(4)

(1) 6.0% HMO/6.5% PPO, decreasing to half a percent per year to 5%.

(2) 6.5% decreasing a half percent per year to 4.5% in fiscal year 2028

(3) 6.5% decreasing a half percent per year to 4.5% in fiscal year 2030

(4) 2014 CalPERS experience study

(5) 2017 CalPERS experience study

(6) Society of Actuaries (SOA) Pub-2010

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



CITY OF CARSON

Major Governmental Funds

GENERAL FUND

The General Fund accounts for all financial resources that are not restricted as to their use or required to be accounted for in another fund. These resources include sales and use tax, property taxes, utility users tax, franchise taxes, business license fees, building permits, interest on investments, fines and forfeitures, charges for services, and other miscellaneous revenues.

General Fund resources are used to finance the general governmental operations of the City of Carson. The city departments that are listed below are supported by the General Fund. The list likewise shows the services that each department provides.

City Council
Local legislative policy

City Attorney
Legal advisor to City Council and departments
Preparations of resolutions and ordinances
Contract review
Litigation

City Clerk
Records management
Preparation of minutes
Codification of municipal code
Elections

City Treasurer
Investments
Cash management
Cashiering

Community Development
Employment development
Business development
Successor Agency
Housing Authority
Housing and neighborhood Planning
Building and safety

Administrative Services
Revenue collection
Business license
Budget preparation

Financial reporting
Grants accounting
Accounts payable
Payroll
Purchasing
Reproduction and mail services
Warehouse operations
Information technology

Community Services
Parks and recreation
Special events
Sherriff's contract
Code enforcement and compliance
Security services
Youth services
Safety and emergency services
Pedestrian safety
Senior services
Fine Arts
Transportation
Community center

City Manager
Implementation of City Council policies
Intergovernmental relations
Public information

Preparation of agendas
Human resources
Recruitment/training
Worker's compensation
Risk assessment and management
Benefits administration

Public Works
General engineering
Contract administration
Construction engineering
Public Works
Street and parkway maintenance
Vehicle and equipment maintenance
Median and tree maintenance
Waste management
Environmental
Building and landscape maintenance

Non-Departmental
Retiree health insurance
Program support

CARSON HOUSING AUTHORITY SPECIAL REVENUE FUND

The Carson Housing Authority Special Revenue Fund accounts for assets used for low/moderate income housing activities in accordance with the applicable housing-related regulations. The housing assets of the dissolved redevelopment agency's Low and Moderate Income Housing Fund were transferred to Carson Housing Authority.

MEASURE M & R LOCAL STREET PROJECTS CAPITAL PROJECT FUND

The Measure M & R Local Street Projects Capital Project Fund accounts for all bond proceeds issued for the purpose of financing the design, acquisition, and construction of certain local roadway and street improvement projects in the City.

AMERICAN RESCUE PLAN ACT 2 SPECIAL REVENUE FUND

Accounts for the Coronavirus State and Local Recovery Funds received through the American Rescue Plan Act.

CITY OF CARSON

BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes:				
Sales and use tax	\$ 43,241,964	\$ 43,241,964	\$ 47,018,045	\$ 3,776,081
Franchise tax	12,663,295	12,663,295	12,663,295	-
Property tax allocation from state	17,363,971	17,363,971	17,363,971	-
Transient occupancy tax	2,026,323	2,026,323	2,026,323	-
Utility Users tax	11,828,914	11,828,914	11,828,914	-
Real property transfer tax	632,148	632,148	632,148	-
Oil industry business tax	14,063,172	14,063,172	14,063,172	-
Total taxes	<u>101,819,787</u>	<u>101,819,787</u>	<u>105,595,868</u>	<u>3,776,081</u>
Licenses and permits:				
Business licenses	2,921,771	2,921,771	2,921,771	-
Building permits	4,284,106	4,284,106	4,284,106	-
Other licenses and permits	1,174,200	1,174,200	1,174,200	-
Total licenses and permits	<u>8,380,077</u>	<u>8,380,077</u>	<u>8,380,077</u>	<u>-</u>
Fines and forfeitures:				
Traffic and parking fines	1,328,495	1,328,495	1,328,495	-
Other fines, forfeitures and penalties	231,948	231,948	232,157	209
Total fines and forfeitures	<u>1,560,443</u>	<u>1,560,443</u>	<u>1,560,652</u>	<u>209</u>
Intergovernmental:				
Motor vehicle licenses	105,953	105,953	105,953	-
Other intergovernmental	-	-	-	-
Total intergovernmental	<u>105,953</u>	<u>105,953</u>	<u>105,953</u>	<u>-</u>
Charges for services:				
Planning and public works	63,926	63,926	63,926	-
Recreation	468,924	468,924	468,924	-
Other service charges	2,408,252	2,408,252	2,408,252	-
Total charges for services	<u>2,941,102</u>	<u>2,941,102</u>	<u>2,941,102</u>	<u>-</u>
Investment income				
Interest on investments	214,182	214,182	(700,882)	(915,064)
Interest on leases	-	-	5,228	
Rents and commissions	1,171,715	1,171,715	1,170,643	(1,072)
Community Center revenue	506,755	506,755	506,755	-
Shuttle revenue	-	-	-	-
Total investment income	<u>1,892,652</u>	<u>1,892,652</u>	<u>981,744</u>	<u>(916,136)</u>
Miscellaneous	7,019,205	7,019,205	9,810,862	2,791,657
Total revenues	<u>123,719,219</u>	<u>123,719,219</u>	<u>129,376,258</u>	<u>97,903,588</u>

See note to required supplementary information.

CITY OF CARSON

BUDGETARY COMPARISON SCHEDULE (CONTINUED)
GENERAL FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Current:				
General Government				
City Council	\$ 962,481	\$ 962,481	\$ 845,707	\$ 116,774
City Attorney	3,100,000	3,100,000	3,117,379	(17,379)
Human Resources	3,340,384	3,325,236	3,175,325	149,911
Non-departmental	5,909,984	5,909,984	5,104,870	805,114
City Clerk	1,423,926	1,423,546	581,282	842,264
City Treasurer	763,678	759,418	707,758	51,660
City Manager	5,711,282	5,304,117	4,774,727	529,390
Administrative Services	5,481,421	5,833,307	4,682,022	1,151,285
Total general government	<u>26,693,156</u>	<u>26,618,089</u>	<u>22,989,070</u>	<u>3,629,019</u>
Public Safety	<u>25,857,510</u>	<u>26,751,378</u>	<u>25,774,588</u>	<u>976,790</u>
Community Development	<u>5,677,720</u>	<u>6,830,242</u>	<u>4,310,803</u>	<u>2,519,439</u>
Public Works	<u>19,767,575</u>	<u>24,851,750</u>	<u>18,749,423</u>	<u>6,102,327</u>
Community Services	<u>14,577,075</u>	<u>14,933,109</u>	<u>12,897,631</u>	<u>2,035,478</u>
Capital Improvement Program	<u>10,747</u>	<u>10,747</u>	<u>-</u>	<u>10,747</u>
Debt Service				
Interest	-	-	3,310,964	(3,310,964)
Cost of Issuance	<u>15,000</u>	<u>15,000</u>	<u>-</u>	<u>15,000</u>
Total expenditures	<u>92,598,783</u>	<u>100,010,315</u>	<u>88,032,479</u>	<u>11,977,836</u>
Excess of revenues over (under) expenditures	<u>31,120,436</u>	<u>23,708,904</u>	<u>41,343,779</u>	<u>17,634,875</u>
Other financing sources (uses)				
Sale of land	-	-	7,369,817	7,369,817
Transfers in	-	-	966	966
Transfers out	<u>-</u>	<u>-</u>	<u>(255,742)</u>	<u>(255,742)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>7,115,041</u>	<u>7,115,041</u>
Change in fund balance	31,120,436	23,708,904	48,458,820	24,749,916
Fund balance - beginning of year	<u>59,399,074</u>	<u>59,399,074</u>	<u>59,399,074</u>	<u>-</u>
Fund balance - end of year	<u>\$ 90,519,510</u>	<u>\$ 83,107,978</u>	<u>\$ 107,857,894</u>	<u>\$ 24,749,916</u>

See note to required supplementary information.

CITY OF CARSON

BUDGETARY COMPARISON SCHEDULE
 CARSON HOUSING AUTHORITY SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ -	\$ 222,586	\$ 222,586
Investment income	132,289	132,289	132,486	197
Miscellaneous	(137,623)	(137,623)	(145,912)	(8,289)
Total revenues	<u>(5,334)</u>	<u>(5,334)</u>	<u>209,160</u>	<u>214,494</u>
Expenditures				
Current:				
Community development	602,719	602,719	578,271	24,448
Total expenditures	<u>602,719</u>	<u>602,719</u>	<u>578,271</u>	<u>24,448</u>
Excess of revenues over (under) expenditures	<u>(608,053)</u>	<u>(608,053)</u>	<u>(369,111)</u>	<u>238,942</u>
Other financing sources (uses)				
Bond proceeds	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in fund balance	(608,053)	(608,053)	(369,111)	238,942
Fund balance - beginning of year	<u>12,224,891</u>	<u>12,224,891</u>	<u>12,224,891</u>	<u>-</u>
Fund balance - end of year	<u>\$ 11,616,838</u>	<u>\$ 11,616,838</u>	<u>\$ 11,855,780</u>	<u>\$ 238,942</u>

See note to required supplementary information.

CITY OF CARSON

BUDGETARY COMPARISON SCHEDULE
 AMERICAN RESCUE PLAN ACT 2 SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 17,776,763	\$ 17,776,763	\$ 17,776,763	\$ -
Total revenues	<u>17,776,763</u>	<u>17,776,763</u>	<u>17,776,763</u>	<u>-</u>
Expenditures				
Current:				
Community Development	-	7,837,500	4,721,868	3,115,632
Community Services	-	4,443,500	4,205,000	238,500
Capital improvement programs	-	5,326,397	-	5,326,397
Total expenditures	<u>-</u>	<u>17,607,397</u>	<u>8,926,868</u>	<u>8,680,529</u>
Net change in fund balance	17,776,763	169,366	8,849,895	8,680,529
Fund balances, beginning of year	-	-	-	-
Fund balances, end of year	<u>\$ 17,776,763</u>	<u>\$ 169,366</u>	<u>\$ 8,849,895</u>	<u>\$ 8,680,529</u>

See note to required supplementary information.

CITY OF CARSON

Note to Required Supplementary Information

June 30, 2022

NOTE 1 – BUDGETARY CONTROL AND ACCOUNTING

The following procedures are utilized by the City in formulating its annual budget:

- Early in the calendar year, the Directors prepare estimates of required appropriations for the following fiscal year. These estimates are compiled into a proposed operating budget.
- The City Manager submits the proposed budget to the City Council for the subsequent fiscal year. The operating budget includes both the sources and types of funds for the proposed expenditures. The City Council and staff meet in budget workshops in order to relate requests with available resources.
- Public hearings are conducted to obtain taxpayer comments on the proposed budget being adopted. Pursuant to provisions of the Carson Municipal Code, the General Fund budget must be adopted no later than July 20 of the new fiscal year. The budget is legally enacted through passage of a resolution.
- The City Manager is authorized to transfer budgeted amounts between departments within any fund; however, any revision that alters the total expenditures of any fund must be approved by the City Council. The budget is generally amended during the fiscal year to reflect adjustments, as authorized by the City Council. Expenditures may not legally exceed appropriations at the fund level.
- Formal budgetary integration is employed as a management control device during the year.
- Commitments for materials and services, such as purchase orders and contracts are recorded during the year as encumbrances in order to reserve that portion of the applicable appropriation. Encumbrances outstanding at year-end are treated as a reservation of fund balance since they do not constitute expenditures or liabilities.
- It is the practice of the City to give Finance staff some discretion with respect to budget amounts for year-end purposes.

Budgeted amounts are reported on the same basis of accounting as the fund types they relate to (modified-accrual) and adopted on a basis consistent with U.S. GAAP. All unexpended appropriations expire at year-end and if warranted are reappropriated in the next budget cycle. Annual budgets are prepared for all governmental fund types expected to have activity during the fiscal year. No budgets were adopted for the Asset Forfeiture Special Revenue Fund, the Proposition 1B Special Revenue Fund, the Development Impact Fees Special Revenue Fund, and the Measure M & R Local Street Project Special Revenue Fund.

**SUPPLEMENTARY
INFORMATION**

CITY OF CARSON, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT



CITY OF CARSON

Nonmajor Governmental Funds

Special Revenue funds are used to account for specific revenues that are legally restricted to expenditure for a particular purpose.

The **Asset Forfeiture Fund** accounts for funds accumulated through seizure and forfeiture of properties, which are then used to supplement funds for public safety services.

The **State Gas Tax Fund** accounts for revenues apportioned under the Streets and Highway Code of the State of California. These funds can be expended for any street-related purpose.

The **TDA Article 3 Fund** accounts for Transportation Development Act grant monies received for building or improving bicycle paths and handicapped accesses.

The **Proposition A Local Return Fund** is used to account for the City's share of an additional one-half cent sales tax, which was approved by the electorate in November 1980. These funds must be used for local transportation programs.

The **Proposition C Local Return Fund** is used to account for the City's share of an additional one-half cent sales tax, which was approved by the electorate in November 1990. These funds must be used for local transportation programs.

The **Air Quality Improvement Fund** accounts for revenues and expenditures for clean air measures authorized by AB2766, which increased motor vehicle registration fees.

The **Capital Asset Replacement Fund** is used to account for and finance the on-going replacement of the City's stock of vehicles, heavy equipment, specialized equipment, and office furniture and equipment. It is also used to renovate and construct City building and park facilities.

The **Measure R Fund** is used to account for the City's share of an additional half-cent sales tax that became effective on July 1, 2009. The fund is used for transportation and highway projects.

The **Restricted Administrative Tow Fee Fund** represents the \$56 out of the \$175 collected for administering the City's towing program, which is being exclusively used to address the public safety and code enforcement issues in the City.

The **Youth Services Program Fund** accounts for funds related to the implementation of the following youth services program: (a) Parent Project (b) Positive Choices (c) Anger Management (d) Youth and the Law and (e) Community Services.

The **City Special Events Fund** accounts for restricted donations received from the Community for various annual City events, as well as contributions from the General Fund.

The **MTA Call for Projects Fund** accounts for the Los Angeles County Metropolitan Transportation Authority (MTA) Call-for-Project programs. The fund is used to improve all modes of surface transportation.

CITY OF CARSON

Nonmajor Governmental Funds

The **Parks and Recreation Funds** represent two funds used to account for capital improvements at City parks and recreation facilities. Included in this category is the Park Development Fund, which accounts for monies used to implement capital improvements to various parks and the Los Angeles County Park District Fund.

The **State Grant Funds** represent five funds used for specific community programs. The Beverage Container Recycling Fund is used for the effective disposal of recyclable containers while preserving the environment. The State COPS Grant Fund is used to provide a Community Oriented Policing program. The Used Oil State Grant Fund is used to increase public awareness of the benefits of recycling oil. The Proposition 1 B passed in 2006, is also dedicated to the reduction of traffic congestion and increase in traffic safety. The State CIP Grants Fund is used to account for grants from the State for the City's non-recurring capital improvement program.

The **Federal Support Grant Funds** account for six types of federal grant monies. The Family Support Grant Fund provides funds for a Youth Enrichment Scholarship Program available to children ages 17 and under, who are local area residents and are in financial need. The HOME and Community Development Block Grant Funds account for funds used for a variety of projects, and programs primarily benefiting low-income residents. These funds were originally authorized under the Housing and Community Development Act of 1974 and their expenditure is approved by the Department of Housing and Urban Development (HUD). The Federal Highway Planning Grant Fund accounts for federal monies passed through the State of California Department of Transportation to local cities for the construction and repair of inter-connected Interstate highways and other public roads important to interstate commerce and travel. The Workforce Investment Act (WIA) Grant Fund provides assistance for youth employment, training efforts, and dislocated worker support services. The Neighborhood Stabilization Grant Fund accounts for monies received for the purpose of stabilizing communities that have suffered from foreclosures and abandonment. This grant was authorized under the American Recovery and Reinvestment Act (ARRA).

The **Building Plan Retention Fund** accounts for building plan maintenance and retention fees imposed by the County. The fees must be used to maintain an official copy of plans for every building in the City, during the life of the building.

The **Facility Maintenance Fund** accounts for the 10% surcharge on the Community Center and Park Facility rental fees.

The **Load Shed Program Fund** accounts for revenues received by the City from Southern California Edison for participating on the Load Shed Program. As part of the Load Shed Program Southern California Edison will notify the City of peak usage times and the City will turn off lights for 1 hour during peak usage.

The **Public Education and Government Access (PEG) Fund** accounts for fees that are restricted to broadcasting.

The **Raised Median In-Lieu Fund** accounts for fees collected from development in-lieu and is restricted for construction of raised medians.

CITY OF CARSON

Nonmajor Governmental Funds

The **Development Impact Fees Fund** accounts for the revenues collected from the various development impact fees. Fees are levied against new development within the City in order to pay for construction or improvement of public facilities as a result of City growth.

The **Utility Underground In-Lieu Fund** accounts for undergrounding of utility lines funded by a development in-lieu fee.

The **SBI Fund** accounts for revenues and expenditures of the Road Maintenance and Rehabilitation Account under the SBI Road Repair and accountability Act of 2017.

The **Measure M Fund** accounts for the half-cent sales tax and continued half-cent relief tax partially distributed to cities approved by the Los Angeles County voters in November 2017 to fund transportation needs.

The **Measure R Highway Program Grant** accounts for revenues and expenditures under the Measure R Highway Program grant received through the LACMTA.

The **Community Facilities District Fund** accounts for fees and moneys received related to the activities within the operation of the Communities Facilities District.

The **Carson Stormwater Fund** accounts for grant moneys received for the City's Stormwater projects.

The **Measure M PS & E and Construction Special Revenue Fund** accounts for all expenditures related to South Bay Highway Operational Improvements funded by Measure M.

The **Cooperation Agreement Bond Proceeds Special Revenue Fund** accounts for unspent bond proceeds transferred to the City from the Successor Agency to the Dissolved Carson Redevelopment Agency (Successor Agency) in accordance with the Cooperation Agreement entered into by and between the City of Carson and the Successor Agency. Under this fund, the City will report the expenditures of the bond proceeds pursuant to the original bond covenants.

The **SB 1383 Special Revenue Fund** accounts for grant funds and expenditures related to conducting education and outreach on organic recycling.

CITY OF CARSON

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET

June 30, 2022

	Asset Forfeiture Fund	State Gas Tax Fund	TDA Article 3 Fund	Proposition A Local Return Fund
ASSETS				
Cash and investments	\$ 78	\$ 2,192,957	\$ 1,964	\$ 3,593,167
Receivables:				
Accounts	-	691,044	-	-
Due from government agencies	-	173,725	74,709	279,473
Loans, net of allowance	-	-	-	-
Total assets	<u>\$ 78</u>	<u>\$ 3,057,726</u>	<u>\$ 76,673</u>	<u>\$ 3,872,640</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ -	\$ 223,687	\$ 79,318	\$ 390,395
Accrued payroll	-	4,437	-	8,944
Due to other funds	-	-	-	-
Due to government agencies	-	-	-	-
Retentions payable	-	20,999	4,760	(4,267)
Total liabilities	<u>-</u>	<u>249,123</u>	<u>84,078</u>	<u>395,072</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	-	-	-
FUND BALANCES (DEFICIT)				
Restricted	78	2,808,603	-	3,477,568
Unassigned	-	-	(7,405)	-
Total fund balances	<u>78</u>	<u>2,808,603</u>	<u>(7,405)</u>	<u>3,477,568</u>
Total liabilities and fund balances	<u>\$ 78</u>	<u>\$ 3,057,726</u>	<u>\$ 76,673</u>	<u>\$ 3,872,640</u>

Proposition C Local Return Fund	Air Quality Improvement Fund	Capital Asset Replacement Fund	Measure R Fund	Restricted Administrative Tow Fee Fund	Youth Services Program Fund
\$ 3,979,453	\$ 590,018	\$ 154,594	\$ 1,595,968	\$ 152,777	\$ 50,892
-	-	-	-	-	-
-	60,605	-	-	-	-
-	-	-	-	-	-
<u>\$ 3,979,453</u>	<u>\$ 650,623</u>	<u>\$ 154,594</u>	<u>\$ 1,595,968</u>	<u>\$ 152,777</u>	<u>\$ 50,892</u>
\$ 612,474	\$ 200,508	\$ -	\$ 230,411	\$ 2,944	\$ -
2,223	-	-	2,753	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	10,553	-	79,516	-	-
<u>614,697</u>	<u>211,061</u>	<u>-</u>	<u>312,680</u>	<u>2,944</u>	<u>-</u>
-	-	-	-	-	-
3,364,756	439,562	154,594	1,283,288	149,833	50,892
-	-	-	-	-	-
<u>3,364,756</u>	<u>439,562</u>	<u>154,594</u>	<u>1,283,288</u>	<u>149,833</u>	<u>50,892</u>
<u>\$ 3,979,453</u>	<u>\$ 650,623</u>	<u>\$ 154,594</u>	<u>\$ 1,595,968</u>	<u>\$ 152,777</u>	<u>\$ 50,892</u>

CITY OF CARSON

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)

June 30, 2022

	City Special Events Fund	MTA Call for Projects Fund	Park Development Fund	Los Angeles County Park District Funds
ASSETS				
Cash and investments	\$ 5,803	\$ 681,279	\$ 3,829,803	\$ 554,550
Receivables:				
Accounts	875	-	-	-
Due from government agencies	-	4,934	-	-
Loans, net of allowance	-	-	-	-
Total assets	<u>6,678</u>	<u>686,213</u>	<u>3,829,803</u>	<u>554,550</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ 6,138	\$ -	\$ 27,846	\$ -
Accrued payroll	558	-	-	-
Due to other funds	-	19,426	-	475,796
Due to government agencies	-	-	-	-
Retentions payable	-	19,995	-	1
Total liabilities	<u>6,696</u>	<u>39,421</u>	<u>27,846</u>	<u>475,797</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	4,934	-	-
FUND BALANCES (DEFICIT)				
Restricted	-	641,858	3,801,957	78,753
Unassigned	(18)	-	-	-
Total fund balances	<u>(18)</u>	<u>641,858</u>	<u>3,801,957</u>	<u>78,753</u>
Total liabilities and fund balances	<u>\$ 6,678</u>	<u>\$ 686,213</u>	<u>\$ 3,829,803</u>	<u>\$ 554,550</u>

Beverage Container Recycling Fund	State COPS Grant Fund	Used Oil State Grant Fund	Proposition 1B Funds	Family Support Grant Fund	HOME Grant Fund
\$ 33,147	\$ 422,188	\$ 32,117	\$ -	\$ 18,668	\$ 158,489
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	307,551
<u>\$ 33,147</u>	<u>\$ 422,188</u>	<u>\$ 32,117</u>	<u>\$ -</u>	<u>\$ 18,668</u>	<u>\$ 466,040</u>
\$ -	\$ -	\$ 10,624	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	3,574	19,216	158,198
-	-	-	-	-	307,551
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>10,624</u>	<u>3,574</u>	<u>19,216</u>	<u>465,749</u>
-	-	-	-	-	-
33,147	422,188	21,493	-	-	291
-	-	-	(3,574)	(548)	-
<u>33,147</u>	<u>422,188</u>	<u>21,493</u>	<u>(3,574)</u>	<u>(548)</u>	<u>291</u>
<u>\$ 33,147</u>	<u>\$ 422,188</u>	<u>\$ 32,117</u>	<u>\$ -</u>	<u>\$ 18,668</u>	<u>\$ 466,040</u>

CITY OF CARSON

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)

June 30, 2022

	Community Development Block Grant Fund	Federal Highway Planning Grant Fund	Workforce Investment Act (WIA) Grant Fund	Neighborhood Stabilization Grant Fund
ASSETS				
Cash and investments	\$ 179,534	\$ -	\$ 100	\$ 331,557
Receivables:				
Accounts	60	-	-	-
Due from government agencies	549,774	332,630	-	-
Loans, net of allowance	-	-	-	165,000
Total assets	<u>729,368</u>	<u>332,630</u>	<u>100</u>	<u>496,557</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ 118,251	\$ -	\$ -	\$ -
Accrued payroll	-	25,356	-	-
Due to other funds	749,469	499,194	-	-
Due to government agencies	-	-	-	165,000
Retentions payable	4,565	-	-	-
Total liabilities	<u>872,285</u>	<u>524,550</u>	<u>-</u>	<u>165,000</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	327,628	-	-
FUND BALANCES (DEFICIT)				
Restricted	-	-	100	331,557
Unassigned	(142,917)	(519,548)	-	-
Total fund balances	<u>(142,917)</u>	<u>(519,548)</u>	<u>100</u>	<u>331,557</u>
Total liabilities and fund balances	<u>\$ 729,368</u>	<u>\$ 332,630</u>	<u>\$ 100</u>	<u>\$ 496,557</u>

Building Plan Retention Fund	Facility Maintenance Fund	Load Shed Program Fund	Public Education and Government Access (PEG) Funds	Raised Median In-Lieu Fund	Development Impact Fees Fund
\$ -	\$ 115,664	\$ 6,491,439	\$ 319,971	\$ 372,724	\$ 8,880,381
-	-	-	-	-	549,246
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>\$ 115,664</u>	<u>\$ 6,491,439</u>	<u>\$ 319,971</u>	<u>\$ 372,724</u>	<u>\$ 9,429,627</u>
\$ -	\$ -	\$ 1,006,452	\$ 55,037	\$ -	\$ -
-	-	-	-	-	-
381,767	-	-	-	-	-
-	-	-	-	-	-
-	-	191,327	-	-	-
<u>381,767</u>	<u>-</u>	<u>1,197,779</u>	<u>55,037</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
-	115,664	5,293,660	264,934	372,724	9,429,627
(381,767)	-	-	-	-	-
(381,767)	115,664	5,293,660	264,934	372,724	9,429,627
<u>\$ -</u>	<u>\$ 115,664</u>	<u>\$ 6,491,439</u>	<u>\$ 319,971</u>	<u>\$ 372,724</u>	<u>\$ 9,429,627</u>

CITY OF CARSON

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)

June 30, 2022

	Utility Underground In-Lieu Fund	SB1 Fund	Measure M Fund	Measure R Highway Program Fund
ASSETS				
Cash and investments	\$ 709,056	\$ 4,233,635	\$ 2,452,001	\$ -
Receivables:				
Accounts	-	-	-	-
Due from government agencies	-	326,627	-	220,276
Loans, net of allowance	-	-	-	-
Total assets	<u>\$ 709,056</u>	<u>\$ 4,560,262</u>	<u>\$ 2,452,001</u>	<u>\$ 220,276</u>
LIABILITIES				
Accounts payable and accrued liabilities	\$ -	\$ 266,725	\$ 1,011	\$ -
Accrued payroll	-	-	1,506	-
Due to other funds	-	-	-	109,786
Due to government agencies	-	-	-	-
Retentions payable	-	17,679	20,671	-
Total liabilities	<u>-</u>	<u>284,404</u>	<u>23,188</u>	<u>109,786</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	-	-	-	220,276
FUND BALANCES (DEFICIT)				
Restricted	709,056	4,275,858	2,428,813	-
Unassigned	-	-	-	(109,786)
Total fund balances	<u>709,056</u>	<u>4,275,858</u>	<u>2,428,813</u>	<u>(109,786)</u>
Total liabilities and fund balances	<u>\$ 709,056</u>	<u>\$ 4,560,262</u>	<u>\$ 2,452,001</u>	<u>\$ 220,276</u>

Commuty Facilities District Fund	Carson Stormwater Fund	State Grants Program	Cooperation Agreement Bond Proceeds Special Revenue Fund	State CIP Grants Special Revenue Fund	Measure M PS&E and Construction
\$ 292,360	\$ 3,158,589	\$ -	\$ 2,495,855	\$ 533,026	\$ -
-	-	-	42,693	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 292,360</u>	<u>\$ 3,158,589</u>	<u>\$ -</u>	<u>\$ 2,538,548</u>	<u>\$ 533,026</u>	<u>\$ -</u>
\$ 45,658	\$ -	\$ -	\$ 1,040	\$ -	\$ 12,154
-	-	-	1,175	-	-
-	-	310,000	263,794	-	195,461
-	-	-	-	-	-
-	14,744	-	-	532,996	640
<u>45,658</u>	<u>14,744</u>	<u>310,000</u>	<u>266,009</u>	<u>532,996</u>	<u>208,255</u>
-	-	-	-	-	-
246,702	3,143,845	-	2,272,539	30	-
-	-	(310,000)	-	-	(208,255)
<u>246,702</u>	<u>3,143,845</u>	<u>(310,000)</u>	<u>2,272,539</u>	<u>30</u>	<u>(208,255)</u>
<u>\$ 292,360</u>	<u>\$ 3,158,589</u>	<u>\$ -</u>	<u>\$ 2,538,548</u>	<u>\$ 533,026</u>	<u>\$ -</u>

CITY OF CARSON

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)

June 30, 2022

	SB1383 Special Revenue Fund	Total Nonmajor Governmental Funds
ASSETS		
Cash and investments	\$ 129,353	\$ 48,743,157
Receivables:		
Accounts	-	1,283,918
Due from government agencies	-	2,022,753
Loans, net of allowance	-	472,551
Total assets	<u>\$ 129,353</u>	<u>\$ 52,522,379</u>
LIABILITIES		
Accounts payable and accrued liabilities	\$ -	\$ 3,290,673
Accrued payroll	-	46,952
Due to other funds	-	3,185,681
Due to government agencies	-	472,551
Retentions payable	-	914,179
Total liabilities	<u>-</u>	<u>7,910,036</u>
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenues	<u>-</u>	<u>552,838</u>
FUND BALANCES (DEFICIT)		
Restricted	129,353	45,743,323
Unassigned	-	(1,683,818)
Total fund balances	<u>129,353</u>	<u>44,059,505</u>
Total liabilities and fund balances	<u>\$ 129,353</u>	<u>\$ 52,522,379</u>



CITY OF CARSON

NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

For the year ended June 30, 2022

	Asset Forfeiture Fund	State Gas Tax Fund	TDA Article 3 Fund	Proposition A Local Return Fund
Revenues				
Taxes	\$ -	\$ 2,148,812	\$ -	\$ 2,351,258
Licenses and permits	-	-	-	-
Intergovernmental	-	-	74,709	279,018
Charges for services	-	-	-	34,876
Investment income (loss)	-	(15,087)	-	(24,004)
Developer impact fee	-	-	-	-
Miscellaneous	-	24,857	-	-
Total revenues	<u>-</u>	<u>2,158,582</u>	<u>74,709</u>	<u>2,641,148</u>
Expenditures				
Current:				
General government	-	-	-	-
Community development	-	-	-	-
Public works	-	-	-	-
Community services	-	51	-	1,561,986
Capital improvement programs	-	1,935,437	137,006	-
Total expenditures	<u>-</u>	<u>1,935,488</u>	<u>137,006</u>	<u>1,561,986</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>223,094</u>	<u>(62,297)</u>	<u>1,079,162</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	-	223,094	(62,297)	1,079,162
Fund balances (deficit), beginning of year	<u>78</u>	<u>2,585,509</u>	<u>54,892</u>	<u>2,398,406</u>
Fund balances (deficit), end of year	<u>\$ 78</u>	<u>\$ 2,808,603</u>	<u>\$ (7,405)</u>	<u>\$ 3,477,568</u>

Proposition C Local Return Fund	Air Quality Improvement Fund	Capital Asset Replacement Fund	Measure R Fund	Restricted Administrative Tow Fee Fund	Youth Services Program Fund
\$ 1,950,320	\$ -	\$ -	\$ 1,462,504	\$ -	\$ -
-	-	-	-	33,600	-
-	118,467	-	-	-	-
-	-	-	-	-	-
(26,584)	(3,942)	(1,033)	(10,662)	(1,021)	(340)
-	-	-	-	-	-
-	-	-	-	-	-
<u>1,923,736</u>	<u>114,525</u>	<u>(1,033)</u>	<u>1,451,842</u>	<u>32,579</u>	<u>(340)</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	130,227	-	-
1,378,819	592	-	52	13,911	-
-	211,061	362,578	1,792,286	-	-
<u>1,378,819</u>	<u>211,653</u>	<u>362,578</u>	<u>1,922,565</u>	<u>13,911</u>	<u>-</u>
<u>544,917</u>	<u>(97,128)</u>	<u>(363,611)</u>	<u>(470,723)</u>	<u>18,668</u>	<u>(340)</u>
-	-	-	-	-	-
-	-	-	(600,900)	-	-
-	-	-	<u>(600,900)</u>	-	-
544,917	(97,128)	(363,611)	(1,071,623)	18,668	(340)
<u>2,819,839</u>	<u>536,690</u>	<u>518,205</u>	<u>2,354,911</u>	<u>131,165</u>	<u>51,232</u>
<u>\$ 3,364,756</u>	<u>\$ 439,562</u>	<u>\$ 154,594</u>	<u>\$ 1,283,288</u>	<u>\$ 149,833</u>	<u>\$ 50,892</u>

CITY OF CARSON

NONMAJOR GOVERNMENTAL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 (CONTINUED)

For the year ended June 30, 2022

	City Special Events Fund	MTA Call for Projects Fund	Park Development Fund	Los Angeles County Park District Funds
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	211,738	-	338,901
Charges for services	69,405	-	-	-
Investment income (loss)	-	-	(25,584)	(3,704)
Developer impact fee	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>69,405</u>	<u>211,738</u>	<u>(25,584)</u>	<u>335,197</u>
Expenditures				
Current:				
General government	220,348	-	-	-
Community development	-	-	186,995	-
Public works	-	-	-	-
Community services	-	-	-	-
Capital improvement programs	-	130,470	4,993	-
Total expenditures	<u>220,348</u>	<u>130,470</u>	<u>191,988</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(150,943)</u>	<u>81,268</u>	<u>(217,572)</u>	<u>335,197</u>
Other financing sources (uses)				
Transfers in	150,968	-	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>150,968</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	25	81,268	(217,572)	335,197
Fund balances (deficit), beginning of year	<u>(43)</u>	<u>560,590</u>	<u>4,019,529</u>	<u>(256,444)</u>
Fund balances (deficit), end of year	<u>\$ (18)</u>	<u>\$ 641,858</u>	<u>\$ 3,801,957</u>	<u>\$ 78,753</u>

Beverage Container Recycling Fund	State COPS Grant Fund	Used Oil State Grant Fund	Proposition 1B Funds	Family Support Grant Fund	HOME Grant Fund
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
23,112	227,112	12,573	-	48,510	-
-	-	-	-	-	-
-	(2,820)	-	-	-	158,489
-	-	-	-	-	-
-	-	-	-	-	-
<u>23,112</u>	<u>224,292</u>	<u>12,573</u>	<u>-</u>	<u>48,510</u>	<u>158,489</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	35,828	-	-	-
-	145,000	-	-	44,133	-
-	-	-	-	-	-
<u>-</u>	<u>145,000</u>	<u>35,828</u>	<u>-</u>	<u>44,133</u>	<u>-</u>
<u>23,112</u>	<u>79,292</u>	<u>(23,255)</u>	<u>-</u>	<u>4,377</u>	<u>158,489</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>23,112</u>	<u>79,292</u>	<u>(23,255)</u>	<u>-</u>	<u>4,377</u>	<u>158,489</u>
<u>10,035</u>	<u>342,896</u>	<u>44,748</u>	<u>(3,574)</u>	<u>(4,925)</u>	<u>(158,198)</u>
\$ <u>33,147</u>	\$ <u>422,188</u>	\$ <u>21,493</u>	\$ <u>(3,574)</u>	\$ <u>(548)</u>	\$ <u>291</u>

CITY OF CARSON

NONMAJOR GOVERNMENTAL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 (CONTINUED)

For the year ended June 30, 2022

	Community Development Block Grant Fund	Federal Highway Planning Grant Fund	Workforce Investment Act (WIA) Grant Fund	Neighborhood Stabilization Grant Fund
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	853,418	-	-	-
Charges for services	-	-	-	-
Investment income (loss)	-	-	-	(2,215)
Developer impact fee	-	-	-	-
Miscellaneous	40,527	-	-	-
Total revenues	<u>893,945</u>	<u>-</u>	<u>-</u>	<u>(2,215)</u>
Expenditures				
Current:				
General government	-	-	-	-
Community development	906,179	-	-	-
Public works	-	-	-	-
Community services	-	-	-	-
Capital improvement programs	-	113,914	-	-
Total expenditures	<u>906,179</u>	<u>113,914</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>(12,234)</u>	<u>(113,914)</u>	<u>-</u>	<u>(2,215)</u>
Other financing sources (uses)				
Transfers in	6,775	-	-	-
Transfers out	-	(7,741)	-	-
Total other financing sources (uses)	<u>6,775</u>	<u>(7,741)</u>	<u>-</u>	<u>-</u>
Net change in fund balance	(5,459)	(121,655)	-	(2,215)
Fund balances (deficit), beginning of year	<u>(137,458)</u>	<u>(397,893)</u>	<u>100</u>	<u>333,772</u>
Fund balances (deficit), end of year	<u>\$ (142,917)</u>	<u>\$ (519,548)</u>	<u>\$ 100</u>	<u>\$ 331,557</u>

Building Plan Retention Fund	Facility Maintenance Fund	Load Shed Program Fund	Public Education and Government Access (PEG) Funds	Raised Median In-Lieu Fund	Development Impact Fees Fund
\$ -	\$ -	\$ -	\$ 105,384	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	34,885	-	-	-	-
-	(773)	(3,283)	(2,137)	(2,490)	(59,490)
-	-	-	-	-	3,441,038
-	-	2,636,292	-	-	-
-	34,112	2,633,009	103,247	(2,490)	3,381,548
-	-	-	289,720	-	-
-	-	-	-	-	-
-	-	-	-	-	24,228
-	-	-	-	-	-
-	51,704	3,832,857	-	-	-
-	51,704	3,832,857	289,720	-	24,228
-	(17,592)	(1,199,848)	(186,473)	(2,490)	3,357,320
-	-	-	104,774	-	-
-	-	-	-	-	-
-	-	-	104,774	-	-
-	(17,592)	(1,199,848)	(81,699)	(2,490)	3,357,320
(381,767)	133,256	6,493,508	346,633	375,214	6,072,307
\$ (381,767)	\$ 115,664	\$ 5,293,660	\$ 264,934	\$ 372,724	\$ 9,429,627

CITY OF CARSON

NONMAJOR GOVERNMENTAL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 (CONTINUED)

For the year ended June 30, 2022

	Utility Underground In-Lieu Fund	SB1 Fund	Measure M Fund	Measure R Highway Program Fund
Revenues				
Taxes	\$ -	\$ -	\$ 1,654,991	\$ -
Licenses and permits	-	-	-	-
Intergovernmental	-	1,858,556	-	73,319
Charges for services	-	-	-	-
Investment income (loss)	(4,737)	(28,282)	(15,959)	-
Developer impact fee	-	-	-	-
Miscellaneous	-	-	-	-
Total revenues	<u>(4,737)</u>	<u>1,830,274</u>	<u>1,639,032</u>	<u>73,319</u>
Expenditures				
Current:				
General government	-	-	-	-
Community development	-	-	-	146,898
Public works	-	-	1,473	-
Community services	-	-	-	-
Capital improvement programs	-	938,701	195,190	-
Total expenditures	<u>-</u>	<u>938,701</u>	<u>196,663</u>	<u>146,898</u>
Excess (deficiency) of revenues over expenditures	<u>(4,737)</u>	<u>891,573</u>	<u>1,442,369</u>	<u>(73,579)</u>
Other financing sources (uses)				
Transfers in	-	-	-	-
Transfers out	-	-	(1,000,300)	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(1,000,300)</u>	<u>-</u>
Net change in fund balance	(4,737)	891,573	442,069	(73,579)
Fund balances (deficit), beginning of year	<u>713,793</u>	<u>3,384,285</u>	<u>1,986,744</u>	<u>(36,207)</u>
Fund balances (deficit), end of year	<u>\$ 709,056</u>	<u>\$ 4,275,858</u>	<u>\$ 2,428,813</u>	<u>\$ (109,786)</u>

Commuty Facilities District Fund	Carson Stormwater Fund	State Grants Program	Cooperation Agreement Bond Proceeds Special Revenue Fund	State CIP Grants Special Revenue Fund	Measure M PS&E and Construction
\$ 150,374	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	2,193,131	-	-	-	172,730
-	-	-	-	-	-
(1,953)	(21,100)	-	-	-	-
-	-	-	-	-	-
17,507	-	-	-	-	-
<u>165,928</u>	<u>2,172,031</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>172,730</u>
-	-	-	-	-	-
-	-	310,000	-	-	380,985
-	-	-	-	-	-
-	-	-	-	-	-
-	296,198	-	56,349	-	-
<u>-</u>	<u>296,198</u>	<u>310,000</u>	<u>56,349</u>	<u>-</u>	<u>380,985</u>
<u>165,928</u>	<u>1,875,833</u>	<u>(310,000)</u>	<u>(56,349)</u>	<u>-</u>	<u>(208,255)</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
165,928	1,875,833	(310,000)	(56,349)	-	(208,255)
80,774	1,268,012	-	2,328,888	30	-
<u>\$ 246,702</u>	<u>\$ 3,143,845</u>	<u>\$ (310,000)</u>	<u>\$ 2,272,539</u>	<u>\$ 30</u>	<u>\$ (208,255)</u>

CITY OF CARSON

NONMAJOR GOVERNMENTAL FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
 (CONTINUED)

For the year ended June 30, 2022

	SB1383 Special Revenue Fund	Total Nonmajor Governmental Funds
Revenues		
Taxes	\$ -	\$ 9,823,643
Licenses and permits	-	33,600
Intergovernmental	130,217	6,615,511
Charges for services	-	139,166
Investment income (loss)	(864)	(99,575)
Developer impact fee	-	3,441,038
Miscellaneous	-	2,719,183
Total revenues	<u>129,353</u>	<u>22,672,566</u>
Expenditures		
Current:		
General government	-	510,068
Community development	-	1,931,057
Public works	-	191,756
Community services	-	3,144,544
Capital improvement programs	-	10,058,744
Total expenditures	<u>-</u>	<u>15,836,169</u>
Excess (deficiency) of revenues over expenditures	<u>129,353</u>	<u>6,836,397</u>
Other financing sources (uses)		
Transfers in	-	262,517
Transfers out	-	(1,608,941)
Total other financing sources (uses)	<u>-</u>	<u>(1,346,424)</u>
Net change in fund balance	129,353	5,489,973
Fund balances (deficit), beginning of year	<u>-</u>	<u>38,569,532</u>
Fund balances (deficit), end of year	<u>\$ 129,353</u>	<u>\$ 44,059,505</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 MEASURE M & R LOCAL STREET PROJECTS CAPITAL PROJECTS FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Investment income	\$ 12,833	\$ 12,833	\$ 12,832	\$ (1)
Total revenues	<u>12,833</u>	<u>12,833</u>	<u>12,832</u>	<u>(1)</u>
Expenditures				
Debt service:				
Principal payments	-	-	800,000	(800,000)
Interest	-	-	801,200	(801,200)
Total expenditures	<u>-</u>	<u>-</u>	<u>1,601,200</u>	<u>(1,601,200)</u>
Excess of revenues over (under) expenditures	<u>12,833</u>	<u>12,833</u>	<u>(1,588,368)</u>	<u>1,601,199</u>
Other financing sources (uses)				
Transfers in	-	-	1,601,200	1,601,200
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>1,601,200</u>	<u>1,601,200</u>
Change in fund balance	12,833	12,833	12,832	(1)
Fund balance - beginning of year	22,606,028	22,606,028	22,606,028	-
Fund balance - end of year	<u>\$ 22,618,861</u>	<u>\$ 22,618,861</u>	<u>\$ 22,618,860</u>	<u>\$ (1)</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
STATE GAS TAX SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 2,148,812	\$ 2,148,812	\$ 2,148,812	\$ -
Investment income (loss)	4,671	4,671	(15,087)	(19,758)
Miscellaneous	98,176	98,176	24,857	(73,319)
Total revenues	<u>2,251,659</u>	<u>2,251,659</u>	<u>2,158,582</u>	<u>(93,077)</u>
Expenditures				
Current:				
General Government	-	-	-	-
Community Services	-	-	51	(51)
Capital improvement programs	2,041,805	4,362,903	1,935,437	2,427,466
Total expenditures	<u>2,041,805</u>	<u>4,362,903</u>	<u>1,935,488</u>	<u>2,427,415</u>
Net change in fund balance	209,854	(2,111,244)	223,094	2,334,338
Fund balances (deficit), beginning of year	<u>2,585,509</u>	<u>2,585,509</u>	<u>2,585,509</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ 2,795,363</u>	<u>\$ 474,265</u>	<u>\$ 2,808,603</u>	<u>\$ 2,334,338</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
TDA ARTICLE 3 SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 74,709	\$ 74,709	\$ 74,709	\$ -
Total revenues	<u>74,709</u>	<u>74,709</u>	<u>74,709</u>	<u>-</u>
Expenditures				
Capital improvement programs	66,610	269,966	137,006	132,960
Total expenditures	<u>66,610</u>	<u>269,966</u>	<u>137,006</u>	<u>132,960</u>
Net change in fund balance	8,099	(195,257)	(62,297)	132,960
Fund balances (deficit), beginning of year	<u>54,892</u>	<u>54,892</u>	<u>54,892</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ 62,991</u>	<u>\$ (140,365)</u>	<u>\$ (7,405)</u>	<u>\$ 132,960</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
PROPOSITION A LOCAL RETURN SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 2,351,258	\$ 2,351,258	\$ 2,351,258	\$ -
Intergovernmental	279,018	279,018	279,018	-
Charges for services	34,876	34,876	34,876	-
Investment income (loss)	7,430	7,430	(24,004)	(31,434)
Total revenues	<u>2,672,582</u>	<u>2,672,582</u>	<u>2,641,148</u>	<u>(31,434)</u>
Expenditures				
Current:				
Community Services	<u>2,156,590</u>	<u>2,325,467</u>	<u>1,561,986</u>	<u>763,481</u>
Total expenditures	<u>2,156,590</u>	<u>2,325,467</u>	<u>1,561,986</u>	<u>763,481</u>
Net change in fund balance	515,992	347,115	1,079,162	732,047
Fund balances (deficit), beginning of year	<u>2,398,406</u>	<u>2,398,406</u>	<u>2,398,406</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ 2,914,398</u>	<u>\$ 2,745,521</u>	<u>\$ 3,477,568</u>	<u>\$ 732,047</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
PROPOSITION C LOCAL RETURN SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 1,950,320	\$ 1,950,320	\$ 1,950,320	\$ -
Investment income (loss)	8,229	8,229	(26,584)	(34,813)
Total revenues	<u>1,958,549</u>	<u>1,958,549</u>	<u>1,923,736</u>	<u>(34,813)</u>
Expenditures				
Current:				
Community Services	296,080	1,983,089	1,378,819	604,270
Total expenditures	<u>296,080</u>	<u>1,983,089</u>	<u>1,378,819</u>	<u>604,270</u>
Net change in fund balance	1,662,469	(24,540)	544,917	569,457
Fund balances (deficit), beginning of year	<u>2,819,839</u>	<u>2,819,839</u>	<u>2,819,839</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ 4,482,308</u>	<u>\$ 2,795,299</u>	<u>\$ 3,364,756</u>	<u>\$ 569,457</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
AIR QUALITY IMPROVEMENT SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 118,467	\$ 118,467	\$ 118,467	\$ -
Investment income (loss)	1,220	1,220	(3,942)	(5,162)
Total revenues	<u>119,687</u>	<u>119,687</u>	<u>114,525</u>	<u>(5,162)</u>
Expenditures				
Current:				
Community Services	16,000	16,000	592	15,408
Capital improvement programs	458,109	838,845	211,061	627,784
Total expenditures	<u>474,109</u>	<u>854,845</u>	<u>211,653</u>	<u>643,192</u>
Net change in fund balance	(354,422)	(735,158)	(97,128)	638,030
Fund balances (deficit), beginning of year	<u>536,690</u>	<u>536,690</u>	<u>536,690</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ 182,268</u>	<u>\$ (198,468)</u>	<u>\$ 439,562</u>	<u>\$ 638,030</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
CAPITAL ASSET REPLACEMENT SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Investment income (loss)	\$ 320	\$ 320	\$ (1,033)	\$ (1,353)
Total revenues	<u>320</u>	<u>320</u>	<u>(1,033)</u>	<u>(1,353)</u>
Expenditures				
Current:				
General Government	-	-	-	-
Community Development	-	-	-	-
Public Works	-	-	-	-
Community Services	-	-	-	-
Capital improvement programs	503,827	793,491	362,578	430,913
Total expenditures	<u>503,827</u>	<u>793,491</u>	<u>362,578</u>	<u>430,913</u>
Excess (deficiency) of revenues over expenditures	<u>(503,507)</u>	<u>(793,171)</u>	<u>(363,611)</u>	<u>(432,266)</u>
Net change in fund balance	(503,507)	(793,171)	(363,611)	429,560
Fund balances (deficit), beginning of year	518,205	518,205	518,205	-
Fund balances (deficit), end of year	<u>\$ 14,698</u>	<u>\$ (274,966)</u>	<u>\$ 154,594</u>	<u>\$ 429,560</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
MEASURE R SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 1,462,504	\$ 1,462,504	\$ 1,462,504	\$ -
Investment income (loss)	3,300	3,300	(10,662)	(13,962)
Total revenues	<u>1,465,804</u>	<u>1,465,804</u>	<u>1,451,842</u>	<u>(13,962)</u>
Expenditures				
Current:				
Public Works	-	-	130,227	(130,227)
Community Services	-	-	52	(52)
Capital improvement programs	<u>2,700,000</u>	<u>5,967,007</u>	<u>1,792,286</u>	<u>4,174,721</u>
Total expenditures	<u>2,700,000</u>	<u>5,967,007</u>	<u>1,922,565</u>	<u>4,044,442</u>
Excess (deficiency) of revenues over expenditures	<u>(1,234,196)</u>	<u>(4,501,203)</u>	<u>(470,723)</u>	<u>(4,058,404)</u>
Other Financing Sources				
Transfers out	-	-	(600,900)	(600,900)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(600,900)</u>	<u>(600,900)</u>
Net change in fund balance	(1,234,196)	(4,501,203)	(1,071,623)	3,429,580
Fund balances (deficit), beginning of year	<u>2,354,911</u>	<u>2,354,911</u>	<u>2,354,911</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ 1,120,715</u>	<u>\$ (2,146,292)</u>	<u>\$ 1,283,288</u>	<u>\$ 3,429,580</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 RESTRICTED ADMINISTRATIVE TOW FEE SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Licenses and permits	\$ 33,600	\$ 33,600	\$ 33,600	\$ -
Investment income (loss)	316	316	(1,021)	(1,337)
Total revenues	<u>33,916</u>	<u>33,916</u>	<u>32,579</u>	<u>(1,337)</u>
Expenditures				
Current:				
Public Works	2,000	2,000	-	2,000
Community Services	60,112	60,112	13,911	46,201
Capital improvement programs	73,000	73,000	-	73,000
Total expenditures	<u>135,112</u>	<u>135,112</u>	<u>13,911</u>	<u>121,201</u>
Net change in fund balance	(101,196)	(101,196)	18,668	119,864
Fund balances (deficit), beginning of year	<u>131,165</u>	<u>131,165</u>	<u>131,165</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ 29,969</u>	<u>\$ 29,969</u>	<u>\$ 149,833</u>	<u>\$ 119,864</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
YOUTH SERVICES PROGRAM SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Investment income (loss)	\$ 105	\$ 105	\$ (340)	\$ (445)
Total revenues	<u>105</u>	<u>105</u>	<u>(340)</u>	<u>(445)</u>
Expenditures				
Current:				
General Government	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	105	105	(340)	(445)
Fund balances (deficit), beginning of year	<u>51,232</u>	<u>51,232</u>	<u>51,232</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ 51,337</u>	<u>\$ 51,337</u>	<u>\$ 50,892</u>	<u>\$ (445)</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
CITY SPECIAL EVENTS SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for services	\$ 69,405	\$ 69,405	\$ 69,405	\$ -
Total revenues	<u>69,405</u>	<u>69,405</u>	<u>69,405</u>	<u>-</u>
Expenditures				
Current:				
General Government	257,952	257,952	220,348	37,604
Total expenditures	<u>257,952</u>	<u>257,952</u>	<u>220,348</u>	<u>37,604</u>
Excess (deficiency) of revenues over expenditures	<u>(188,547)</u>	<u>(188,547)</u>	<u>(150,943)</u>	<u>(37,604)</u>
Other Financing Sources				
Transfers in	-	-	150,968	150,968
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>150,968</u>	<u>150,968</u>
Net change in fund balance	(188,547)	(188,547)	25	188,572
Fund balances (deficit), beginning of year	<u>(43)</u>	<u>(43)</u>	<u>(43)</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ (188,590)</u>	<u>\$ (188,590)</u>	<u>\$ (18)</u>	<u>\$ 188,572</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
MTA CALL FOR PROJECTS SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 211,738	\$ 211,738	\$ 211,738	\$ -
Total revenues	<u>211,738</u>	<u>211,738</u>	<u>211,738</u>	<u>-</u>
Expenditures				
Capital improvement programs	1,495,902	2,662,125	130,470	2,531,655
Total expenditures	<u>1,495,902</u>	<u>2,662,125</u>	<u>130,470</u>	<u>2,531,655</u>
Net change in fund balance	(1,284,164)	(2,450,387)	81,268	2,531,655
Fund balances (deficit), beginning of year	<u>560,590</u>	<u>560,590</u>	<u>560,590</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ (723,574)</u>	<u>\$ (1,889,797)</u>	<u>\$ 641,858</u>	<u>\$ 2,531,655</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
PARK DEVELOPMENT SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Investment income (loss)	\$ 7,920	\$ 7,920	\$ (25,584)	\$ (33,504)
Total revenues	<u>7,920</u>	<u>7,920</u>	<u>(25,584)</u>	<u>(33,504)</u>
Expenditures				
Current:				
Community Development	-	245,940	186,995	58,945
Capital improvement programs	4,000,318	3,754,378	4,993	3,749,385
Total expenditures	<u>4,000,318</u>	<u>4,000,318</u>	<u>191,988</u>	<u>3,808,330</u>
Net change in fund balance	(3,992,398)	(3,992,398)	(217,572)	3,774,826
Fund balances (deficit), beginning of year	<u>4,019,529</u>	<u>4,019,529</u>	<u>4,019,529</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ 27,131</u>	<u>\$ 27,131</u>	<u>\$ 3,801,957</u>	<u>\$ 3,774,826</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
LOS ANGELES COUNTY PARK DISTRICT SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 338,901	\$ 338,901	\$ 338,901	\$ -
Investment income (loss)	1,147	1,147	(3,704)	(4,851)
Total revenues	<u>340,048</u>	<u>340,048</u>	<u>335,197</u>	<u>(4,851)</u>
Expenditures				
Current:				
General Government	-	-	-	-
Public Works	450,000	450,000	-	450,000
Capital improvement programs	-	450,000	-	450,000
Total expenditures	<u>450,000</u>	<u>900,000</u>	<u>-</u>	<u>900,000</u>
Net change in fund balance	(109,952)	(559,952)	335,197	895,149
Fund balances (deficit), beginning of year	<u>(256,444)</u>	<u>(256,444)</u>	<u>(256,444)</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ (366,396)</u>	<u>\$ (816,396)</u>	<u>\$ 78,753</u>	<u>\$ 895,149</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 BEVERAGE CONTAINER RECYCLING SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 23,112	\$ 23,112	\$ 23,112	\$ -
Total revenues	<u>23,112</u>	<u>23,112</u>	<u>23,112</u>	<u>-</u>
Expenditures				
Current:				
Public Works	23,112	23,112	-	23,112
Total expenditures	<u>23,112</u>	<u>23,112</u>	<u>-</u>	<u>23,112</u>
Net change in fund balance	-	-	23,112	23,112
Fund balances (deficit), beginning of year	10,035	10,035	10,035	-
Fund balances (deficit), end of year	<u>\$ 10,035</u>	<u>\$ 10,035</u>	<u>\$ 33,147</u>	<u>\$ 23,112</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
STATE COPS GRANT SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 227,112	\$ 227,112	\$ 227,112	\$ -
Investment income (loss)	873	873	(2,820)	(3,693)
Total revenues	<u>227,985</u>	<u>227,985</u>	<u>224,292</u>	<u>(3,693)</u>
Expenditures				
Current:				
Community Services	145,000	145,000	145,000	-
Total expenditures	<u>145,000</u>	<u>145,000</u>	<u>145,000</u>	<u>-</u>
Net change in fund balance	82,985	82,985	79,292	(3,693)
Fund balances (deficit), beginning of year	<u>342,896</u>	<u>342,896</u>	<u>342,896</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ 425,881</u>	<u>\$ 425,881</u>	<u>\$ 422,188</u>	<u>\$ (3,693)</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
USED OIL STATE GRANT SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ (12,631)	\$ (12,631)	\$ 12,573	\$ 25,204
Total revenues	<u>(12,631)</u>	<u>(12,631)</u>	<u>12,573</u>	<u>25,204</u>
Expenditures				
Current:				
Public Works	43,204	43,204	35,828	7,376
Total expenditures	<u>43,204</u>	<u>43,204</u>	<u>35,828</u>	<u>7,376</u>
Net change in fund balance	(75,835)	(75,835)	(23,255)	52,580
Fund balances (deficit), beginning of year	44,748	44,748	44,748	-
Fund balances (deficit), end of year	<u>\$ (31,087)</u>	<u>\$ (31,087)</u>	<u>\$ 21,493</u>	<u>\$ 52,580</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FAMILY SUPPORT GRANT SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 48,510	\$ 48,510	\$ 48,510	\$ -
Total revenues	<u>48,510</u>	<u>48,510</u>	<u>48,510</u>	<u>-</u>
Expenditures				
Current:				
Community Services	3,150	3,150	44,133	(40,983)
Total expenditures	<u>3,150</u>	<u>3,150</u>	<u>44,133</u>	<u>(40,983)</u>
Excess (deficiency) of revenues				
Net change in fund balance	45,360	45,360	4,377	(40,983)
Fund balances (deficit), beginning of year	<u>(4,925)</u>	<u>(4,925)</u>	<u>(4,925)</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ 40,435</u>	<u>\$ 40,435</u>	<u>\$ (548)</u>	<u>\$ (40,983)</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
HOME GRANT SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Investment income (loss)	\$ 158,489	\$ 158,489	\$ 158,489	\$ -
Total revenues	<u>158,489</u>	<u>158,489</u>	<u>158,489</u>	<u>-</u>
Expenditures				
Current:				
Community Development	50,000	50,000	-	50,000
Total expenditures	<u>50,000</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Net change in fund balance	108,489	108,489	158,489	50,000
Fund balances (deficit), beginning of year	<u>(158,198)</u>	<u>(158,198)</u>	<u>(158,198)</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ (49,709)</u>	<u>\$ (49,709)</u>	<u>\$ 291</u>	<u>\$ 50,000</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 853,418	\$ 853,418	\$ 853,418	\$ -
Miscellaneous	40,527	40,527	40,527	-
Total revenues	<u>893,945</u>	<u>893,945</u>	<u>893,945</u>	<u>-</u>
Expenditures				
Current:				
Community Development	2,104,328	3,408,590	906,179	2,502,411
Total expenditures	<u>2,104,328</u>	<u>3,408,590</u>	<u>906,179</u>	<u>2,502,411</u>
Excess (deficiency) of revenues over expenditures	<u>(1,210,383)</u>	<u>(2,514,645)</u>	<u>(12,234)</u>	<u>(2,502,411)</u>
Other Financing Sources				
Transfers in	-	-	6,775	6,775
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>6,775</u>	<u>6,775</u>
Net change in fund balance	(1,210,383)	(2,514,645)	(5,459)	2,509,186
Fund balances (deficit), beginning of year	<u>(137,458)</u>	<u>(137,458)</u>	<u>(137,458)</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ (1,347,841)</u>	<u>\$ (2,652,103)</u>	<u>\$ (142,917)</u>	<u>\$ 2,509,186</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FEDERAL HIGHWAY PLANNING GRANT SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Capital improvement programs	\$ -	\$ 203,042	\$ 113,914	\$ 89,128
Total expenditures	<u>-</u>	<u>203,042</u>	<u>113,914</u>	<u>89,128</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(203,042)</u>	<u>(113,914)</u>	<u>(89,128)</u>
Other Financing Sources				
Transfers out	-	-	(7,741)	(7,741)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(7,741)</u>	<u>(7,741)</u>
Net change in fund balance	-	(203,042)	(121,655)	81,387
Fund balances (deficit), beginning of year	<u>(397,893)</u>	<u>(397,893)</u>	<u>(397,893)</u>	<u>-</u>
Fund balances (deficit), end of year	<u><u>\$ (397,893)</u></u>	<u><u>\$ (600,935)</u></u>	<u><u>\$ (519,548)</u></u>	<u><u>\$ 81,387</u></u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 NEIGHBORHOOD STABILIZATION PROGRAM GRANT SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Investment income (loss)	\$ 686	\$ 686	\$ (2,215)	\$ (2,901)
Total revenues	<u>686</u>	<u>686</u>	<u>(2,215)</u>	<u>(2,901)</u>
Expenditures				
Current:				
General Government	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>686</u>	<u>686</u>	<u>(2,215)</u>	<u>(2,901)</u>
Net change in fund balance	686	686	(2,215)	(2,901)
Fund balances (deficit), beginning of year	<u>333,772</u>	<u>333,772</u>	<u>333,772</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ 334,458</u>	<u>\$ 334,458</u>	<u>\$ 331,557</u>	<u>\$ (2,901)</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FACILITIES MAINTENANCE SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for services	\$ 34,885	\$ 34,885	\$ 34,885	\$ -
Investment income (loss)	239	239	(773)	(1,012)
Total revenues	<u>35,124</u>	<u>35,124</u>	<u>34,112</u>	<u>(1,012)</u>
Expenditures				
Capital improvement programs	131,758	131,758	51,704	80,054
Total expenditures	<u>131,758</u>	<u>131,758</u>	<u>51,704</u>	<u>80,054</u>
Net change in fund balance	(96,634)	(96,634)	(17,592)	79,042
Fund balances (deficit), beginning of year	<u>133,256</u>	<u>133,256</u>	<u>133,256</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ 36,622</u>	<u>\$ 36,622</u>	<u>\$ 115,664</u>	<u>\$ 79,042</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
LOAD SHED PROGRAM SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Investment income (loss)	\$ 1,016	\$ 1,016	\$ (3,283)	\$ (4,299)
Miscellaneous	2,636,292	2,636,292	2,636,292	-
Total revenues	<u>2,637,308</u>	<u>2,637,308</u>	<u>2,633,009</u>	<u>(4,299)</u>
Expenditures				
Current:				
General Government	(1)	(1)	-	(1)
Capital improvement programs	502,122	6,189,530	3,832,857	2,356,673
Total expenditures	<u>502,121</u>	<u>6,189,529</u>	<u>3,832,857</u>	<u>2,356,672</u>
Net change in fund balance	2,135,187	(3,552,221)	(1,199,848)	2,352,373
Fund balances, beginning of year	<u>6,493,508</u>	<u>6,493,508</u>	<u>6,493,508</u>	<u>-</u>
Fund balances, end of year	<u>\$ 8,628,695</u>	<u>\$ 2,941,287</u>	<u>\$ 5,293,660</u>	<u>\$ 2,352,373</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 PUBLIC EDUCATION AND GOVERNMENT ACCESS (PEG) SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 105,384	\$ 105,384	\$ 105,384	\$ -
Investment income (loss)	662	662	(2,137)	(2,799)
Total revenues	<u>106,046</u>	<u>106,046</u>	<u>103,247</u>	<u>(2,799)</u>
Expenditures				
Current:				
General Government	350,000	350,000	289,720	60,280
Total expenditures	<u>350,000</u>	<u>350,000</u>	<u>289,720</u>	<u>60,280</u>
Excess (deficiency) of revenues over expenditures	<u>(243,954)</u>	<u>(243,954)</u>	<u>(186,473)</u>	<u>(63,079)</u>
Other Financing Sources				
Transfers in	-	-	104,774	104,774
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>104,774</u>	<u>104,774</u>
Net change in fund balance	(243,954)	(243,954)	(81,699)	162,255
Fund balances (deficit), beginning of year	<u>346,633</u>	<u>346,633</u>	<u>346,633</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ 102,679</u>	<u>\$ 102,679</u>	<u>\$ 264,934</u>	<u>\$ 162,255</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
RAISED MEDIAN IN-LIEU SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Investment income (loss)	\$ 771	\$ 771	\$ (2,490)	\$ (3,261)
Total revenues	<u>771</u>	<u>771</u>	<u>(2,490)</u>	<u>(3,261)</u>
Expenditures				
Current:				
General Government	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	771	771	(2,490)	(3,261)
Fund balances (deficit), beginning of year	<u>375,214</u>	<u>375,214</u>	<u>375,214</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ 375,985</u>	<u>\$ 375,985</u>	<u>\$ 372,724</u>	<u>\$ (3,261)</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
DEVELOPMENT IMPACT FEES SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues				
Investment income (loss)	\$ 18,416	\$ 18,416	\$ (59,490)	\$ (77,906)
Developer impact fee	3,441,038	3,441,038	3,441,038	-
Total revenues	<u>3,459,454</u>	<u>3,459,454</u>	<u>3,381,548</u>	<u>(77,906)</u>
Expenditures				
Current:				
Public Works	100,000	100,000	24,228	75,772
Capital improvement programs	5,463,307	5,948,576	-	5,948,576
Total expenditures	<u>5,563,307</u>	<u>6,048,576</u>	<u>24,228</u>	<u>6,024,348</u>
Excess (deficiency) of revenues over expenditures	<u>(2,103,853)</u>	<u>(2,589,122)</u>	<u>3,357,320</u>	<u>(6,102,254)</u>
Net change in fund balance	(2,103,853)	(2,589,122)	3,357,320	5,946,442
Fund balances (deficit), beginning of year	<u>6,072,307</u>	<u>6,072,307</u>	<u>6,072,307</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ 3,968,454</u>	<u>\$ 3,483,185</u>	<u>\$ 9,429,627</u>	<u>\$ 5,946,442</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
UTILITY UNDERGROUND IN-LIEU SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Investment income (loss)	\$ 1,466	\$ 1,466	\$ (4,737)	\$ (6,203)
Total revenues	<u>1,466</u>	<u>1,466</u>	<u>(4,737)</u>	<u>(6,203)</u>
Expenditures				
Current:				
General Government	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance	1,466	1,466	(4,737)	(6,203)
Fund balances (deficit), beginning of year	<u>713,793</u>	<u>713,793</u>	<u>713,793</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ 715,259</u>	<u>\$ 715,259</u>	<u>\$ 709,056</u>	<u>\$ (6,203)</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
SBI SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 1,858,556	\$ 1,858,556	\$ 1,858,556	\$ -
Investment income (loss)	8,755	8,755	(28,282)	(37,037)
Total revenues	<u>1,867,311</u>	<u>1,867,311</u>	<u>1,830,274</u>	<u>(37,037)</u>
Expenditures				
Capital improvement programs	2,508,652	2,993,219	938,701	2,054,518
Total expenditures	<u>2,508,652</u>	<u>2,993,219</u>	<u>938,701</u>	<u>2,054,518</u>
Net change in fund balance	(641,341)	(1,125,908)	891,573	2,017,481
Fund balances (deficit), beginning of year	<u>3,384,285</u>	<u>3,384,285</u>	<u>3,384,285</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ 2,742,944</u>	<u>\$ 2,258,377</u>	<u>\$ 4,275,858</u>	<u>\$ 2,017,481</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
MEASURE M SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 1,654,991	\$ 1,654,991	\$ 1,654,991	\$ -
Investment income (loss)	4,941	4,941	(15,959)	(20,900)
Total revenues	<u>1,659,932</u>	<u>1,659,932</u>	<u>1,639,032</u>	<u>(20,900)</u>
Expenditures				
Current:				
Public Works	2,774	191,898	1,473	190,425
Capital improvement programs	1,240,938	4,922,583	195,190	4,727,393
Total expenditures	<u>1,243,712</u>	<u>5,114,481</u>	<u>196,663</u>	<u>4,917,818</u>
Excess (deficiency) of revenues over expenditures	<u>416,220</u>	<u>(3,454,549)</u>	<u>1,442,369</u>	<u>(4,938,718)</u>
Other Financing Sources				
Transfers out	(801,000)	(801,000)	(1,000,300)	(199,300)
Total other financing sources (uses)	<u>(801,000)</u>	<u>(801,000)</u>	<u>(1,000,300)</u>	<u>(199,300)</u>
Net change in fund balance	(384,780)	(4,255,549)	442,069	4,697,618
Fund balances (deficit), beginning of year	<u>1,986,744</u>	<u>1,986,744</u>	<u>1,986,744</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ 1,601,964</u>	<u>\$ (2,268,805)</u>	<u>\$ 2,428,813</u>	<u>\$ 4,697,618</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
MEASURE R SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ -	\$ 73,319	\$ 73,319
Total revenues	<u>-</u>	<u>-</u>	<u>73,319</u>	<u>73,319</u>
Expenditures				
Current:				
Community Development	-	1,449,305	146,898	1,302,407
Total expenditures	<u>-</u>	<u>1,449,305</u>	<u>146,898</u>	<u>1,302,407</u>
Net change in fund balance	-	(1,449,305)	(73,579)	1,375,726
Fund balances (deficit), beginning of year	<u>(36,207)</u>	<u>(36,207)</u>	<u>(36,207)</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ (36,207)</u>	<u>\$ (1,485,512)</u>	<u>\$ (109,786)</u>	<u>\$ 1,375,726</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
COMMUNITY FACILITIES DISTRICT SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 150,374	\$ 150,374	\$ 150,374	\$ -
Investment income (loss)	605	605	(1,953)	(2,558)
Miscellaneous	17,507	17,507	17,507	-
Total revenues	<u>168,486</u>	<u>168,486</u>	<u>165,928</u>	<u>(2,558)</u>
Expenditures				
Current:				
General Government	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>168,486</u>	<u>168,486</u>	<u>165,928</u>	<u>(2,558)</u>
Net change in fund balance	168,486	168,486	165,928	(2,558)
Fund balances (deficit), beginning of year	<u>80,774</u>	<u>80,774</u>	<u>80,774</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ 249,260</u>	<u>\$ 249,260</u>	<u>\$ 246,702</u>	<u>\$ (2,558)</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
CARSON STORMWATER SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 2,193,131	\$ 2,193,131	\$ 2,193,131	\$ -
Investment income (loss)	6,532	6,532	(21,100)	(27,632)
Total revenues	<u>2,199,663</u>	<u>2,199,663</u>	<u>2,172,031</u>	<u>(27,632)</u>
Expenditures				
Capital improvement programs	1,125,000	2,486,932	296,198	2,190,734
Total expenditures	<u>1,125,000</u>	<u>2,486,932</u>	<u>296,198</u>	<u>2,190,734</u>
Excess (deficiency) of revenues over expenditures	<u>1,074,663</u>	<u>(287,269)</u>	<u>1,875,833</u>	<u>(2,218,366)</u>
Net change in fund balance	1,074,663	(287,269)	1,875,833	2,163,102
Fund balances (deficit), beginning of year	<u>1,268,012</u>	<u>1,268,012</u>	<u>1,268,012</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ 2,342,675</u>	<u>\$ 980,743</u>	<u>\$ 3,143,845</u>	<u>\$ 2,163,102</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
STATES GRANTS PROGRAM SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Current:				
Community Development	\$ -	\$ -	\$ 310,000	\$ (310,000)
Total expenditures	<u>-</u>	<u>-</u>	<u>310,000</u>	<u>(310,000)</u>
Net change in fund balance	-	-	(310,000)	(310,000)
Fund balances (deficit), beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (310,000)</u>	<u>\$ (310,000)</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 COOPERATION AGREEMENT BOND PROCEEDS SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Expenditures				
Capital improvement programs	\$ 1	\$ 225,000	\$ 56,349	\$ 168,651
Total expenditures	<u>1</u>	<u>225,000</u>	<u>56,349</u>	<u>168,651</u>
 Net change in fund balance	(1)	(225,000)	(56,349)	168,651
 Fund balances (deficit), beginning of year	2,328,888	2,328,888	2,328,888	-
Fund balances (deficit), end of year	<u>\$ 2,328,887</u>	<u>\$ 2,103,888</u>	<u>\$ 2,272,539</u>	<u>\$ 168,651</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
STATE CIP GRANTS SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Total revenues	-	-	-	-
Expenditures				
Total expenditures	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balances (deficit), beginning of year	30	30	30	-
Fund balances (deficit), end of year	\$ 30	\$ 30	\$ 30	\$ -

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
 MEASURE M PS&E AND CONSTRUCTION SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 172,730	\$ 172,730	\$ 172,730	\$ -
Total revenues	<u>172,730</u>	<u>172,730</u>	<u>172,730</u>	<u>-</u>
Expenditures				
Current:				
Community Development	-	60,244	380,985	(320,741)
Total expenditures	<u>-</u>	<u>60,244</u>	<u>380,985</u>	<u>(320,741)</u>
Excess (deficiency) of revenues over expenditures	<u>172,730</u>	<u>112,486</u>	<u>(208,255)</u>	<u>320,741</u>
Net change in fund balance	172,730	112,486	(208,255)	(320,741)
Fund balances (deficit), beginning of year	-	-	-	-
Fund balances (deficit), end of year	<u>\$ 172,730</u>	<u>\$ 112,486</u>	<u>\$ (208,255)</u>	<u>\$ (320,741)</u>

CITY OF CARSON

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
SB1383 SPECIAL REVENUE FUND

For the year ended June 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 130,217	\$ 130,217	\$ 130,217	\$ -
Investment income (loss)	267	267	(864)	(1,131)
Total revenues	<u>130,484</u>	<u>130,484</u>	<u>129,353</u>	<u>(1,131)</u>
Expenditures				
Current:				
General Government	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	<u>130,484</u>	<u>130,484</u>	<u>129,353</u>	<u>(1,131)</u>
Net change in fund balance	130,484	130,484	129,353	(1,131)
Fund balances (deficit), beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances (deficit), end of year	<u>\$ 130,484</u>	<u>\$ 130,484</u>	<u>\$ 129,353</u>	<u>\$ (1,131)</u>



CITY OF CARSON

Custodial Funds

The **Custodial Funds** are used to account for assets that are held in a custodial relationship for various individuals and private organizations.

A custodial fund is accounted for in essentially the same manner as governmental funds; however, its purpose is custodial in nature; the measurement of results is appropriate and similar to private-purpose trust funds.

The following custodial funds are funds deposited with the City by various individuals and private organizations:

The **Trust and Agency Fund** is used to account for money deposited to the City for the benefit of certain Organizations and individuals.

The **Wilmington Assessment District Fund** is used to account for the \$2.2 million Assessment District Limited Obligation Refunding Improvement Bonds, Series 1995. The bonds were used to finance the installations and construction of certain public improvements within the boundaries of the District. The City is in no way liable for the repayment of the bonds but is only acting as an agent for the property owners in collecting the assessments, forwarding the collections to bondholders and initiating foreclosure proceedings for the benefit of the bondholders.

The **Sepulveda Boulevard Assessment District Fund** is used to account for the \$13.1 million Limited Obligation Improvement Bonds, Series 1992. The bonds were used to finance the cost of certain street improvements. The City is in no way liable for repayment of the bonds but is only acting as an agent for the property owners in collecting the assessments, forwarding the collections to bondholders and initiating foreclosure proceedings for the benefit of the bondholders.

The **Dominquez Technology Center West Assessment District Fund** is used to account for the \$18.9 million Reassessment Revenue Refunding Bonds, Series 2019A. The bonds were used to finance the acquisition costs for improvements within the Assessment District, to establish the Reserve Fund and to pay the cost of issuing the bonds. The City is in no way liable for repayment of the bonds but is only acting as an agent for the property owners in collecting the assessments, forwarding the collections to bondholders and initiating foreclosure proceedings for the benefit of the bondholders.

CITY OF CARSON
 CUSTODIAL FUNDS
 COMBINING STATEMENT OF FIDUCIARY NET POSITION

June 30, 2022

	Trust and Agency	Wilmington Avenue Assessment District	Sepulveda Boulevard Assessment District	Dominquez Tech Center Assessment District	Total Custodial Funds
ASSETS:					
Cash and investments	\$ 3,230,767	\$ 787,092	\$ 364,645	\$ (32,495)	\$ 4,350,009
Cash and investments with fiscal agents	-	-	-	3,628,850	3,628,850
Other Taxes Receivable	-	-	-	461,572	461,572
Total assets	<u>3,230,767</u>	<u>787,092</u>	<u>364,645</u>	<u>4,057,927</u>	<u>8,440,431</u>
LIABILITIES:					
Refundable deposits and due to City	3,230,767	-	-	-	3,230,767
Total liabilities	<u>3,230,767</u>	<u>-</u>	<u>364,645</u>	<u>4,057,927</u>	<u>3,230,767</u>
FIDUCIARY NET POSITION:					
Held for private purpose	-	787,092	364,645	4,057,927	5,209,664
Total net position	<u>\$ -</u>	<u>\$ 787,092</u>	<u>\$ 364,645</u>	<u>\$ 4,057,927</u>	<u>\$ 5,209,664</u>

CITY OF CARSON
 CUSTODIAL FUNDS
 COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

For the year ended June 30, 2022

	Trust and Agency	Wilmington Avenue Assessment District	Sepulveda Boulevard Assessment District	Dominquez Tech Center Assessment District	Total
ADDITIONS:					
Property tax and other assessments	\$ -	\$ -	\$ -	\$ 4,350,778	\$ 4,350,778
Investment income (loss)	-	-	(2,864)	-	(2,864)
TOTAL ADDITIONS	<u>-</u>	<u>-</u>	<u>(2,864)</u>	<u>4,350,778</u>	<u>4,347,914</u>
DEDUCTIONS:					
General government	-	5,258	-	-	5,258
Property tax administration costs	-	-	5,126	-	5,126
Payment to bondholders	-	-	184,360	4,288,231	4,472,591
TOTAL DEDUCTIONS	<u>-</u>	<u>5,258</u>	<u>189,486</u>	<u>4,288,231</u>	<u>4,482,975</u>
CHANGE IN NET POSITION	-	(5,258)	(192,350)	62,547	(135,061)
NET POSITION - BEGINNING OF YEAR, AS RESTATED	<u>-</u>	<u>792,350</u>	<u>556,995</u>	<u>3,995,380</u>	<u>5,344,725</u>
NET POSITION - END OF YEAR	<u>\$ -</u>	<u>\$ 787,092</u>	<u>\$ 364,645</u>	<u>\$ 4,057,927</u>	<u>\$ 5,209,664</u>

STATISTICAL SECTION

(Not covered by Independent Auditor's Report)

**CITY OF CARSON, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT**



CITY OF CARSON

Description of Statistical Section

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

Contents

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

(This page intentionally left blank)

TABLE 1

CITY OF CARSON, CALIFORNIA
 Net Position By Component
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Invested in capital assets, net of accumulated depreciation and related debt	\$296,900,646	\$293,712,678	\$295,848,031	\$369,068,436	\$380,935,329	\$385,341,066	\$386,414,281	\$386,769,892	\$402,303,357	\$394,564,955
Restricted for:										
Economic development	-	-	-	-	758,063	460,782	353,012	382,053	333,772	331,557
Development services/public works	3,379,453	4,396,352	2,021,219	2,397,487	7,273,415	11,822,412	21,399,782	46,786,410	47,289,886	54,597,607
Low and moderate income housing	56,811,390	52,696,178	51,058,195	33,115,931	23,595,980	10,646,958	11,162,327	11,909,385	12,224,891	11,855,780
Public services	1,874,973	3,259,542	42,495,631	28,535,274	11,096,410	3,698,916	4,664,319	6,080,992	8,718,039	22,681,158
Unrestricted	<u>12,357,782</u>	<u>10,281,994</u>	<u>(64,190,834)</u>	<u>(75,486,338)</u>	<u>(82,118,193)</u>	<u>(111,097,624)</u>	<u>(106,831,996)</u>	<u>(132,071,581)</u>	<u>(119,871,136)</u>	<u>(55,879,322)</u>
Total governmental activities net assets	<u>\$371,324,244</u>	<u>\$364,346,744</u>	<u>\$327,232,242</u>	<u>\$357,630,790</u>	<u>\$341,541,004</u>	<u>\$300,872,510</u>	<u>\$317,161,725</u>	<u>\$319,857,151</u>	<u>\$350,998,809</u>	<u>\$428,151,735</u>

Source: City of Carson

TABLE 2

CITY OF CARSON, CALIFORNIA
 Changes in Net Position
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Expenses										
Governmental activities:										
General government	\$ 22,049,082	\$ 23,721,702	\$ 21,573,509	\$ 35,319,096	\$ 49,415,055	\$ 37,566,169	\$ 34,064,482	\$ 40,303,918	\$ 26,066,129	\$ 22,067,231
Public Safety						21,265,535	22,635,739	24,381,967	28,697,914	24,680,637
Community services	35,247,843	37,689,223	38,696,281	42,477,759	19,633,718	23,131,014	10,254,671	10,054,529	21,232,635	21,076,356
Development services/public works	15,799,718	18,736,498	22,492,218	19,819,103	20,204,915	19,520,884	18,843,054	19,134,477	13,644,261	17,294,653
Community development	32,878,975	19,125,990	11,951,040	12,330,080	21,436,486	17,823,301	17,524,467	17,925,723	6,239,238	13,245,928
Interest and other charges	-	-	-	-	-	-	-	449,073	4,354,424	3,912,905
Capital maintenance programs	2,031,237	-	301,315	-	-	-	-	-	-	-
Interfund reimbursement	-	-	-	-	-	-	-	-	-	-
Total governmental activities expenses	<u>108,006,855</u>	<u>99,273,413</u>	<u>95,014,363</u>	<u>109,946,038</u>	<u>110,690,174</u>	<u>119,306,903</u>	<u>103,322,413</u>	<u>112,249,687</u>	<u>100,234,601</u>	<u>102,277,710</u>
Business-type activity:										
Reclamation Authority	-	-	-	-	-	-	-	-	-	-
Total business-type activity expenses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government expenses	<u>\$108,006,855</u>	<u>\$ 99,273,413</u>	<u>\$ 95,014,363</u>	<u>\$109,946,038</u>	<u>\$110,690,174</u>	<u>\$119,306,903</u>	<u>\$103,322,413</u>	<u>\$112,249,687</u>	<u>\$ 100,234,601</u>	<u>\$ 102,277,710</u>
Program Revenues:										
Governmental activities:										
Charges for services	\$ 12,137,769	\$ 13,040,956	\$ 13,876,288	\$ 13,725,032	\$ 14,425,776	\$ 19,617,597	\$ 21,244,520	\$ 14,529,229	\$ 11,603,061	\$ 17,075,778
Operating contributions and grants	12,895,134	13,096,789	13,457,894	11,159,230	13,900,254	12,939,593	11,115,977	11,324,884	11,409,044	30,659,237
Capital contributions and grants	489,800	1,871,566	2,733,035	1,335,164	255,576	1,199,345	8,632,654	8,860,450	4,811,802	5,871,113
Total governmental activities program revenues	<u>25,522,703</u>	<u>28,009,311</u>	<u>30,067,217</u>	<u>26,219,426</u>	<u>28,581,606</u>	<u>33,756,535</u>	<u>40,993,151</u>	<u>34,714,563</u>	<u>27,823,907</u>	<u>53,606,128</u>
Business-type activity:										
Operating contributions and grants	-	-	-	-	-	-	-	-	-	-
Total business-type activity revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total primary government program revenues	<u>\$ 25,522,703</u>	<u>\$ 28,009,311</u>	<u>\$ 30,067,217</u>	<u>\$ 26,219,426</u>	<u>\$ 28,581,606</u>	<u>\$ 33,756,535</u>	<u>\$ 40,993,151</u>	<u>\$ 34,714,563</u>	<u>\$ 27,823,907</u>	<u>\$ 53,606,128</u>
Net (Expenses) Revenues										
Governmental activities	\$ (82,484,152)	\$ (71,264,102)	\$ (64,947,146)	\$ (83,726,612)	\$ (82,108,568)	\$ (85,550,368)	\$ (62,329,262)	\$ (77,534,854)	\$ (72,410,694)	\$ (48,671,583)
Business-type activity	-	-	-	-	-	-	-	-	-	-
Total primary government net (expense) revenues	<u>\$ (82,484,152)</u>	<u>\$ (71,264,102)</u>	<u>\$ (64,947,146)</u>	<u>\$ (83,726,612)</u>	<u>\$ (82,108,568)</u>	<u>\$ (85,550,368)</u>	<u>\$ (62,329,262)</u>	<u>\$ (77,534,854)</u>	<u>\$ (72,410,694)</u>	<u>\$ (48,671,583)</u>

(Continued)

TABLE 2

CITY OF CARSON, CALIFORNIA
Changes in Net Position (Continued)
Last Ten Fiscal Years
(Accrual Basis of Accounting)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes										
Property taxes	\$ 19,247,084	\$ 17,381,673	\$ 14,720,272	\$ 15,128,210	\$ 15,026,130	\$ 15,702,099	\$ 16,385,673	\$ 17,759,759	\$ 20,559,180	\$ 18,146,493
Sales taxes	25,187,734	23,668,795	21,820,128	25,364,057	24,721,304	24,439,171	28,554,425	28,473,022	30,133,399	47,018,045
Transient occupancy taxes	1,462,174	1,598,037	1,812,310	2,138,378	2,225,416	2,242,192	2,245,815	1,788,645	1,648,497	2,026,323
Franchise taxes	7,090,887	7,933,064	8,274,908	8,587,698	8,094,969	9,094,861	9,817,355	9,314,519	11,355,476	12,663,295
Admissions Tax	463,116	315,511	458,117	256,343	-	-	-	-	-	-
Utility users tax	7,495,997	9,284,071	8,135,144	6,754,075	7,030,672	8,129,186	7,892,486	7,458,906	8,670,112	11,828,914
Motor vehicle in lieu	-	-	-	-	-	-	-	-	-	-
Oil industry business tax	-	-	-	-	-	2,331,338	3,256,127	3,490,671	3,013,731	14,063,172
Motor vehicle license fee, unrestricted	50,405	41,716	40,296	37,584	42,108	49,309	45,024	74,083	68,289	105,953
Investment income	2,568,878	3,295,319	748,051	1,199,856	1,326,385	1,102,793	1,614,696	2,368,837	933,031	471,601
Gain on sale of land and building	-	-	-	-	-	-	-	-	23,767,689	7,292,712
Transfer from Successor Agency	-	-	40,271,017	-	-	-	-	-	8,720	-
Other revenue	938,422	768,416	2,161,737	3,699,275	7,551,798	15,217,121	7,895,876	7,085,251	3,394,228	12,208,002
Total governmental activities	<u>64,504,697</u>	<u>64,286,602</u>	<u>98,441,980</u>	<u>63,165,476</u>	<u>66,018,782</u>	<u>78,308,070</u>	<u>77,707,477</u>	<u>77,813,693</u>	<u>103,552,352</u>	<u>125,824,510</u>
Total primary government	<u>\$ 64,504,697</u>	<u>\$ 64,286,602</u>	<u>\$ 98,441,980</u>	<u>\$ 63,165,476</u>	<u>\$ 66,018,782</u>	<u>\$ 78,308,070</u>	<u>\$ 77,707,477</u>	<u>\$ 77,813,693</u>	<u>\$ 103,552,352</u>	<u>\$ 125,824,510</u>
Change in Net Position										
Governmental activities	\$ (17,979,455)	\$ (6,977,500)	\$ 33,494,834	\$ (20,561,136)	\$ (16,089,786)	\$ (7,242,298)	\$ 15,378,215	\$ 278,839	\$ 31,141,658	\$ 77,152,926
Business-type activity	-	-	-	-	-	-	-	-	-	-
Total primary government	<u>\$ (17,979,455)</u>	<u>\$ (6,977,500)</u>	<u>\$ 33,494,834</u>	<u>\$ (20,561,136)</u>	<u>\$ (16,089,786)</u>	<u>\$ (7,242,298)</u>	<u>\$ 15,378,215</u>	<u>\$ 278,839</u>	<u>\$ 31,141,658</u>	<u>\$ 77,152,926</u>

Source: City of Carson

TABLE 3

CITY OF CARSON, CALIFORNIA
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General fund										
Nonspendable	\$ 1,632,266	\$ 2,507,687	\$ 375,759	\$ 342,432	\$ 267,772	\$ 240,436	\$ 313,734	\$ 262,227	\$ 677,723	\$ 764,071
Restricted	2,484,398	1,760,551	1,760,710	1,431,403	250,000	250,000	683,361	2,262,501	2,262,501	2,262,501
Committed	20,409,123	20,957,808	18,583,716	16,710,504	15,324,165	15,324,165	15,324,165	15,324,165	15,324,165	15,324,165
Assigned	5,102,225	5,276,764	5,071,211	226,096	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Unassigned	6,739,998	5,875,509	1,775,796	-	2,121,065	18,405,368	27,850,152	26,335,503	40,134,685	88,507,157
	<u>36,368,010</u>	<u>36,378,319</u>	<u>27,567,192</u>	<u>18,710,435</u>	<u>18,963,002</u>	<u>35,219,969</u>	<u>45,171,412</u>	<u>45,184,396</u>	<u>59,399,074</u>	<u>107,857,894</u>
Housing Authority										
Nonspendable	8,146,939	6,640,174	8,046,694	-	-	-	-	-	-	-
Restricted	28,598,803	25,928,500	22,665,356	33,115,931	23,595,980	5,146,958	11,162,327	11,909,385	12,224,891	11,855,780
	<u>36,745,742</u>	<u>32,568,674</u>	<u>30,712,050</u>	<u>33,115,931</u>	<u>23,595,980</u>	<u>5,146,958</u>	<u>11,162,327</u>	<u>11,909,385</u>	<u>12,224,891</u>	<u>11,855,780</u>
American Rescue Plan Act 2 Fund										
Restricted										8,849,895
Measure M&R Local Street Projects Capital Projects Fund										
Nonspendable	-	-	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	22,604,831	22,606,028	22,618,860
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>22,604,831</u>	<u>22,606,028</u>	<u>22,618,860</u>
Proposition C Local Return Fund										
Restricted	-	-	-	-	-	-	-	-	-	-
Federal Highway Planning Grant Fund										
Unassigned	-	-	-	-	-	-	-	-	-	-
State CIP Grants Special Revenue Fund										
Unassigned	-	-	-	-	(2,067,793)	(1,491,505)	(1,495,784)	(87,705)	-	-
Nonmajor government funds										
Nonspendable										
Restricted	5,206,026	7,655,894	4,424,361	6,403,356	9,048,634	12,081,312	21,992,402	24,670,665	39,946,041	45,743,323
Assigned	1,015,107	693,941	494,123	-	-	-	-	-	-	-
Unassigned	(81,767)	(343,282)	(204,620)	(611,104)	(987,537)	(1,126,734)	(820,437)	(1,092,591)	(1,376,509)	(1,683,818)
	<u>6,139,366</u>	<u>8,006,553</u>	<u>4,713,864</u>	<u>5,792,252</u>	<u>8,061,097</u>	<u>10,954,578</u>	<u>21,171,965</u>	<u>23,578,074</u>	<u>38,569,532</u>	<u>44,059,505</u>
Total Government Funds	<u>\$ 79,253,118</u>	<u>\$ 76,953,546</u>	<u>\$103,085,567</u>	<u>\$ 82,489,565</u>	<u>\$ 57,952,397</u>	<u>\$ 52,109,182</u>	<u>\$ 78,597,678</u>	<u>\$105,633,451</u>	<u>\$135,128,413</u>	<u>\$195,241,934</u>

* Beginning Fiscal Year 2002/03, Debt Service Fund Balances are reported as part of the Special Revenue Funds

Source: City of Carson

TABLE 4

CITY OF CARSON, CALIFORNIA
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Taxes	\$ 63,743,453	\$ 63,049,509	\$ 58,206,650	\$ 63,052,429	\$ 62,101,246	\$ 69,045,441	\$ 76,782,091	\$ 76,273,100	\$ 83,353,898	\$115,419,511
Licenses and permits	5,733,199	6,157,526	6,306,253	7,273,620	7,295,475	11,321,941	9,517,560	7,847,382	7,101,475	8,413,677
Fines, forfeitures and penalties	2,013,571	1,976,961	1,987,718	1,588,678	1,821,718	1,710,330	1,542,202	1,502,207	1,315,833	1,560,652
Use of money and property	2,259,942	2,950,912	3,043,620	7,397,268	5,649,775	7,140,768	2,454,790	3,194,882	996,766	1,027,487
Intergovernmental	7,794,867	10,688,245	11,729,825	3,461,862	3,839,798	3,451,997	12,002,740	11,467,713	8,209,843	24,720,813
Charges for services	2,907,197	3,070,807	3,338,706	2,285,175	2,523,923	2,182,063	6,595,654	2,671,376	902,025	3,080,268
Charges to other funds	567,509	646,647	6,600	-	-	-	-	-	-	-
Developer Impact Fees	-	-	-	-	-	1,688,872	2,661,162	222,372	1,642,001	3,441,038
Contributions from property owners	-	-	-	-	-	-	-	2,262,501	-	-
Miscellaneous	4,698,626	3,755,306	3,618,808	4,341,491	7,749,126	15,845,145	8,662,499	5,070,474	4,161,925	12,384,133
Total revenues	\$ 89,718,364	\$ 92,295,913	\$ 88,238,180	\$ 89,400,523	\$ 90,981,061	\$112,386,557	\$120,218,698	\$ 110,512,007	\$107,683,766	\$170,047,579
Expenditures										
General government	20,120,174	22,042,126	21,922,895	29,956,664	40,590,297	24,702,999	27,882,251	140,644,643	22,528,366	23,499,138
Public Safety	-	-	-	-	-	21,265,535	22,635,739	24,381,967	25,224,443	25,774,588
Community services	33,994,074	35,461,405	37,126,200	37,723,099	17,632,443	24,794,115	5,932,648	7,797,334	5,277,637	20,247,175
Development services/public works	14,294,060	16,701,191	21,126,233	15,626,079	15,435,447	14,957,321	16,623,965	17,782,870	17,252,762	18,941,179
Community development	23,606,994	15,139,783	8,472,904	25,284,113	17,508,039	15,621,462	15,313,325	14,155,892	10,911,314	11,541,999
Debt Service	-	-	-	-	-	-	-	640,000	885,248	800,000
Bond principal	-	-	-	-	-	-	-	640,000	885,248	800,000
Bond interest	-	-	-	-	-	-	-	498,898	2,735,804	4,112,164
Other bond financing costs	-	-	-	-	-	-	-	1,251,282	199,800	-
Capital improvement programs	5,187,757	5,250,980	11,612,457	6,698,272	24,352,003	16,888,340	11,245,012	12,322,414	6,944,328	10,058,744
Interfund reimbursement	-	-	-	-	-	-	-	-	-	-
Total expenditures	\$ 97,203,059	\$ 94,595,485	\$100,260,689	\$115,288,227	\$115,518,229	\$118,229,772	\$ 99,632,940	\$ 219,475,300	\$ 91,959,702	\$114,974,987
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (7,484,695)	\$ (2,299,572)	\$ (12,022,509)	\$ (25,887,704)	\$ (24,537,168)	\$ (5,843,215)	\$ 20,585,758	\$ (108,963,293)	\$ 15,724,064	\$ 55,072,592
Other Financing Sources (Uses)										
Transfers in	1,566,581	1,063,673	43,249,253	145,757	3,554,443	896,866	985,871	1,289,342	1,927,187	1,864,683
Transfers out	(1,566,581)	(1,063,673)	(2,978,236)	(145,757)	(3,554,443)	(896,866)	(985,871)	(1,289,342)	(1,918,467)	(1,864,683)
Loan Proceeds	-	-	-	-	-	-	-	545,982	6,000,000	-
Bond Proceeds	-	-	-	-	-	-	-	126,850,000	127,817	-
Payment to escrow agent	-	-	-	-	-	-	-	3,974,720	-	-
Sale of land	-	-	-	-	-	-	402,738	2,211,777	5,305,473	7,369,817
Total other financing sources (uses)	\$ -	\$ -	\$ 40,271,017	\$ -	\$ -	\$ -	\$ 402,738	\$ 133,582,479	\$ 11,442,010	\$ 7,369,817
Net Change in Fund Balances	\$ (7,484,695)	\$ (2,299,572)	\$ 28,248,508	\$ (25,887,704)	\$ (24,537,168)	\$ (5,843,215)	\$ 20,988,496	\$ 24,619,186	\$ 27,166,074	\$ 62,442,409
Debt Service as a percentage of Noncapital expenditures	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.17%	4.71%	4.91%

Source: City of Carson

TABLE 5

CITY OF CARSON, CALIFORNIA
 General Governmental Revenues by Source
 Last Ten Fiscal Years

Year Ended	Property Tax	Sales Tax	Franchise Tax	Motor Vehicle License Fees	Utility ^ Users Tax	Interest Income on Investments	Business License Fees	Building Construction Permits	Federal Grants
2013	\$15,611,394	\$25,187,734 **	\$ 7,090,887	\$ 50,405	\$ 7,495,997	\$ 341,557	\$2,628,905	\$2,379,027	\$ 3,043,040
2014	14,182,112	23,668,796	7,933,064	41,716	9,284,071	716,643	2,546,608	2,899,460	3,269,370
2015	14,720,272	21,820,128	8,274,908	40,296	8,135,144	748,051	2,698,782	2,903,621	3,944,432
2016	15,128,210	25,364,057	8,587,699	37,584	6,754,075	1,199,856	2,791,431	3,835,990	2,773,613
2017	15,026,130	24,721,304	8,094,969	42,108	7,030,672	1,326,385	2,765,967	3,399,219	1,651,906
2018	15,702,099	24,439,717	9,094,861	49,309	8,129,186	1,102,793	2,915,618	6,926,822	1,270,698
2019	16,385,673	28,554,425	9,817,355	45,024	7,892,468	1,614,696	2,922,141	4,568,945	1,506,499
2020	17,759,759	28,483,022	9,314,519	74,083	7,458,906	2,368,837	2,861,020	3,608,186	848,555
2021	20,559,180	30,133,399	11,355,476	68,289	8,670,113	933,031	2,784,442	2,708,920	859,213
2022	18,146,493	43,214,964	12,663,295	105,953	11,828,914	480,590	2,921,771	4,284,106	18,884,483

** - Includes property taxes received in lieu of sales taxes.

Redevelopment Agency was dissolved on 2/1/2012 due to ABX 126. Property Tax allocation to the dissolved agency is limited to the State's approved Redevelopment Property Tax Trust Fund (RPTTF) money.

^ - Utility Users tax is a new revenue source beginning in fiscal year 2009-10.

Source: City of Carson

TABLE 6

CITY OF CARSON, CALIFORNIA
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands of dollars)

Fiscal Year Ended June 30	Entire City				Redevelopment Agency				Total Direct Tax Rate
	Secured	Unsecured	Less: Exemptions	Taxable Assessed Value	Secured	Unsecured	Less: Exemptions	Taxable Assessed Value	
2012	\$ 11,857,196	\$ 1,327,723	\$ (93,911)	\$ 13,091,009	\$ 3,451,606	\$ 562,904	\$ (16,037)	\$ 3,998,473	1.00%
2013	11,959,163	1,211,622	(92,535)	13,078,250	3,496,537	578,477	(16,017)	4,058,997	1.00%
2014	11,973,053	1,210,090	(91,719)	13,091,424	3,655,473	565,268	(15,913)	4,204,829	1.00%
2015	12,197,821	1,287,142	(90,395)	13,394,567	3,729,983	589,858	(15,825)	4,304,015	1.00%
2016	12,797,251	1,214,303	(89,369)	13,922,185	3,871,550	590,427	(15,651)	4,446,327	1.00%
2017	12,891,308	1,235,484	(87,813)	14,038,978	4,065,057	578,066	(15,351)	4,627,772	1.00%
2018	13,222,623	1,277,667	(86,807)	14,413,483	4,301,309	573,759	(15,254)	4,859,813	1.00%
2019	13,925,710	1,305,672	(85,831)	15,145,551	4,545,311	610,678	(15,276)	5,140,713	1.00%
2020	14,488,929	1,319,598	(84,931)	15,723,597	4,883,774	630,401	(15,211)	5,498,964	1.00%
2021	15,328,326	1,325,095	(83,206)	16,570,216	5,264,577	644,176	(14,949)	5,893,803	1.00%
2022	15,323,133	1,510,954	(82,281)	16,751,806	5,465,447	559,318	(14,802)	6,009,963	1.00%

Note:

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 a few exceptions, property is only re-assessed at the time that it is sold to a new owner. At that point, the new assessed value is re-assessed at the purchase price of the property sold. The 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 limitation described above.

Source: Los Angeles County Assessor's Office

TABLE 7

CITY OF CARSON, CALIFORNIA
 Direct and Overlapping Property Tax Rates
 (Rate per \$100 of assessed value)
 Last Ten Fiscal Years

	Fiscal Year										
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
City Direct Rates:											
City basic rate	<u>\$ 1.0000</u>	<u>\$ 1.0000</u>	<u>\$ 1.0000</u>	<u>\$ 1.0000</u>	<u>\$ 1.0000</u>	<u>\$ 1.0000</u>	<u>\$ 1.0000</u>	<u>\$ 1.0000</u>	<u>\$ 1.0000</u>	<u>\$ 1.0000</u>	<u>\$ 1.0000</u>
Total City Direct Rate	\$ 1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Overlapping Rates:											
County of Los Angeles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Community College	0.0353	0.0488	0.0445	0.0402	0.0358	0.0279	0.0460	0.0462	0.0272	0.0402	0.0438
Unified Schools	0.1682	0.1756	0.1464	0.1469	0.1297	0.1310	0.1222	0.1232	0.1255	0.1399	0.1132
Flood Control	-	-	-	-	-	-	-	-	-	-	-
Metropolitan Water District	<u>0.0037</u>	<u>0.0035</u>	<u>0.0035</u>	<u>0.0035</u>	<u>0.0035</u>	<u>0.0035</u>	<u>0.0035</u>	<u>0.0035</u>	<u>0.0035</u>	<u>0.0035</u>	<u>0.0035</u>
Total Direct Rate	<u>\$ 1.2072</u>	<u>\$ 1.2279</u>	<u>\$ 1.1944</u>	<u>\$ 1.1906</u>	<u>\$ 1.1690</u>	<u>\$ 1.1624</u>	<u>\$ 1.1717</u>	<u>\$ 1.1729</u>	<u>\$ 1.1562</u>	<u>\$ 1.1836</u>	<u>\$ 1.1605</u>

Note:

In 1978, California voters passed Proposition 13 which sets the property tax rate at a 1% fixed amount. This 1% is shared by all taxing agencies for which the subject property resides within. In addition to the 1% fixed amount, property owners are charged taxes as a percentage of assessed property values for the payment of various inter-governmental overlapping debt.

Source: Los Angeles County Assessor's Office

TABLE 8

CITY OF CARSON, CALIFORNIA
Principal Property Tax Payers
Current Year and Ten Years Ago

<u>Taxpayer</u>	<u>2022</u>		<u>2013</u>	
	<u>Taxable Assessed Value*</u>	<u>Percent of Total City Taxable Assessed Value</u>	<u>Taxable Assessed Value</u>	<u>Percent of Total City Taxable Assessed Value</u>
Tesoro Refining and Marketing Co.	\$ 1,557,733,039	9.25%	\$ 413,716,232	3.14%
Watson Partners LP	617,468,234	3.67%	284,106,000	2.16%
Gatx Tank Storage Terminals Corp.	294,917,485	1.75%	282,840,064	2.15%
Phillips 66 Company	276,718,882	1.64%	-	0.00%
Prologis	263,306,774	1.56%	-	0.00%
Watson Cogeneration Company	247,842,659	1.47%	-	0.00%
Equilon Enterprises LLC	156,627,423	0.93%	123,189,840	0.94%
Ineos Polupropylene LLC	152,054,114	0.90%	-	0.00%
Anschutz So. Cal. Sports Complex	148,266,048	0.88%	-	0.00%
Carson Dominguez Properties LP	131,189,045	0.78%	110,039,104	0.84%
BP West Coast Products	-	0.00%	1,807,126,683	13.72%
ConocoPhillips Co	-	0.00%	503,787,721	3.83%
Watson Land Company	-	0.00%	481,448,736	3.66%
General Mills Operations Inc	-	0.00%	162,655,382	1.23%
Home Depot Center Anshultz So Ca Sport	-	0.00%	121,767,019	0.92%
Rexford Industrial Realty LP	-	0.00%	-	0.00%
AMB Property LP	-	0.00%	-	0.00%
	<u>\$ 3,846,123,703</u>	<u>22.85%</u>	<u>\$ 4,290,676,781</u>	<u>32.58%</u>
Total City Taxable Assessed Value	<u>\$ 16,834,087,181</u>		<u>\$ 13,170,785,256</u>	

*The amounts shown include assessed value data for both the City and the Redevelopment Agency.

Source: Los Angeles County Assessor's Office

TABLE 9

CITY OF CARSON, CALIFORNIA
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percent of Levy		Amount	Percent of Levy
2013	\$ 33,825,963	\$ 32,062,885	94.79%	\$ 1,763,078	\$ 33,825,963	100.00%
2014	35,269,741	33,567,707	95.17%	1,702,033	35,269,741	100.00%
2015	36,104,610	35,622,156	98.66%	482,454	36,104,610	100.00%
2016	28,869,646	28,368,269	98.26%	501,377	28,869,646	100.00%
2017	41,886,952	41,297,617	98.59%	589,335	41,886,952	100.00%
2018	42,672,136	41,977,300	98.37%	694,836	42,672,136	100.00%
2019	46,915,395	46,483,736	99.08%	431,659	46,915,395	100.00%
2020	49,228,078	48,320,458	98.16%	907,620	49,228,078	100.00%
2021	42,709,869	41,996,685	98.33%	713,183	42,709,869	100.00%
2022	45,702,862	44,757,459	97.93%	945,402	45,702,862	100.00%

Note: The amounts presented include city property taxes and Redevelopment Agency tax increment. This schedule also includes amounts collected by the City and Redevelopment Agency that were passed-through to other agencies.

Source: Los Angeles County Auditor Controller

TABLE 10

CITY OF CARSON, CALIFORNIA
Direct and Overlapping Government Activities Debt
June 30, 2022

	Gross Bonded Debt	Exclusions	Net Bonded Debt City Share
Direct Debt			
City of Carson - 1915 Act Bonds	\$ 16,695,000	\$ 16,695,000	\$ -
Carson Redevelopment Agency	144,760,850	144,760,850	-
Total Direct Debt	<u>161,455,850</u>	<u>161,455,850</u>	<u>-</u>
Overlapping Debt-Repaid with Property Taxes			
Tax and Assessment Debt (NET)			310,907,481
General Fund Debt (NET)			<u>139,911,330</u>
Total Overlapping Debt-Repaid with Property Taxes			<u>450,818,811</u>
Total Direct and Overlapping Debt			<u>\$ 450,818,811</u>

Notes:

- (1) Direct debt exclusions represent bonds which are not general obligation bonds of the city and do not represent a claim against the General Fund revenues of the city.
- (2) Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. The net bonded debt estimates the portion of the outstanding debt of the overlapping governments that is borne by the residents and businesses of the city.

Source: California Municipal Statistics, Inc. and the City of Carson, Finance Division.

TABLE 11

CITY OF CARSON, CALIFORNIA
Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Debt limit - 15% of Total Assessed Value	\$ 1,993,415,963	\$ 1,997,340,573	\$ 2,041,875,290	\$ 2,120,679,259	\$ 2,136,224,221	\$ 2,195,617,201	\$ 2,308,062,352	\$ 2,395,334,829	\$ 2,520,936,517	\$ 2,548,174,951
Amount of debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 1,993,415,963	\$ 1,997,340,573	\$ 2,041,875,290	\$ 2,120,679,259	\$ 2,136,224,221	\$ 2,195,617,201	\$ 2,308,062,352	\$ 2,395,334,829	\$ 2,520,936,517	\$ 2,548,174,951
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Legal Debt Margin Calculation										
Assessed value	13,078,249,995	13,091,423,898	13,394,567,248	13,922,184,669	14,038,978,338	14,413,482,816	15,145,550,687	15,723,596,570	16,570,216,153	16,751,805,715
Add back: exempt real property	211,189,755	224,179,924	217,934,686	215,677,060	202,516,469	223,965,192	241,531,658	245,302,293	236,027,294	236,027,294
Total assessed value	\$13,289,439,750	\$13,315,603,822	\$13,612,501,934	\$14,137,861,729	\$14,241,494,807	\$14,637,448,008	\$15,387,082,345	\$15,968,898,863	\$16,806,243,447	\$16,987,833,009
Debt limit (15% of total assessed value)	\$ 1,993,415,963	\$ 1,997,340,573	\$ 2,041,875,290	\$ 2,120,679,259	\$ 2,136,224,221	\$ 2,195,617,201	\$ 2,308,062,352	\$ 2,395,334,829	\$ 2,520,936,517	\$ 2,548,174,951
Debt applicable to limit:										
General obligation bonds	-	-	-	-	-	-	-	-	-	-
Less: Amount set aside for repayment of general obligation debt	-	-	-	-	-	-	-	-	-	-
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 1,993,415,963	\$ 1,997,340,573	\$ 2,041,875,290	\$ 2,120,679,259	\$ 2,136,224,221	\$ 2,195,617,201	\$ 2,308,062,352	\$ 2,395,334,829	\$ 2,520,936,517	\$ 2,548,174,951

Note:

The City of Carson has no bonded debt.

The Carson Redevelopment Agency has

bonded debt (Tax Allocation)	\$ 180,870,863	\$ 172,352,100	\$ 165,799,234	\$ 211,804,234	\$ 204,552,229	\$ 193,647,229	\$ 183,839,972	\$ 172,760,124	\$ 198,589,930	\$ 144,760,850
------------------------------	----------------	----------------	----------------	----------------	----------------	----------------	----------------	----------------	----------------	----------------

Source: County of Los Angeles, Auditor-Controller/Disbursements/Tax Division and City of Carson, Finance Department.

TABLE 12

CITY OF CARSON, CALIFORNIA
Pledged-Revenue Coverage
Last Ten Fiscal Years

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Gross tax increment	\$31,286,630	\$32,204,166	\$31,827,881	\$33,543,626	\$37,287,260	\$36,644,470	\$45,406,959	\$43,471,213	\$49,847,252	\$46,146,690
Less Mandatory Costs:										
Admin & Pass-Thru	10,961,661	14,721,942	21,699,942	10,897,192	9,966,670	16,626,144	25,443,062	23,777,224	29,961,095	26,269,055
20% Housing Set aside	-	-	-	-	-	-	-	-	-	-
Total	10,961,661	14,721,942	21,699,942	10,897,192	9,966,670	16,626,144	25,443,062	23,777,224	29,961,095	26,269,055
Net tax increment	20,324,969	17,482,224	10,127,939	22,646,434	27,320,590	20,018,326	19,963,897	19,693,989	19,886,157	19,877,635
Debt service										
Principal	\$ 5,735,000	\$ 6,405,000	\$ 7,090,000	\$ 6,915,000	\$10,500,000	\$10,905,000	\$10,575,000	\$11,730,000	\$10,280,000	\$12,330,000
Interest	9,083,631	8,813,997	8,119,584	7,909,443	8,900,444	8,077,198	8,119,276	7,620,266	6,368,280	5,461,443
	<u>\$14,818,631</u>	<u>\$15,218,997</u>	<u>\$15,209,584</u>	<u>\$14,824,443</u>	<u>\$19,400,444</u>	<u>\$18,982,198</u>	<u>\$18,694,276</u>	<u>\$19,350,266</u>	<u>\$16,648,280</u>	<u>\$17,791,443</u>
Coverage	2.11	2.12	2.09	2.26	1.92	1.93	2.43	2.25	2.99	2.59

Note: The pledged tax increment revenues and the debt service payments refer to the City of Carson Redevelopment Agency.

Source City of Carson

TABLE 13

CITY OF CARSON, CALIFORNIA
Ratios of Total Net Direct Debt (In \$ Thousands) (Unaudited)
Last Ten Fiscal Years

Fiscal Year	Governmental Activities									Ratio of Total Net Direct Debt to Estimated Actual Value of Property	Total Net Direct Debt Per Capita	
	Measure M & R Bonds	Bond Premium	Pension Obligation Bonds	SCE Loan	Lease Purchase Obligation	Compensated Absences	Self-Insurance Claims	Right-of-Use Lease Liability	Total Direct Debt			
2013	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-	\$ -
2014	-	-	-	-	-	-	-	-	-	-	-	-
2015	-	-	-	-	-	-	-	-	-	-	-	-
2016	-	-	-	-	-	-	-	-	-	-	-	-
2017	-	-	-	-	-	-	-	-	-	-	-	-
2018	-	-	-	-	-	-	-	-	-	-	-	-
2019	-	-	-	-	-	-	-	-	-	-	-	-
2020	18,190,000	3,856,324	108,020,000	545,982	-	4,522,696	3,558,224	-	138,693,226	11.3%	1,513.00	
2021	17,420,000	3,759,423	108,020,000	558,551	6,000,000	4,713,410	3,651,708	219,684	144,342,776	11.5%	1,562.79	
2022	16,620,000	3,550,566	108,020,000	426,056	5,442,579	4,848,383	5,479,017	178,453	144,565,054	11.6%	1,545.57	

1 The City of Carson has no bonded debt prior to 2019 (Table 11)

2 Details regarding the City's Outstanding Debt and Obligations can be found in the Debt and Administration sections of the financial statements (p 17)

3 Ratios are calculated using estimated actual value of taxable property shown in the section of statistical information (Table 6)

4 Ratios are calculated using population data found in the Demographic and Economic section of the statistical information (Table 13)

Source: City of Carson Finance Department

TABLE 14
CITY OF CARSON, CALIFORNIA
 Demographic and Economic Statistics
 Last Ten Calendar Years

Calendar Year	Population (1)	Personal Income (in thousands) (2)	Per Capita Personal Income (2)	Unemployment Rate (3)
2012	92,196	\$ 2,198,598	\$ 23,847	9.4%
2013	92,636	2,174,352	23,472	7.7%
2014	92,677	2,185,972	23,587	10.6%
2015	93,993	2,184,434	23,240	8.6%
2016	93,674	2,250,827	24,028	6.8%
2017	93,799	2,336,518	24,909	5.8%
2018	93,604	2,431,970	25,981	4.9%
2019	93,108	2,578,048	27,688	4.8%
2020	91,668	2,692,494	29,372	13.6%
2021	92,362	2,814,953	30,477	9.9%
2022	93,535	3,045,873	32,564	6.7%

Sources: HDL Report

(1) State Department of Finance

(2) U.S. Bureau of Economic Analysis (data shown is for Los Angeles, CA)

(3) State of California Employment Development Department

TABLE 15

CITY OF CARSON, CALIFORNIA
Principal Employers
Current Year and Ten Years Ago

<u>Employer</u>	<u>2022</u>			<u>2013</u>		
	<u>Number of Employees</u> ⁽¹⁾	<u>Rank</u>	<u>Percent of Total City Employment</u>	<u>Number of Employees</u> ⁽¹⁾	<u>Rank</u>	<u>Percent of Total City Employment</u>
Marathon Refining Logistics Services	1,014	1	2.01%			
See's Candy Shops Inc.	625	2	1.24%	404	2	0.99%
Lakeshore Learning	530	3	1.05%			
Select Staffing	520	4	1.03%			
Natural History Museum of LA County	460	5	0.91%			
Pepsico Beverage Sales, LLC	353	6	0.70%			
Dermalogica	287	7	0.57%			
Mag Aerospace Industries	279	8	0.55%	377	4	0.92%
The Pepsi Bottling Group	270	9	0.53%	276	9	0.67%
Two Chefs On A Roll	270	10	0.53%			
Prime Wheel Corporation				417	1	1.02%
Huck International Inc				385	3	0.94%
Cedarlane Natural Foods Inc				302	5	0.74%
Sourcecorp Bps Inc				301	6	0.73%
General Mills Operations LLC				287	7	0.70%
Xerox Education Services Inc				278	8	0.68%
Pacific Bell				273	10	0.67%
Total	<u>4,608</u>		<u>9.12%</u>	<u>3,300</u>		<u>8.06%</u>
Total City Employment ⁽¹⁾	50,567			41,000		

Sources: (1) City of Carson

TABLE 16

CITY OF CARSON, CALIFORNIA
 Full-Time-Equivalent City Government Employees
 By Function/Workgroup
 Last Ten Fiscal years

Function/Workgroup	Full-Time-Equivalent Employees as of June 30									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General government										
City Council	3.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
City Attorney	-	-	-	-	-	-	-	-	-	-
City Clerk	4.00	4.00	4.00	4.00	4.00	4.00	6.00	6.00	4.00	5.00
City Treasurer	5.00	5.00	5.00	5.00	5.00	4.00	4.00	4.00	4.00	5.00
City Manager	20.00	20.00	21.00	26.00	26.00	38.00	41.00	41.00	42.00	57.00
Human Resources				11.00	11.00	11.00	11.00	11.00	11.00	13.00
Administrative services	46.00	44.00	44.00	34.00	33.00	31.00	32.00	32.00	32.00	33.00
Finance										
Public Works	136.00	131.00	133.00	130.00	131.00	114.00	130.00	130.00	130.00	135.00
Community Development	32.00	31.00	30.00	31.00	29.00	27.00	22.00	22.00	23.00	21.00
Community Services	84.00	88.00	88.00	88.00	82.00	63.00	65.00	65.00	67.00	71.00
Total	330.00	328.00	330.00	334.00	326.00	297.00	316.00	316.00	318.00	345.00

Source: City of Carson

Prior to 2016 Human Resources was listed with Administrative Services

TABLE 17
CITY OF CARSON, CALIFORNIA
 Operating Indicators
 By Workgroup
 Last Ten Fiscal years

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<u>Economic Development</u>										
Housing and Block Grant Division:										
Mobile home rehab grant applications received	35	23	30	29	24	30	25	15	8	8
Mobile home rehab grants (qualified)	23	20	21	20	11	9	11	9	3	3
Mobile home rehab grants (dollar value)	\$ 172,500	\$ 125,065	\$ 166,710	\$ 157,595	\$ 102,434	\$ 127,710	\$ 123,370	\$ 107,050	\$ 34,970	\$ 31,970
Single family rehab loan applications received	30	35	15	32	31	45	42	17	14	25
Single family rehab loans granted	20	23	8	24	18	37	11	9	3	15
Single family rehab loans granted (dollar value)	\$ 230,000	\$ 89,550	\$ 139,275	\$ 336,549	\$ 261,024	\$ 645,231	\$ 168,659	\$ 181,295	\$ 56,940	\$ 331,775
Mobile home rent control increases processed	11	7	6	7	-	12	12	10	15	53
Employment Development Division:										
Job applicants processed	25,232	35,035	35,261	5,883	N/A	N/A	N/A	N/A	N/A	N/A
Summer youth employees hired	13	125	120	95	N/A	N/A	N/A	N/A	N/A	N/A
Business Development Division:										
Business visitations conducted	12	30	25	12	N/A	N/A	N/A	N/A	N/A	N/A
Redevelopment Division:										
Development agreements negotiated	-	2	-	3	2	-	-	N/A	N/A	N/A
<u>Public Services</u>										
Graffiti Abatement Division:										
Service request completed	817	932	869	937	823	740	805	685	1,017	897
Square feet of graffiti removed by waterblast	26,156	23,243	19,862	21,256	18,599	17,540	19,079	50,000	62,000	N/A
Square feet of graffiti removed by painting over	153,734	178,017	179,445	206,895	181,723	163,396	204,145	390,000	407,000	N/A
Building and Landscape Maintenance Division:										
Service request completed	N/A	1,520	602	498	450	540	1,101	910	856	1,006
Vouchers issued	N/A	N/A	1	2	-	-	-	-	-	N/A

Source: City of Carson
 N/A - Not Available

TABLE 18
CITY OF CARSON, CALIFORNIA
 Capital Asset Statistics
 By Function
 Last Ten Fiscal years

	Fiscal Year									
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public Services:										
City square miles	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2	19.2
Parks acreage	147.8	147.8	147.8	147.8	147.8	147.8	147.8	147.8	147.8	147.8
Facilities square footage	320,004	320,004	320,004	320,004	320,004	320,004	320,004	320,004	320,004	320,004
Parks	12	12	12	12	12	12	12	12	12	12
Parks - mini	3	3	3	3	4	4	4	4	4	4
Sports Complex	1	1	1	1	1	1	1	1	1	1
Swimming pools	4	4	4	4	4	4	4	4	4	4
City Hall	1	1	1	1	1	1	1	1	1	1
Corporate yard	1	1	1	1	1	1	1	1	1	1 * note
Public Safety Services Center	1	1	1	1	1	1	1	1	1	1
Gymnasiums	3	3	3	3	4	4	4	4	4	4
Tennis courts	18	18	18	18	18	18	18	18	18	18
Basketball courts	28	28	28	28	28	28	28	28	28	28
Racquetball courts	8	8	8	8	8	8	8	8	8	8
Volleyball courts	4	4	4	4	4	4	4	4	4	4
Snack bars	10	10	10	10	10	10	10	10	10	10
Ornamental fountains	3	3	3	3	3	3	3	3	3	3
Flagpoles	17	17	17	17	17	17	17	17	17	17
Wading pools	4	4	4	4	0	0	0	0	0	0
Splash pads	0	0	0	0	1	1	1	1	1	1
Parking lots	23	23	23	23	23	23	23	23	23	23

Source: City of Carson

N/A - Not Available.

* note @2022 - City Corporate Yard moved to Main/Broadway.