

Annual Comprehensive Financial Report

FOR FISCAL YEAR ENDED
JUNE 30, 2024



City of Westminster,
California

CITY OF WESTMINSTER, CALIFORNIA
ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED JUNE 30, 2024

Prepared by: Finance Department

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**CITY OF WESTMINSTER, CALIFORNIA
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2024**

INTRODUCTORY SECTION

LETTER OF TRANSMITTAL	i
PRINCIPAL OFFICIALS	viii
ORGANIZATION CHART	ix
CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING	x

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT	1
MANAGEMENTS' DISCUSSION AND ANALYSIS – REQUIRED SUPPLEMENTARY INFORMATION	5
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
STATEMENT OF NET POSITION	21
STATEMENT OF ACTIVITIES	22
FUND FINANCIAL STATEMENTS	
GOVERNMENTAL FUNDS	
BALANCE SHEET	24
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION	27
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES	28
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	30
PROPRIETARY FUNDS	
STATEMENT OF NET POSITION	31
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	33
STATEMENT OF CASH FLOWS	34

**CITY OF WESTMINSTER, CALIFORNIA
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2024**

FIDUCIARY FUNDS	
STATEMENT OF FIDUCIARY NET POSITION	36
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION	37
NOTES TO FINANCIAL STATEMENTS	39
REQUIRED SUPPLEMENTARY INFORMATION	
CALPERS PENSION PLANS	
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY – SAFETY PLAN	102
SCHEDULE OF CONTRIBUTIONS – SAFETY PLAN	104
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS – MISCELLANEOUS PLAN	106
SCHEDULE OF CONTRIBUTIONS – MISCELLANEOUS PLAN	108
PARS PENSION PLAN	
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS	110
SCHEDULE OF CONTRIBUTIONS	112
OTHER POSTEMPLOYMENT BENEFITS PLAN	
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS	114
SCHEDULE OF CONTRIBUTIONS	116
BUDGETARY COMPARISON SCHEDULES	
GENERAL FUND	118
WESTMINSTER HOUSING AUTHORITY SPECIAL REVENUE FUND	119
HOUSING AND COMMUNITY DEVELOPMENT SPECIAL REVENUE FUND	120
SPECIAL GAS TAX AND STREET IMPROVEMENTS SPECIAL REVENUE FUND	121
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION	122
SUPPLEMENTARY INFORMATION	
OTHER GOVERNMENTAL FUNDS	123

**CITY OF WESTMINSTER, CALIFORNIA
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2024**

COMBINING BALANCE SHEET	124
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES	126
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	
PARKS DEDICATION SPECIAL REVENUE FUND	128
SPECIAL POLICE SERVICES SPECIAL REVENUE FUND	129
MUNICIPAL LIGHTING SPECIAL REVENUE FUND	130
OTHER GRANTS SPECIAL REVENUE FUND	131
OFFSITE DRAINAGE DISTRICT SPECIAL REVENUE FUND	132
ARPA SPECIAL REVENUE FUND	133
INTERNAL SERVICE FUNDS	135
COMBINING STATEMENT OF NET POSITION	136
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	140
COMBINING STATEMENT OF CASH FLOWS	142
STATISTICAL SECTION	
DESCRIPTION OF STATISTICAL SECTION CONTENTS	145
FINANCIAL TRENDS	
NET POSITION BY COMPONENT	146
CHANGES IN NET POSITION – EXPENSES AND PROGRAM REVENUES	148
CHANGES IN NET POSITION – GENERAL REVENUES	150
FUND BALANCES OF GOVERNMENTAL FUNDS	152
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS	154
REVENUE CAPACITY	
DIRECT AND OVERLAPPING PROPERTY TAX RATES	156
PRINCIPAL PROPERTY TAX PAYERS	157
PROPERTY TAX LEVIES AND COLLECTIONS	159

**CITY OF WESTMINSTER, CALIFORNIA
TABLE OF CONTENTS
YEAR ENDED JUNE 30, 2024**

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY	160
TAX REVENUES BY SOURCE – GOVERNMENTAL FUNDS	163
TAXABLE SALES BY CATEGORY	164
PRINCIPAL SALES TAX REMITTERS BY CATEGORY	166
WATER CUSTOMERS	167
WATER RATES	168
WATER SOLD BY TYPE OF CUSTOMER	169
DEBT CAPACITY	
RATIOS OF OUTSTANDING DEBT BY TYPE	170
RATIO OF GENERAL BONDED DEBT OUTSTANDING	172
DIRECT AND OVERLAPPING DEBT	173
LEGAL DEBT MARGIN INFORMATION	174
PLEDGED-REVENUE COVERAGE	176
DEMOGRAPHIC AND ECONOMIC INFORMATION	
DEMOGRAPHIC AND ECONOMIC STATISTICS	177
PRINCIPAL EMPLOYERS	178
OPERATING INFORMATION	
FULL-TIME EQUIVALENT CITY EMPLOYEES BY FUNCTION	179
OPERATING INDICATORS BY FUNCTION	180
CAPITAL ASSETS BY FUNCTION	181

INTRODUCTORY SECTION

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January 27, 2025

Honorable Mayor Chi Charlie Nguyen
Honorable Members of the Council of the City of Westminster
City of Westminster Community Members:

I am pleased to submit the Annual Comprehensive Financial Report (ACFR) of the City of Westminster (City) for the fiscal year ended June 30, 2024. The ACFR is prepared in conformity with Generally Accepted Accounting Principles (GAAP) and audited in accordance with Generally Accepted Auditing Standards (GAAS) by an independent accounting firm of licensed Certified Public Accountants.

The City is committed to transparent financial reporting. To ensure the reliability of the information contained herein, the City contracted with the independent auditing firm of CliftonLarsonAllen, LLP, to conduct the audit of the City's financial statements. The goal of the independent audit was to provide reasonable assurance that the City's financial statements for the fiscal year ended June 30, 2024 are free of material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. We are pleased to report that CliftonLarsonAllen, LLP granted the City an unmodified opinion that the City's financial statements for the fiscal year ended June 30, 2024 are fairly presented in conformity with GAAP. This is the most favorable conclusion and is commonly known as an "unmodified" or "clean" opinion. The independent auditor's report is presented as the first component of the financial section of this report.

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

The independent audit of the financial statements of the City was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the City's separately issued Single Audit Report.

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

PROFILE OF THE CITY OF WESTMINSTER

The City of Westminster was incorporated in 1957 and is in Orange County. The City occupies a land area of 10 square miles and is surrounded by some of Southern California's key attractions including Disneyland, Knott's Berry Farm, world-class beaches, and Catalina Island. The city is conveniently accessible by local and major freeways and highways, as well as a robust public transportation system. Westminster is located within 10 miles of John Wayne Airport. The current population is 89,490.

In 1996, Westminster was designated an "All-America City" by the National Civic League for civic accomplishments, made possible by the cooperative efforts of business, government, the volunteer sector, and other individuals. Westminster continues to support the needs of a diverse population today and is widely seen as a welcoming community, with many services and venues to serve its citizens including the Westminster Mall, numerous prominent car dealerships along Beach Boulevard, Westminster Center retail complex, and the Rose Center Performing Arts Theater and Banquet Hall – all offering a variety of retail, food, and business experiences. Westminster is also home to the world-renowned "Little Saigon," a community which offers an authentic cultural experience with Vietnamese architecture, festivals, and businesses.

The City operates under a Council-Manager form of government. Policymaking and legislative authority are vested in the City Council, which consists of a directly elected Mayor and four council members by district. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing the City Attorney and committees, and hiring the City Manager. The City Manager is responsible for carrying out the policies and ordinances of the City Council, overseeing the day-to-day operations of the government and appointing the City's department heads. Commissions and advisory committees provide opportunities for citizens to participate in community affairs.

The City provides a full range of services, including police, water utility, street and infrastructure maintenance and construction, recreational and cultural services, planning and community development and general administration. The City contracts with the Orange County Fire Authority (OCFA) for the provision of fire protection and emergency medical services. The City is also financially accountable for the legally separate Westminster Public Financing Authority and Westminster Housing Authority. The City has accounted for these entities as "blended" component units and, therefore, they have been included as an integral part of the City's financial statements. Sewer and solid waste services for the City are provided through Midway City Sanitary District.

The City currently provides an annual budget. The budget for all funds is approved and appropriated annually by the City Council. The revenue and expenditure estimates are reviewed with the City Council at a study session in May each year and presented to City Council for approval and appropriation in June. The budget serves as the foundation for the City's financial planning control. All departments of the City are required to submit requests for appropriations to the City Manager each year. The City Manager uses these requests as the starting point for developing the proposed budget which is presented to the City Council for review and adoption by no later than June 30, the close of the City's fiscal year. A spending resolution would be required should adoption by this date not be met. The Fiscal Years 2023-2024 Budget was passed on June 28, 2023. The City Council approved the annual year budget for Fiscal Year 2024-2025 on June 26, 2024.

The budget is prepared by fund (e.g., general), department (e.g., public works), and program (e.g., engineering). Department directors may make transfers of appropriations within a department. Transfers of appropriations between departments within the same fund require the City Manager's approval. Transfers between funds, as well as any increase to appropriations, require approval of the City Council.

Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the general and major governmental funds, this comparison is presented as part of the required supplementary information section of this report. For other funds with appropriated annual budgets, this comparison is presented as part of the other supplementary information section of the report.

As a part of the City's commitment to financial transparency, the City's website includes a Transparency Portal, allowing residents to view and create easy-to-understand graphics and reports from the current and historical City budgets.

LOCAL ECONOMY AND OUTLOOK FOR THE FUTURE

Often referred to as the "Gateway to Orange County," the City's central location and freeway access allow the City to draw upon the economic engines and jobs in both the Orange County and Los Angeles regions, providing many opportunities for businesses and residents. The City enjoys its position as the internationally recognized social, cultural, and retail hub of the Vietnamese American community. The Little Saigon marketplace serves as an important economic engine for the City. Retailers there are provided with the opportunity to reach a broad demographic base that is actively looking for variety in shopping and entertainment choices, from large, well-established brands to emerging and specialty boutiques. In the past decade, Westminster has become a prominent destination for the "foodie scene" with its rich culinary experiences.

In addition to Little Saigon, Westminster has a diversified retail base and is also home to many national retailers including Lexus, Toyota, Honda, Infiniti, Wal-Mart, Home Depot, Best Buy, Target, and Costco Business Center. Westminster is also home to major motorcycle dealerships, including Harley Davidson and Indian Motorcycle. Westminster is supportive and welcoming to the small business community.

The City's General Plan, updated and approved in September 2016, governs future land use decisions, positively impacts the local economy through the development opportunities it creates, and will improve the current condition of the City's infrastructure and housing stock. Specifically, six mixed-use districts were identified for intensified development to attract new investment in Westminster's real estate market. In accordance with the General Plan, a Specific Plan must be adopted for each of these mixed-use areas. The first mixed-use area selected for the development of a Specific Plan was the Westminster Mall area. There is a tremendous opportunity to redesign and reposition the Mall into a thriving activity center that will once again attract visitors from the greater region. The City approved a Specific Plan for the Westminster Mall on December 14, 2022. The Westminster Mall Specific Plan will create an opportunity for property owners of the Westminster Mall site to develop up to 3,000 residential dwelling units, 1,200,000 square feet of non-residential building area, and 425 hotel rooms.

An accessible central location, a unique Vietnamese American market niche, and the demonstrated ability to attract large national chains, while supporting smaller emerging businesses, are all examples of Westminster's economic versatility and its potential for long-term sustainable growth.

Homelessness is a challenge for many cities, as resources and funding are limited locally. To leverage resources and be proactive in addressing the needs of the community's most vulnerable residents, the cities of Garden Grove, Westminster, and Fountain Valley developed a year-round central cities

navigation center (CCNC). A navigation center provides emergency housing and wrap-around services to individuals experiencing homelessness. City of Garden Grove staff identified a location at 13871 West Street, Garden Grove, which the three cities agreed upon. The project broke ground on June 13, 2023 and celebrated a ribbon cutting ceremony on June 5, 2024. The CNCC is fully operational and serves the three city's most vulnerable residents experiencing homelessness.

In recent years, the City has made substantial investments to enhance its infrastructure focusing on community and park improvements. The City installed new playground equipment at six city parks: Westminster, Margie L. Rice, Sigler, Liberty, Newcastle, and Tony Lam. Currently, the City is working on new playground equipment projects at six additional city parks: Bolsa Chica, Westminster Village, College, Russell Paris, Bowling Green, and Gillespie. These projects will be completed in 2025. The City also installed three new pickleball courts at Sigler park. These park projects are funded by outside grants including Community Development Block Grant (CDBG), American Rescue Plan Act (ARPA) and park dedication funds. In addition, using ARPA funds, the City is constructing two new soccer fields, a community garden and renovating five baseball fields.

The City of Westminster honored a local family for fighting segregation in Westminster, CA in the 1940s. The Mendez Family's activism led to the desegregation of schools in California through a successful court battle (Mendez v. Westminster), before Brown v. Board of Education did it nationally. To commemorate this milestone, the City dedicated Mendez Tribute Monument Park in 2023 and began construction on the Mendez Freedom Trail in 2024. The new bike trail will run for two miles along Hoover Street. The park and trail include augmented reality interactive features describing the history and monumental achievement of the landmark case. The projects will be cultural community assets and serve local school educational programs. The trail project will be completed in 2025. Please visit our Mendez Program Website at www.mendezpark.org.

Another project, the Garden Grove Complete Street Project installed approximately three miles of bicycle facilities along Garden Grove Boulevard, Edwards Street, and Trask Avenue. Together with the Mendez Freedom Trail, the project also fulfills the community's long-standing desire for bicycle facilities in the City and our commitment to providing recreational opportunities and a healthy lifestyle for all. The City of Westminster received in excess of \$9 million as part of competitive grant funding efforts to make these projects a reality.

Westminster struggled with budget shortfalls and loss of revenue from state takeaways for over 30 years. The city finances heavily relied on redevelopment funds to maintain basic service and staffing levels and provide business development assistance, low-moderate income housing, and community-based programs. When the state eliminated redevelopment agencies, the city lost over \$30 million in property tax annually with \$12 million directly benefiting the general fund. When faced with massive cuts, the City Council approved the placement of a one-cent transaction use tax measure on the ballot and the voters approved Measure SS in November 2016. Measure SS was a limited term solution that ended December 31, 2022. On August 12, 2022, the City Council voted to put a continuation measure on the ballot and Measure Y was approved by the voters in November 2022. Measure Y collections started April 1, 2023 and will end March 31, 2043. In March of 2024, the voters were once again faced with a choice to fund service levels through the approval of an additional ½ cent transaction tax which will be remitted to the city starting in July 2024, keeping local funds in Westminster.

Sales tax collections came in \$175 thousand more than the prior year for a total of \$18.8 million. This year's sales tax revenues were generated from autos and transportation at 31%, followed by general consumer goods at 19%, state and county pools at 16%, restaurants and hotels at 12%, building and construction at 8% fuel and service stations at 6% and business and industry and food and drugs both at 4%. Transaction use tax receipts were up \$3.1 million or 25% due to a full year of collections. The prior year included 3 quarters of receipts from the end of the first measure and the start of the renewal.

The City's proportional share of property tax is one of the smallest shares of all the cities in Orange County and has forced the City to continue to look elsewhere for the needed revenue. The Westminster General Fund collects 7% of the local general levy (or \$7 dollars on every \$100 dollars collected). The top collectors are the Westminster Elementary General Fund at 24%, followed by the Huntington Beach Union High General Fund at 20%, Educational Revenue Augmentation Fund at 18% and Coast Community College General Fund at 9%. Surrounding cities' collections range from 11% to 19%. Currently, there is no mechanism available to increase Westminster's proportional share.

The Westminster City Council has made public safety a priority with law enforcement and fire services representing 74% of the City's General Fund and operating expenditure budget. Public works and general government each represent 8%, community development represents 5% and community services represents 4%. With tax revenue - primarily property and sales - comprising the majority of Westminster's general fund revenue (54%), improvements to the local real estate and retail markets will directly impact the City's revenues in a positive manner. City staff continues to work diligently to find ways to increase revenues to fix the financial health of Westminster for the future including changes to mixed use areas, Westminster Mall development, changes to zoning standards to attract developers, development of Bolsa Row and high-density apartments, billboards and annexed areas.

LONG-TERM FINANCIAL PLANNING

Even with the additional revenue from a 1½-cent transaction and use tax, maintaining a balanced budget requires the City to continue to take actions internally to reduce costs, while pursuing ways to support development in the business community to increase revenues. Fiscal year 2023-24 was budgeted at a negative net change in fund balance of \$6.3 million or \$4.8 excluding capital outlay transfers. The General Fund ended the fiscal year 2023-24 with total revenues exceeding total expenditures by \$7.1 million. This was a result of a combination of additional revenue and reduced expenditures. The city has several vacant positions which resulted in savings of \$3.2 million. Revenue from ambulance services came in \$2.4 million above budget projection due to the increased payment per transport for the PPGENT-IGT program which is the gap funding for Medi-Cal; this is a one-time receipt. Finally, interest earnings were up \$1.4 million and the year-end adjustment to market value increased revenue an additional \$2.6 million.

The City adopted an updated Cost of Services Study on June 23, 2023, which provided the City with positive revenue growth. Management has committed to updating this study as part of the budget adoption going forward. The next update will start in late January 2025.

The City originally adopted a reserve policy on June 28, 2017. This policy is updated annually with the adoption of the budget. The adopted reserve policy established two dedicated reserves in the General Fund and additional reserves in the Internal Service Funds. The reserve policy improves the City's fiscal stability by helping elected officials and staff plan long-term spending decisions in a more strategic and consistent manner. The City also reviewed its internal policies related to the expenditure of funds from various accounts. This included the study of how internal service fund charges are calculated and charged to the various departments throughout the City.

The cost of employee retirement benefits continues to increase because of actions taken by the California Public Employees Retirement System (CalPERS) to address changing actuarial assumptions and to reduce the amount of risk and volatility in their investment portfolio. The City's unfunded pension and OPEB liabilities currently total \$199 million. To help with future payment of these liabilities, the City established two IRS Section 115 Trust Funds. A total of \$5 million was deposited into these two accounts during fiscal year 2017-18. These deposits were from monies received as part of the redevelopment dissolution. The amounts were approved by the State of California Department of Finance as obligations to past employees of the Westminster Redevelopment Agency. Monies

deposited into the trust accounts can only be spent on pension and OPEB expenditures. The City will continue to make deposits when budget savings allow. As of June 30, 2024, the combined balances in these two accounts total \$11.4 million.

On January 17, 2022, the City Council held a strategic planning workshop to develop the city's first strategic plan and identify priorities for the city. The original workshop resulted in a three-year strategic plan comprised of three goals; each goal consists of multiple strategic objectives intended to serve as benchmarks in the progress of each goal. A fourth goal was added at a June 20, 2022 follow-up workshop: The goals of the strategic plan are:

- Achieve financial stability.
- Develop and implement specific plans for Little Saigon, the Downtown District, and the West Side.
- Attract, develop, and retain well qualified staff members.
- Improve customer service delivery to the community.

The City of Westminster is committed to providing the highest quality of service, ensuring that Westminster is a desirable place to live, work, play and do business.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Westminster for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2023. This was the 29th consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized ACFR. This report satisfied both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA's Distinguished Budget Presentation Award for its biennium budget document dated July 1, 2023. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was judged to be proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report would not have been possible without the efficient and dedicated services of several City staff and departments, especially the Finance Department. I would like to express my appreciation to all members of the executive team and City staff who assisted and contributed to the preparation of this report. Credit also must be given to the Mayor and the City Council for their unfailing support for maintaining the highest standards of professionalism in the management of the City's finances.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Christine Cordon'.

Christine Cordon
City Manager

A handwritten signature in blue ink, appearing to read 'Erin Backs'.

Erin Backs
Finance Director

CITY OF WESTMINSTER

Principal Officials

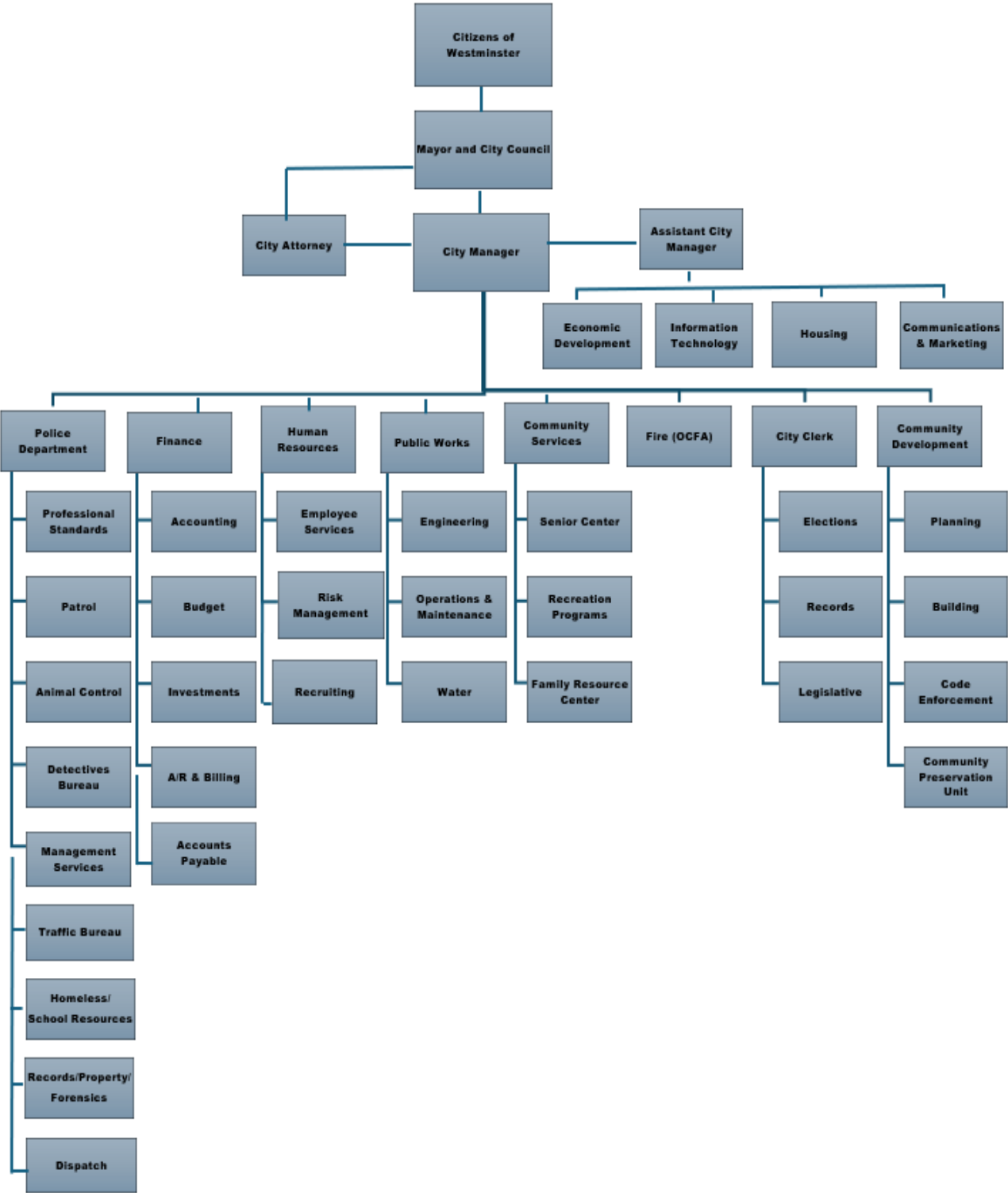
CITY COUNCIL

CHI CHARLIE NGUYEN, Mayor
CARLOS MANZO, Vice Mayor, District 2
AMY PHAN WEST, Council Member, District 1
MARK NGUYEN, Council Member, District 3
NAMQUAN NGUYEN, Council Member, District 4

CITY OFFICIALS

Christine Cordon	City Manager
Adolfo Ozaeta	Assistant City Manager
Ashton Arocho	City Clerk
Erin Backs	Finance Director
Christian Bettenhausen	City Attorney
Jodie Griner	Human Resources Director
Vanessa Johnson	Community Services Director
Darin Lenyi	Police Chief
Jake Ngo	Public Works Director
Craig Covey	O.C. Fire Authority Division Chief

CITY OF WESTMINSTER ORGANIZATIONAL CHART





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Westminster
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morill

Executive Director/CEO

FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

City Council Members
City of Westminster
Westminster, California

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Westminster (the City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City of Westminster's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Westminster, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Westminster 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 - Changes in Accounting Principle and Changes in Reporting Entity

During the fiscal year ended June 30, 2024, the City adopted Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Correction*. As described in Note 16 to the financial statements, the fund balance as of July 1, 2023, was restated to reflect the changes in the reporting entity. Our opinions are 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 of Westminster'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.

Auditors' 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 auditors' 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 of Westminster'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 of Westminster'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, the CalPERS pension plans – schedule of proportionate share of the net pension liability and the schedule of contributions – safety plan, schedule of changes in the net pension liability and related ratios and schedule of contributions – miscellaneous plan, the PARS pension plan – schedule of changes in the net pension liability and related ratios and schedule of contributions, the other postemployment benefit plan – schedule of changes in the net OPEB liability and related ratios and schedule of contributions, and the budgetary comparison schedules for the general fund and major special revenue funds, identified as Required Supplementary Information (RSI) in the accompanying table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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 of Westminster's basic financial statements. The combining and individual nonmajor fund financial statements and schedules (supplementary information) 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 auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 27, 2025, on our consideration of the City of Westminster'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 of Westminster's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Westminster's internal control over financial reporting and compliance.

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

CliftonLarsonAllen LLP

Irvine, California
January 27, 2025

**CITY OF WESTMINSTER
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED JUNE 30, 2024**

As management of the City of Westminster (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2024, along with comparisons to the fiscal year ended June 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report, and with the financial statements that follow.

FINANCIAL HIGHLIGHTS

The City's net position – the difference between its assets and deferred outflows of resources compared to its liabilities and deferred inflows of resources – was \$209.6 million, an increase of \$2.7 million or 1.3%. The net position of business-type activity increased by \$2 million or 4.7% primarily due to approved water increases. The net position of governmental activities increased by \$.7 million or .4%.

The net position of \$209.6 million consisted of: \$199.9 million of net investment in capital assets; \$67.0 million of resources that are subject to external restrictions on how they may be used; \$21.1 million that may be used to meet the City's obligations for its business-type activity; and a \$78.5 million deficit related to its governmental activities.

Total revenues were \$126.0 million and total expenses were \$123.3 million. Revenues increased by \$10.1 million due to increases in charges for services, unrestricted taxes and as well as investment earnings revenue, and expenses increased by \$31.7 million primarily due to increases in public safety and community development expenses. During fiscal year 2023-24, the City's overall net position increased by \$2.7 million.

The City's governmental funds reported a combined ending fund balance of \$122.0 million, an increase of \$12.2 million. Of this amount, \$51.3 million (the sum of assigned and unassigned fund balances) is available for spending at the City's discretion.

The City has a Reserve Policy with committed balances. The Committed fund balance for the General Fund as of June 30, 2024, was \$13.1 million, or 17% of total General Fund expenditures. This percentage hits the City's target rate and is in accordance with the recommendation of the Government Finance Officers Association (GFOA). The Unassigned fund balance was \$38.1 million, or 49.3% of total General Fund expenditures. This compares to an Unassigned fund balance of \$26.1 million as of June 30, 2023, which was 37.7% of General Fund expenditures for that fiscal year. The General Fund balance increased \$7.1 million during the fiscal year 2023-24.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

**CITY OF WESTMINSTER
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

Government-wide Financial Statements

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

The Statement of Net Position information on all assets, liabilities, deferred outflows and inflows with the difference between them reported as net position. Over time, increases or decreases in the City's net position are one indicator of whether its financial health is improving or deteriorating.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, all the current year's revenues and expenses are taken into account regardless of when cash is received or paid (e.g., uncollected taxes or earned but unused vacation leave).

Both of the government-wide statements distinguish functions of the City government that are principally supported by taxes and intergovernmental revenues (governmental activities) from other business-type activities that are intended to recover all or a significant portion of their costs through user fees and charges. Governmental activities of the City include general government, public safety, public works, community development, and community services. A business-type activity of the City includes the water utility.

The government-wide financial statements include not only the City (known as the primary government) but also the legally separate Westminster Housing Authority, and the Westminster Public Financing Authority but whose activities entirely support the City of Westminster.

The government-wide financial statements can be found immediately following this discussion and analysis.

Fund Financial Statements

Fund financial statements are designed to report information about groupings of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. City funds can be divided into three categories: governmental funds, proprietary funds, and fiduciary 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 a government's near-term financing requirements.

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

**CITY OF WESTMINSTER
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

The City maintains twelve individual governmental funds organized by their type (general, special revenue, and capital improvements funds). Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Westminster Housing Authority, Housing and Community Development, Special Gas Tax and Street Improvements, and Capital Improvements, which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the other governmental funds is provided in the form of combining statements and schedules elsewhere in this report.

The City adopts an annual appropriated budget for its General Fund and Special Revenue Funds. Budgetary comparison statements have been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found immediately following the government-wide financial statements.

Proprietary funds are generally used to account for services for which the City charges outside customers, or internal departments of the City. Proprietary funds provide the same type of information as shown in the government-wide statements, only in more detail. The City maintains the following two types of proprietary funds:

- **Enterprise funds** are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses an enterprise fund to account for the operations of water.
- **Internal service funds** are used to report activities that provide internal services for the City. The City uses internal service funds to account for its liability administration, general benefits, equipment replacement, information systems and equipment, and government buildings. Because internal service funds predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements. The internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found immediately following the governmental funds financial statements.

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 statement 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.

The basic fiduciary fund financial statements can be found immediately following the proprietary fund financial statements.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found immediately following the fiduciary funds financial statements.

**CITY OF WESTMINSTER
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension and other post-employment benefits to City employees. Also included in this section are the budgetary comparison schedules for the general and major special revenue funds. The required supplementary information can be found immediately following the notes to the basic financial statements.

Combining statements and individual fund statements for non-major governmental funds, and internal service funds are presented immediately following the required supplementary information.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Analysis of Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. This analysis addresses the financial statements of the City as a whole.

City assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$209.6 million as of June 30, 2024. This is an increase of \$2.7 million for the year, as the condensed summaries of the statement of net position show below and on the following pages. Last year, in comparison, the City's net position increased by \$24.3 million.

**Condensed Statement of Net Position
Primary Government**

	June 30, 2024	June 30, 2023	Increase/ (Decrease) From 2023	Percent Increase/ (Decrease)
Assets:				
Current and other assets	213,271,548	200,268,636	\$ 13,002,912	6.5%
Capital assets, net of accumulated depreciation	201,865,207	209,384,051	(7,518,844)	-3.6%
Total assets	415,136,755	409,652,687	5,484,068	1.3%
Deferred Outflows of Resources:	55,811,841	59,322,795	(3,510,954)	-5.9%
Liabilities:				
Current and other liabilities	32,729,635	34,191,886	(1,462,251)	-4.3%
Long-term liabilities	216,432,139	210,588,208	5,843,931	2.8%
Total liabilities	249,161,774	244,780,094	4,381,680	1.8%
Deferred Inflows of Resources:	12,232,251	17,344,279	(5,112,028)	-29.5%
Net position:				
Net investment in capital assets	199,949,597	203,867,269	(3,917,672)	-1.9%
Restricted	67,004,897	62,891,975	4,112,922	6.5%
Unrestricted	(57,399,923)	(59,908,135)	2,508,212	-4.2%
Total net position	209,554,571	206,851,109	\$ 2,703,462	1.3%

**CITY OF WESTMINSTER
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

At the end of the fiscal year 2024, the City continued to report positive balances in two of the three categories of net position for the government as a whole, as well as for its separate governmental and business-type activities.

Net position - Restricted for governmental and business-type activities combined (\$67.0 million or 32.0% of total net position) represents resources that are subject to external restrictions on how they may be used. This is a \$4.1 million, or 6.5% increase from prior year.

The largest portion (95.4%) of the City's net position reflects its investment of \$199.9 million in capital assets (net of accumulated depreciation); less any related outstanding debt and capital related payables used to acquire those assets. This is an overall decrease of \$3.9 million, or 1.9% from the prior year. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt and capital related payables, resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Net position - Unrestricted has a deficit balance of \$57.4 million as of June 30, 2024. The deficit balance is the result of implementing Governmental Accounting Standards Board (GASB) statements related to pension and other post-employment benefits (OPEB) liabilities. The deficit reflects the extent to which the City must defer to future periods the financing of a portion of its pension and OPEB liabilities. Generally accepted accounting principles require financial statement recording when a liability is incurred. However, the City, like many other governments, raises and budgets resources needed to liquidate certain liabilities during the year in which the liability is to be liquidated rather than during the year in which the liability is incurred. In the case of the pension liability and the OPEB liability, the City will continue to fund these obligations on an actuarial basis, contributing the full amount of annual required contributions to the pension system every year. In fiscal year 2017-18 the City set up two IRS Section 115 Trust Funds dedicated to pension and OPEB. In fiscal year 2023-24, \$381.5 thousand and \$250 thousand were contributed to the pension, and OPEB trust funds respectively. Subject to available funds, the City has the discretion to prepay the annual unfunded accrued liabilities (UAL) obligation to the pension trust fund and/or the OPEB trust fund.

**CITY OF WESTMINSTER
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

**Condensed Statement of Net Position
Governmental Activities**

	June 30, 2024	June 30, 2023	Increase/ (Decrease) From 2023	Percent Increase/ (Decrease)
Assets:				
Current and other assets	179,752,348	170,009,437	\$ 9,742,911	5.7%
Capital assets, net of accumulated depreciation	177,085,259	183,925,621	(6,840,362)	-3.7%
Total assets	<u>356,837,607</u>	<u>353,935,058</u>	<u>2,902,549</u>	0.8%
Deferred Outflows of Resources:	<u>53,978,930</u>	<u>57,257,302</u>	<u>(3,278,372)</u>	-5.7%
Liabilities:				
Current and other liabilities	28,609,205	30,872,497	(2,263,292)	-7.3%
Long-term liabilities	205,955,203	199,770,168	6,185,035	3.1%
Total liabilities	<u>234,564,408</u>	<u>230,642,665</u>	<u>3,921,743</u>	1.7%
Deferred Inflows of Resources:	<u>11,786,286</u>	<u>16,754,160</u>	<u>(4,967,874)</u>	-29.7%
Net position:				
Net investment in capital assets	175,963,677	179,562,714	(3,599,037)	-2.0%
Restricted	67,004,897	62,891,975	4,112,922	6.5%
Unrestricted	(78,502,731)	(78,659,154)	156,423	-0.2%
Total net position	<u>\$ 164,465,843</u>	<u>\$ 163,795,535</u>	<u>\$ 670,308</u>	0.4%

Governmental activities show an overall increase in the total net position of \$.7 million or .4%. Key changes in the Statement of Net Position are as follows:

Current and other assets increased by \$9.7 million or 5.7%. There was an increase in cash and other assets of \$9.7 million or 5.7%. Cash and investments also include a fair value adjustment of the city's investments of (\$1.8) million. This fair value adjustment is an increase of \$2.6 million when compared to the June 30, 2023, fair value adjustment of (\$4.4) million.

Current and other liabilities decreased by \$2.3 million or 7.3%. During the current year, the City recognized \$2.3 million of revenue related to the American Rescue Plan Act (ARPA) Fund resulting \$2.3 million decrease in unearned revenues.

Long-Term Liabilities increased \$6.1 million or 6.2%, Deferred Outflows of Resources decreased by \$3.3 million or 5.7%, and Deferred Inflows of Resources decreased by \$5 million or 29.7%. The City's pension and OPEB plans are the largest part of these balances. These Pension and OPEB plan balances are made up of various components and are amortized over a number of years and recognized through pension and OPEB expenses. We noted during fiscal year 2023-24 there were significant differences between projected and actual earnings on the plan investments due to market volatility causing these changes. More detailed information can be found in Notes 9 and 10 in the notes to the basic financial statements.

**CITY OF WESTMINSTER
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

**Condensed Statement of Net Position
Business-type Activity**

	June 30, 2024	June 30, 2023	Increase/ (Decrease) From 2023	Percent Increase/ (Decrease)
Assets:				
Current and other assets	\$ 33,519,200	\$ 30,259,199	\$ 3,260,001	10.8%
Capital assets, net of accumulated depreciation	24,779,948	25,458,430	(678,482)	-2.7%
Total assets	<u>58,299,148</u>	<u>55,717,629</u>	<u>2,581,519</u>	4.6%
Deferred Outflows of Resources:	<u>1,832,911</u>	<u>2,065,493</u>	<u>(232,582)</u>	-11.3%
Liabilities:				
Current and other liabilities	4,120,430	3,319,389	801,041	24.1%
Long-term liabilities	10,476,936	10,818,040	(341,104)	-3.2%
Total liabilities	<u>14,597,366</u>	<u>14,137,429</u>	<u>459,937</u>	3.3%
Deferred Inflows of Resources:	<u>445,965</u>	<u>590,119</u>	<u>(144,154)</u>	-24.4%
Net position:				
Net investment in capital assets	23,985,920	24,304,555	(318,635)	-1.3%
Unrestricted	21,102,808	18,751,019	2,351,789	12.5%
Total net position	<u>\$ 45,088,728</u>	<u>\$ 43,055,574</u>	<u>\$ 2,033,154</u>	4.7%

Business-type activity shows an overall increase of \$2.0 million or 4.7%. Key changes in the net position of business-type activity were as follows:

Current and other assets increased by \$3.3 million or 10.8%. This increase is primarily Cash and other investments which increased by \$2.9 million due to an increase in net position of \$2.7 million. Long-term liabilities decreased by \$.3 million or 3.2% largely due to changes in the City's pension and OPEB liabilities. Deferred outflows of resources decreased by \$.2 million or 11.3%, and deferred inflows of resources decreased by \$.1 million or 24.4%. As noted with the governmental activities, the majority of these changes are attributable to the pension and OPEB liabilities. More detailed information can be found in Notes 9 and 10 in the notes to the basic financial statements. Net position – Unrestricted increased by \$2.4 million or 12.5%. This is due to overall decreasing debt and a positive change in net position.

**CITY OF WESTMINSTER
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

Analysis of Activities

The statement of activities shows how the government's net position changed during the fiscal year 2023-24. The City's net position increased by \$2.7 million as shown on the condensed summaries shown below and on the following pages.

**Condensed Statement of Activities
Primary Government**

	<u>For the year ended</u>		<u>Increase/ (Decrease)</u>	<u>Percent Increase/ (Decrease)</u>
	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>From 2023</u>	
Revenues:				
Program revenues:				
Charges for services	\$ 34,638,542	\$ 30,578,593	\$ 4,059,949	13.3%
Operating grants and contributions	15,749,584	16,617,014	(867,430)	-5.2%
Capital grants and contributions	2,665,667	4,234,962	(1,569,295)	-37.1%
General revenues:				
Unrestricted taxes	48,124,242	44,388,235	3,736,007	8.4%
Unrestricted investment earnings	5,807,969	1,246,244	4,561,725	366.0%
Intergovernmental revenue - sales taxes	19,014,681	18,836,081	178,600	0.9%
Total Revenues	<u>126,000,685</u>	<u>115,901,129</u>	<u>10,099,556</u>	8.7%
Expenses:				
General government	7,547,267	9,914,258	(2,366,991)	-23.9%
Public safety	63,188,940	38,188,197	25,000,743	65.5%
Public works	15,061,250	12,748,589	2,312,661	18.1%
Community development	14,159,632	10,223,234	3,936,398	38.5%
Community services	4,510,745	3,701,909	808,836	21.8%
Interest on long term debt	26,541	3,846	22,695	590.1%
Water enterprise	18,802,848	16,852,184	1,950,664	11.6%
Total Expenses	<u>123,297,223</u>	<u>91,632,217</u>	<u>31,665,006</u>	34.6%
Change in Net Position	2,703,462	24,268,912	(21,565,450)	-88.9%
Net Position - Beginning of Year	<u>206,851,109</u>	<u>182,582,197</u>	<u>24,268,912</u>	13.3%
Net Position - End of Year	<u>\$ 209,554,571</u>	<u>\$ 206,851,109</u>	<u>\$ 2,703,462</u>	1.3%

**CITY OF WESTMINSTER
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

**Condensed Statement of Activities
Governmental Activities**

	For the year ended		Increase/ (Decrease)	Percent Increase/ (Decrease)
	June 30, 2024	June 30, 2023	From 2023	
Revenues:				
Program revenues:				
Charges for services	\$ 14,649,227	\$ 11,621,340	\$ 3,027,887	26.1%
Operating grants and contributions	15,749,584	16,617,014	(867,430)	-5.2%
Capital grants and contributions	2,533,281	4,234,962	(1,701,681)	-40.2%
General revenues:				
Unrestricted taxes	48,124,242	44,388,235	3,736,007	8.4%
Unrestricted investment earnings	5,118,668	870,645	4,248,023	487.9%
Intergovernmental revenue - sales taxes	19,014,681	18,836,081	178,600	0.9%
Total Revenues	<u>105,189,683</u>	<u>96,568,277</u>	<u>8,621,406</u>	8.9%
Expenses:				
General government	7,547,267	9,914,258	(2,366,991)	-23.9%
Public safety	63,188,940	38,188,197	25,000,743	65.5%
Public works	15,061,250	12,748,589	2,312,661	18.1%
Community development	14,159,632	10,223,234	3,936,398	38.5%
Community services	4,510,745	3,701,909	808,836	21.8%
Interest on long term debt	26,541	3,846	22,695	590.1%
Total Expenses	<u>104,494,375</u>	<u>74,780,033</u>	<u>29,714,342</u>	39.7%
Excess (Deficit) of Revenues over Expenses	695,308	21,788,244	(21,092,936)	-96.8%
Transfers	(25,000)	(25,000)	-	0.0%
Change in Net Position	670,308	21,763,244	(21,092,936)	-96.9%
Net Position - Beginning of Year	163,795,535	142,032,291	21,763,244	15.3%
Net Position - End of Year	<u>\$ 164,465,843</u>	<u>\$ 163,795,535</u>	<u>\$ 670,308</u>	0.4%

Governmental activities increased the City's net position by \$.7 million. Revenues increased by \$8.6 million or 8.9%. Unrestricted investment earnings increased \$4.2 million or 487.9% primarily due to an increase in investment earnings offset by the fair value adjustment. Unrestricted taxes increased \$3.7 million primarily due to the increase of transaction tax and property taxes, offset by decreases in utility user taxes, transient occupancy taxes and business operation taxes. There was a \$3.1 million increase in transaction tax due to the one quarter lapse between the expiration of Measure SS and adoption of Measure Y in prior year. Sales tax revenue increased by \$.2 million. Program revenue increased related to charges for services by \$3.0 million or 26.1%. Operating grants and contributions decreased \$.8 million or 5.2%. During the current year, the City recognized \$2.3 million of revenue related to the American Rescue Plan Act Fund. Capital grants and contributions decreased by \$1.7 million or 40.2%. This revenue source will vary from year to year.

Overall Program expenses increased by \$29.7 million or 39.7%. The following categories contributed to the increase from fiscal year 2022-23. Public safety expense increased by \$25.0 million or 65.5% offset by general government expenses decreased by \$2.4 million or 23.9%. Community development expenses increased by \$3.9 million or 38.5% and public works increased by \$3.9 million or 38.5%. Accounting adjustments related to pensions and internal service fund expenditures contribute to increases in the current year. Also, actuarially required contributions to the defined benefit pension plan increased \$8.5 million over fiscal year 2023-24.

**CITY OF WESTMINSTER
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

**Condensed Statement of Activities
Business-type Activity**

	<u>For the year ended</u>		<u>Increase/</u>	<u>Percent</u>
	<u>June 30,</u>	<u>June 30,</u>	<u>(Decrease)</u>	<u>Increase/</u>
	<u>2024</u>	<u>2023</u>	<u>From 2023</u>	<u>(Decrease)</u>
Revenues:				
Program revenues:				
Charges for services	\$ 19,989,315	\$ 18,957,252	\$ 1,032,063	5.4%
Capital grants and contributions	132,386	-	132,386	100.0%
General revenues:				
Unrestricted investment earnings	689,301	375,599	313,702	83.5%
Total Revenues	<u>20,811,002</u>	<u>19,332,851</u>	<u>1,478,151</u>	7.6%
Expenses:				
Water enterprise	18,802,848	16,852,184	1,950,664	11.6%
Total Expenses	<u>18,802,848</u>	<u>16,852,184</u>	<u>1,950,664</u>	11.6%
Excess of Revenues over Expenses	2,008,154	2,480,667	(472,513)	-19.0%
Transfers	25,000	25,000	-	0.0%
Change in Net Position	2,033,154	2,505,667	(472,513)	-18.9%
Net Position - Beginning of Year	43,055,574	40,549,907	2,505,667	6.2%
Net Position - End of Year	<u>\$ 45,088,728</u>	<u>\$ 43,055,574</u>	<u>\$ 2,033,154</u>	4.7%

Business-type activity increased the City's net position by \$2.0 million or 4.7% in the fiscal year 2023-24. Charges for services increased by \$1.0 million or 5.4%. The City increased water rates in 2024 to cover overall increasing production and infrastructure costs. Water expenses increased by \$2.0 million or 11.6%.

In the fiscal year 2023-24, program revenues funded 107% of total expenses, as compared to 112% in the fiscal year 2022-23. General revenues were able to add to the surplus of Excess of Revenues over Expenses resulting in a positive Change in Net Position of \$2.0 million in fiscal year 2023-24 after transfers.

FINANCIAL ANALYSIS OF CITY FUNDS

The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Overall, the City had a net increase of \$12.2 million to governmental fund balances in the fiscal year 2023-24 and a net increase of \$2.0 million to its proprietary funds' net position when including the City's internal service funds.

**CITY OF WESTMINSTER
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. The City presents its financial statements in compliance with GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." The objective of the Statement is to present useful fund balance information by providing clear fund balance classifications and governmental fund type definitions. The Statement established fund balance 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 government funds.

As of June 30, 2024, the City's governmental funds reported combined ending fund balances of \$122.0 million, an increase of \$12.2 million in comparison with the prior year. Of the \$122.0 million, \$53,530 or 0.04% is classified as non-spendable fund balance; \$57.5 million or 47.2%, is classified as restricted fund balance; \$13.1 million or 10.8%, is classified as committed; \$13.2 million or 10.8%, is classified as assigned fund balance; and \$38.1 million or 31.2% is classified as unassigned fund balance. For a more detailed description of these classifications see Note 12 in the notes to the basic financial statements.

The General Fund is the chief operating fund of the City. As of June 30, 2024, the total fund balance was \$53.9 million. The non-spendable portion of this balance is \$31,030; \$13.1 million is committed for emergency/contingency reserve; \$2.6 is restricted for debt service and the remaining \$38.1 million unassigned fund balance is available for spending at the City's discretion. The unassigned total fund balance represents 49.3% of total General Fund expenditures.

The major factors in fund balance changes are as follows:

Governmental Funds

- **Restatement for Change in Reporting Entity** - During the year ended June 30, 2024, beginning fund balance of the General Fund, Special Gas Tax and Street Improvements Special Revenue Fund, Capital Improvements Capital Projects Fund, and Other Governmental Funds were restated for the implementation of GASB 100, Accounting Changes and Error Corrections, to record the impact of a change in reporting entity. The City had previously shown the capital outlay of certain unrestricted and restricted funding sources in the Capital Improvements Capital Projects Fund. The use of the unrestricted and restricted funding was previously shown through transfers of funds to cover the eligible capital costs. To enhance financial reporting, the City has changed the presentation of these funds to include the capital outlay for these unrestricted and restricted funding sources in the fund that provides the resources. The activity remaining the Capital Improvements Capital Projects Funds represents capital outlay for projects that are funded by general, unrestricted sources. The restatement results in a net impact of \$-0- to the City's previously reported fund balance for total governmental funds of \$109,743,335 as of July 1, 2023. Information can be found in Note 16 in the notes to the basic financial statements.

**CITY OF WESTMINSTER
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

RESTATEMENT FOR CHANGE IN REPORTING ENTITY

	<u>June 30, 2023, previously reported</u>	<u>Changes to reporting entity</u>	<u>July 1, 2024, as restated</u>
Government Funds:			
Major Funds:			
General Fund	\$ 37,943,268	\$ 8,837,000	\$ 46,780,268
Special Revenue Funds:			
Westminster Housing Authority	24,563,899		24,563,899
Housing and Community Development	289,198		289,198
Special Gas Tax and Street Improvements	4,050,063	5,628,262	9,678,325
Capital Projects Fund	30,006,260	(16,960,294)	13,045,966
Other Governmental Funds	12,890,647	2,495,032	15,385,679
Total Governmental Funds	<u>\$ 109,743,335</u>	<u>\$ -</u>	<u>\$ 109,743,335</u>

- The **General Fund** experienced a \$7.1 million increase in fund balance in the fiscal year 2023-24, compared to a \$.2 million decrease in the fiscal year 2022-23. Revenues were \$84.4 million, an increase of \$11.3 million compared to the fiscal year 2022-23, while expenditures were \$77.3 million, an increase of \$8.0 million from the fiscal year 2022-23. The increase in revenues and expenditures were addressed as part of the Analysis of Activities section of this report.
- The **Westminster Housing Authority Fund** balance declined by \$0.3 million in the fiscal year 2023-24. In the fiscal year 2022-23, the fund declined by \$0.2 million. The fund's \$24.3 million fund balance is restricted for low- and moderate-income housing purposes.
- The **Housing and Community Development Fund** had its fund balance increase by \$0.8 million. This is a grant program which is reimbursed periodically throughout the year.
- The **Special Gas Tax and Street Improvements Fund** recognized a \$3.8 million increase in fund balance during the fiscal year 2023-24. Grant-funded projects comprise a significant portion of this fund and many of the projects are reimbursable only upon completion. The fund received \$10.0 million in revenue in the fiscal year 2023-24, compared to expenditures of \$6.1 million. As of June 30, 2024, this fund had a fund balance of \$13.5 million.
- The **Capital Improvements Capital Projects Fund** balance decreased by \$.1 million. There were \$.2 million in transfers into the fund from various other funds to complete newly approved projects. A total of \$63.1 thousand was spent on capital outlay during the year. See Note 7 in the notes to the basic financial statements for additional information.

This fund also houses the Economic Development-Capital Improvements Fund which was established in fiscal year 2016-17. This fund was created using one-time monies to address the elimination of redevelopment and to support capital improvement projects and economic development efforts. As of June 30, 2024, this portion of the Capital Improvements Capital Projects fund balance of \$13.2 million was \$11.1 million.

- **Other Governmental Funds**, which are the City's non-major funds, recognized a combined increase of \$.6 million to fund balances. These funds are further detailed in the Other Supplementary Information section of this annual report.

**CITY OF WESTMINSTER
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

Proprietary Funds

- The **Enterprise (Water) Fund** recorded an increase of \$2.0 million to its net position during the fiscal year 2023-24. This is the fifth year of gains to this fund. Increases in water rates in the last few years, based on water studies have helped to improve the financial stability of this fund..
- The **Internal Service Funds** had its net position increase by \$.3 million. These funds had a combined operating loss of \$.2 million. The City's reserve policy established a target level of \$500,000 in unrestricted net position in each of the internal service funds. Except for the Compensation/Benefits Internal Service Fund and the Risk Management Fund, which had a deficit unrestricted fund balance of \$4.3 million and \$.1 million as of June 30, 2024, respectively, the remaining internal service funds had a combined balance of \$3.8 million in unrestricted net position. The Compensation/Benefits Fund also has a portion of its net position restricted for pension benefits at \$5.5 million for an overall net position of \$1.2 million. The internal service funds finance and account for goods and services provided by one City department to other City departments on a cost-reimbursement basis. The City reports four internal service funds in its audited financial statements. These funds are further detailed in the Other Supplementary Information section of this annual report.

GENERAL FUND BUDGETARY HIGHLIGHTS

When preparing its budget, the City attempts to estimate its revenues using realistic, but conservative methods so as to budget its expenditure appropriations in a prudent manner. Amendments were approved during the year to the adopted budget. The fiscal year 2023-24 General Fund's original (adopted) budget revenue amount was \$75.9 million, and the final amount was \$76.3 million. The fiscal year 2023-24 General Fund's original (adopted) budget for expenditures was \$80.7 million and the final budget was \$93.6 million, a net increase of \$12.9 million. This was primarily related to an increase in capital outlay of \$11.8. Previously, the city had shown the capital outlay of certain unrestricted and restricted funding sources in the Capital Improvements Capital Projects Fund. The use of the unrestricted and restricted funding was previously shown through transfers of funds to cover the eligible capital costs. To enhance financial reporting, the City has changed the presentation of these funds to include the capital outlay for these unrestricted and restricted funding sources in the fund that provides the resources.

The General Fund ended the fiscal year 2023-24 with total revenues exceeding total expenditures by \$7.1 million. After other uses of \$18 thousand, there was an increase to fund balance in the amount of \$7.1 million. This was a result of a combination of additional revenue and reduced expenditures. The city has several vacant positions which resulted in savings of \$3.2 million. Variances for ambulance revenue and expenditures totaled \$3.7 million. Revenue from ambulance services came in \$2.4 million above budget projection due to the increased payment per transport for the PPGENT-IGT program which is the gap funding for Medi-Cal plus contractual savings of \$1.3 million. Finally, the return on investment and year end adjustment to market value increased revenue \$4 million.

Excluding the adjustment from the change in accounting for capital outlay, the General Fund reflected a net total positive budget variance of \$5.6 million when comparing actual expenditure amounts to the final amended budget for the current fiscal year. Actual revenues show a positive variance of \$8.1 million. The capital outlay variance was \$10.6 million. Capital outlay or capital projects are budgeted by total project and the budget carries forward until project completion. Since most projects span several years, there will always be a large variance from budget to actual.

The General Fund budgetary comparison schedule can be found in the Required Supplementary Information section of this annual report.

**CITY OF WESTMINSTER
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets:

Capital assets (net of accumulated depreciation) as of June 30, 2024, and June 30, 2023, are summarized below:

	June 30, 2024		
	Governmental Activities	Business-type Activity	Total
Land	\$ 7,823,959	\$ 2,484,846	\$ 10,308,805
Construction in progress	3,210,196	156,725	3,366,921
Buildings	80,413,535	6,780	80,420,315
Improvements other than buildings	21,886,405	7,397,321	29,283,726
Water distribution lines	-	12,727,326	12,727,326
Vehicles, machinery and equipment	3,298,046	1,992,501	5,290,547
Office furniture and equipment	1,236,154	14,449	1,250,603
Leased property	721,505	-	721,505
SBITAs	419,737	-	419,737
Infrastructure	58,075,722	-	58,075,722
Total capital assets, net	<u>\$ 177,085,259</u>	<u>\$ 24,779,948</u>	<u>\$ 201,865,207</u>

	June 30, 2023		
	Governmental Activities	Business-type Activity	Total
Land	\$ 7,823,959	\$ 2,484,846	\$ 10,308,805
Construction in progress	9,019,457	156,725	9,176,182
Buildings	82,718,294	7,579	82,725,873
Improvements other than buildings	16,291,596	7,646,051	23,937,647
Water distribution lines	-	12,897,262	12,897,262
Vehicles, machinery and equipment	3,552,299	2,243,138	5,795,437
Office furniture and equipment	1,607,732	22,829	1,630,561
Leased property	715,117	-	715,117
SBITAs	79,445	-	79,445
Infrastructure	62,117,722	-	62,117,722
Total capital assets, net	<u>\$ 183,925,621</u>	<u>\$ 25,458,430</u>	<u>\$ 209,384,051</u>

Capital assets as of June 30, 2024, totaled \$201.8 million (net of accumulated depreciation). The total decrease in capital assets for the fiscal year 2023-24 was \$7.5 million, composed of a \$6.8 million or 3.7% decrease for governmental activities and a \$.7 million or 2.7% decrease for business-type activity. Changes to capital assets during the fiscal year 2023-24 included annual depreciation expense of \$15.5 million - \$14.1 million on assets related to governmental activities assets and \$1.4 million on assets related to business-type activities (water utility).

Additional information on the City's capital assets can be found in Note 7 in the notes to the basic financial statements.

**CITY OF WESTMINSTER
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

Long-term debt:

Long-term debt as of June 30, 2024, and June 30, 2023, are summarized below:

Outstanding Debt

	June 30, 2024		
	Governmental Activities	Business-type Activity	Total
Leases payable	\$ 726,501	\$ -	\$ 726,501
SBITAs payable	187,928	-	187,928
Loans payable	-	763,482	763,482
Total outstanding debt	<u>\$ 914,429</u>	<u>\$ 763,482</u>	<u>\$ 1,677,911</u>

	June 30, 2023		
	Governmental Activities	Business-type Activity	Total
Certificates of participation	\$ -	\$ 335,000	\$ 335,000
Leases payable	716,293	-	716,293
SBITAs payable	28,947	-	28,947
Loans payable	-	844,903	844,903
Total outstanding debt	<u>\$ 745,240</u>	<u>\$ 1,179,903</u>	<u>\$ 1,925,143</u>

At the end of the fiscal year 2023-24, the City had total long-term debt (excluding compensated absences and claims, pension and OPEB liabilities) outstanding totaling \$1.7 million. The total decrease in debt for the fiscal year 2024 was \$0.2 million, composed of a decrease of \$169 thousand or 22.7% for governmental activities and a decrease of \$416 thousand or 35.3% for business-type activity. These decreases were primarily related to on-going debt service payments. Additional information can be found in Note 8 of the basic financial statements.

**CITY OF WESTMINSTER
MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)
YEAR ENDED JUNE 30, 2024**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The preparation of the Fiscal Year (FY) 2024-25 budget included several study sessions prior to adoption on June 26, 2024. The City Council adopted budget includes four additional full-time positions in the General Fund, three additional full-time positions in the Water Fund, and one position reclass in the Equipment Replacement. The adopted budget provides the foundation for the next fiscal year and more importantly provides the community with information related to the priorities of the City Council in the upcoming year as outlined in the Strategic Plan.

The city has dedicated itself to delivering cost-effective service, without sacrificing the quality and level of service that is important to the overall quality of life, health, and safety of the community.

The General Fund adopted budget for fiscal year 2024-25 includes a deficit of \$1.9 million. The budget authorizes \$87 million in General Fund operating expenditures and \$1.5 million in transfers out to other funds vs. \$86.6 million in projected revenue. The budget also includes a carryover capital outlay amount of \$10.6 million and new appropriations of \$1.5 million. The General Fund ended the fiscal year 2023-24 with \$38.1 million in unassigned fund balance or approximately 49% of actual General Fund expenditures. Based on the adopted budget, the General Fund is projected to end the fiscal year 2024-25 with \$36.2 million in unassigned reserves.

The City Council has made Achieving Financial Stability one of the City's strategic objectives. As part of that objective, the City Council placed Measure E on the March 2024 ballot, asking the residents of Westminster to consider a half-cent transaction use tax to sustain Westminster's long term financial stability and prevent future cuts to services. The Measure was approved by the voters and collections will begin July 1, 2024, generating \$8 million annually.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the financial position of the City for all interested parties. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City's Finance Department at the City of Westminster, 8200 Westminster Boulevard, Westminster, CA 92683, or call (714) 898-3311 or visit our website at www.westminster-ca.gov.

BASIC FINANCIAL STATEMENTS

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CITY OF WESTMINSTER, CALIFORNIA
STATEMENT OF NET POSITION
JUNE 30, 2024

	Primary Government		
	Governmental	Business-Type	
	Activities	Activity	Total
ASSETS			
Cash and Investments	\$ 115,198,491	\$ 28,506,657	\$ 143,705,148
Receivables, Net of Allowances	39,255,983	3,484,435	42,740,418
Lease Receivable	5,270,425	-	5,270,425
Prepaid Items	121,212	420,306	541,518
Internal Balances	(993,160)	993,160	-
Restricted Assets:			
Cash and Investments	3,949,745	-	3,949,745
Cash and Investments With Fiscal Agents	2,589,172	114,642	2,703,814
Cash and Investments Held in Pension Trust	5,489,977	-	5,489,977
Land Held for Resale	8,659,611	-	8,659,611
Net Pension Asset	210,892	-	210,892
Capital Assets:			
Not Being Depreciated	11,034,155	2,641,571	13,675,726
Being Depreciated or Amortized, Net of			
Accumulated Depreciation and Amortization	166,051,104	22,138,377	188,189,481
Total Assets	356,837,607	58,299,148	415,136,755
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Pension Plans	47,624,822	1,104,075	48,728,897
Deferred Amounts on OPEB Plan	6,354,108	728,836	7,082,944
Total Deferred Outflows of Resources	53,978,930	1,832,911	55,811,841
LIABILITIES			
Accounts Payable and Other Liabilities	6,390,802	4,107,430	10,498,232
Due to Other Governments	4,897,532	-	4,897,532
Unearned Revenue	16,057,391	-	16,057,391
Deposits	1,263,480	13,000	1,276,480
Long-Term Liabilities:			
Due Within One Year	6,048,764	350,412	6,399,176
Due in More Than One Year	10,570,671	722,518	11,293,189
Due in More Than One Year - Net Pension Liability	145,950,796	4,427,623	150,378,419
Due in More Than One Year - Net OPEB Liability	43,384,972	4,976,383	48,361,355
Total Liabilities	234,564,408	14,597,366	249,161,774
DEFERRED INFLOWS OF RESOURCES			
Leases	5,155,585	-	5,155,585
Deferred Amounts on Pension Plans	3,159,476	47,805	3,207,281
Deferred Amounts on OPEB Plans	3,471,225	398,160	3,869,385
Total Deferred Inflows of Resources	11,786,286	445,965	12,232,251
NET POSITION			
Net Investment in Capital Assets	175,963,677	23,985,920	199,949,597
Restricted for:			
Community Development	29,254,770	-	29,254,770
Public Safety	1,585,117	-	1,585,117
Public Works	28,085,861	-	28,085,861
Debt Service	2,589,172	-	2,589,172
Pension Benefits	5,489,977	-	5,489,977
Unrestricted	(78,502,731)	21,102,808	(57,399,923)
Total Net Position	\$ 164,465,843	\$ 45,088,728	\$ 209,554,571

See accompanying Notes to Financial Statements.

CITY OF WESTMINSTER, CALIFORNIA
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES				
General Government	\$ 7,547,267	\$ 1,585,414	\$ 2,513,649	\$ 263,159
Public Safety	63,188,940	7,268,679	979,858	-
Public Works	15,061,250	690,471	-	1,787,610
Community Development	14,159,632	4,765,337	11,476,656	482,512
Community Services	4,510,745	339,326	779,421	-
Interest on Long-Term Debt	26,541	-	-	-
Total Governmental Activities	104,494,375	14,649,227	15,749,584	2,533,281
BUSINESS-TYPE ACTIVITY				
Water Enterprise	18,802,848	19,989,315	-	132,386
Total	<u>\$ 123,297,223</u>	<u>\$ 34,638,542</u>	<u>\$ 15,749,584</u>	<u>\$ 2,665,667</u>

See accompanying Notes to Financial Statements.

CITY OF WESTMINSTER, CALIFORNIA
STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED JUNE 30, 2024

Functions/Programs	Net Revenue (Expense) and Changes in Net Position		
	Governmental Activities	Business-Type Activity	Total
GOVERNMENTAL ACTIVITIES			
General Government	\$ (3,185,045)	\$ -	\$ (3,185,045)
Public Safety	(54,940,403)	-	(54,940,403)
Public Works	(12,583,169)	-	(12,583,169)
Community Development	2,564,873	-	2,564,873
Community Services	(3,391,998)	-	(3,391,998)
Interest on Long-Term Debt	(26,541)	-	(26,541)
Total Governmental Activities	(71,562,283)	-	(71,562,283)
BUSINESS-TYPE ACTIVITY			
Water Enterprise	-	1,318,853	1,318,853
Total	(71,562,283)	1,318,853	(70,243,430)
GENERAL REVENUES			
Unrestricted Taxes:			
Transactions and Use Taxes	15,521,023	-	15,521,023
Property Taxes, Levied for General Purposes	23,317,706	-	23,317,706
Utility Users Taxes	5,348,665	-	5,348,665
Business Operation Taxes	1,558,600	-	1,558,600
Franchise Taxes	1,481,093	-	1,481,093
Transient Occupancy Taxes	897,155	-	897,155
Unrestricted Investment Earnings	5,118,668	689,301	5,807,969
Intergovernmental Revenue - Sales Taxes	19,014,681	-	19,014,681
TRANSFERS	(25,000)	25,000	-
Total General Revenues and Transfers	72,232,591	714,301	72,946,892
CHANGES IN NET POSITION	670,308	2,033,154	2,703,462
Net Position - Beginning of Year	163,795,535	43,055,574	206,851,109
NET POSITION - END OF YEAR	<u>\$ 164,465,843</u>	<u>\$ 45,088,728</u>	<u>\$ 209,554,571</u>

See accompanying Notes to Financial Statements.

**CITY OF WESTMINSTER, CALIFORNIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2024**

		Special Revenue Funds		
		Westminster Housing Authority	Housing and Community Development	Special Gas Tax and Street Improvements
	General			
ASSETS				
Cash and Investments	\$ 62,432,811	\$ -	\$ 1,124,593	\$ 12,610,846
Receivables, Net of Allowances	9,262,516	18,111,422	5,831,534	5,453,010
Lease Receivable	5,270,425	-	-	-
Prepaid Items	31,030	-	-	-
Land Held for Resale	-	2,259,611	-	-
Restricted Assets:				
Cash and Investments	-	3,949,745	-	-
Cash and Investments With Fiscal Agents	2,589,172	-	-	-
Total Assets	<u>\$ 79,585,954</u>	<u>\$ 24,320,778</u>	<u>\$ 6,956,127</u>	<u>\$ 18,063,856</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable and Other Liabilities	\$ 3,209,066	\$ 12,609	\$ 980,217	\$ 726,129
Deposits	1,180,161	-	-	-
Unearned Revenue	16,057,391	-	-	-
Due to Other Governments	4,438	-	4,893,094	-
Total Liabilities	<u>20,451,056</u>	<u>12,609</u>	<u>5,873,311</u>	<u>726,129</u>
DEFERRED INFLOWS OF RESOURCES				
Leases	5,155,585	-	-	-
Unavailable Revenue	113,190	-	-	3,810,031
Total Deferred Inflows of Resources	<u>5,268,775</u>	<u>-</u>	<u>-</u>	<u>3,810,031</u>
Total Liabilities and Deferred Inflows of Resources	25,719,831	12,609	5,873,311	4,536,160
FUND BALANCES				
Nonspendable	31,030	-	-	-
Restricted	2,589,172	24,308,169	1,082,816	13,527,696
Committed	13,147,338	-	-	-
Assigned	-	-	-	-
Unassigned	38,098,583	-	-	-
Total Fund Balances	<u>53,866,123</u>	<u>24,308,169</u>	<u>1,082,816</u>	<u>13,527,696</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 79,585,954</u>	<u>\$ 24,320,778</u>	<u>\$ 6,956,127</u>	<u>\$ 18,063,856</u>

See accompanying Notes to Financial Statements.

**CITY OF WESTMINSTER, CALIFORNIA
BALANCE SHEET (CONTINUED)
GOVERNMENTAL FUNDS
JUNE 30, 2024**

	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
	Capital Improvements		
ASSETS			
Cash and Investments	\$ 6,720,947	\$ 16,915,286	\$ 99,804,483
Receivables, Net of Allowances	340,182	249,075	39,247,739
Lease Receivable	-	-	5,270,425
Prepaid Items	-	22,500	53,530
Land Held for Resale	6,400,000	-	8,659,611
Restricted Assets:			
Cash and Investments	-	-	3,949,745
Cash and Investments With Fiscal Agents	-	-	2,589,172
Total Assets	<u>\$ 13,461,129</u>	<u>\$ 17,186,861</u>	<u>\$ 159,574,705</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable and Other Liabilities	\$ 42,127	\$ 1,071,532	\$ 6,041,680
Deposits	-	83,319	1,263,480
Unearned Revenue	-	-	16,057,391
Due to Other Governments	-	-	4,897,532
Total Liabilities	<u>42,127</u>	<u>1,154,851</u>	<u>28,260,083</u>
DEFERRED INFLOWS OF RESOURCES			
Leases	-	-	5,155,585
Unavailable Revenue	241,592	35,764	4,200,577
Total Deferred Inflows of Resources	<u>241,592</u>	<u>35,764</u>	<u>9,356,162</u>
Total Liabilities and Deferred Inflows of Resources	283,719	1,190,615	37,616,245
FUND BALANCES			
Nonspendable	-	22,500	53,530
Restricted	-	15,996,246	57,504,099
Committed	-	-	13,147,338
Assigned	13,177,410	-	13,177,410
Unassigned	-	(22,500)	38,076,083
Total Fund Balances	<u>13,177,410</u>	<u>15,996,246</u>	<u>121,958,460</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 13,461,129</u>	<u>\$ 17,186,861</u>	<u>\$ 159,574,705</u>

See accompanying Notes to Financial Statements.

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**CITY OF WESTMINSTER, CALIFORNIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2024**

Fund Balances - Total Governmental Funds	\$ 121,958,460
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds balance sheet (this excludes capital assets and accumulated depreciation and amortization of \$13,711,441 and (\$9,715,419), respectively, that are included in the internal service fund):

Capital Assets	477,287,896
Accumulated Depreciation and Amortization	(304,198,659)

Internal Service funds are used by management to charge the costs of various city activities to individual governmental and business-like funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of activities. Internal Service funds net position, excluding \$993,160 allocated to the business-type activity.

6,994,216

Pension and OPEB related debt applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Deferred outflows of resources and deferred inflows of resources related to pension and 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 on Pension	47,624,822
Deferred Outflows of Resources on OPEB	6,354,108
Deferred Inflows of Resources on Pension	(3,159,476)
Deferred Inflows of Resources on OPEB	(3,471,225)
Net Pension Liability	(145,950,796)
Net Pension Asset	210,892
Net OPEB Liability	(43,384,972)

Long-term assets are not available to pay for current period expenditures and, therefore, are reported as deferred inflows of resources in the fund financial statements.

4,200,577

Net Position of Governmental Activities	<u><u>\$ 164,465,843</u></u>
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**CITY OF WESTMINSTER, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024**

	General	Special Revenue Funds		
		Westminster Housing Authority	Housing and Community Development	Special Gas Tax and Street Improvements
REVENUES				
Taxes	\$ 45,632,455	\$ -	\$ -	\$ 5,961,355
Licenses and Permits	1,532,775	-	-	-
Fines	549,459	-	-	-
Investment and Rental	5,884,366	111,974	69	339,876
Intergovernmental	20,312,840	-	2,855,056	3,642,236
Charges for Services	9,837,703	-	-	2,320
Other	691,245	1,248	-	29,500
Total Revenues	84,440,843	113,222	2,855,125	9,975,287
EXPENDITURES				
Current:				
General Government	6,309,321	-	-	-
Public Safety	57,194,531	-	-	-
Public Works	5,805,168	-	-	-
Community Development	3,835,420	368,952	666,915	1,571,378
Community Services	3,050,779	-	-	-
Capital Outlay	1,142,066	-	1,394,592	4,554,538
Total Expenditures	77,337,285	368,952	2,061,507	6,125,916
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	7,103,558	(255,730)	793,618	3,849,371
OTHER FINANCING SOURCES (USES)				
Sale of Equipment and Property	7,297	-	-	-
Transfers In	-	-	-	-
Transfers Out	(25,000)	-	-	-
Total Other Financing Sources (Uses)	(17,703)	-	-	-
NET CHANGE IN FUND BALANCES	7,085,855	(255,730)	793,618	3,849,371
Fund Balances - Beginning of Year, as Previously Presented	37,943,268	24,563,899	289,198	4,050,063
Change Within the Financial Reporting Entity (Change in Grouping of Funds)	8,837,000	-	-	5,628,262
Fund Balances - Beginning of Year, as Restated	46,780,268	24,563,899	289,198	9,678,325
FUND BALANCES - END OF YEAR	<u>\$ 53,866,123</u>	<u>\$ 24,308,169</u>	<u>\$ 1,082,816</u>	<u>\$ 13,527,696</u>

See accompanying Notes to Financial Statements.

CITY OF WESTMINSTER, CALIFORNIA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024

	Capital Projects Fund		
	Capital Improvements	Other Governmental Funds	Total Governmental Funds
REVENUES			
Taxes	\$ -	\$ 2,491,787	\$ 54,085,597
Licenses and Permits	-	-	1,532,775
Fines	-	-	549,459
Investment and Rental	125,876	404,194	6,866,355
Intergovernmental	440,832	3,630,725	30,881,689
Charges for Services	-	407,642	10,247,665
Other	-	81,620	803,613
Total Revenues	566,708	7,015,968	104,967,153
EXPENDITURES			
Current:			
General Government	-	7,590	6,316,911
Public Safety	-	561,708	57,756,239
Public Works	-	-	5,805,168
Community Development	549,432	1,271,284	8,263,381
Community Services	-	559,621	3,610,400
Capital Outlay	63,180	4,073,598	11,227,974
Total Expenditures	612,612	6,473,801	92,980,073
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(45,904)	542,167	11,987,080
OTHER FINANCING SOURCES (USES)			
Sale of Equipment and Property	-	68,400	75,697
Transfers In	205,000	-	205,000
Transfers Out	(27,652)	-	(52,652)
Total Other Financing Sources (Uses)	177,348	68,400	228,045
NET CHANGE IN FUND BALANCES	131,444	610,567	12,215,125
Fund Balances - Beginning of Year, as Previously Presented	30,006,260	12,890,647	109,743,335
Change Within the Financial Reporting Entity (Change in Grouping of Funds)	(16,960,294)	2,495,032	-
Fund Balances - Beginning of Year, as Restated	13,045,966	15,385,679	109,743,335
FUND BALANCES - END OF YEAR	<u>\$ 13,177,410</u>	<u>\$ 15,996,246</u>	<u>\$ 121,958,460</u>

See accompanying Notes to Financial Statements.

**CITY OF WESTMINSTER, CALIFORNIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2024**

Net Change in Fund Balances - Total Governmental Funds	\$ 12,215,125
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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 the estimated useful lives as depreciation and amortization expense. This is the amount by which depreciation and amortization exceeded capital expense in the current period.

Capital Outlays	7,955,997
Expensed Construction in Progress Project	(1,583,677)
Depreciation and Amortization Expense	(13,192,847)

Pension expenditures 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.	(4,990,332)
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OPEB expenditures reported in the governmental funds includes the insurance premiums paid. In the statement of activities, OPEB expense includes the change in the OPEB liability, and related change in OPEB amounts for deferred outflows of resources and deferred inflows of resources.	420,206
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Internal service funds are used by management to charge the costs of certain activities, such as fleet management, telephones, and warehouse operations to individual funds. The net revenue (expense) of these internal service funds are reported as governmental activities (excluding \$285,638 allocated to the business-type activity):	230,897
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Some revenues reported previously in the statement of activities were reported as revenues in the governmental funds as they were received in the current fiscal year.	
Net Change in Long-Term Receivables	(385,061)

Change in Net Position of Governmental Activities	\$ <u>670,308</u>
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CITY OF WESTMINSTER, CALIFORNIA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2024

	Business-Type Activity Water Enterprise Fund	Governmental Activities Internal Service Funds
ASSETS		
Current Assets:		
Cash and Investments	\$ 28,506,657	\$ 15,394,008
Receivables, Net of Allowances	3,484,435	8,244
Prepaid Items	420,306	67,682
Restricted Assets:		
Cash and Investments With Fiscal Agents	114,642	-
Cash and Investments Held in Pension Trust	-	5,489,977
Total Current Assets	<u>32,526,040</u>	<u>20,959,911</u>
Capital Assets:		
Land	2,484,846	-
Construction in Progress	156,725	-
Buildings	101,429	4,594,923
Water Distribution Lines	48,590,159	-
Improvements Other Than Buildings	12,014,682	622,855
Vehicles	-	2,486,284
Machinery and Equipment	13,372,559	1,050,380
Office Furniture, Computers, and Equipment	202,939	3,022,514
Lease Property	-	1,381,488
SBITAs	-	552,997
Total Capital Assets	<u>76,923,339</u>	<u>13,711,441</u>
Less: Accumulated Depreciation and Amortization	<u>(52,143,391)</u>	<u>(9,715,419)</u>
Net Capital Assets	<u>24,779,948</u>	<u>3,996,022</u>
Total Assets	57,305,988	24,955,933
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Amounts on Pension Plans	1,104,075	-
Deferred Amounts on OPEB Plan	728,836	-
Total Deferred Outflows of Resources	<u>1,832,911</u>	<u>-</u>

See accompanying Notes to Financial Statements.

CITY OF WESTMINSTER, CALIFORNIA
STATEMENT OF NET POSITION (CONTINUED)
PROPRIETARY FUNDS
JUNE 30, 2024

	Business-Type Activity Enterprise Fund	Governmental Activities Internal Service Funds
LIABILITIES		
Current Liabilities:		
Accounts Payable and Other Liabilities	\$ 4,107,430	\$ 349,122
Deposits	13,000	-
Claims Payable	-	3,253,500
Compensated Absences	266,125	2,314,265
Leases Payable	-	293,071
SBITAs Payable	-	187,928
Loans Payable	84,287	-
Total Current Liabilities	<u>4,470,842</u>	<u>6,397,886</u>
Long-Term Liabilities:		
Claims Payable	-	9,760,500
Compensated Absences	43,323	376,741
Leases Payable	-	433,430
Loans Payable	679,195	-
Net Pension Liability	4,427,623	-
Net OPEB Liability	4,976,383	-
Total Long-Term Liabilities	<u>10,126,524</u>	<u>10,570,671</u>
Total Liabilities	14,597,366	16,968,557
DEFERRED INFLOWS OF RESOURCES		
Deferred Amounts on Pension Plans	47,805	-
Deferred Amounts on OPEB Plan	398,160	-
Total Deferred Inflows of Resources	<u>445,965</u>	<u>-</u>
NET POSITION		
Net Investment in Capital Assets	23,985,920	3,081,593
Restricted:		
Pension Benefits	-	5,489,977
Unrestricted	<u>20,109,648</u>	<u>(584,194)</u>
Total Net Position	44,095,568	<u>\$ 7,987,376</u>
Adjustment to Reflect the Consolidation of Internal Service Fund Activities Related to Enterprise Funds	<u>993,160</u>	
Net Position of Business-Type Activity	<u>\$ 45,088,728</u>	

See accompanying Notes to Financial Statements.

CITY OF WESTMINSTER, CALIFORNIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2024

	Business-Type Activity Water Enterprise Fund	Governmental Activities Internal Service Funds
OPERATING REVENUES		
Charges for Services	\$ 19,971,104	\$ 11,199,022
Other	18,211	597,003
Total Operating Revenues	<u>19,989,315</u>	<u>11,796,025</u>
OPERATING EXPENSES		
Salaries	4,310,291	2,194,517
Maintenance and Operations	5,860,804	4,095,714
Purchased Water	1,106,748	-
Pump and Basin Assessment	6,142,906	-
Insurance Premiums and Legal Fees	5,213	2,024,925
Claims and Benefits	-	2,768,166
Depreciation and Amortization	1,390,283	902,175
Total Operating Expenses	<u>18,816,245</u>	<u>11,985,497</u>
OPERATING INCOME (LOSS)	1,173,070	(189,472)
NONOPERATING REVENUES (EXPENSES)		
Investment Income	689,301	669,733
Interest and Fiscal Charges	(66,577)	(26,541)
Gain on Sale of Property and Equipment	-	34,499
Total Nonoperating Revenues (Expenses)	<u>622,724</u>	<u>677,691</u>
INCOME BEFORE TRANSFERS AND CAPITAL CONTRIBUTIONS	1,795,794	488,219
TRANSFERS		
Transfers In	25,000	27,652
Transfers Out	-	(205,000)
Total Transfers	<u>25,000</u>	<u>(177,348)</u>
CAPITAL CONTRIBUTIONS - CAPITAL GRANTS	<u>132,386</u>	<u>-</u>
CHANGE IN NET POSITION	1,953,180	310,871
Net Position - Beginning of Year	<u>42,142,388</u>	<u>7,676,505</u>
NET POSITION - END OF YEAR	<u><u>\$ 44,095,568</u></u>	<u><u>\$ 7,987,376</u></u>
ADJUSTMENT TO REFLECT THE CONSOLIDATION OF INTERNAL SERVICE FUND ACTIVITIES RELATED TO ENTERPRISE FUND	\$ 79,974	
CHANGE IN NET POSITION - ENTERPRISE FUND	<u>1,953,180</u>	
CHANGE IN NET POSITION OF BUSINESS-TYPE ACTIVITY	<u><u>\$ 2,033,154</u></u>	

See accompanying Notes to Financial Statements.

CITY OF WESTMINSTER, CALIFORNIA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2024

	Business-Type Activity Water Enterprise Fund	Governmental Activities Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers	\$ 19,673,134	\$ -
Receipts for Interfund Services	-	11,792,080
Payment to Suppliers	(12,280,518)	(8,284,294)
Payment to Employees	(4,172,574)	(2,313,730)
Net Cash Provided by Operating Activities	<u>3,220,042</u>	<u>1,194,056</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash Received from Other Funds	25,000	-
Cash Paid To Other Funds	-	(205,000)
Net Cash Provided (Used) by Noncapital Financing Activities	<u>25,000</u>	<u>(205,000)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Cash Received from Other Funds	-	27,652
Proceeds from Capital Grant	132,386	-
Acquisition of Capital Assets	(711,801)	(27,652)
Proceeds from Sale of Assets	-	84,173
Principal Payments on Leases	-	(382,104)
Principal Payments on SBITAs	-	(353,069)
Principal Payments on Long-Term Debt	(416,421)	-
Interest and Fiscal Charges	(40,549)	(26,541)
Net Cash Used by Capital and Related Financing Activities	<u>(1,036,385)</u>	<u>(677,541)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment Income	<u>689,301</u>	<u>669,733</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,897,958	981,248
Cash and Cash Equivalents - Beginning of Year	<u>25,723,341</u>	<u>19,902,737</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u><u>\$ 28,621,299</u></u>	<u><u>\$ 20,883,985</u></u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION		
Current Assets:		
Cash and Investments	\$ 28,506,657	\$ 15,394,008
Restricted Assets:		
Cash and Investments Held by Fiscal Agent	114,642	-
Cash and Investments Held in Pension Trust	-	5,489,977
Total Cash and Cash Equivalents	<u><u>\$ 28,621,299</u></u>	<u><u>\$ 20,883,985</u></u>

See accompanying Notes to Financial Statements.

**CITY OF WESTMINSTER, CALIFORNIA
STATEMENT OF CASH FLOWS (CONTINUED)
PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2024**

	Business-Type Activity Water Enterprise Fund	Governmental Activities Internal Service Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ 1,173,070	\$ (189,472)
Depreciation and Amortization	1,390,283	902,175
Change in Assets and Liabilities:		
(Increase) Decrease in:		
Accounts Receivable	(316,181)	(3,945)
Prepaid Items	34,112	(39,854)
Deferred Outflows on Pensions	80,117	-
Deferred Outflows on OPEB	126,437	-
Increase (Decrease) in:		
Accounts Payable and Other Liabilities	801,041	52,366
Claims Payable	-	592,000
Deferred Inflows on Pensions	(75,744)	-
Deferred Inflows on OPEB	(68,410)	-
OPEB	(106,227)	-
Pension Liability	133,296	-
Compensated Absences Payable	48,248	(119,214)
Net Cash Provided by Operating Activities	<u>\$ 3,220,042</u>	<u>\$ 1,194,056</u>
NONCASH FINANCING, CAPITAL, OR INVESTING ACTIVITIES		
Capital Assets Acquired through Lease	<u>\$ -</u>	<u>\$ 392,312</u>
Capital Assets Acquired through SBITAs	<u>\$ -</u>	<u>\$ 512,050</u>

See accompanying Notes to Financial Statements.

**CITY OF WESTMINSTER, CALIFORNIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2024**

	Successor Agency to the Westminster Redevelopment Agency Private-Purpose Trust Fund
ASSETS	
Current Assets:	
Cash and Investments	\$ 179,628
Interest Receivable	17,925
Prepaid Items	583,165
Restricted Assets:	
Cash and Investments With Fiscal Agents	1,974,949
Total Current Assets	<u>2,755,667</u>
 Total Assets	 2,755,667
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred Loss on Refunding, Net of Accumulated Amortization	9,378,245
 LIABILITIES	
Current Liabilities:	
Accounts Payable and Other Liabilities	1,575
Certificates of Participation, Current Portion	2,615,000
Due to Other Governments	250,298
Interest Payable	627,922
Total Current Liabilities	<u>3,494,795</u>
 Long-Term Liabilities:	
Certificates of Participation	<u>92,359,394</u>
 Total Liabilities	 <u>95,854,189</u>
 NET POSITION	
Net Position for Private Purpose	<u><u>\$ (83,720,277)</u></u>

See accompanying Notes to Financial Statements.

**CITY OF WESTMINSTER, CALIFORNIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED JUNE 30, 2024**

	Successor Agency to the Westminster Redevelopment Agency Private-Purpose Trust Fund
ADDITIONS	
Taxes and Assessments	\$ 5,868,090
Investment and Rental	91,134
Total Additions	<u>5,959,224</u>
DEDUCTIONS	
General Government	26,233
Community Development	13,765
Interest and Fiscal Expense	<u>3,345,404</u>
Total Deductions	<u>3,385,402</u>
CHANGE IN NET POSITION	2,573,822
Net Position - Beginning of Year	<u>(86,294,099)</u>
NET POSITION - END OF YEAR	<u><u>\$ (83,720,277)</u></u>

See accompanying Notes to Financial Statements.

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CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Reporting Entity

The basic financial statements of the City of Westminster (the City) include the activities of the City, the Westminster Public Financing Authority and the Westminster Housing Authority.

The City of Westminster was incorporated in 1957 under the General Laws of the state of California. The City operates under a Council-Manager form of government governed by a five-member council and provides the following services: public safety (police, fire, paramedic, and ambulance), highways and streets, parks and recreation, public improvements, planning and zoning, and general administrative services.

The criteria used in determining the scope of the reporting entity are based on the provisions of Governmental Accounting Standards Board (GASB) Statements. The City of Westminster is the primary government unit. Component units are those entities which are financially accountable to the primary government, either because the City appoints a voting majority of the component unit's board, or because the component unit will provide a financial benefit or impose a financial burden on the City. The City has accounted for the Westminster Public Financing Authority and Westminster Housing Authority as "blended" component units. Despite being legally separate, these entities are so intertwined with the City that they are, in substance, part of the City's operations, which has created a financial burden/benefit relationship. Accordingly, the balances and transactions of these component units are reported within the funds of the City. Each blended component unit has a June 30 year-end.

The Westminster Public Financing Authority (the Authority) was established on March 23, 1993 pursuant to California Government Code, Section 6500. The Authority was established to provide a financing mechanism for the City's and Agency's various public projects. A separate fund is not maintained for the Authority as principal and interest payments on debt issued by the Authority is paid directly by the City. The payments are reported in the Special Revenue, Enterprise and Internal Service Funds. There are no separate financial statements prepared for the Authority.

The Westminster Housing Authority (the Housing Authority) was established on February 9, 2011 in accordance with California Housing Authority Law (Health and Safety Code Sections 34200). The Housing Authority was established to provide the City with the ability to participate in one or more of the public Housing Programs offered by Housing and Urban Development (HUD). As such, the City will be able to own and operate housing developments, alleviating the need to find prospective owners or operators for the units created. The Housing Authority is governed by the City Council which has full accountability for the Housing Authority's fiscal affairs. Certain assets of the former Redevelopment Agency's Low- and Moderate-Income Housing Funds were transferred to the Housing Authority on February 1, 2012. The activity of the Housing Authority is reported in the Westminster Housing Authority Special Revenue Fund. There are no separate basic financial statements prepared for the Housing Authority.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Description of the Reporting Entity (Continued)

The accounting policies of the City of Westminster, the Westminster Public Financing Authority and the Westminster Housing Authority conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

B. Government-Wide and Fund Financial Statements

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

Certain eliminations have been made in regard to interfund activities, payables, and receivables. All internal balances in the statement of net position have been eliminated except those representing balances between the governmental activities and the business type activity, which are presented as internal balances and eliminated in the total primary government column. In the statement of activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

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

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

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (Continued)

Separate financial statements for the government's governmental, proprietary, and fiduciary funds are presented after the government-wide financial statements. These statements display information about major funds individually and nonmajor funds in the aggregate for governmental and enterprise funds. Fiduciary statements, even though excluded from the government-wide financial statements represent private purpose trust funds and custodial funds.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and private purpose trust fund financial statements. 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 balance sheet. Operating statements present increases (revenues) and decreases (expenses) in total 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.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. 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. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses, and depreciation and amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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 sheet. The reported fund balance is considered to be a measure of "available spendable resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balance. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period. Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheet in spite of their spending measurement focus.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

The City's fiduciary funds consists of a private purpose trust fund which is reported using the economic resources measurement focus and accrual basis of accounting.

All governmental and business-type activities and enterprise funds of the City follow GASB pronouncements.

D. Fund Classifications

The City reports the following major governmental funds:

General Fund

The General Fund is the primary operating fund of the City. It is used to account for all revenues and expenditures that are not required to be accounted for in another fund.

Westminster Housing Authority Special Revenue Fund

The Westminster Housing Authority Special Revenue Fund is used to account for revenues received primarily from loan repayments and the associated expenditures to be used for increasing or improving low- and moderate-income housing. The assets in this fund were transferred to the City upon dissolution of the Westminster Redevelopment Agency.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Fund Classifications (Continued)

Housing and Community Development Special Revenue Fund

The Housing and Community Development Special Revenue Fund is used to account for Federal grants received from the Department of Housing and Urban Development (HUD) and the SB2 Permanent Local Housing Allocation (PLHA) Program from the state of California. The HUD grants are to be used for the development of a viable community by providing decent housing, suitable living environment and expanding economic opportunities, principally for persons with low- and moderate-income. The PLHA Program funds are to be used for an emergency homeless shelter, augmenting the existing tenant based rental assistance program, and extending the affordability covenants to preserve affordable housing within the City.

Special Gas Tax and Street Improvements Special Revenue Fund

The Special Gas Tax and Street Improvements Special Revenue Fund is used to account for revenues and expenditures apportioned under the Streets and Highways Code of the state of California, Measure M sales taxes and various grant programs available for street-related expenditures. Expenditures may be made for any street related purpose in the City's system of streets, including maintenance thereof.

Capital Improvements Capital Projects Fund

The Capital Improvements Capital Projects Fund is used to account for City projects funded by various sources.

The City reports the following major enterprise fund:

Water Enterprise Fund

The Water Enterprise Fund is used to account for the provision of water services to residential, commercial, and industrial customers.

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

Special Revenue Funds

The Special Revenue Funds are used to account for proceeds of specific revenue sources that are legally restricted or otherwise assigned for specific purposes.

Internal Service Funds

The Internal Service Funds are used to account for the financing of special activities that provide services within the City. These activities include risk management, compensation and benefits, motor pool and equipment maintenance, and facilities maintenance.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Fund Classifications (Continued)

Private Purpose Trust Fund

The Private Purpose Trust Fund is used to account for the activities of the Successor Agency to the Westminster Redevelopment Agency.

E. Land Held for Resale

Land held for resale is carried at the lower of cost or estimated realizable value determined.

F. Capital Assets

Capital assets (including infrastructure) are recorded at cost where historical records are available and at an estimated original cost where no historical records exist. Contributed capital assets are valued at their acquisition value at the date of acquisition. Generally, capital asset purchases in excess of \$5,000 are capitalized if they have an expected useful life of one year or more. Capital assets include additions to public domain (infrastructure), certain improvements including pavement, curb and gutter, sidewalks, traffic control devices, streetlights, sewers, storm drains, bridges, right of way corridors within the City, and intangible assets such as right-to-use leases and subscription-based information technology arrangements (SBITAs).

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

SBITA assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

Tangible capital assets used in operations are depreciated and amortized over their estimated useful lives using the straight-line method in the government-wide financial statements, and in the fund financial statements of the proprietary funds. Depreciation and amortization are charged as an expense against operations and accumulated depreciation and amortization are reported on the respective statement of net position.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Capital Assets (Continued)

The lives used for depreciation and amortization purposes of each tangible capital asset class are:

Buildings	30 to 50 Years
Improvements Other Than Buildings	20 Years
Water Distribution Lines	65 Years
Vehicles	4 to 15 Years
Machinery and Equipment	5 to 30 Years
Office Furniture, Computers, and Equipment	5 to 20 Years
Lease Property	3 to 5 Years
SBITAs	3 to 5 Years
Infrastructure	20 to 50 Years

G. 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 future periods and so will not be recognized as an outflow of resources (expense) until that time. The category of deferred outflow of resources reported in the government-wide statement of net position and the proprietary funds financial statements and is related to a loss on refunding, pension, and other postemployment benefits. A deferred loss on refunding results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred outflows on pension and other postemployment benefits are more fully discussed in Notes 9 and 10, respectively.

In addition to liabilities, the statement of net position and the governmental funds balance sheet reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

The City's deferred inflows of resources reported on the government-wide statement of net position and the proprietary funds financial statements relate to pension and other postemployment benefits, which are more fully discussed in Notes 9 and 10, respectively.

The City's deferred inflows of resources reported on the government-wide statement of net position also include balances related to leases for amounts not yet received. These amounts are deferred and recognized as an inflow of resources in the period that the amounts are available or earned.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Deferred Outflows/Inflows of Resources (Continued)

Deferred inflows from *unavailable revenues*, which arises only under a modified accrual basis of accounting, are reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources, which are charges for services and grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

H. Governmental Fund Balances

Fund balances for governmental funds are reported in the fund statements in the following classifications:

- **Nonspendable fund balance.** This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- **Restricted fund balance.** This classification includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers or through enabling legislation.
- **Committed fund balance.** This classification includes amounts that can be used only for the specific purposes determined by a formal action of the City Council. The City Council has authority to establish, modify, or rescind a fund balance commitment through the passage of an ordinance, the City's highest level of decision-making authority. The fund balance committed in the General Fund for emergency contingency is established at 17% of General Fund operating expenditures. This amount can be used for budgeted revenue shortfalls and may include, but not limited to, (1) significant decrease in property, sales, or transactions and use tax or other revenues, (2) reductions in revenue due to actions by the state/federal government, (3) provide temporary resources in the event of an economic downturn while expenditure reductions are implemented or (4) provide resources to meet emergency expenditures in the case of flood, fire, earthquake, or other disasters.
- **Assigned fund balance.** This classification includes amounts to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds, other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. This amount includes amounts that are assigned through adoption of the budget. Council may delegate the ability of an employee or committee to assign the use of specific funds for specific purposes. Such delegation has not yet been granted to persons or committees other than the City Council. The City assigns unspent capital project balances and amounts in its Capital Improvements Capital Projects Fund.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

H. Governmental Fund Balances (Continued)

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

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the City's policy is to apply restricted fund balance first.

When an expenditure is incurred for purposes for which committed, assigned or unassigned fund balances are available, the City's policy is to apply committed fund balance first, then assigned fund balance and finally unassigned fund balance.

I. Net Position

Net position is classified in the following categories:

- **Net investment in capital assets.** This amount consists of capital assets, net of accumulated depreciation and amortization, and reduced by outstanding debt (including premiums and discounts) and other capital related payables that attributed to the acquisition, construction, or improvement of the assets.
- **Restricted net position.** This amount is restricted by enabling legislation (such as external creditors, grantors, contributors, or laws or regulations of other governments).
- **Unrestricted net position.** This amount is the remaining net position that does not meet the definition of "net investment in capital assets" or "restricted net position."

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.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

J. Long-Term Obligations

In the government-wide financial statements and the proprietary and fiduciary private purpose trust funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activity, proprietary fund type statement of net position, and the fiduciary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

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

K. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General, Special Revenue, and Capital Projects Funds. Unexpended and unencumbered appropriations of the governmental funds automatically lapse at the end of the fiscal year. As of June 30, 2024, all encumbrances at year-end were closed. Unexpended appropriations are re-encumbered in the following year after reconsideration, without additional budget appropriation.

L. Cash and Cash Equivalents

For purposes of the statement of cash flows, the City considers all highly liquid investments (including restricted assets) with an original maturity of three months or less when purchased to be cash and cash equivalents. All cash of the City's enterprise and internal service funds are held in a City-wide pool of cash and investments. As amounts are available to these Funds on demand, all cash for the above funds is considered to be cash and cash equivalents for statement of cash flow purposes.

M. Investments

Investments are reported in the accompanying financial statements 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. Changes in fair value that occur during a fiscal year are recognized as *investment income* reported for that fiscal year. *Investment income* includes interest earnings, changes in fair value, and any gains or losses realized upon the liquidation, maturity, or sale of investments.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

N. Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the noncurrent portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activity are reported in the government-wide financial statements as “internal balances”.

Advances between funds, as reported in the fund financial statements, are offset by fund balance generally classified as nonspendable, but may be required to be reported as restricted, committed, or assigned if the resources received from liquidating these assets is restricted, committed, or assigned for a specific purpose.

O. Prepaid Items

Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements under the consumption method.

P. Property Taxes

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on July 1 and are payable in two installments on November 1 and February 1 and become delinquent December 11 and April 11. The County bills and collects the property taxes and remits them to the City in installments during the year. City property tax revenues are recognized when levied to the extent that they result in current receivables.

The County is permitted by State law (Proposition 13) to levy taxes at 1% of full market value (at time of purchase) and can increase the assessed values no more than 2% per year. The City receives a share of this basic levy proportionate to what was received in the 1976 to 1978 period.

When the City is a lessee, a lease liability and a lease asset is recognized at the commencement of the lease term, unless the lease is a short-term lease, or it transfers ownership of the underlying asset. The lease liability is measured at the present value of payments expected to be made during the lease term (less any lease incentives). The lease asset is measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Q. Leases

When the City is a lessor, a lease receivable and a deferred inflow of resources is recognized at the commencement of the lease term, with certain exceptions for leases of assets held as investments, certain regulated leases, short-term leases, and leases that transfer ownership of the underlying asset. The lease receivable is measured at the present value of lease payments expected to be received during the lease term. The deferred inflow of resources is measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods.

R. Subscription-Based Information Technology Arrangements (SBITAs)

The City recognizes a SBITA liability and a SBITA asset at the commencement of the SBITA term, unless the SBITA is a short-term contract, or it transfers ownership of the underlying asset. The SBITA liability should be measured at the present value of payments expected to be made during the contract term (less any incentives). The SBITA asset should be measured at the amount of the initial measurement of the SBITA liability, plus any payments made to the vendor at or before the commencement of the contract term and certain direct costs.

S. Compensated Absences

Costs associated with compensated absences, along with any related accruals, are accounted for in the Compensation/Benefits Internal Service Fund. The costs for this program will be recovered from those governmental units through inter-departmental charges for services primarily from the General Fund. Other proprietary funds with payroll costs account for their own respective compensated absences.

T. Claims and Judgments

When it is probable that a claim liability has been incurred at year-end, and the amount of the loss can be reasonably estimated, the City records the estimated loss, net of any coverage from insurance or its participation in the excess insurance authority. Small dollar claims and judgments are recorded as expenses when paid.

U. Pensions

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

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

V. 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, except for money market investments that have a maturity at the time of purchase of one year or less, which are reported at cost.

W. Adoption of New Accounting Standards

GASB Statement No. 100, *Accounting Changes and Error Corrections*

In June 2022, the GASB issued GASB Statement No. 100, *Accounting Changes and Error Corrections*. This standard enhanced accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. Accounting changes include changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity.

The City adopted the requirements of the guidance effective July 1, 2023 and has applied the provisions of this standard to the beginning of the period of adoption. The implementation of this standard resulted in the City having changes within the financial reporting entity in the current year. See Note 16 for additional information on the impact and corresponding restatements.

X. Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, liabilities, and deferred inflows of resources and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates and assumptions.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 CASH AND INVESTMENTS

A. Cash and Investments

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

	Government- Wide Statement of Net Position	Fiduciary Funds Statement of Net Position	Total
Unrestricted Assets:			
Cash and Investments	\$ 143,705,148	\$ 179,628	\$ 143,884,776
Total Unrestricted Assets	143,705,148	179,628	143,884,776
Restricted Assets:			
Cash and Investments	3,949,745	-	3,949,745
Cash and Investments With Fiscal Agents	2,703,814	1,974,949	4,678,763
Cash and Investments Held in Pension Trust	5,489,977	-	5,489,977
Total Restricted Assets	12,143,536	1,974,949	14,118,485
Total Cash and Investments	<u>\$ 155,848,684</u>	<u>\$ 2,154,577</u>	<u>\$ 158,003,261</u>

Cash and investments consist of deposits and investments, as noted below:

Primary Government:	
Petty Cash	\$ 5,000
Deposits	3,297,466
Investments	152,546,218
Total	<u>\$ 155,848,684</u>
Fiduciary Funds:	
Deposits	\$ 67,337
Investments	2,087,240
Total	<u>\$ 2,154,577</u>

The City follows the practice of pooling cash and investments of all funds except for amounts with fiscal agents and legally restricted funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Cash and Investments", "Restricted Assets: Cash and Investments", or "Restricted Assets: Cash and Investments With Fiscal Agents." Investment income earned on pooled cash and investments is allocated to the various funds based on ending cash and investment balances. Interest from cash and investments of funds excluded from pooled amounts is credited directly to the related fund.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

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

The table following identifies the investment types that are authorized for the City, including the fiduciary private purpose trust fund, by the California Government Code (or the City's investment policy, where more restrictive). The table also identifies certain provisions of the California Government Code (or the City's investment policy, where more restrictive) that address interest rate risk, credit risk, and concentration of credit risk. This table does not address investments of debt proceeds held by bond trustee that are governed by the provisions of debt agreements of the City or the funds within the Pension Trust that are governed by the agreement between the City and the trustee, rather than the general provisions of the California Government Code or the City's investment policy.

Authorized Investment Type	Maximum Maturity	Maximum Percentage of Portfolio*	Maximum Investment in One Issuer
United States Treasury Obligations	5 Years	No Limit	No Limit
United States Government Sponsored			
Agency Securities	5 Years	No Limit	No Limit
Supranationals	5 Years	30%	5%
Municipal Bonds	5 Years	No Limit	5%
Banker's Acceptances	180 Days	40%	5%
Federally Insured Time Deposits (Federal			
Deposit Insurance Corporation)	5 Years	No Limit	Insured Amount
Time Deposits (Non-Negotiable			
Certificates of Deposit)	5 Years	20%	5%
Certificate of Deposit Placement Service			
(CDARS)	5 Years	30%	5%
Negotiable Certificates of Deposit	5 Years	30%	5%
Repurchase Agreements	1 Year	No Limit	No Limit
Commercial Paper	270 Days	25%	5%
Local Agency Investment Fund (LAIF)	N/A	No Limit	\$ 75,000,000
Corporate Medium Term Notes (MTN)	5 Years	30%	5%
Mortgage Pass-Through Securities/ Collateralized Mortgage Obligations/ Asset-Backed Securities	5 Years	20%	5%
Money Market Mutual Funds	None	20%	No Limit

N/A - Not Applicable

* Excluding amounts held by bond and pension trustees that are not subject to California Government Code restrictions.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

C. Investments Authorized by Debt Agreements

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

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Maximum Percentage Allowed</u>	<u>Maximum Investment in One Issuer</u>
United States Treasury Obligations	No Limit	No Limit	No Limit
United States Government Sponsored Agency Securities	No Limit	No Limit	No Limit
Banker's Acceptances	360 Days	No Limit	No Limit
Time Certificate of Deposits	360 Days	No Limit	No Limit
Commercial Paper	270 Days	No Limit	No Limit
Money Market Mutual Funds	N/A	No Limit	No Limit

N/A - Not Applicable

D. Disclosures Relating to Interest Rate Risk

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

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

D. Disclosures Relating to Interest Rate Risk (Continued)

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

Investment Type	Primary Government			
	Remaining Maturity (in Months)			Total
	12 Months or Less	13 - 36 Months	37 - 60 Months	
Local Agency Investment Fund (LAIF)	\$ 74,706,483	\$ -	\$ -	\$ 74,706,483
United States Treasury Obligations	-	7,049,520	16,569,501	23,619,021
Federal National Mortgage Association (FNMA)	2,126,652	2,282,639	-	4,409,291
Federal Home Loan Mortgage Corporation (FHLMC)	1,255,434	2,286,890	-	3,542,324
Federal Farm Credit Bank (FFCB)	-	-	3,190,737	3,190,737
Corporate Medium Term Notes (MTN)	2,586,544	7,369,364	7,900,534	17,856,442
Collateralized Mortgage Obligations	-	634,515	5,855,624	6,490,139
Asset-Backed Securities	-	2,639,689	3,142,582	5,782,271
Supranational	-	1,664,205	2,634,039	4,298,244
Money Market Mutual Funds	457,475	-	-	457,475
Restricted:				
Pension Trust - PARS Pooled Trust	5,489,977	-	-	5,489,977
Held by Bond Trustee:				
Money Market Mutual Funds	2,703,814	-	-	2,703,814
Total	<u>\$ 89,326,379</u>	<u>\$ 23,926,822</u>	<u>\$ 39,293,017</u>	<u>\$ 152,546,218</u>
Investment Type	Fiduciary Funds			
	Remaining Maturity (in Months)			Total
	12 Months or Less	13 - 36 Months	37 - 60 Months	
Local Agency Investment Fund (LAIF)	\$ 112,291	\$ -	\$ -	\$ 112,291
Restricted:				
Held by Bond Trustee:				
Money Market Mutual Funds	1,974,949	-	-	1,974,949
Total	<u>\$ 2,087,240</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,087,240</u>

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

E. Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented 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:

Primary Government							
Investment Type	Minimum Legal Rating	Total as of June 30, 2024	AAA	AA	A	Not Required to be Rated	Not Rated
LAIF	N/A	\$ 74,706,483	\$ -	\$ -	\$ -	\$ -	\$ 74,706,483
U.S. Treasury Obligations	N/A	23,619,021	-	-	-	23,619,021	-
FNMA	N/A	4,409,291	-	4,409,291	-	-	-
FHLMC	N/A	3,542,324	-	3,542,324	-	-	-
FFCB	N/A	3,190,737	-	3,190,737	-	-	-
MTN	A	17,856,442	-	1,337,161	16,519,281	-	-
Collateralized Mortgage Obligations	AA	6,490,139	2,721,009	3,769,130	-	-	-
Asset-Backed Securities	N/A	5,782,271	4,736,715	-	-	-	1,045,556
Supranational	AA	4,298,244	4,298,244	-	-	-	-
Money Market Mutual Funds	AAA	457,475	457,475	-	-	-	-
Restricted:							
Pension Trust - PARS Pooled Trust	N/A	5,489,977	-	-	-	-	5,489,977
Held by Bond Trustee:							
Money Market Mutual Funds	AAA	2,703,814	2,703,814	-	-	-	-
Total		<u>\$ 152,546,218</u>	<u>\$ 14,917,257</u>	<u>\$ 16,248,643</u>	<u>\$ 16,519,281</u>	<u>\$ 23,619,021</u>	<u>\$ 81,242,016</u>
Fiduciary Funds							
Investment Type	Minimum Legal Rating	Total as of June 30, 2024	AAA	AA+		Not Required to be Rated	Not Rated
LAIF	N/A	\$ 112,291	\$ -	\$ -		\$ -	\$ 112,291
Restricted:							
Held by Bond Trustee:							
Money Market Mutual Funds	AAA	1,974,949	1,974,949	-		-	-
Total		<u>\$ 2,087,240</u>	<u>\$ 1,974,949</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ 112,291</u>

N/A - Not Applicable

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

F. 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. With the exception of LAIF and U.S. Treasury Obligations, the City had no investments in any one issuer that represent 5% or more of total City's investments.

G. Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the City's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. At June 30, 2024, the City deposits (bank balances) were insured by the Federal Depository Insurance Corporation or collateralized as required under California law.

H. Investment in State Investment Pool

The City is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the City's investment in this pool is reported in the accompanying financial statements at amounts based upon the City's pro rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. LAIF is not rated.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

I. Investment in Section 115 Pension Trust

Restricted assets are financial resources generated for a specific purpose, such as pension benefits. These assets are for the benefit of a specific purpose and, as such, are legally or contractually restricted by an external third-party agreement. The City established a trust account with Public Agency Retirement Services (PARS) to hold assets that are legally restricted for use in administering the City's pension plan. The Section 115 Pension Trust's specific cash and investments are managed by a third-party portfolio manager under guidelines approved by the City as follows:

Risk Tolerance	Moderate
Risk Management	The portfolio is constructed to control through four layers of diversification – asset classes (cash, fixed income, equity), investment styles (large cap, small cap, international, value, growth), managers and securities. Disciplined mutual fund selection and monitoring process help to drive return potential while reducing portfolio risk.
Investment Objective	To provide current income and moderate capital appreciation. It is expected that dividend and interest income will comprise a significant portion of total return, although growth through capital appreciation is equally important.
Strategic Ranges	0% – 20% Cash 40% – 60% Fixed Income 40% – 60% Equity

J. Fair Value Measurements

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

U.S. Treasury Obligations, FNMA, FHLMC, FFCB, Municipal Bonds, MTN, Collateralized Mortgage Obligations, Asset-Backed Securities, and Supranational securities classified as Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

J. Fair Value Measurements (Continued)

The City has the following recurring fair value measurements as of June 30, 2024:

	Quoted Prices Level 1	Observable Inputs Level 2	Unobservable Inputs Level 3	Total
Primary Government:				
U.S. Treasury Obligations	\$ -	\$ 23,619,021	\$ -	\$ 23,619,021
FNMA	-	4,409,291	-	4,409,291
FHLMC	-	3,542,324	-	3,542,324
FFCB	-	3,190,737	-	3,190,737
MTN	-	17,856,442	-	17,856,442
Collateralized Mortgage Obligations	-	6,490,139	-	6,490,139
Asset-Backed Securities	-	5,782,271	-	5,782,271
Supranational	-	4,298,244	-	4,298,244
Total Leveled Investments	<u>\$ -</u>	<u>\$ 69,188,469</u>	<u>\$ -</u>	<u>69,188,469</u>
LAIF*				74,706,483
Money Market Mutual Funds*				457,475
Restricted:				
Pension Trust - PARS Pooled Trust*				5,489,977
Held by Bond Trustee:				
Money Market Mutual Funds*				2,703,814
Total Investment Portfolio				<u>\$ 152,546,218</u>
Fiduciary Funds:				
LAIF*				\$ 112,291
Restricted:				
Held by Bond Trustee:				
Money Market Mutual Funds*				1,974,949
Total Investment Portfolio				<u>\$ 2,087,240</u>

* Not subject to fair value measurements.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 3 INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

The compositions of the City's interfund transfer balances as of June 30, 2024, are as follows:

	Transfers In			
	Capital Improvements Capital Projects Fund	Water Enterprise	Internal Service	Total
Transfers Out:				
General	\$ -	\$ 25,000	\$ -	\$ 25,000
Capital Improvements				
Capital Projects Fund	-	-	27,652	27,652
Internal Service	205,000	-	-	205,000
Total	<u>\$ 205,000</u>	<u>\$ 25,000</u>	<u>\$ 27,652</u>	<u>\$ 257,652</u>

The transfer from the General Fund to the Water Enterprise Fund was for the low-income lifelines program offered to utility customers (\$25,000).

The transfer from the Internal Service Funds to the Capital Improvements Capital Projects Fund was for the following:

Rose Center Roof and Seal	\$ 25,000
Fire Station 65 Flooring Replacements	30,000
Vehicle Purchases	150,000
Total	<u>\$ 205,000</u>

The transfer from the Capital Improvements Capital Projects Fund to the Internal Service Funds totaling \$27,652 were for the following: (1) \$19,918 for Station 65 flooring and (2) \$7,734 for the logo plaque at City Hall.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 4 RECEIVABLES

Receivables as of year-end, including the applicable allowances for uncollectible accounts, are as follows:

A. Governmental Funds

	General	Westminster Housing Authority	Housing and Community Development	Special Gas Tax and Street Improvements	Capital Improvements	Nonmajor Other Governmental	Total
Taxes	\$ 6,618,694	\$ -	\$ -	\$ -	\$ -	\$ 19,037	\$ 6,637,731
Accounts	859,792	-	-	-	241,592	-	1,101,384
Interest	1,290,686	-	-	-	-	-	1,290,686
Loans	-	4,458,388	4,054,637	-	98,590	-	8,611,615
Notes	-	13,653,034	838,457	-	-	-	14,491,491
Due from Other Governments	493,344	-	938,440	5,453,010	-	230,038	7,114,832
Total Receivables	<u>\$ 9,262,516</u>	<u>\$ 18,111,422</u>	<u>\$ 5,831,534</u>	<u>\$ 5,453,010</u>	<u>\$ 340,182</u>	<u>\$ 249,075</u>	<u>\$ 39,247,739</u>

Allowances for uncollectible accounts includes (\$12,740) for the General Fund accounts receivable, (\$80,531) for the Capital Improvements Capital projects Fund accounts receivable, (\$78,000) for the Capital Improvements Capital projects Fund loans receivable, and (\$137,778) for Westminster Housing Authority Special Revenue Fund notes receivable.

B. Governmental Activities

A detailed summary of the loans and notes receivable balances follows:

Loans Receivable - Housing and Community Development

<u>Description</u>	<u>Amount</u>
Community Development Block Grant - Housing Rehab Loans, due upon sale of property.	\$ 369,212
HOME Rehab Loans, due upon sale of property.	40,700
HOME Single Residence Loans, due upon sale of property.	225,663
HOME Down Payment Assistance Loans, payable in monthly installments, with balance due upon sale of property.	65,887
HOME Lease Purchase Program - due upon sale of property. The program is administered by American Family Housing, Inc. or Abrazar, Inc.	<u>3,353,175</u>
Total Loans Receivable - Housing and Community Development	<u>\$ 4,054,637</u>

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 4 RECEIVABLES (CONTINUED)

B. Governmental Activities (Continued)

Loans Receivable - Westminster Housing Authority

<u>Description</u>	<u>Amount</u>
Housing Rehab Loans, due upon sale of property.	\$ 1,549,984
Housing Single Residence Loans, deferred 35 years or due upon sale of property.	35,000
Housing Lease Purchase Program - due upon sale of property. The program is administered by American Family Housing, Inc. or Abrazar, Inc.	2,798,404
Housing First Time Homebuyers Loans, due upon sale of property.	<u>75,000</u>
Total Loans Receivable - Westminster Housing Authority	<u><u>\$ 4,458,388</u></u>

Notes Receivable – Housing and Community Development

<u>Description</u>	<u>Amount</u>
\$610,662 note receivable from American Family Housing, dated July 8, 2015. The purpose of the loan is to assist with the developer in the purchase and development of property located at 13811 Locust Street in the City of Westminster, California, as a long-term transitional housing project that may be modified to permanent rental housing for persons and families of very low- and low-income at affordable rent. As of June 30, 2023, \$606,360 has been disbursed to the developer and no additional disbursements to the full note receivable amount are anticipated. Repayment of the 55-year loan is to be made in annual payments equal to 50% of the projects “residual receipts.” This note shall accrue interest at the rate of 0%.	\$ 606,360

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 4 RECEIVABLES (CONTINUED)

B. Governmental Activities (Continued)

Notes Receivable – Housing and Community Development (Continued)

<u>Description (Continued)</u>	<u>Amount</u>
<p>\$157,200 note receivable from American Family Housing dated July 28, 2016. The purpose of the loan is to assist with the development property located at 13942 Cedar Street in the City of Westminster, California, as an affordable rental housing project to be made available to and occupied by qualified and eligible low-income families at an affordable rent. As of June 30, 2023, \$145,740 has been disbursed to the developer and no additional disbursements to the full note receivable amount are anticipated. Repayment of the 55-year loan is to be made in annual payments equal to 50% of the project's "residual receipts." The note shall accrue interest at the rate of 0%.</p>	<p>\$ 145,740</p>
<p>\$118,895 note receivable from American Family Housing dated August 22, 2018. The purpose of the loan is to assist with the development property located at 7372 Wyoming Street in the City of Westminster, California, as an affordable rental housing project to be made available to and occupied by qualified and eligible low-income families at an affordable rent. As of June 30, 2023, \$110,154 has been disbursed to the developer and no additional disbursements to the full not receivable amount are anticipated. Repayment of the 55-year loan is to be made in annual forgiveness payments equal to \$7,932. The note shall accrue interest at the rate of 0%.</p>	<p><u>86,357</u></p>
<p style="text-align: right;">Total Notes Receivable – Housing and Community Development</p>	<p><u><u>\$ 838,457</u></u></p>

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 4 RECEIVABLES (CONTINUED)

B. Governmental Activities (Continued)

Notes Receivable – Westminster Housing Authority

<u>Description</u>	<u>Amount</u>
<p>\$5,544,000 note receivable from AMCAL Royale Fund, L.P., dated February 2, 2010. The purpose of the loan is to assist with the developer in the purchase and development of property located at 230 Hospital Circle in the City of Westminster, California, as a multifamily affordable housing (project). As of June 30, 2023, \$5,128,874 has been disbursed to the developer and no additional disbursements to the full note receivable amount are anticipated. Repayment of the 55-year, 3% simple interest loan is to be made in annual payments equal to 50% of the project's "residual receipts."</p>	<p>\$ 5,100,583</p>
<p>\$757,338 note receivable from American Family Housing, dated July 8, 2015. The purpose of the loan is to assist with the developer in the purchase and development of property located at 13811 Locust Street in the City of Westminster, California, as a long-term transitional housing project that may be modified to permanent rental housing for persons and families of very low- and low-income at affordable rent. As of June 30, 2023, \$752,339 has been disbursed to the developer and no additional disbursements to the full note receivable amount are anticipated. Repayment of the 55-year, 0% interest loan is to be made in annual payments equal to 25% of the project's "residual receipts."</p>	<p>752,339</p>
<p>\$2,100,000 note receivable from Affirmed Housing Group, Inc. dated June 30, 2016 with an additional \$300,000 approved on March 13, 2019. The purpose of the loan is to assist with the developer in the purchase and development of property located at 14800 Beach Boulevard in the City of Westminster, California, as an affordable apartment community for persons and families of low-, very low-, and extremely low-income households. Repayment of the 55-year, 3% simple interest loan is to be made in annual payments equal to 50% of the project's "residual receipts."</p>	<p>2,313,802</p>

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 4 RECEIVABLES (CONTINUED)

B. Governmental Activities (Continued)

Notes Receivable – Westminster Housing Authority (Continued)

<u>Description (Continued)</u>	<u>Amount</u>
\$5,500,000 note receivable from Meta Housing Corporation, dated April 25, 2018, The purpose of the loan is to assist with the developer in the purchase and development of property located at 7122 Westminster Boulevard in the City of Westminster, California as affordable housing persons and families of low-, very low-, and extremely low-income households. Repayment of the 55 -year, 3% simple interest loan is to be made in annual payments equal to 50% of the projects "residual receipts".	\$ 5,486,310
Total Notes Receivable – Westminster Housing Authority	<u>\$ 13,653,034</u>

NOTE 5 LEASES

The City, acting as lessor, leases real property under long-term, noncancelable lease agreements. The leases expire at various dates through February 2031 with interest rates varying from 0.7% to 1.2%. During the year ended June 30, 2024, the City recognized \$927,460 and \$62,654 in lease revenue and interest revenue, respectively, pursuant to these contracts.

NOTE 6 LAND HELD FOR RESALE

Land held for resale consists of property acquired by the dissolved Redevelopment Agency and held for resale. The property is carried at the lower of cost or estimated net realizable value.

<u>Land Held for Resale Description</u>	<u>Parcel Number</u>	<u>Balance June 30, 2023</u>	<u>Additions/ (Deletions)</u>	<u>Balance June 30, 2024</u>
14282 Locust Street	096-162-03	\$ 203,811	\$ -	\$ 203,811
14242 Locust Street	096-162-01	296,400	-	296,400
14262 Locust Street	096-162-02	296,400	-	296,400
8190 13th Street	097-090-50	1,463,000	-	1,463,000
15550 Beach Boulevard	107-721-02	6,400,000	-	6,400,000
Total		<u>\$ 8,659,611</u>	<u>\$ -</u>	<u>\$ 8,659,611</u>

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 CAPITAL ASSETS

A summary of changes in the governmental activities capital assets for the year ended June 30, 2024 is as follows:

Governmental Activities

	Balance at July 1, 2023	Additions	Deletions	Balance at June 30, 2024
Capital Assets, Not Being Depreciated:				
Land	\$ 7,823,959	\$ -	\$ -	\$ 7,823,959
Construction In Progress	9,019,457	3,082,127	(8,891,388)	3,210,196
Total Capital Assets, Not Being Depreciated	16,843,416	3,082,127	(8,891,388)	11,034,155
Capital Assets, Being Depreciated:				
Buildings	119,588,809	106,696	-	119,695,505
Improvements Other Than Buildings	30,080,677	7,158,145	-	37,238,822
Vehicles, Machinery, and Equipment	12,215,564	352,708	(157,791)	12,410,481
Office Furniture and Equipment	9,555,404	7,734	-	9,563,138
Infrastructure	294,538,801	4,583,950	-	299,122,751
Total Capital Assets, Being Depreciated	465,979,255	12,209,233	(157,791)	478,030,697
Less: Accumulated Depreciation for:				
Buildings	(36,870,515)	(2,411,455)	-	(39,281,970)
Improvements Other Than Buildings	(13,789,081)	(1,563,336)	-	(15,352,417)
Vehicles, Machinery, and Equipment	(8,663,265)	(606,961)	157,791	(9,112,435)
Office Furniture and Equipment	(7,947,672)	(379,312)	-	(8,326,984)
Infrastructure	(232,421,079)	(8,625,950)	-	(241,047,029)
Total Accumulated Depreciation	(299,691,612)	(13,587,014)	157,791	(313,120,835)
Total Capital Assets, Being Depreciated, Net	166,287,643	(1,377,781)	-	164,909,862
Lease Assets Being Amortized:				
Right-to-Use Asset - Equipment	1,203,900	392,312	(214,724)	1,381,488
Accumulated Amortization	(488,783)	(336,250)	165,050	(659,983)
Total Lease Assets, Being Amortized, Net	715,117	56,062	(49,674)	721,505
SBITA Assets Being Amortized:				
SBITA Assets*	138,709	512,050	(97,762)	552,997
Accumulated Amortization*	(59,264)	(171,758)	97,762	(133,260)
Total SBITA Assets, Being Amortized, Net	79,445	340,292	-	419,737
Total Governmental Activities Capital Assets, Net	<u>\$ 183,925,621</u>	<u>\$ 2,100,700</u>	<u>\$ (8,941,062)</u>	<u>\$ 177,085,259</u>

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 CAPITAL ASSETS (CONTINUED)

A summary of changes in the business-type activity capital assets for the year ended June 30, 2024 is as follows:

Business-Type Activity

	Balance at July 1, 2023	Additions	Deletions	Balance at June 30, 2024
Capital Assets, Not Being Depreciated:				
Land and Land Rights	\$ 2,484,846	\$ -	\$ -	\$ 2,484,846
Construction in Progress	156,725	-	-	156,725
Total Capital Assets, Not Being Depreciated	2,641,571	-	-	2,641,571
Capital Assets, Being Depreciated:				
Buildings	101,429	-	-	101,429
Improvements Other Than Buildings	12,014,682	-	-	12,014,682
Water Distribution Lines	47,901,898	688,261	-	48,590,159
Machinery and Equipment	13,349,019	23,540	-	13,372,559
Office Furniture and Equipment	202,939	-	-	202,939
Total Capital Assets, Being Depreciated	73,569,967	711,801	-	74,281,768
Less: Accumulated Depreciation for:				
Buildings	(93,850)	(799)	-	(94,649)
Improvements Other Than Buildings	(4,368,631)	(248,730)	-	(4,617,361)
Water Distribution Lines	(35,004,636)	(858,197)	-	(35,862,833)
Machinery and Equipment	(11,105,881)	(274,177)	-	(11,380,058)
Office Furniture and Equipment	(180,110)	(8,380)	-	(188,490)
Total Accumulated Depreciation	(50,753,108)	(1,390,283)	-	(52,143,391)
Total Capital Assets, Being Depreciated, Net	22,816,859	(678,482)	-	22,138,377
Total Business-Type Activity Capital Assets, Net	<u>\$ 25,458,430</u>	<u>\$ (678,482)</u>	<u>\$ -</u>	<u>\$ 24,779,948</u>

The City maintains a reserve fund for capital improvement designed to encourage and improve on water conservation. At June 30, 2024, the Enterprise Fund's conservation projects reserve account totaled \$3,634,370.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 7 CAPITAL ASSETS (CONTINUED)

Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

Governmental Activities

General Government	\$ 327,847
Public Safety	1,868,737
Public Works	9,101,088
Community Development	2,009,965
Community Services	<u>787,385</u>
Total Depreciation and Amortization Expense - Governmental Activities	<u><u>\$ 14,095,022</u></u>

Business-Type Activity

Water Fund	<u><u>\$ 1,390,283</u></u>
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NOTE 8 LONG-TERM LIABILITIES

The following is a summary of long-term liabilities transactions for the year ended June 30, 2024:

	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Due Within One Year	Due in More Than One Year
Governmental Activities:						
Other Debt:						
Leases Payable	\$ 716,293	\$ 392,312	\$ 382,104	\$ 726,501	\$ 293,071	\$ 433,430
SBITAs Payable	28,947	512,050	353,069	187,928	187,928	-
Other Long-Term Liabilities:						
Compensated Absences	2,810,220	606,199	725,413	2,691,006	2,314,265	376,741
Claims Liabilities (Note 11)	12,422,000	714,000	122,000	13,014,000	3,253,500	9,760,500
Total Governmental Activities	<u>\$ 15,977,460</u>	<u>\$ 2,224,561</u>	<u>\$ 1,582,586</u>	<u>\$ 16,619,435</u>	<u>\$ 6,048,764</u>	<u>\$ 10,570,671</u>
Business-Type Activity:						
Other Debt:						
Certificates of Participation	\$ 335,000	\$ -	\$ 335,000	\$ -	\$ -	\$ -
Loans Payable	844,903	-	81,421	763,482	84,287	679,195
Other Long-Term Liabilities:						
Compensated Absences	261,200	85,707	37,459	309,448	266,125	43,323
Total Business-Type Activity	<u>1,441,103</u>	<u>85,707</u>	<u>453,880</u>	<u>1,072,930</u>	<u>350,412</u>	<u>722,518</u>
City Total	<u><u>\$ 17,418,563</u></u>	<u><u>\$ 2,310,268</u></u>	<u><u>\$ 2,036,466</u></u>	<u><u>\$ 17,692,365</u></u>	<u><u>\$ 6,399,176</u></u>	<u><u>\$ 11,293,189</u></u>

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Governmental Activities

Lease Payable

The City leases equipment and vehicles for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2029. Interest rates range from 0.218% to 3.631%.

Certain equipment and vehicle leases require the City to guarantee minimum residual values. Payments required by residual value guarantees are recognized in the period in which the obligation is paid. During the year ended June 30, 2024, the City made no payments related to residual value guarantees and termination penalties.

At June 30, 2024, lease assets and the related accumulated amortization totaled \$1,381,488 and \$(659,983), respectively. See Note 7 for Capital Assets.

SBITAs Payable

The City has entered into subscription-based information technology arrangements (SBITAs) for lease and public safety software. The SBITA arrangements expire at various dates through 2025 and do not provide for renewal options. Interest rates range from 2.312% to 2.363%.

At June 30, 2024, SBITA assets and the related accumulated amortization totaled \$552,997 and (\$133,260), respectively. See Note 7 for Capital Assets.

Compensated Absences and Claims Liabilities

Compensated absences and claims liabilities which do not have any set annual debt service requirements are being liquidated in the internal service funds. These internal service funds predominately serve the governmental funds. Accordingly, these liabilities are part of the total liabilities for governmental activities and are funded primarily through the General Fund.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Business-Type Activity

The business-type activity long-term liability transactions at June 30, 2024, are comprised of the following individual items:

Certificates of Participation

<u>Description</u>	<u>Amount</u>
<p>\$5,035,000 Certificates of Participation (Water System Refunding) Series 2008, dated June 1, 2008. The Certificates are payable in annual installments ranging from \$220,000 to \$465,000 until maturity on June 1, 2024. Interest is payable bi annually at an average rate of 4.1%. The 2008 Certificates were issued for the purpose of advance refunding the \$5,210,000 Westminster Variable Rate Demand Certificates of Participation, Series 1998B (1998 Water System Refunding Program) and the \$2,200,000 installment purchase agreement payable to Zions First National Bank. The reacquisition price exceeded the net carrying amount of the debt. This amount is shown as deferred outflow of resources. These bonds have an AAA/AA-rating. The Certificates of Participation are liquidated through the Water Enterprise Fund. These COPS were fully repaid as of June 30, 2024.</p>	
Principal Outstanding at June 30, 2024	<u>\$ -</u>

The covenants authorizing the 2008 Water System Refunding Program Certificates of Participation stipulate that water rates must be maintained at levels sufficient to generate revenues in excess of certain predetermined amounts. Additionally, the City must establish certain management guidelines with respect to the operation of the water system. Resolution No. 4147, authorizing the issuance, terms, and conditions of the 2008 Water System Refunding Program Certificates of Participation, includes a covenant requiring that the charges for the services, facilities and water costs of the enterprise be so fixed that the "net revenues" of the enterprise shall be at least 120% of the installment payments on the Certificates and the California Infrastructure and Economic Development Bank Loan.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Business-Type Activity (Continued)

Certificates of Participation (Continued)

For the fiscal year ended June 30, 2024, the calculation of the enterprise fund's compliance with the rate coverage covenant is as follows:

Gross Revenues:	
Charges for Services	\$ 19,971,104
Investment Income	689,301
Other	<u>18,211</u>
Total Gross Revenues	<u>20,678,616</u>
Operating Expenses:	
Operating Expenses	18,816,253
Depreciation and Amortization	(1,390,283)
Vehicle Replacement Charges	<u>(257,067)</u>
Total Operating Costs	<u>17,168,903</u>
Net Revenues	<u><u>\$ 3,509,713</u></u>
Installment Payments:	
Principal Payments	\$ 416,421
Interest Payments	<u>42,964</u>
Total Installment Payments	<u><u>\$ 459,385</u></u>
Net Revenues to Installment Payment Coverage Ratio	<u><u>764%</u></u>

City management believes it is in compliance with all such covenants.

Additionally, the City has agreed to maintain a replacement reserve at a level the City determines to be economically prudent. At June 30, 2024, the enterprise fund's capital equipment replacement reserve is as follows:

Capital Equipment Replacement Reserve	<u><u>\$ 9,494,336</u></u>
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CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Business-Type Activity (Continued)

Loans Payable

<u>Description</u>	<u>Amount</u>
\$2,000,000 installment sale agreement payable to California Infrastructure and Economic Development Bank, dated January 28, 2002. The agreement was issued to provide for the financing of a water tank. The project was completed, and the loan was fully funded as of June 30, 2004. The agreement is payable in annual installments ranging from \$40,000 to \$105,000 until maturity on August 1, 2031. Interest is payable at a fixed rate of 3.52% per annum. The loan is liquidated through the Water Enterprise Fund.	<u><u>\$ 763,482</u></u>

Compensated Absences Liability

Compensated absences liability which does not have any set debt service requirements are expected to be liquidated by the Water Enterprise Fund and is reported as a liability for Business-Type Activity.

Governmental and Business-Type Activity

Annual Amortization Requirements of Governmental and Business-Type Long-Term Liabilities

The annual requirements to amortize all governmental and business-type long-term liabilities (excluding compensated absences and claims payable) outstanding as of June 30, 2024, including interest payments are as follows:

<u>Year Ending June 30.</u>	<u>Leases Payable</u> <u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 293,071	\$ 11,146	\$ 304,217
2026	230,833	6,700	237,533
2027	125,388	3,234	128,622
2028	63,984	1,042	65,026
2029	13,225	128	13,353
Total	<u><u>\$ 726,501</u></u>	<u><u>\$ 22,250</u></u>	<u><u>\$ 748,751</u></u>

<u>Year Ending June 30.</u>	<u>SBITAs Payable</u> <u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	<u><u>\$ 187,928</u></u>	<u><u>\$ 6,625</u></u>	<u><u>\$ 194,553</u></u>

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 8 LONG-TERM LIABILITIES (CONTINUED)

Governmental and Business-Type Activity (Continued)

Annual Amortization Requirements of Governmental and Business-Type Long-Term Liabilities (Continued)

<u>Year Ending June 30.</u>	Loans Payable Business-Type Activity		
	Principal	Interest	Total
2025	\$ 84,287	\$ 25,391	\$ 109,678
2026	87,254	22,372	109,626
2027	90,325	19,247	109,572
2028	93,505	16,011	109,516
2029	96,796	12,662	109,458
2030-2032	311,315	16,690	328,005
Total	<u>\$ 763,482</u>	<u>\$ 112,373</u>	<u>\$ 875,855</u>

<u>Year Ending June 30.</u>	Grand Totals Governmental and Business-Type Activities		
	Principal	Interest	Total
2025	\$ 565,286	\$ 43,162	\$ 608,448
2026	318,087	29,072	347,159
2027	215,713	22,481	238,194
2028	157,489	17,053	174,542
2029	110,021	12,790	122,811
2030-2032	311,315	16,690	328,005
Total	<u>\$ 1,677,911</u>	<u>\$ 141,248</u>	<u>\$ 1,819,159</u>

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 9 PENSION PLANS

The following is a summary of pension related items for the year ended June 30, 2024:

	Governmental Activities	Business-Type Activity	Total
Deferred Outflows of Resources:			
CalPERS Miscellaneous Plan	\$ 11,163,423	\$ 1,104,075	\$ 12,267,498
CalPERS Safety Plan	36,461,399	-	36,461,399
PARS Plan	-	-	-
Total Deferred Outflows of Resources	<u>\$ 47,624,822</u>	<u>\$ 1,104,075</u>	<u>\$ 48,728,897</u>
Deferred Inflows of Resources:			
CalPERS Miscellaneous Plan	\$ (483,362)	\$ (47,805)	\$ (531,167)
CalPERS Safety Plan	(2,635,494)	-	(2,635,494)
PARS Plan	(40,620)	-	(40,620)
Total Deferred Inflows of Resources	<u>\$ (3,159,476)</u>	<u>\$ (47,805)</u>	<u>\$ (3,207,281)</u>
Net Pension Liability (Asset if Positive):			
CalPERS Miscellaneous Plan	\$ (44,768,184)	\$ (4,427,623)	\$ (49,195,807)
CalPERS Safety Plan	(101,182,612)	-	(101,182,612)
PARS Plan	210,892	-	210,892
Total Net Pension Liability	<u>\$ (145,739,904)</u>	<u>\$ (4,427,623)</u>	<u>\$ (150,167,527)</u>
Pension Expense:			
CalPERS Miscellaneous Plan	\$ 6,118,451	\$ 605,121	\$ 6,723,572
CalPERS Safety Plan	13,025,657	-	13,025,657
PARS Plan	51,965	-	51,965
Total Pension Expense	<u>\$ 19,196,073</u>	<u>\$ 605,121</u>	<u>\$ 19,801,194</u>

Pension liabilities are liquidated from the related employees' home program, with the majority funded out of the General Fund.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 9 PENSION PLANS (CONTINUED)

Public Employees' Retirement System (CalPERS)

A. General Information about the Pension Plans

Plan Descriptions

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

Benefits Provided

CalPERS provides service retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Members with five years of total service are eligible to retire at age 50 to 62 with statutorily reduced benefits. For employees hired into a plan with the 1.5% at 65 formula, eligibility for service retirement is age 55 with at least five years of service. PEPRA miscellaneous members become eligible for service retirement upon attainment of age 52 with at least five years of service. All members are eligible for nonduty disability benefits after five 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. Safety members can receive a special death benefit if the member dies while actively employed and the death is job-related. Fire members may receive the alternate death benefit in lieu of the Basic Death Benefit or the 1957 Survivor Benefit if the member dies while actively employed and has at least 20 years of total CalPERS service. The cost-of-living adjustments for each plan are applied as specified by the Public Employees' Retirement Law.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 9 PENSION PLANS (CONTINUED)

Public Employees' Retirement System (CalPERS) (Continued)

A. General Information about the Pension Plans (Continued)

The Plans' provisions and benefits in effect at the measurement date ended June 30, 2023 are summarized as follows:

	Miscellaneous		
	Prior to October 22, 2011	October 22, 2011 to December 31, 2012	On or After January 1, 2013
Hire Date			
Benefit Formula	2.5%@55	2%@60	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 - 55	50 - 63	52 - 67
Monthly Benefits, as a % of Eligible Compensation	2.0% to 2.5%	1.092% to 2.418%	1.0% to 2.5%
Required Employee Contribution Rates	8.00%	7.00%	5.75%
Required Employer Contribution Rates:			
Normal Cost Rate	11.510%	11.510%	6.750%
Payment of Unfunded Liability	\$ 3,651,296	\$ -	\$ -
Payment of Normal Cost Rate	807,637	-	736,845

	Safety		
	Prior to October 22, 2011	October 22, 2011 to December 31, 2012	On or After January 1, 2013
Hire Date			
Benefit Formula	3%@50	2%@50	2.7%@57
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 - 55	50 - 55	50 - 57
Monthly Benefits, as a % of Eligible Compensation	3.00%	2.0% to 2.7%	2.0% to 2.7%
Required Employee Contribution Rates	9.00%	9.00%	12.25%
Required Employer Contribution Rates:			
Normal Cost Rate	29.090%	21.780%	14.500%
Payment of Unfunded Liability	\$ 6,806,453	\$ -	\$ 6,916
Payment of Normal Cost Rate	1,297,902	152,332	863,485

Employees Covered

At the measurement date ended June 30, 2023, the following employees were covered by the benefit terms for the Miscellaneous Plan:

	Miscellaneous
Inactive Employees or Beneficiaries Currently Receiving Benefits	270
Inactive Employees Entitled to But Not Yet Receiving Benefits	138
Active Employees	138
Total	<u>546</u>

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 9 PENSION PLANS (CONTINUED)

Public Employees' Retirement System (CalPERS) (Continued)

A. General Information about the Pension Plans (Continued)

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 the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS's 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.

For the fiscal year ended June 30, 2024, the City contributed \$9,127,088 and \$5,195,778 to the safety cost-sharing and the miscellaneous agent multiemployer plans, respectively.

B. Net Pension Liability

The City's net pension liability for each Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability of each of the Plans is measured as of June 30, 2023, using an annual actuarial valuation as of June 30, 2022 rolled forward to June 30, 2023 using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability is shown on the following page.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 9 PENSION PLANS (CONTINUED)

Public Employees' Retirement System (CalPERS) (Continued)

B. Net Pension Liability (Continued)

Actuarial Assumptions

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

	<u>Miscellaneous</u>	<u>Safety</u>
Valuation Date	June 30, 2022	June 30, 2022
Measurement Date	June 30, 2023	June 30, 2023
Actuarial Cost Method	Entry-Age Normal Cost Method	Entry-Age Normal Cost Method
Actuarial Assumptions:		
Discount Rate	6.90%	6.90%
Inflation	2.30%	2.30%
Projected Salary Increase	(1)	(1)
Mortality Rate Table	(2)	(2)
Post Retirement Benefit Increase	(3)	(3)

(1) Varies by entry age and service.

(2) The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study for the period from 2001 to 2019. Pre-retirement and Post-retirement mortality rates include generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the CalPERS Experience Study and Review of Actuarial Assumptions report from November 2021 that can be found on the CalPERS website.

(3) The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% 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.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 9 PENSION PLANS (CONTINUED)

Public Employees' Retirement System (CalPERS) (Continued)

B. Net Pension Liability (Continued)

Long-Term Expected Rate of Return (Continued)

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

Asset Class	Assumed Asset Allocation	Real Return (a) (b)
Global Equity - Cap-Weighted	30.00 %	4.54 %
Global Equity - Non-Cap-Weighted	12.00	3.84
Private Equity	13.00	7.28
Treasury	5.00	0.27
Mortgage-Backed Securities	5.00	0.50
Investment Grade Corporates	10.00	1.56
High Yield	5.00	2.27
Emerging Market Debt	5.00	2.48
Private Debt	5.00	3.57
Real Assets	15.00	3.21
Leverage	(5.00)	(0.59)
Total	100.00 %	

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

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

Discount Rate

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

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 9 PENSION PLANS (CONTINUED)

Public Employees' Retirement System (CalPERS) (Continued)

C. Changes in the Net Pension Liability

The changes in the net pension liability for the Miscellaneous Plan are as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at June 30, 2022 (Measurement Date)	\$ 154,669,871	\$ 106,955,131	\$ 47,714,740
Changes in the Year:			
Service Cost	2,015,950	-	2,015,950
Interest on the Total Pension Liability	10,562,224	-	10,562,224
Changes in Benefit Terms	184,159	-	184,159
Differences Between Expected and Actual Experience	1,488,023	-	1,488,023
Contribution - Employer	-	5,278,853	(5,278,853)
Contribution - Employee	-	961,967	(961,967)
Net Investment Income	-	6,607,119	(6,607,119)
Administrative Expenses	-	(78,650)	78,650
Benefit Payments, Including Refunds of Employee Contributions	(8,548,638)	(8,548,638)	-
Net Changes	5,701,718	4,220,651	1,481,067
Balance at June 30, 2023 (Measurement Date)	<u>\$ 160,371,589</u>	<u>\$ 111,175,782</u>	<u>\$ 49,195,807</u>

Proportionate Share of Net Pension Liability

As of June 30, 2024 (measurement date of June 30, 2023), the City reported \$101,182,612 for its proportionate share of the net pension liability for the Safety Plan.

The City's net pension liability for the Safety Plan is measured as the proportionate share of the net pension liability. The City's proportionate share of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined.

The City's proportionate share of the net pension liability for the Safety Plan as of the measurement dates ended June 30, 2022 and 2023 was as follows:

	Safety
Proportion - June 30, 2022	1.39498%
Proportion - June 30, 2023	1.35363%
Change - Increase (Decrease)	-0.04135%

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 9 PENSION PLANS (CONTINUED)

Public Employees' Retirement System (CalPERS) (Continued)

C. Changes in the Net Pension Liability (Continued)

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

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

	<u>Miscellaneous</u>	<u>Safety</u>
1% Decrease	5.90%	5.90%
Net Pension Liability	\$ 69,952,220	\$ 141,414,221
Current Discount Rate	6.90%	6.90%
Net Pension Liability	\$ 49,195,807	\$ 101,182,612
1% Increase	7.90%	7.90%
Net Pension Liability	\$ 32,075,613	\$ 68,290,409

Pension Plan Fiduciary Net Position

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

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

For the year ended June 30, 2024, the City recognized pension expense (income) of \$6,723,572 and \$13,025,657 for the Miscellaneous and Safety Plans, respectively. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Miscellaneous</u>		<u>Safety</u>	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension Contributions Subsequent to Measurement Date	\$ 5,195,778	\$ -	\$ 9,127,088	\$ -
Differences Between Expected and Actual Experience	936,903	(531,167)	7,428,668	(635,973)
Change in Assumptions	1,182,285	-	5,905,153	-
Change in Employer's Proportion and Differences Between the Employer's Contributions and the Employer's Proportionate Share of Contributions	-	-	153,676	(1,999,521)
Net Differences Between Projected and Actual Earnings on Plan Investments	4,952,532	-	13,846,814	-
Total	<u>\$ 12,267,498</u>	<u>\$ (531,167)</u>	<u>\$ 36,461,399</u>	<u>\$ (2,635,494)</u>

**CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024**

NOTE 9 PENSION PLANS (CONTINUED)

Public Employees' Retirement System (CalPERS) (Continued)

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

\$5,195,778 and \$9,127,088 reported as deferred outflows of resources related to contributions subsequent to the measurement date, for the Miscellaneous and Safety Plans, respectively, will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

<u>Year Ending June 30,</u>	<u>Miscellaneous</u>	<u>Safety</u>
2025	\$ 2,046,574	\$ 7,560,505
2026	835,948	5,565,681
2027	3,525,050	11,186,139
2028	132,981	386,492

E. Payable to the Pension Plan

At June 30, 2024, the City had no outstanding amount of contributions to the pension plan required for the year ended June 30, 2024.

Public Agency Retirement System (PARS) Supplementary Retirement Plan

A. General Information about the Pension Plan

Plan Description and Benefits

Effective July 1, 2007, pursuant to sections 401(a) and 501(a) of the Internal Revenue Code (IRC), the City adopted a tax-qualified single employer governmental defined benefit plan that is to be administered for the City by Public Agency Retirement Service (PARS), a third-party administrator. The plan was established to provide eligible employees, supplemental retirement benefits in addition to the benefits employees will receive from the California Public Employees Retirement System (CalPERS). The plan is closed and six eligible retirees or their beneficiaries are paid monthly.

Contributions

The contribution is actuarially determined on the funding policy and most recent measurement available when the contribution for the reporting period was adopted. The City is funding the plan to pay the benefit payments payable each year. For the year ended June 30, 2024, the City's contribution was \$433,434.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 9 PENSION PLANS (CONTINUED)

Public Agency Retirement System (PARS) Supplementary Retirement Plan (Continued)

A. General Information about the Pension Plan (Continued)

Employees Covered

At June 30, 2024, the following employees were covered by the benefit terms of the Plan:

Inactive Employees or Beneficiaries Currently	
Receiving Benefits	6
Inactive Employees Entitled to But Not Yet	
Receiving Benefits	-
Active Employees	-
Total	<u><u>6</u></u>

B. Net Pension Liability (Asset)

The City's net pension liability (asset) for the Plan is measured as the total pension liability, less the pension plan's fiduciary net position. The net pension liability (asset) of the Plan is measured as of June 30, 2024, using an annual actuarial valuation as of June 30, 2024. A summary of principal assumptions and methods used to determine the net pension liability (asset) is shown on the following page.

Actuarial Assumptions

The total pension liability as of the measurement date of June 30, 2024 was determined using the following actuarial assumptions:

Valuation Date	June 30, 2024
Measurement Date	June 30, 2024
Actuarial Cost Method	Entry-Age Normal Cost Method
Amortization Method:	
Level Percent or Level Dollar	Level Dollar
Closed, Open, or Layered Periods	Closed
Amortization Period at June 30, 2024	8 Years
Amortization Growth Rate	0.00%
Inflation	N/A
Salary Increases	N/A
Investment Rate of Return	6.00%
Cost-of-Living Adjustments	2.00%
Withdrawal/Disability	N/A
Mortality	Males: RP-2000 Male Table projected to 2030 using Scale BB (as prescribed by PARS) Females: RP-2000 Female Table projected to 2030 using Scale BB (as prescribed by PARS)
Form of Payment	Monthly as determined by plan document

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 9 PENSION PLANS (CONTINUED)

Public Agency Retirement System (PARS) Supplementary Retirement Plan (Continued)

B. Net Pension Liability (Continued)

Discount Rate

For the year ended June 30, 2024, the discount rate used to measure the total pension liability was 6.00%. The projection of cash flows used to determine the discount rate assumed the City's contributions would result in sufficient plan assets to pay all benefits from the trust. Prior to the fiscal year ended June 30, 2020, the plan had been primarily pay-as-you-go. Starting in the fiscal year ended June 30, 2020, the City has made contributions in excess of the annual benefit payments and expenses and is planning to continue its current annual level until the plan is fully funded. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected pension payments for current employees and beneficiaries. Therefore, the long-term expected rate of return on the pension trust was applied to all periods of the projected benefits payments to determine the total pension liability.

Long-Term Expected Rate of Return

The table below reflects the long-term expected real rate of return by asset class using a 30-year average return derived by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation on the Plan's current asset allocation. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	Index	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return	Long-Term Expected Geometric Real Rate of Return
U.S. Cash	BAML 3 Month T-Bills	5.00 %	0.94 %	0.91 %
U.S. Core Fixed Income (Aggregate)	Barclays Aggregate	52.25	2.52	2.36
US Short (1-3 Yr) Govt/Credit Bonds	US Govt/Credit 1-3 Yr TR USD	25.75	1.65	1.59
US High Yield Bonds	ICE BofA US High Yield TR	2.00	4.43	3.87
US Large & Mid Cap Equity	Russell 1000 TR	7.50	5.41	3.74
US Mid Cap Equity	Russell Mid Cap TR	1.50	5.98	3.90
US Small Cap Equity	Russell 2000 TR	2.50	6.99	4.41
Foreign Developed Equity	MSCI EAFE NR	2.00	6.92	5.12
Emerging Markets Equity	MSCI EM NR	1.00	9.34	6.21
U.S. Real Estate Investment Trust	FTSE Nareit All Equity REITs	0.50	6.91	4.72
Assumed Inflation - Mean			2.31	2.30
Assumed Inflation - Standard Deviation			1.45	1.45
Portfolio Real Mean Return			2.81	2.67
Portfolio Nominal Mean Return			5.12	5.04
Portfolio Standard Deviation				4.03
Long-Term Expected Rate of Return				6.00

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 9 PENSION PLANS (CONTINUED)

Public Agency Retirement System (PARS) Supplementary Retirement Plan
(Continued)

C. Changes in the Net Pension Liability (Asset)

The changes in the net pension liability (asset) for the Plan are as follows:

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Balance at June 30, 2023	\$ 907,391	\$ 703,340	\$ 204,051
Changes in the Year:			
Interest on the Total Pension Liability	52,723	-	52,723
Differences Between Expected and Actual Experience	7,549	-	7,549
Contribution - Employer	-	433,434	(433,434)
Net Investment Income	-	64,871	(64,871)
Administrative Expenses	-	(23,090)	23,090
Benefit Payments, Including Refunds of Employee Contributions	(58,183)	(58,183)	-
Net Changes	2,089	417,032	(414,943)
Balance at June 30, 2024	<u>\$ 909,480</u>	<u>\$ 1,120,372</u>	<u>\$ (210,892)</u>

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

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

1% Decrease	5.00%
Net Pension Liability (Asset)	\$ (107,090)
Current Discount Rate	6.00%
Net Pension Liability (Asset)	\$ (210,892)
1% Increase	7.00%
Net Pension Liability (Asset)	\$ (298,189)

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 9 PENSION PLANS (CONTINUED)

Public Agency Retirement System (PARS) Supplementary Retirement Plan (Continued)

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

For the year ended June 30, 2024, the City recognized pension expense of \$51,965 for the Plan. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Net Differences Between Projected and Actual Earnings on Plan Investments	\$ -	\$ (40,620)
Total	<u>\$ -</u>	<u>\$ (40,620)</u>

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

<u>Year Ending June 30.</u>	<u>Amount</u>
2025	\$ 20,764
2026	21,145
2027	1,163
2028	(2,452)

E. Payable to the Pension Plan

At June 30, 2024, the City had no outstanding amount of contributions to the pension plan required for the year ended June 30, 2024.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 9 PENSION PLANS (CONTINUED)

Part-Time, Seasonal, and Temporary Employees-Alternate Retirement System Plan

A. Plan Description – Other Defined Contribution Pension Plans

Omnibus Budget Reconciliation Act of 1990 (OBRA 90) mandates that public sector employees who are not members of their employer's existing retirement system as of January 1, 1992, be covered by Social Security or an alternate plan. In accordance with this federal law, the City provides pension benefits for all part-time, seasonal, and temporary employees through the City of Westminster Alternate Retirement System Plan administered by the Public Agency Retirement System (PARS-ARS). PARS ARS is a defined contribution pension plan and benefits depend solely on amounts contributed to the plan plus investment earnings. Federal legislation requires defined contributions to the retirement plan of at least 7.5% of the employee's salary. Accordingly, contributions to the plan consist of 6% by the employee and 1.5% by the City. All part-time, seasonal, or temporary employees are immediately eligible to participate in the plan from the date of employment and all contributions are fully vested. The contribution requirements are established by Federal statutes and may be amended by the Federal government.

For the year ended June 30, 2024, the City's payroll covered by the plan was \$2,099,280. Contributions to the plan totaled \$157,317 with employee contributions in the amount of \$125,826 (6.0% of current covered payroll) and City contributions in the amount of \$31,491 (1.5% of current covered payroll).

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (OPEB)

A. Plan Description

The City has an agent multiemployer other postemployment benefit plan that provides postemployment benefits including medical, dental, vision, and life insurance to eligible employees and their dependents at retirement through the California Public Employees Medical and Hospital Care Act (PEMHCA). In fiscal year 2017-18, the City established a California Retiree Benefit Trust (CERBT) for which CalPERS serves as the trustee.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

A. Plan Description (Continued)

Benefit provisions are established and may be amended through agreements and memorandums of understanding between the City, its management employees and unions representing the City's employees. Eligible retirees (service or disability retire through CalPERS directly from the City) receive reimbursement from the City for a portion of the costs for the coverage. The medical benefit through the CalPERS Healthcare Program is based on the hire date and the employee group. For employees in employee groups hired prior to dates in the following table, the City pays up to 100% of the cap.

Employee Group	Cap	Hire Date
POA	\$ 892	07/01/04
Mgmt/Admin/Conf	937	08/10/05
WMEA	937	06/22/05
Fire (No Actives)	427	N/A

For employees hired after the dates in the table above, the City pays a percent of the cap based on years of service with the City.

Years of Service	Percentage of Cap
Less Than 5	PEMHCA Minimum (\$157 in 2024)
5 Through 10	25%
11 Through 15	50%
More Than 15	100%

The benefit to a surviving spouse continues based on CalPERS retirement plan election. Dental, vision, and life insurance benefits are provided through the City's group insurance plans. The City provides full vision coverage, pays dental coverage up to \$20/month and pays life insurance premiums up to \$19.10/month.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

A. Plan Description (Continued)

Employees Covered

As of measurement date June 30, 2023, the following current and former employees were covered by the benefit terms under the plan:

Inactive Employees or Beneficiaries Currently Receiving Benefits	277
Inactive Employees or Beneficiaries Entitled to But Not Yet Receiving Benefits	40
Active Employees	<u>245</u>
Total	<u><u>562</u></u>

Contributions

The contribution requirements of plan members and the City are established and may be amended by City Council. Currently, contributions are not required from plan members. Administrative costs of the OPEB plan are financed through investment earnings. The annual contribution is based on the actuarially determined contributions. For the fiscal year ended June 30, 2024, the City contributed \$250,000 to the CERBT, \$2,330,193 for current premiums, \$16,106 for administrative costs paid outside of the trust, and the estimated implied subsidy was \$498,000, resulting in total contributions of \$3,094,299. The contributions to the OPEB plan are generally made from the General Fund.

B. Net OPEB Liability

The City's net OPEB liability was measured as of June 30, 2023, and was determined by an actuarial valuation as of June 30, 2022, rolled forward to June 30, 2023 using standard update procedures. A summary of the principal assumptions and methods used to determine the net OPEB liability is shown below.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

B. Net OPEB Liability (Continued)

Actuarial Assumptions

The net OPEB liability in the June 30, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2023
Actuarial Cost Method	Entry-Age Normal Cost Method
Contribution Policy	Ad hoc prefunding contribution of \$250,000 to CERBT during fiscal year 2023/24
Actuarial Assumptions:	
Discount Rate	5.12%
Inflation	2.50%
Projected Salary Increase	Aggregate - 2.75%
	Merit - CalPERS 2000-2019 Experience Study
Expected Long-Term Investment Rate of Return	6.25%
	City contributions are not projected to be sufficient to pay all benefits from plan assets in fiscal year 2050/51.
Medical Trend	Non-Medicare - 8.5% for 2024, decreasing to an ultimate rate of 3.45% in 2076 and later years.
	Medicare (Non-Kaiser) - 7.50% for 2024, decreasing to an ultimate rate of 3.45% in 2076 and later years.
	Medicare (Kaiser) - 6.25% for 2024, decreasing to an ultimate rate of 3.45% in 2076 and later years.
Mortality, Retirement, Disability, and Termination	CalPERS 2000-2019 Experience Study
Mortality Improvement	Mortality projected fully generational with Scale MP-2021

Discount Rate

GASB 75 generally requires that a blended discount rate be used to measure the Total OPEB Liability. The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position (fair value of assets) is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 75 will often require that the actuary perform complex projections of future benefit payments and asset values. Based on those assumptions, the OPEB plan's fiduciary net position is projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries up to 2050-2051. Subsequent to this date, the OPEB plan's fiduciary net position is not projected to be available for such payments. This has resulted in a blended discount rate of 5.12%, which takes into account the long-term expected rate of 6.25% and the Bond Buyer 20-Bond GO Index municipal bond rate of 3.65%.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

B. Net OPEB Liability (Continued)

Expected Long-Term Rate of Return

The table below reflects the long-term expected real rate of return by asset class.

Asset Class	Target Allocation CERBT Strategy 1	Expected Real Rate of Return
Global Equity	49.00 %	4.56 %
Fixed Income	23.00	0.78
TIPS	5.00	(0.08)
Commodities	3.00	1.22
REITs	20.00	4.06
Total	<u>100.00 %</u>	
Assumed Long-Term Rate of Inflation		2.50 %
Expected Long-Term Net Rate of Return, Rounded		6.25 %

C. Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance at June 30, 2022 (Measurement Date)	\$ 53,937,061	\$ 4,543,378	\$ 49,393,683
Changes in the Year:			
Service Cost	807,846	-	807,846
Interest on the Total OPEB Liability	2,630,665	-	2,630,665
Changes in Assumptions	(1,161,378)	-	(1,161,378)
Contribution - Employer	-	3,034,510	(3,034,510)
Net Investment Income	-	291,648	(291,648)
Administrative Expenses	-	(16,697)	16,697
Benefit Payments	(2,769,132)	(2,769,132)	-
Net Changes	<u>(491,999)</u>	<u>540,329</u>	<u>(1,032,328)</u>
Balance at June 30, 2023 (Measurement Date)	<u>\$ 53,445,062</u>	<u>\$ 5,083,707</u>	<u>\$ 48,361,355</u>

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

C. Changes in the Net OPEB Liability (Continued)

Change of Assumptions

The discount rate was updated from 4.93% to 5.12% for the measurement dates ended June 30, 2022 and 2023, respectively.

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 (4.12%)	Discount Rate (5.12%)	1% Increase (6.12%)
Net OPEB Liability	\$ 54,971,975	\$ 48,361,355	\$ 42,870,729

Sensitivity of the Net OPEB Liability to Changes in Medical 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 medical trend rates that are 1-percentage-point lower:

	1% Decrease (7.5%/6.5%/ 5.25% Decreasing to 2.45%)	Current Trend (8.5%/7.5%/ 6.25% Decreasing to 3.45%)	1% Increase (9.5%/8.5%/ 7.25% Decreasing to 4.45%)
Net OPEB Liability	\$ 45,563,131	\$ 48,361,355	\$ 51,346,239

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 10 OTHER POSTEMPLOYMENT BENEFITS (OPEB) (CONTINUED)

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

For the year ended June 30, 2024, the City recognized OPEB expense of \$2,625,893. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
OPEB Contributions Subsequent to Measurement Date	\$ 3,094,299	\$ -
Differences Between Actual and Expected Experience	-	(2,135,750)
Changes in Assumptions	3,686,110	(1,733,635)
Net Differences Between Projected and Actual Earnings on Plan Investments	302,535	-
Total	<u>\$ 7,082,944</u>	<u>\$ (3,869,385)</u>

The change in assumptions are amortized over the expected average remaining service life. The expected average remaining service life for the 2023 measurement period is 5.1 years.

\$3,094,299 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, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as OPEB expense as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2025	\$ (609,145)
2026	264,451
2027	586,122
2028	(99,395)
2029	(22,773)

E. Payable to the OPEB Plan

At June 30, 2024, the City had no outstanding amount of contributions to the OPEB plan required for the year ended June 30, 2024.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 11 DEFERRED COMPENSATION

Certain provisions of the Small Business Job Protection Act (the Act) effected IRC Section 457 plans by eliminating the requirement that Section 457 plan assets legally remain the assets of the sponsoring government. The Act requires that amounts deferred under a Section 457 plan be held in trust for the exclusive benefit of participating employees and not be accessible by the government or its creditors.

The assets have been transferred into a trust, are not subject to claims of the City's general creditors, and are not considered the assets of the City. The plan permits all City employees to defer a portion of their salary until future years. The amount deferred is not available to employees until termination, retirement, death, or unforeseeable emergency.

The City contracts with private deferred compensation administration firms to act as an agent of the City to fulfill all the City's administrative responsibilities. The duties performed by this fiduciary on behalf of the City include assisting employees in the execution of investment transactions and providing summary and participant reporting of these investments.

Since the City has placed the assets into a trust and has little administrative involvement and does not perform the investing function for the plan, the assets have been removed from the City's financial statements.

NOTE 12 RISK MANAGEMENT

The City is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disasters.

The City retains the risk of loss for general liability claims of up to \$500,000 per occurrence and workers' compensation claims of up to \$500,000 per person per occurrence. The City has established the Risk Management and Compensation/Benefits Internal Service Funds to account for and finance these uninsured risks of loss, and liabilities are accrued when incurred, whether or not reported, in each of these Funds.

The City utilizes the California State Association of Counties Excess Insurance Authority (CSAC-EIA), a joint powers authority, to provide excess insurance for the general liability and workers' compensation programs. CSAC-EIA was established for the purpose of creating a risk management pool for all California public entities. CSAC-EIA is governed by a Board of Directors consisting of representatives of its member public entities. Portions of general liability and workers compensation claims exceeding the above-mentioned amounts are covered by CSAC-EIA up to a maximum \$25,000,000 per claim and in annual aggregate amount for general liability claims. The coverage for workers' compensation extends to statutory limit. Additional coverage is maintained through a commercial insurer for claims in excess of the per claim units and the annual aggregate amounts.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 12 RISK MANAGEMENT (CONTINUED)

The City continues to carry commercial insurance for all other risks of loss, including employee health, fire, water, boiler, and machinery insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

All Funds of the City participate in the risk management program and make payments to the Risk Management and Compensation/Benefits Internal Service Funds based on estimates of the amounts needed to pay prior-year and current-year claims and to establish a reserve for catastrophic losses. At June 30, 2024, the Risk Management Fund had a net position (deficit) of \$(87,713) that will be funded with future charges to funds. Also, at June 30, 2024, the Compensation/Benefits Fund had a net position of \$1,205,863. The claims liabilities of \$2,480,000 and \$10,534,000 reported in the Risk Management and Compensation/Benefits Internal Service Funds, respectively, at June 30, 2024 are based on the requirements that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the basic financial statements and amount of the loss can be reasonably estimated.

Changes in the Risk Management and Compensation/Benefits Internal Service Funds' claims liability amounts in fiscal years 2024 and 2023 were as follows:

	Risk Management Fund		Compensation/Benefits Fund	
	2024	2023	2024	2023
Beginning-Year Liability	\$ 2,602,000	\$ 4,529,174	\$ 9,820,000	\$ 11,881,500
Current-Year Claims and Changes in Estimates	-	756,200	714,000	-
Claim Payments	(122,000)	(2,683,374)	-	(2,061,500)
Balance at Fiscal Year-End	<u>\$ 2,480,000</u>	<u>\$ 2,602,000</u>	<u>\$ 10,534,000</u>	<u>\$ 9,820,000</u>

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 13 GOVERNMENTAL FUND BALANCE CLASSIFICATIONS

The various fund balance classifications established as of June 30, 2024, were as follows:

	General	Special Revenue Funds			Capital Projects Fund Capital Improvements	Nonmajor Other Governmental	Total
		Westminster Housing Authority	Housing and Community Development	Special Gas Tax and Street Improvements			
Nonspendable:							
Prepaid items	\$ 31,030	\$ -	\$ -	\$ -	\$ -	\$ 22,500	\$ 53,530
Restricted for:							
Debt Service	2,589,172	-	-	-	-	-	2,589,172
Housing Authority	-	24,308,169	-	-	-	-	24,308,169
Housing and Community Development	-	-	1,082,816	-	-	-	1,082,816
Special Gas Tax and Street Improvements	-	-	-	13,527,696	-	-	13,527,696
Parks	-	-	-	-	-	2,851,604	2,851,604
Special Police Services	-	-	-	-	-	1,585,117	1,585,117
Municipal Lighting	-	-	-	-	-	10,682,610	10,682,610
Other Grants	-	-	-	-	-	697,355	697,355
Offside Drainage District	-	-	-	-	-	179,560	179,560
Total Restricted	2,589,172	24,308,169	1,082,816	13,527,696	-	15,996,246	57,504,099
Committed:							
Emergency Contingency	13,147,338	-	-	-	-	-	13,147,338
Assigned:							
Capital Projects	-	-	-	-	13,177,410	-	13,177,410
Unassigned	38,098,583	-	-	-	-	(22,500)	38,076,083
Total Fund Balances	<u>\$ 53,866,123</u>	<u>\$ 24,308,169</u>	<u>\$ 1,082,816</u>	<u>\$ 13,527,696</u>	<u>\$ 13,177,410</u>	<u>\$ 15,996,246</u>	<u>\$ 121,958,460</u>

NOTE 14 OTHER REQUIRED INDIVIDUAL FUND DISCLOSURES

Claims and Judgments

At June 30, 2024, the City was a defendant in a number of lawsuits arising in the ordinary course of operations which allege liability on the part of the City in connection with workers compensation and general liability matters. Management believes that potential losses relating to these lawsuits will not materially affect the financial position of the City beyond what has been recorded as a claims liability.

Grant Contingencies

The City participates in certain federal and state assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. Any liability for reimbursement which may arise as the result of these audits is not believed to be material.

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 15 SUCCESSOR AGENCY DISCLOSURES

The assets and liabilities of the former Redevelopment Agency were transferred to the Successor Agency of the City of Westminster Redevelopment Agency on February 1, 2012, as a result of the dissolution of the former Redevelopment Agency. The City is acting in a fiduciary capacity for the assets and liabilities. Disclosure related to capital assets and long-term liabilities are as follows:

Long-Term Liabilities

Long-term liability activity for the year ended June 30, 2024 was as follows:

	Balance at July 1, 2023	Additions	Reductions	Balance at June 30, 2024	Within One Year	More Than One Year
Tax Allocation						
Bonds Payable	\$ 93,230,000	\$ -	\$ 2,510,000	\$ 90,720,000	\$ 2,615,000	\$ 88,105,000
Unamortized Refunding Premium	4,673,350	-	418,956	4,254,394	-	4,254,394
Net Long- Term Debt	<u>\$ 97,903,350</u>	<u>\$ -</u>	<u>\$ 2,928,956</u>	<u>\$ 94,974,394</u>	<u>\$ 2,615,000</u>	<u>\$ 92,359,394</u>

Tax Allocation Bonds

<u>Description</u>	<u>Amount</u>
<p>\$77,425,000 Westminster Commercial Redevelopment Project No. 1, 2016 Subordinate Tax Allocation Refunding Bonds dated July 14, 2016. The bonds are payable in annual installments ranging from \$325,000 to \$5,270,000 from November 1, 2017 until maturity on November 1, 2045. Interest is payable bi annually at an average rate of 3.3%. The 2016 Bonds proceeds were invested in an escrow fund with a trustee to pay interest and principal on the 2009 Subordinate Tax Allocation Bonds until November 1, 2019 to redeem all 2009 Bonds in full on November 1, 2019. As of June 30, 2023, the defeased 2009 Bonds have a remaining outstanding balance of \$75,330,000. The 2016 Bonds were issued for the purpose of refunding the 2009 Subordinate Tax Allocation Bonds.</p>	\$ 74,935,000
<p>\$15,370,000 Westminster Commercial Redevelopment Project No. 1, 2018 Tax Allocation Refunding Bonds, dated May 10, 2018. The bonds are payable in annual installments ranging from \$1,400,000 to \$2,060,000 from August 1, 2019 until maturity on August 1, 2027. Interest is payable bi-annually at an average rate of 5.0%. The 2018 Bonds proceeds were invested in an escrow fund with a trustee to pay interest and principal on the 2008 Tax Allocation Refunding Bonds until August 1, 2018 to redeem all 2008 Bonds in full on August 1, 2018. The 2018 Bonds were issued for the purpose of refunding the 2008 Tax Allocation Refunding Bonds.</p>	7,660,000

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 15 SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Long-Term Liabilities (Continued)

Tax Allocation Bonds (Continued)

<u>Description (Continued)</u>	<u>Amount</u>
<p>\$9,350,000 Westminster Commercial Redevelopment Project No. 1, 2020 Tax Allocation Refunding Bonds, dated December 8, 2020. The bonds are payable in annual installments ranging from \$280,000 to \$460,000 from November 1, 2021 until maturity on November 1, 2045. Interest is payable bi-annually at an average rate of 3.1%. The 2020 Bonds proceeds were invested in an escrow fund with a trustee to pay interest and principal on the 2011 Tax Allocation Refunding Bonds until May 1, 2021 to redeem all 2011 Bonds in full on May 1, 2021. As of June 30, 2022, the defeased 2011 Bonds have been fully repaid and have no outstanding balance. The 2020 Bonds were issued for the purpose of refunding the 2011 Tax Allocation Refunding Bonds. The refunding resulted in a cash flow difference of \$24.3 million and an economic gain (difference between the present values of the old and new debt service payment) of \$5 million.</p>	<p><u>\$ 8,125,000</u></p>
Total Tax Allocation Bonds	<p><u><u>\$ 90,720,000</u></u></p>

The annual requirements to amortize the tax allocation bonds outstanding as of June 30, 2024, including interest payments are as follows:

<u>Year Ending June 30,</u>	<u>Tax Allocation Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 2,615,000	\$ 3,211,572	\$ 5,826,572
2026	2,720,000	3,099,333	5,819,333
2027	2,835,000	2,980,740	5,815,740
2028	2,965,000	2,853,034	5,818,034
2029	3,130,000	2,712,421	5,842,421
2030-2034	17,905,000	11,277,606	29,182,606
2035-2039	21,760,000	7,426,715	29,186,715
2040-2044	25,495,000	3,686,906	29,181,906
2045-2046	11,295,000	344,637	11,639,637
Total	<u><u>\$ 90,720,000</u></u>	<u><u>\$ 37,592,964</u></u>	<u><u>\$ 128,312,964</u></u>

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 15 SUCCESSOR AGENCY DISCLOSURES (CONTINUED)

Debt Contingencies

Not included in the accompanying financial statements are Variable Rate Demand Multifamily Housing Revenue Bonds (Brookhurst Royale Senior Assisting Living Project) 2000 Series A and Subordinate Taxable Multifamily Housing Revenue Bonds (Brookhurst Royale Senior Assisted Living Project) 2000 Series A-S (collectively, the Bonds), conduit debt obligations issued under the name of the Redevelopment Agency. The Bonds were issued to finance the construction of a 117-unit residential care facility for the elderly. The Bonds are not secured by or payable from revenues or assets of the City or the Redevelopment Agency. Neither the faith and credit nor the taxing power of the City of Westminster, the Westminster Redevelopment Agency, the state of California or any political subdivision thereof is pledged to the payment of the principal of and interest on the Bonds nor is the City or the Agency in any manner obligated to make appropriations for payment on these bonds. At June 30, 2024, the aggregate principal amount of Bonds outstanding totaled \$2,812,500.

NOTE 16 RESTATEMENT FOR CHANGE IN REPORTING ENTITY

During the year ended June 30, 2024, beginning fund balance of the General Fund, Special Gas Tax and Street Improvements Special Revenue Fund, Capital Improvements Capital Projects Fund, and Other Governmental Funds were restated for the implementation of GASB 100, *Accounting Changes and Error Corrections*, to record the impact of a change in reporting entity. The City had previously shown the capital outlay of certain unrestricted and restricted funding sources in the Capital Improvements Capital Projects Fund. The use of the unrestricted and restricted funding was previously shown through transfers of funds to cover the eligible capital costs. To enhance financial reporting, the City has changed the presentation of these funds to include the capital outlay for these unrestricted and restricted funding sources in the fund that provides the resources. The activity remaining the Capital Improvements Capital Projects Funds represents capital outlay for projects that are funded by general, unrestricted sources. The restatements are as follows and result in a net impact of \$-0- to the City's previously reported fund balance for total governmental funds of \$109,743,335 as of July 1, 2023:

CITY OF WESTMINSTER, CALIFORNIA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2024

NOTE 16 RESTATEMENT FOR CHANGE IN REPORTING ENTITY (CONTINUED)

	June 30, 2023, As Previously Reported	Changes to or Within the Financial Reporting Entity	July 1, 2023, As Restated
Governmental Funds:			
Major Funds:			
General Fund	\$ 37,943,268	\$ 8,837,000	\$ 46,780,268
Special Revenue Funds:			
Westminster Housing Authority	24,563,899	-	24,563,899
Housing and Community			
Development	289,198	-	289,198
Special Gas Tax and Street			
Improvements	4,050,063	5,628,262	9,678,325
Capital Projects Fund:			
Capital Improvements	30,006,260	(16,960,294)	13,045,966
Other Governmental Funds	12,890,647	2,495,032	15,385,679
Total Governmental Funds	<u>\$ 109,743,335</u>	<u>\$ -</u>	<u>\$ 109,743,335</u>

REQUIRED SUPPLEMENTARY INFORMATION

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**CITY OF WESTMINSTER, CALIFORNIA
SCHEDULE OF PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY
CalPERS SAFETY PENSION PLAN
LAST TEN FISCAL YEARS**

	Fiscal Year Ended				
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Measurement Period	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019
Plan's Proportion of the Net Pension Liability	1.35363%	1.39498%	1.63511%	1.25916%	1.23957%
Plan's Proportionate Share of the Net Pension Liability	\$ 101,182,612	\$ 95,857,171	\$ 57,384,073	\$ 83,889,653	\$ 77,380,540
Plan's Covered Payroll	\$ 10,925,767	\$ 9,412,922	\$ 9,728,970	\$ 9,401,147	\$ 9,237,437
Plan's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	926.09%	1018.36%	589.83%	892.33%	837.68%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	65.50%	66.56%	79.10%	68.77%	75.26%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

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:

Inflation was reduced from 2.75% to 2.50%.

From fiscal year June 30, 2019 to June 30, 2022:

There were no significant changes in assumptions.

From fiscal year June 30, 2022 to June 30, 2023:

The discount rate and long-term rate of return decreased from 7.15% to 6.90% and the inflation rate decreased from 2.50% to 2.30%.

From fiscal year June 30, 2023 to June 30, 2024:

There were no significant changes in assumptions.

See accompanying Note to Required Supplementary Information.

**CITY OF WESTMINSTER, CALIFORNIA
SCHEDULE OF PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY (CONTINUED)
CaIPERS SAFETY PENSION PLAN
LAST TEN FISCAL YEARS**

	Fiscal Year Ended				
	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Measurement Period	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Plan's Proportion of the Net Pension Liability	1.22646%	1.18735%	1.19950%	1.17133%	1.08238%
Plan's Proportionate Share of the Net Pension Liability	\$ 71,963,367	\$ 70,946,856	\$ 62,124,175	\$ 48,264,075	\$ 40,599,811
Plan's Covered Payroll	\$ 8,628,683	\$ 8,535,713	\$ 9,200,544	\$ 9,177,397	\$ 9,232,577
Plan's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	834.00%	831.18%	675.22%	525.90%	439.75%
Plan's Proportionate Share of the Fiduciary Net Position as a Percentage of the Plan's Total Pension Liability	75.26%	73.31%	74.06%	78.40%	81.21%

See accompanying Note to Required Supplementary Information.

**CITY OF WESTMINSTER, CALIFORNIA
SCHEDULE OF CONTRIBUTIONS
CalPERS SAFETY PENSION PLAN
LAST TEN FISCAL YEARS**

	Fiscal Year Ended				
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Contractually Required Contribution (Actuarially Determined)	\$ 9,127,088	\$ 8,983,623	\$ 7,868,164	\$ 7,093,086	\$ 6,331,043
Contributions in Relation to the Actuarially Determined Contributions	<u>(9,127,088)</u>	<u>(8,983,623)</u>	<u>(7,868,164)</u>	<u>(7,093,086)</u>	<u>(6,331,043)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 11,652,740	\$ 10,925,767	\$ 9,412,922	\$ 9,728,970	\$ 9,401,147
Contributions as a Percentage of Covered Payroll	78.33%	82.22%	83.59%	72.91%	67.34%
Notes to Schedule:					
Valuation Date	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Methods and Assumptions Used to Determine Contribution Rates:					
Actuarial Cost Method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Inflation	2.300%	2.300%	2.500%	2.500%	2.625%
Salary Increases	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	6.90% (3)	6.90% (3)	7.00% (3)	7.00% (3)	7.25% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(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) 3% at 50, 2% at 50, and 2.7% at 57
(5) Mortality assumptions are based on mortality rates resulting from the most recent CalPERS Experience Study adopted by the CalPERS Board.

See accompanying Note to Required Supplementary Information.

**CITY OF WESTMINSTER, CALIFORNIA
SCHEDULE OF CONTRIBUTIONS (CONTINUED)
CalPERS SAFETY PENSION PLAN
LAST TEN FISCAL YEARS**

	Fiscal Year Ended				
	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually Required Contribution (Actuarially Determined)	\$ 5,395,008	\$ 4,494,635	\$ 3,950,925	\$ 3,624,844	\$ 2,607,628
Contributions in Relation to the Actuarially Determined Contributions	<u>(5,395,008)</u>	<u>(4,494,635)</u>	<u>(3,950,925)</u>	<u>(3,624,844)</u>	<u>(2,607,628)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 9,237,437	\$ 8,628,683	\$ 8,535,713	\$ 9,200,544	\$ 9,177,397
Contributions as a Percentage of Covered Payroll	58.40%	52.09%	46.29%	39.40%	28.41%
Notes to Schedule:					
Valuation Date	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
Methods and Assumptions Used to Determine Contribution Rates:					
Actuarial Cost Method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	15-Year Smoothed Market Method
Inflation	2.75%	2.75%	2.75%	2.75%	2.75%
Salary Increases	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

See accompanying Note to Required Supplementary Information.

CITY OF WESTMINSTER, CALIFORNIA
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS
CaIPERS MISCELLANEOUS PENSION PLAN
LAST TEN FISCAL YEARS

Measurement Period	Fiscal Year Ended				
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019
Total Pension Liability:					
Service Cost	\$ 2,015,950	\$ 2,076,196	\$ 1,932,392	\$ 1,885,714	\$ 1,886,717
Interest on Total Pension Liability	10,562,224	10,176,046	10,074,365	9,807,082	9,386,848
Differences Between Expected and Actual Experience	1,488,023	(1,859,083)	(621,730)	1,607,079	906,606
Changes in Assumptions	-	4,138,001	-	-	-
Changes in Benefits	184,159	-	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(8,548,638)	(8,046,390)	(7,511,348)	(7,201,024)	(6,804,469)
Net Change in Total Pension Liability	5,701,718	6,484,770	3,873,679	6,098,851	5,375,702
Total Pension Liability - Beginning of Year	154,669,871	148,185,101	144,311,422	138,212,571	132,836,869
Total Pension Liability - End of Year (a)	160,371,589	154,669,871	148,185,101	144,311,422	138,212,571
Plan Fiduciary Net Position:					
Contributions - Employer	5,278,853	4,818,901	4,375,142	3,981,996	3,412,276
Contributions - Employee	961,967	839,027	864,824	860,366	840,524
Net Investment Income	6,607,119	(8,910,196)	22,289,669	4,769,832	6,059,526
Net Plan to Plan Resource Movement	-	-	-	-	-
Benefit Payments	(8,548,638)	(8,046,390)	(7,511,348)	(7,201,024)	(6,804,469)
Administrative Expenses	(78,650)	(73,711)	(98,303)	(135,522)	(66,146)
Other Miscellaneous Expense	-	-	-	-	214
Net Change in Plan Fiduciary Net Position	4,220,651	(11,372,369)	19,919,984	2,275,648	3,441,925
Plan Fiduciary Net Position - Beginning of Year	106,955,131	118,327,500	98,407,516	96,131,868	92,689,943
Plan Fiduciary Net Position - End of Year (b)	111,175,782	106,955,131	118,327,500	98,407,516	96,131,868
Net Pension Liability - Ending (a)-(b)	\$ 49,195,807	\$ 47,714,740	\$ 29,857,601	\$ 45,903,906	\$ 42,080,703
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.32%	69.15%	79.85%	68.19%	69.55%
Covered Payroll	\$ 12,216,807	\$ 10,819,606	\$ 11,015,867	\$ 11,271,384	\$ 10,695,620
Net Pension Liability as Percentage of Covered Payroll	402.69%	441.00%	271.04%	407.26%	393.44%

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

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:

Inflation was reduced from 2.75% to 2.50%.

From fiscal year June 30, 2019 to June 30, 2022:

There were no significant changes in assumptions.

From fiscal year June 30, 2022 to June 30, 2023:

The discount rate and long-term rate of return decreased from 7.15% to 6.90% and the inflation rate decreased from 2.50% to 2.30%.

From fiscal year June 30, 2023 to June 30, 2024:

There were no significant changes in assumptions.

See accompanying Note to Required Supplementary Information.

**CITY OF WESTMINSTER, CALIFORNIA
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
AND RELATED RATIOS (CONTINUED)
CalPERS MISCELLANEOUS PENSION PLAN
LAST TEN FISCAL YEARS**

Measurement Period	Fiscal Year Ended				
	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Total Pension Liability:					
Service Cost	\$ 1,689,596	\$ 1,703,653	\$ 1,560,638	\$ 1,545,832	\$ 1,596,416
Interest on Total Pension Liability	9,038,670	9,000,252	8,752,757	8,442,196	8,193,716
Differences Between Expected and Actual Experience	(2,674,420)	(192,143)	99,143	(814,859)	-
Changes in Assumptions	(889,018)	7,439,826	-	(2,073,935)	-
Changes in Benefits	-	-	-	-	-
Benefit Payments, Including Refunds of Employee Contributions	(6,923,150)	(6,269,057)	(6,071,087)	(5,998,818)	(5,541,372)
Net Change in Total Pension Liability	241,678	11,682,531	4,341,451	1,100,416	4,248,760
Total Pension Liability - Beginning of Year	132,595,191	120,912,660	116,571,209	115,470,793	111,222,033
Total Pension Liability - End of Year (a)	132,836,869	132,595,191	120,912,660	116,571,209	115,470,793
Plan Fiduciary Net Position:					
Contributions - Employer	2,929,826	2,263,443	2,432,527	1,995,892	1,893,680
Contributions - Employee	898,613	481,638	1,038,082	957,863	950,841
Net Investment Income	7,445,161	8,771,655	434,960	1,928,356	13,071,051
Net Plan to Plan Resource Movement	(214)	-	-	-	-
Benefit Payments	(6,923,150)	(6,269,057)	(6,071,087)	(5,998,818)	(5,541,372)
Administrative Expenses	(138,282)	(123,454)	(52,311)	(96,506)	-
Other Miscellaneous Expense	(262,600)	-	-	-	-
Net Change in Plan Fiduciary Net Position	3,949,354	5,124,225	(2,217,829)	(1,213,213)	10,374,200
Plan Fiduciary Net Position - Beginning of Year	88,740,589	83,616,364	85,834,193	87,047,406	76,673,206
Plan Fiduciary Net Position - End of Year (b)	92,689,943	88,740,589	83,616,364	85,834,193	87,047,406
Net Pension Liability - Ending (a)-(b)	<u>\$ 40,146,926</u>	<u>\$ 43,854,602</u>	<u>\$ 37,296,296</u>	<u>\$ 30,737,016</u>	<u>\$ 28,423,387</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.78%	66.93%	69.15%	73.63%	75.38%
Covered Payroll	\$ 10,046,950	\$ 10,109,723	\$ 9,763,265	\$ 9,615,714	\$ 9,591,542
Net Pension Liability as Percentage of Covered Payroll	399.59%	433.79%	382.01%	319.65%	296.34%

See accompanying Note to Required Supplementary Information.

**CITY OF WESTMINSTER, CALIFORNIA
SCHEDULE OF CONTRIBUTIONS
CalPERS MISCELLANEOUS PENSION PLAN
LAST TEN FISCAL YEARS**

	Fiscal Year Ended				
	<u>June 30, 2024</u>	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>
Contractually Required Contribution (Actuarially Determined)	\$ 5,195,778	\$ 5,280,721	\$ 4,818,901	\$ 4,375,612	\$ 3,981,525
Contributions in Relation to the Actuarially Determined Contributions	<u>(5,195,778)</u>	<u>(5,280,721)</u>	<u>(4,818,901)</u>	<u>(4,375,612)</u>	<u>(3,981,525)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 13,366,482	\$ 12,216,807	\$ 10,819,606	\$ 11,015,867	\$ 11,271,384
Contributions as a Percentage of Covered Payroll	38.87%	43.23%	44.54%	39.72%	35.32%
Notes to Schedule:					
Valuation Date	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017
Methods and Assumptions Used to Determine Contribution Rates:					
Actuarial Cost Method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Inflation	2.300%	2.300%	2.500%	2.500%	2.625%
Salary Increases	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	6.90% (3)	6.90% (3)	7.00% (3)	7.00% (3)	7.25% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(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) 2.5% at 55, 2% at 60, and 2% at 62

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

See accompanying Note to Required Supplementary Information.

**CITY OF WESTMINSTER, CALIFORNIA
SCHEDULE OF CONTRIBUTIONS (CONTINUED)
CaIPERS MISCELLANEOUS PENSION PLAN
LAST TEN FISCAL YEARS**

	Fiscal Year Ended				
	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Contractually Required Contribution (Actuarially Determined)	\$ 3,412,276	\$ 2,929,826	\$ 2,578,591	\$ 2,432,527	\$ 1,995,892
Contributions in Relation to the Actuarially Determined Contributions	<u>(3,412,276)</u>	<u>(2,929,826)</u>	<u>(2,578,591)</u>	<u>(2,432,527)</u>	<u>(1,995,892)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered Payroll	\$ 10,695,620	\$ 10,046,950	\$ 10,109,723	\$ 9,763,265	\$ 9,615,714
Contributions as a Percentage of Covered Payroll	31.90%	29.16%	25.51%	24.92%	20.76%
Notes to Schedule:					
Valuation Date	6/30/2016	6/30/2015	6/30/2014	6/30/2013	6/30/2012
Methods and Assumptions Used to Determine Contribution Rates:					
Actuarial Cost Method	Entry Age	Entry Age	Entry Age	Entry Age	Entry Age
Amortization Method	(1)	(1)	(1)	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value	Fair Value	Fair Value	15-Year Smoothed Market Method
Inflation	2.75%	2.75%	2.75%	2.75%	2.75%
Salary Increases	(2)	(2)	(2)	(2)	(2)
Investment Rate of Return	7.375% (3)	7.50% (3)	7.50% (3)	7.50% (3)	7.50% (3)
Retirement Age	(4)	(4)	(4)	(4)	(4)
Mortality	(5)	(5)	(5)	(5)	(5)

See accompanying Note to Required Supplementary Information.

CITY OF WESTMINSTER, CALIFORNIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY
AND RELATED RATIOS
PARS PENSION PLAN
LAST TEN FISCAL YEARS

	Fiscal Year Ended				
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Total Pension Liability:					
Interest on Total Pension Liability	\$ 52,723	\$ 53,000	\$ 51,554	\$ 31,467	\$ 41,567
Differences Between Expected and Actual Experience	7,549	-	6,683	-	7,458
Changes in Assumptions	-	-	22,332	(541,036)	241,624
Benefit Payments, Including Refunds of Employee Contributions	(58,183)	(57,042)	(55,923)	(54,827)	(53,752)
Net Change in Total Pension Liability	2,089	(4,042)	24,646	(564,396)	236,897
Total Pension Liability - Beginning of Year	907,391	911,433	886,787	1,451,183	1,214,286
Total Pension Liability - End of Year (a)	909,480	907,391	911,433	886,787	1,451,183
Plan Fiduciary Net Position:					
Contributions - Employer	433,434	225,000	225,000	225,000	225,000
Contributions - Employee	-	-	-	-	-
Net Investment Income	64,871	18,293	(68,748)	22,287	8,171
Administrative Expenses	(23,090)	(12,645)	(12,645)	(12,645)	(12,645)
Benefit Payments	(58,183)	(57,042)	(55,923)	(54,827)	(53,752)
Net Change in Plan Fiduciary Net Position	417,032	173,606	87,684	179,815	166,774
Plan Fiduciary Net Position - Beginning of Year	703,340	529,734	442,050	262,235	95,461
Plan Fiduciary Net Position - End of Year (b)	1,120,372	703,340	529,734	442,050	262,235
Net Pension Liability (Asset) - Ending (a)-(b)	<u>\$ (210,892)</u>	<u>\$ 204,051</u>	<u>\$ 381,699</u>	<u>\$ 444,737</u>	<u>\$ 1,188,948</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	123.19%	77.51%	58.12%	49.85%	18.07%
Covered Payroll	N/A	N/A	N/A	N/A	N/A
Net Pension (Asset) Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A

Notes to Schedule:

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

The discount rate utilized for the fiscal years ended June 30, 2019, 2020, 2021, 2022, 2023, and 2024 was 3.50%, 2.21%, 6.00%, 6.00%, 6.00%, and 6.00%, respectively.

See accompanying Note to Required Supplementary Information.

CITY OF WESTMINSTER, CALIFORNIA
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY
AND RELATED RATIOS (CONTINUED)
PARS PENSION PLAN
LAST TEN FISCAL YEARS

	Fiscal Year Ended				
	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Total Pension Liability:					
Interest on Total Pension Liability	\$ 44,010	\$ 42,556	\$ 38,210	\$ 42,261	\$ 42,514
Differences Between Expected and Actual Experience	-	6,047	-	6,959	-
Changes in Assumptions	59,655	(47,938)	(139,101)	229,573	78,569
Benefit Payments, Including Refunds of Employee Contributions	<u>(52,698)</u>	<u>(51,665)</u>	<u>(50,652)</u>	<u>(49,658)</u>	<u>(48,685)</u>
Net Change in Total Pension Liability	50,967	(51,000)	(151,543)	229,135	72,398
Total Pension Liability - Beginning of Year	<u>1,163,319</u>	<u>1,214,319</u>	<u>1,365,862</u>	<u>1,136,727</u>	<u>1,064,329</u>
Total Pension Liability - End of Year (a)	1,214,286	1,163,319	1,214,319	1,365,862	1,136,727
Plan Fiduciary Net Position:					
Contributions - Employer	57,769	56,636	55,526	54,437	53,370
Contributions - Employee	-	-	-	-	-
Net Investment Income	6,704	745	3,864	1,732	274
Administrative Expenses	(3,077)	(3,018)	(2,957)	(2,899)	(2,843)
Benefit Payments	<u>(52,698)</u>	<u>(51,665)</u>	<u>(50,652)</u>	<u>(49,658)</u>	<u>(48,685)</u>
Net Change in Plan Fiduciary Net Position	8,698	2,698	5,781	3,612	2,116
Plan Fiduciary Net Position - Beginning of Year	<u>86,763</u>	<u>84,065</u>	<u>78,284</u>	<u>74,672</u>	<u>72,556</u>
Plan Fiduciary Net Position - End of Year (b)	<u>95,461</u>	<u>86,763</u>	<u>84,065</u>	<u>78,284</u>	<u>74,672</u>
Net Pension Liability (Asset) - Ending (a)-(b)	<u>\$ 1,118,825</u>	<u>\$ 1,076,556</u>	<u>\$ 1,130,254</u>	<u>\$ 1,287,578</u>	<u>\$ 1,062,055</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	7.86%	7.46%	6.92%	5.73%	6.57%
Covered Payroll	N/A	N/A	N/A	N/A	N/A
Net Pension (Asset) Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A

See accompanying Note to Required Supplementary Information.

**CITY OF WESTMINSTER, CALIFORNIA
SCHEDULE OF CONTRIBUTIONS
PARS PENSION PLAN
LAST TEN FISCAL YEARS**

	Fiscal Year Ended				
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Actuarially Determined Contribution	\$ -	\$ 48,925	\$ 48,925	\$ 322,944	\$ 322,944
Contributions in Relation to the Actuarially Determined Contribution	(433,434)	(225,000)	(225,000)	(225,000)	(225,000)
Contribution Deficiency (Excess)	<u>\$ (433,434)</u>	<u>\$ (176,075)</u>	<u>\$ (176,075)</u>	<u>\$ 97,944</u>	<u>\$ 97,944</u>
Covered Payroll	N/A	N/A	N/A	N/A	N/A
Contributions as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A
Notes to Schedule:					
Valuation Date	6/30/2024	6/30/2022	6/30/2022	6/30/2020	6/30/2020
Methods and Assumptions Used to Determine Contributions Rates:					
Actuarial Cost Method	Entry Age				
Amortization Method	Level Dollar				
Remaining Amortization Period	4 Years at June 30, 2018; 2 Years at June 30, 2020				
Asset Valuation Method	None				
Inflation	N/A				
Salary Increases	N/A				
Cost-of-Living Adjustment	2.00%				
Investment Rate of Return	6%				
Mortality	Males: RP-2000 Male Table projected to 2020 using Scale BB (as prescribed by PARS). Females: RP-2000 Female Table projected to 2020 using Scale BB (as prescribed by PARS). Starting in valuation date June 30, 2022 forward, the rates projected go to 2030 instead of 2020.				

See accompanying Note to Required Supplementary Information.

CITY OF WESTMINSTER, CALIFORNIA
SCHEDULE OF CONTRIBUTIONS (CONTINUED)
PARS PENSION PLAN
LAST TEN FISCAL YEARS

	Fiscal Year Ended				
	<u>June 30, 2019</u>	<u>June 30, 2018</u>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>June 30, 2015</u>
Actuarially Determined Contribution	\$ 218,041	\$ 218,041	\$ 154,322	\$ 154,322	\$ 129,852
Contributions in Relation to the Actuarially Determined Contribution	<u>(57,769)</u>	<u>(56,636)</u>	<u>(55,526)</u>	<u>(54,437)</u>	<u>(53,370)</u>
Contribution Deficiency (Excess)	<u>\$ 160,272</u>	<u>\$ 161,405</u>	<u>\$ 98,796</u>	<u>\$ 99,885</u>	<u>\$ 76,482</u>
Covered Payroll	N/A	N/A	N/A	N/A	N/A
Contributions as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A
Notes to Schedule:					
Valuation Date	06/30/2018	06/30/2018	06/30/2016	06/30/2016	06/30/2015

See accompanying Note to Required Supplementary Information.

CITY OF WESTMINSTER, CALIFORNIA
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY
AND RELATED RATIOS
OTHER POSTEMPLOYMENT BENEFITS PLAN
LAST TEN FISCAL YEARS *

	Fiscal Year Ended			
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Measurement Period	June 30, 2023	June 30, 2022	June 30, 2021	June 30, 2020
Total OPEB Liability:				
Service Cost	\$ 807,846	\$ 683,455	\$ 705,992	\$ 915,334
Interest on Total OPEB Liability	2,630,665	2,764,273	2,758,812	2,716,427
Change of benefit terms	-	380,226	-	-
Actual Versus Expected Experience	-	(2,613,348)	-	(2,445,856)
Assumption Changes	(1,161,378)	5,989,928	(538,877)	(2,624,758)
Benefit Payments	<u>(2,769,132)</u>	<u>(2,845,515)</u>	<u>(2,768,314)</u>	<u>(2,768,823)</u>
Net Change in Total OPEB Liability	(491,999)	4,359,019	157,613	(4,207,676)
Total OPEB Liability - Beginning of Year	<u>53,937,061</u>	<u>49,578,042</u>	<u>49,420,429</u>	<u>53,628,105</u>
Total OPEB Liability - End of Year (a)	<u>53,445,062</u>	<u>53,937,061</u>	<u>49,578,042</u>	<u>49,420,429</u>
Plan Fiduciary Net Position:				
Contributions - Employer	3,034,510	3,356,738	3,024,940	3,026,173
Net Investment Income	291,648	(677,356)	1,001,331	115,636
Benefit Payments	(2,769,132)	(2,845,515)	(2,768,314)	(2,768,823)
Administrative Expenses	<u>(16,697)</u>	<u>(12,459)</u>	<u>(8,002)</u>	<u>(8,954)</u>
Net Change in Plan Fiduciary Net Position	540,329	(178,592)	1,249,955	364,032
Plan Fiduciary Net Position - Beginning of Year	<u>4,543,378</u>	<u>4,721,970</u>	<u>3,472,015</u>	<u>3,107,983</u>
Plan Fiduciary Net Position - End of Year (b)	<u>5,083,707</u>	<u>4,543,378</u>	<u>4,721,970</u>	<u>3,472,015</u>
Net OPEB Liability - Ending (a)-(b)	<u>\$ 48,361,355</u>	<u>\$ 49,393,683</u>	<u>\$ 44,856,072</u>	<u>\$ 45,948,414</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	9.51%	8.42%	9.52%	7.03%
Covered - Employee Payroll	\$ 28,333,442	\$ 24,732,498	\$ 23,387,082	\$ 24,195,065
Net OPEB Liability as Percentage of Covered - Employee Payroll	170.69%	199.71%	191.80%	189.91%

Notes to Schedule:

Discount Rate 5.12% 4.93% 5.66% 5.66%

Benefit Changes:

There were no changes in benefits.

Changes in Assumptions:

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

Discount rate was updated based on funding policy and crossover test.

Demographic assumptions were updated to CalPERS 1997-2015 Experience Study.

Mortality improvement scale was updated to Scale MP-2018.

From fiscal year June 30, 2022 to June 30, 2023:

Updated medical trend rate and PEMHCA minimum trend; updated demographic assumptions with CalPERS 2000-2019 experience study; mortality improvement scale was updated to Scale MP-2021.

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

See accompanying Note to Required Supplementary Information.

CITY OF WESTMINSTER, CALIFORNIA
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY
AND RELATED RATIOS (CONTINUED)
OTHER POSTEMPLOYMENT BENEFITS PLAN
LAST TEN FISCAL YEARS *

	Fiscal Year Ended		
	June 30, 2020	June 30, 2019	June 30, 2018
Measurement Period	June 30, 2019	June 30, 2018	June 30, 2017
Total OPEB Liability:			
Service Cost	\$ 900,365	\$ 1,423,662	\$ 1,714,239
Interest on Total OPEB Liability	2,682,329	2,404,962	2,097,429
Change of benefit terms	-	-	-
Actual Versus Expected Experience	-	(3,363,382)	-
Assumption Changes	319,291	(12,422,687)	(7,217,554)
Benefit Payments	(2,713,253)	(2,714,471)	(2,725,171)
Net Change in Total OPEB Liability	1,188,732	(14,671,916)	(6,131,057)
Total OPEB Liability - Beginning of Year	52,439,373	67,111,289	73,242,346
Total OPEB Liability - End of Year (a)	53,628,105	52,439,373	67,111,289
Plan Fiduciary Net Position:			
Contributions - Employer	2,963,253	5,322,361	-
Net Investment Income	190,572	61,007	-
Benefit Payments	(2,713,253)	(2,714,471)	-
Administrative Expenses	(604)	(882)	-
Net Change in Plan Fiduciary Net Position	439,968	2,668,015	-
Plan Fiduciary Net Position - Beginning of Year	2,668,015	-	-
Plan Fiduciary Net Position - End of Year (b)	3,107,983	2,668,015	-
Net OPEB Liability - Ending (a)-(b)	<u>\$ 50,520,122</u>	<u>\$ 49,771,358</u>	<u>\$ 67,111,289</u>
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	5.80%	5.09%	0.00%
Covered - Employee Payroll	\$ 23,444,396	\$ 23,311,178	\$ 22,417,562
Net OPEB Liability as Percentage of Covered - Employee Payroll	215.49%	213.51%	299.37%
Notes to Schedule:			
Discount Rate	5.11%	5.16%	5.16%

See accompanying Note to Required Supplementary Information.

**CITY OF WESTMINSTER, CALIFORNIA
SCHEDULE OF CONTRIBUTIONS
OTHER POSTEMPLOYMENT BENEFITS PLAN
LAST TEN FISCAL YEARS ***

	Fiscal Year Ended			
	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
Actuarially Determined Contribution	\$ 4,365,000	\$ 4,163,000	\$ 3,957,000	\$ 3,795,000
Contributions in Relation to the Actuarially Determined Contributions	<u>(3,094,299)</u>	<u>(3,034,510)</u>	<u>(3,356,738)</u>	<u>(3,024,940)</u>
Contribution Deficiency (Excess)	<u>\$ 1,270,701</u>	<u>\$ 1,128,490</u>	<u>\$ 600,262</u>	<u>\$ 770,060</u>
Covered - Employee Payroll	\$ 29,458,316	\$ 28,333,442	\$ 24,732,498	\$ 23,387,082
Contributions as a Percentage of Covered - Employee Payroll	10.50%	10.71%	13.57%	12.93%
Notes to Schedule:				
Valuation Date	6/30/2024	6/30/2022	6/30/2022	6/30/2020
Methods and Assumptions Used to Determine Contribution Rates:				
Single and Agent Employers	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
Long-Term Rate of Return	6.25%	6.25%	6.25%	6.75%
Inflation	2.50%	2.50%	2.50%	2.75%
Medical Trend	(7)	(7)	(6)	(3)
Mortality, Retirement, Disability, and Termination	(8)	(8)	(5)	(5)

(1) Level percentage of payroll, closed

(2) Non-Medicare - 7.5% for 2020, decreasing to an ultimate rate of 4% in 2076 and later years. Medicare - 6.5% for 2020, decreasing to an ultimate rate of 4% in 2076 and later years.

(3) Non-Medicare - 7.0% for 2022, decreasing to an ultimate rate of 4% in 2076 and later years. Medicare (Non-Kaiser) - 6.1% for 2022, decreasing to an ultimate rate of 4% in 2076 and later years. Medicare (Kaiser) - 5.0% for 2022, decreasing to an ultimate rate of 4% in 2076 and later years.

(4) Mortality projected fully generational with Scale MP-2018.

(5) Mortality projected fully generational with Scale MP-2020.

(6) Non-Medicare - 6.5% for 2023, decreasing to an ultimate rate of 3.75% in 2076 and later years. Medicare (Non-Kaiser) - 5.65% for 2023, decreasing to an ultimate rate of 3.75% in 2076 and later years. Medicare (Kaiser) - 4.6% for 2023, decreasing to an ultimate rate of 3.75% in 2076 and later years.

(7) Non-Medicare - 8.5% for 2024, decreasing to an ultimate rate of 3.45% in 2076 and later years. Medicare (Non-Kaiser) - 7.50% for 2024, decreasing to an ultimate rate of 3.45% in 2076 and later years. Medicare (Kaiser) - 6.25% for 2024, decreasing to an ultimate rate of 3.45% in 2076 and later years.

(8) Mortality projected fully generational with Scale MP-2021.

* Fiscal year 2018 was the first year of implementation, therefore, seven years year are shown.

See accompanying Note to Required Supplementary Information.

**CITY OF WESTMINSTER, CALIFORNIA
SCHEDULE OF CONTRIBUTIONS (CONTINUED)
OTHER POSTEMPLOYMENT BENEFITS PLAN
LAST TEN FISCAL YEARS ***

	Fiscal Year Ended		
	June 30, 2020	June 30, 2019	June 30, 2018
Actuarially Determined Contribution	\$ 3,835,000	\$ 3,689,000	\$ -
Contributions in Relation to the Actuarially Determined Contributions	<u>(3,026,173)</u>	<u>(2,963,253)</u>	<u>-</u>
Contribution Deficiency (Excess)	<u>\$ 808,827</u>	<u>\$ 725,747</u>	<u>\$ -</u>
Covered - Employee Payroll	\$ 24,195,065	\$ 23,444,396	N/A
Contributions as a Percentage of Covered - Employee Payroll	12.51%	12.64%	N/A
Notes to Schedule:			
Valuation Date	6/30/2018	6/30/2018	6/30/2017
Methods and Assumptions Used to Determine Contribution Rates:			
Single and Agent Employers	Entry Age	Entry Age	Entry Age
Amortization Method	(1)	(1)	(1)
Asset Valuation Method	Fair Value	Fair Value	Fair Value
Long-Term Rate of Return	6.75%	6.75%	6.75%
Inflation	2.75%	2.75%	2.75%
Medical Trend	(2)	(2)	(2)
Mortality, Retirement, Disability, and Termination	(4)	(4)	(4)

See accompanying Note to Required Supplementary Information.

**CITY OF WESTMINSTER, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 45,646,500	\$ 45,646,500	\$ 45,632,455	\$ (14,045)
Licenses and Permits	1,239,950	1,239,950	1,532,775	292,825
Fines	560,000	560,000	549,459	(10,541)
Investment and Rental	1,682,000	1,682,000	5,884,366	4,202,366
Intergovernmental	19,523,361	19,841,183	20,312,840	471,657
Charges for Services	6,492,868	6,492,868	9,837,703	3,344,835
Other	790,937	821,649	691,245	(130,404)
Total Revenues	75,935,616	76,284,150	84,440,843	8,156,693
EXPENDITURES				
Current:				
General Government	6,848,888	7,372,302	6,309,321	1,062,981
Public Safety	59,967,809	60,311,688	57,194,531	3,117,157
Public Works	6,378,370	6,432,418	5,805,168	627,250
Community Development	4,409,217	4,503,475	3,835,420	668,055
Community Services	3,127,406	3,187,304	3,050,779	136,525
Capital Outlay	-	11,785,920	1,142,066	10,643,854
Total Expenditures	80,731,690	93,593,107	77,337,285	16,255,822
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(4,796,074)	(17,308,957)	7,103,558	24,412,515
OTHER FINANCING SOURCES (USES)				
Sale of Equipment and Property	5,000	5,000	7,297	2,297
Transfers Out	(25,000)	(25,000)	(25,000)	-
Total Other Financing Sources (Uses)	(20,000)	(20,000)	(17,703)	2,297
NET CHANGE IN FUND BALANCE	(4,816,074)	(17,328,957)	7,085,855	24,414,812
Fund Balances - Beginning of Year, as Previously Presented	37,943,268	37,943,268	37,943,268	-
Change Within the Financial Reporting Entity (Change in Grouping of Funds)	8,837,000	8,837,000	8,837,000	-
Fund Balance - Beginning of Year, as Restated	46,780,268	46,780,268	46,780,268	-
FUND BALANCE - END OF YEAR	<u>\$ 41,964,194</u>	<u>\$ 29,451,311</u>	<u>\$ 53,866,123</u>	<u>\$ 24,414,812</u>

See accompanying Note to Required Supplementary Information.

**CITY OF WESTMINSTER, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE
WESTMINSTER HOUSING AUTHORITY SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment and Rental	\$ 90,000	\$ 90,000	\$ 111,974	\$ 21,974
Other	814	814	1,248	434
Total Revenues	90,814	90,814	113,222	22,408
EXPENDITURES				
Current:				
Community Development	836,035	841,015	368,952	472,063
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(745,221)	(750,201)	(255,730)	494,471
Fund Balance - Beginning of Year	24,563,899	24,563,899	24,563,899	-
FUND BALANCE - END OF YEAR	<u>\$ 23,818,678</u>	<u>\$ 23,813,698</u>	<u>\$ 24,308,169</u>	<u>\$ 494,471</u>

See accompanying Note to Required Supplementary Information.

**CITY OF WESTMINSTER, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE
HOUSING AND COMMUNITY DEVELOPMENT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment and Rental	\$ -	\$ -	\$ 69	\$ 69
Intergovernmental	4,833,248	5,848,248	2,855,056	(2,993,192)
Total Revenues	4,833,248	5,848,248	2,855,125	(2,993,123)
EXPENDITURES				
Current:				
Community Development	2,757,584	4,113,597	666,915	3,446,682
Capital Outlay	-	2,921,769	1,394,592	1,527,177
Total Expenditures	2,757,584	7,035,366	2,061,507	4,973,859
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	2,075,664	(1,187,118)	793,618	1,980,736
Fund Balance - Beginning of Year	289,198	289,198	289,198	-
FUND BALANCE - END OF YEAR	<u>\$ 2,364,862</u>	<u>\$ (897,920)</u>	<u>\$ 1,082,816</u>	<u>\$ 1,980,736</u>

See accompanying Note to Required Supplementary Information.

**CITY OF WESTMINSTER, CALIFORNIA
BUDGETARY COMPARISON SCHEDULE
SPECIAL GAS TAX AND STREET IMPROVEMENTS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 6,047,122	\$ 6,047,122	\$ 5,961,355	\$ (85,767)
Investment and Rental	75,000	75,000	339,876	264,876
Intergovernmental	901,729	1,740,729	3,642,236	1,901,507
Charges for Services	10,000	10,000	2,320	(7,680)
Other	-	-	29,500	29,500
Total Revenues	7,033,851	7,872,851	9,975,287	2,102,436
EXPENDITURES				
Current:				
Community Development	2,060,197	2,063,797	1,571,378	492,419
Capital Outlay	-	19,801,206	4,554,538	15,246,668
Total Expenditures	2,060,197	21,865,003	6,125,916	15,739,087
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	4,973,654	(13,992,152)	3,849,371	17,841,523
Fund Balances - Beginning of Year, as Previously Presented	4,050,063	4,050,063	4,050,063	-
Change Within the Financial Reporting Entity (Change in Grouping of Funds)	5,628,262	5,628,262	5,628,262	-
Fund Balance - Beginning of Year, as Restated	9,678,325	9,678,325	9,678,325	-
FUND BALANCE - END OF YEAR	<u>\$ 14,651,979</u>	<u>\$ (4,313,827)</u>	<u>\$ 13,527,696</u>	<u>\$ 17,841,523</u>

See accompanying Note to Required Supplementary Information.

CITY OF WESTMINSTER, CALIFORNIA
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2024

NOTE 1 BUDGETS AND BUDGETARY ACCOUNTING

The City establishes accounting control through formal adoption of an annual operating budget for the General and Special Revenue Funds. The City Council's policy is to adopt a formal operating budget by June 30 of each year. The legal level of budgetary control, that is, the level at which expenditures cannot exceed appropriations, is the fund level for all General and Special Revenue Funds, and by project in the Capital Projects Funds.

The City Manager may authorize appropriation transfers within a single department, between capital projects with a single funding source, and between departments within the same fund. All increases at the overall fund level must be approved by the City Council. All budget appropriations, except capital project and grant funded budgets, lapse at the end of each fiscal year. The budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America. All increases to the adopted budget require Council approval and must clearly state the amount of increase requested, as well as the availability of appropriate funding sources.

OTHER SUPPLEMENTARY INFORMATION

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**CITY OF WESTMINSTER, CALIFORNIA
OTHER GOVERNMENTAL FUNDS
JUNE 30, 2024**

Special Revenue Funds account for the proceeds of specific revenue sources that are restricted by law or City Council resolution to expenditure for specific purposes.

Parks Dedication Fund – Accounts for payments assessed against new residential developments to support community parks. Amounts are required to be used for acquisition and improvement of City parks.

Special Police Services Fund – Accounts for the regional and local narcotics suppression programs, federal and state grants related to crime prevention.

Municipal Lighting Fund – Accounts for the City's share of property taxes collected under the Municipal Lighting District Act of 1919. Property taxes are collected by the County and paid to the City for operating and maintaining the municipal lighting district.

Other Grants Fund – Accounts for all federal, state, county, or other grants received which are not otherwise separately accounted for in other funds. These grants include family resource center, senior transportation, and air quality management.

Offsite Drainage District Fund – Accounts for revenues received from developers and expenditures to provide storm drain systems within each District.

ARPA Fund – Accounts for the funds received from the American Rescue Plan Act in response to the COVID-19 pandemic.

**CITY OF WESTMINSTER, CALIFORNIA
COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS
JUNE 30, 2024**

	Special Revenue Funds			
	Parks Dedication	Special Police Services	Municipal Lighting	Other Grants
ASSETS				
Cash and Investments	\$ 3,045,596	\$ 1,710,335	\$ 10,902,857	\$ 633,057
Receivables, Net of Allowance	-	49,076	19,037	180,962
Prepaid Items	-	-	-	-
Total Assets	<u>\$ 3,045,596</u>	<u>\$ 1,759,411</u>	<u>\$ 10,921,894</u>	<u>\$ 814,019</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts Payable and Other Liabilities	\$ 193,992	\$ 90,975	\$ 233,967	\$ 86,217
Deposits	-	83,319	-	-
Total Liabilities	<u>193,992</u>	<u>174,294</u>	<u>233,967</u>	<u>86,217</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable Revenue	-	-	5,317	30,447
Total Liabilities and Deferred Inflows of Resources	193,992	174,294	239,284	116,664
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted for:				
Parks	2,851,604	-	-	-
Special Police Services	-	1,585,117	-	-
Municipal Lighting	-	-	10,682,610	-
Other Grants	-	-	-	697,355
Offsite Drainage District	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>2,851,604</u>	<u>1,585,117</u>	<u>10,682,610</u>	<u>697,355</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 3,045,596</u>	<u>\$ 1,759,411</u>	<u>\$ 10,921,894</u>	<u>\$ 814,019</u>

**CITY OF WESTMINSTER, CALIFORNIA
COMBINING BALANCE SHEET (CONTINUED)
OTHER GOVERNMENTAL FUNDS
JUNE 30, 2024**

	Special Revenue Funds		Total Other Governmental Funds
	Offsite Drainage District	ARPA	
ASSETS			
Cash and Investments	\$ 179,560	\$ 443,881	\$ 16,915,286
Receivables, Net of Allowance	-	-	249,075
Prepaid Items	-	22,500	22,500
Total Assets	<u>\$ 179,560</u>	<u>\$ 466,381</u>	<u>\$ 17,186,861</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable and Other Liabilities	\$ -	\$ 466,381	\$ 1,071,532
Deposits	-	-	83,319
Total Liabilities	-	466,381	1,154,851
DEFERRED INFLOWS OF RESOURCES			
Unavailable Revenue	-	-	35,764
Total Liabilities and Deferred Inflows of Resources	-	466,381	1,190,615
FUND BALANCES			
Nonspendable	-	22,500	22,500
Restricted for:			
Parks	-	-	2,851,604
Special Police Services	-	-	1,585,117
Municipal Lighting	-	-	10,682,610
Other Grants	-	-	697,355
Offsite Drainage District	179,560	-	179,560
Unassigned	-	(22,500)	(22,500)
Total Fund Balances	<u>179,560</u>	<u>-</u>	<u>15,996,246</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 179,560</u>	<u>\$ 466,381</u>	<u>\$ 17,186,861</u>

**CITY OF WESTMINSTER, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
OTHER GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024**

	Special Revenue Funds			
	Parks Dedication	Special Police Services	Municipal Lighting	Other Grants
REVENUES				
Taxes	\$ -	\$ -	\$ 2,491,787	\$ -
Investment and Rental	85,998	37,025	261,863	14,701
Intergovernmental	-	505,512	-	841,980
Charges for Services	404,322	3,320	-	-
Other	-	63,799	-	17,821
Total Revenues	490,320	609,656	2,753,650	874,502
EXPENDITURES				
Current:				
General Government	-	-	-	7,590
Public Safety	-	561,708	-	-
Community Development	24,515	-	1,125,672	120,867
Community Services	-	-	-	559,621
Capital Outlay	1,419,336	20,856	350,173	-
Total Expenditures	1,443,851	582,564	1,475,845	688,078
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(953,531)	27,092	1,277,805	186,424
OTHER FINANCING SOURCES				
Proceeds from Sale of Capital Assets	68,400	-	-	-
NET CHANGE IN FUND BALANCES	(885,131)	27,092	1,277,805	186,424
Fund Balances - Beginning of Year, as Previously Presented	2,182,839	1,558,025	8,463,669	510,931
Change Within the Financial Reporting Entity (Change in Grouping of Funds)	1,553,896	-	941,136	-
Fund Balances - Beginning of Year, as Restated	3,736,735	1,558,025	9,404,805	510,931
FUND BALANCES - END OF YEAR	<u>\$ 2,851,604</u>	<u>\$ 1,585,117</u>	<u>\$ 10,682,610</u>	<u>\$ 697,355</u>

**CITY OF WESTMINSTER, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
OTHER GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2024**

	Special Revenue Funds		Total Other Governmental Funds
	Offsite Drainage District	ARPA	
REVENUES			
Taxes	\$ -	\$ -	\$ 2,491,787
Investment and Rental	4,607	-	404,194
Intergovernmental	-	2,283,233	3,630,725
Charges for Services	-	-	407,642
Other	-	-	81,620
Total Revenues	4,607	2,283,233	7,015,968
EXPENDITURES			
Current:			
General Government	-	-	7,590
Public Safety	-	-	561,708
Community Development	230	-	1,271,284
Community Services	-	-	559,621
Capital Outlay	-	2,283,233	4,073,598
Total Expenditures	230	2,283,233	6,473,801
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	4,377	-	542,167
OTHER FINANCING SOURCES			
Proceeds from Sale of Capital Assets	-	-	68,400
NET CHANGE IN FUND BALANCES	4,377	-	610,567
Fund Balances - Beginning of Year, as Previously Presented	175,183	-	12,890,647
Change Within the Financial Reporting Entity (Change in Grouping of Funds)	-	-	2,495,032
Fund Balances - Beginning of Year, as Restated	175,183	-	15,385,679
FUND BALANCES - END OF YEAR	<u>\$ 179,560</u>	<u>\$ -</u>	<u>\$ 15,996,246</u>

CITY OF WESTMINSTER, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
PARKS DEDICATION SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Investment and Rental	\$ 40,000	\$ 40,000	\$ 85,998	\$ 45,998
Charges for Services	10,000	410,000	404,322	(5,678)
Total Revenues	50,000	450,000	490,320	40,320
EXPENDITURES				
Current:				
Community Development	22,500	42,500	24,515	17,985
Capital Outlay	-	1,963,892	1,419,336	544,556
Total Expenditures	22,500	2,006,392	1,443,851	562,541
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	27,500	(1,556,392)	(953,531)	(522,221)
OTHER FINANCING SOURCES				
Proceeds from Sale of Capital Assets	-	68,400	68,400	-
NET CHANGE IN FUND BALANCE	27,500	(1,487,992)	(885,131)	(522,221)
Fund Balance - Beginning of Year, as Previously Presented	2,182,839	2,182,839	2,182,839	-
Change Within the Financial Reporting Entity (Change in Grouping of Funds)	1,553,896	1,553,896	1,553,896	-
Fund Balance - Beginning of Year, as Restated	3,736,735	3,736,735	3,736,735	-
FUND BALANCE - END OF YEAR	<u>\$ 3,764,235</u>	<u>\$ 2,248,743</u>	<u>\$ 2,851,604</u>	<u>\$ (522,221)</u>

CITY OF WESTMINSTER, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
SPECIAL POLICE SERVICES SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment and Rental	\$ 22,100	\$ 22,100	\$ 37,025	\$ 14,925
Intergovernmental	244,760	433,178	505,512	72,334
Charges for Services	3,000	3,000	3,320	320
Other	100,000	100,000	63,799	(36,201)
Total Revenues	369,860	558,278	609,656	51,378
EXPENDITURES				
Current:				
Public Safety	800,020	1,023,076	561,708	461,368
Capital Outlay	-	30,000	20,856	9,144
Total Expenditures	800,020	1,053,076	582,564	470,512
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(430,160)	(494,798)	27,092	521,890
Fund Balance - Beginning of Year	1,558,025	1,558,025	1,558,025	-
FUND BALANCE - END OF YEAR	<u>\$ 1,127,865</u>	<u>\$ 1,063,227</u>	<u>\$ 1,585,117</u>	<u>\$ 521,890</u>

CITY OF WESTMINSTER, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
MUNICIPAL LIGHTING SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Taxes	\$ 2,213,000	\$ 2,213,000	\$ 2,491,787	\$ 278,787
Investment and Rental	100,000	100,000	261,863	161,863
Total Revenues	2,313,000	2,313,000	2,753,650	440,650
EXPENDITURES				
Current:				
Community Development	1,087,650	1,087,650	1,125,672	(38,022)
Capital Outlay	-	1,541,134	350,173	1,190,961
Total Expenditures	1,087,650	2,628,784	1,475,845	1,152,939
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	1,225,350	(315,784)	1,277,805	1,593,589
Fund Balance - Beginning of Year, as Previously Presented	8,463,669	8,463,669	8,463,669	-
Change Within the Financial Reporting Entity (Change in Grouping of Funds)	941,136	941,136	941,136	-
Fund Balance - Beginning of Year, as Restated	9,404,805	9,404,805	9,404,805	-
FUND BALANCE - END OF YEAR	<u>\$ 10,630,155</u>	<u>\$ 9,089,021</u>	<u>\$ 10,682,610</u>	<u>\$ 1,593,589</u>

CITY OF WESTMINSTER, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
OTHER GRANTS SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment and Rental	\$ 7,000	\$ 7,000	\$ 14,701	\$ 7,701
Intergovernmental	895,155	895,155	841,980	(53,175)
Other	32,504	32,504	17,821	(14,683)
Total Revenues	934,659	934,659	874,502	(60,157)
EXPENDITURES				
Current:				
General Government	32,813	32,813	7,590	25,223
Community Development	182,979	182,979	120,867	62,112
Community Services	602,229	605,633	559,621	46,012
Total Expenditures	818,021	821,425	688,078	133,347
EXCESS OF REVENUES OVER EXPENDITURES	116,638	113,234	186,424	73,190
Fund Balance - Beginning of Year	510,931	510,931	510,931	-
FUND BALANCE - END OF YEAR	<u>\$ 627,569</u>	<u>\$ 624,165</u>	<u>\$ 697,355</u>	<u>\$ 73,190</u>

CITY OF WESTMINSTER, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
OFFSITE DRAINAGE DISTRICT SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Investment and Rental	\$ 3,000	\$ 3,000	\$ 4,607	1,607
Charges for services	2,000	2,000	-	(2,000)
Total Revenues	5,000	5,000	4,607	(393)
EXPENDITURES				
Current:				
Community Development	250	250	230	20
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	4,750	4,750	4,377	(373)
Fund Balance - Beginning of Year	175,183	175,183	175,183	-
FUND BALANCE - END OF YEAR	<u>\$ 179,933</u>	<u>\$ 179,933</u>	<u>\$ 179,560</u>	<u>\$ (373)</u>

CITY OF WESTMINSTER, CALIFORNIA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
ARPA SPECIAL REVENUE FUND
YEAR ENDED JUNE 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 18,462,094	\$ 2,283,233	\$ (16,178,861)
EXPENDITURES				
Capital Outlay	-	18,462,094	2,283,233	16,178,861
Total Expenditures	-	18,462,094	2,283,233	16,178,861
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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CITY OF WESTMINSTER, CALIFORNIA
INTERNAL SERVICE FUNDS
JUNE 30, 2024

Internal Service Funds finance and account for goods and services provided by one City department to other City departments, or to other governments, on a cost-reimbursement basis, including depreciation and amortization. The City used the following Internal Service Funds:

Risk Management Fund – Accounts for the administration of the City's general liability insurance and for the payment of any related claims.

Compensation/Benefits Fund – Finances and accounts for the City's group medical, vision, and dental insurance, workers compensation insurance, unemployment insurance, employee life insurance, and compensated absences.

Motor Pool/Equipment Fund – Accounts for the maintenance and replacement of City-owned vehicles and equipment.

Facilities/Maintenance Fund – Accounts for the City's buildings maintenance and utilities costs.

CITY OF WESTMINSTER, CALIFORNIA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
JUNE 30, 2024

	<u>Risk Management</u>	<u>Compensation/ Benefits</u>	<u>Motor Pool/ Equipment</u>
ASSETS			
Current Assets:			
Cash and Investments	\$ 2,426,572	\$ 8,769,266	\$ 3,476,104
Accounts Receivable	-	1,122	7,122
Prepaid Items	-	-	67,682
Total Current Assets	<u>2,426,572</u>	<u>8,770,388</u>	<u>3,550,908</u>
Restricted Assets:			
Cash and Investments Held in Pension Trust	-	5,489,977	-
Capital Assets:			
Buildings	-	-	-
Improvements Other Than Buildings	-	-	585,555
Vehicles	-	-	2,486,284
Machinery and Equipment	-	-	928,956
Office Furniture, Computers, and Equipment	-	-	2,596,709
Lease Property	-	-	1,381,488
SBITAs	-	-	552,997
Total Capital Assets	<u>-</u>	<u>-</u>	<u>8,531,989</u>
Less: Accumulated Depreciation and Amortization	<u>-</u>	<u>-</u>	<u>(6,662,386)</u>
Net Capital Assets	<u>-</u>	<u>-</u>	<u>1,869,603</u>
Total Assets	2,426,572	14,260,365	5,420,511

CITY OF WESTMINSTER, CALIFORNIA
COMBINING STATEMENT OF NET POSITION (CONTINUED)
INTERNAL SERVICE FUNDS
JUNE 30, 2024

	<u>Facilities/ Maintenance</u>	<u>Total</u>
ASSETS		
Current Assets:		
Cash and Investments	\$ 722,066	\$ 15,394,008
Accounts Receivable	-	8,244
Prepaid Items	-	67,682
Total Current Assets	<u>722,066</u>	<u>15,469,934</u>
Restricted Assets:		
Cash and Investments Held in Pension Trust	-	5,489,977
Capital Assets:		
Buildings	4,594,923	4,594,923
Improvements Other Than Buildings	37,300	622,855
Vehicles	-	2,486,284
Machinery and Equipment	121,424	1,050,380
Office Furniture, Computers, and Equipment	425,805	3,022,514
Lease Property	-	1,381,488
SBITAs	-	552,997
Total Capital Assets	<u>5,179,452</u>	<u>13,711,441</u>
Less: Accumulated Depreciation and Amortization	<u>(3,053,033)</u>	<u>(9,715,419)</u>
Net Capital Assets	<u>2,126,419</u>	<u>3,996,022</u>
Total Assets	2,848,485	24,955,933

CITY OF WESTMINSTER, CALIFORNIA
COMBINING STATEMENT OF NET POSITION (CONTINUED)
INTERNAL SERVICE FUNDS
JUNE 30, 2024

	<u>Risk Management</u>	<u>Compensation/ Benefits</u>	<u>Motor Pool/ Equipment</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable and Other Liabilities	\$ 34,285	\$ -	\$ 235,010
Claims Payable	620,000	2,633,500	-
Compensated Absences	-	2,167,632	93,027
Leases Payable	-	-	293,071
SBITAs Payable	-	-	187,928
Total Current Liabilities	<u>654,285</u>	<u>4,801,132</u>	<u>809,036</u>
Long-Term Liabilities:			
Claims Payable	1,860,000	7,900,500	-
Compensated Absences	-	352,870	15,144
Leases Payable	-	-	433,430
Total Long-Term Liabilities	<u>1,860,000</u>	<u>8,253,370</u>	<u>448,574</u>
Total Liabilities	<u>2,514,285</u>	<u>13,054,502</u>	<u>1,257,610</u>
NET POSITION			
Net Investment in Capital Assets	-	-	955,174
Restricted for Pension Benefits	-	5,489,977	-
Unrestricted	<u>(87,713)</u>	<u>(4,284,114)</u>	<u>3,207,727</u>
Total Net Position	<u><u>\$ (87,713)</u></u>	<u><u>\$ 1,205,863</u></u>	<u><u>\$ 4,162,901</u></u>

CITY OF WESTMINSTER, CALIFORNIA
COMBINING STATEMENT OF NET POSITION (CONTINUED)
INTERNAL SERVICE FUNDS
JUNE 30, 2024

	Facilities/ Maintenance	Total
LIABILITIES		
Current Liabilities:		
Accounts Payable and Other Liabilities	\$ 79,827	\$ 349,122
Claims Payable	-	3,253,500
Compensated Absences	53,606	2,314,265
Leases Payable	-	293,071
SBITAs Payable	-	187,928
Total Current Liabilities	<u>133,433</u>	<u>6,397,886</u>
Long-Term Liabilities:		
Claims Payable	-	9,760,500
Compensated Absences	8,727	376,741
Leases Payable	-	433,430
Total Long-Term Liabilities	<u>8,727</u>	<u>10,570,671</u>
Total Liabilities	<u>142,160</u>	<u>16,968,557</u>
NET POSITION		
Net Investment in Capital Assets	2,126,419	3,081,593
Restricted for Pension Benefits	-	5,489,977
Unrestricted	<u>579,906</u>	<u>(584,194)</u>
Total Net Position	<u>\$ 2,706,325</u>	<u>\$ 7,987,376</u>

**CITY OF WESTMINSTER, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2024**

	Risk Management	Compensation/ Benefits	Motor Pool/ Equipment
OPERATING REVENUES			
Charges for Services	\$ 2,017,000	\$ 2,199,295	\$ 4,389,727
Other	25,235	423,084	143,368
Total Operating Revenues	<u>2,042,235</u>	<u>2,622,379</u>	<u>4,533,095</u>
OPERATING EXPENSES			
Salaries	-	-	1,397,504
Maintenance and Operations	43,376	95,979	2,183,188
Insurance Premiums and Legal Fees	1,761,316	263,609	-
Claims and Benefits	588,283	2,179,883	-
Depreciation and Amortization	-	-	736,560
Total Operating Expenses	<u>2,392,975</u>	<u>2,539,471</u>	<u>4,317,252</u>
OPERATING INCOME (LOSS)	(350,740)	82,908	215,843
NONOPERATING REVENUES (EXPENSES)			
Investment Income	-	478,960	142,283
Interest and Fiscal Charges	-	-	(26,541)
Gain on Sale of Property and Equipment	-	-	34,499
Total Nonoperating Revenues (Expenses)	<u>-</u>	<u>478,960</u>	<u>150,241</u>
NET INCOME (LOSS) BEFORE TRANSFERS	(350,740)	561,868	366,084
TRANSFERS			
Transfers In	-	-	-
Transfers Out	-	-	(150,000)
Total Transfers	<u>-</u>	<u>-</u>	<u>(150,000)</u>
CHANGE IN NET POSITION	(350,740)	561,868	216,084
Net Position - Beginning of Year	<u>263,027</u>	<u>643,995</u>	<u>3,946,817</u>
NET POSITION - END OF YEAR	<u><u>\$ (87,713)</u></u>	<u><u>\$ 1,205,863</u></u>	<u><u>\$ 4,162,901</u></u>

**CITY OF WESTMINSTER, CALIFORNIA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION (CONTINUED)
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2024**

	Facilities/ Maintenance	Total
OPERATING REVENUES		
Charges for Services	\$ 2,593,000	\$ 11,199,022
Other	5,316	597,003
Total Operating Revenues	<u>2,598,316</u>	<u>11,796,025</u>
OPERATING EXPENSES		
Salaries	797,013	2,194,517
Maintenance and Operations	1,773,171	4,095,714
Insurance Premiums and Legal Fees	-	2,024,925
Claims and Benefits	-	2,768,166
Depreciation and Amortization	165,615	902,175
Total Operating Expenses	<u>2,735,799</u>	<u>11,985,497</u>
OPERATING INCOME (LOSS)	(137,483)	(189,472)
NONOPERATING REVENUES (EXPENSES)		
Investment Income	48,490	669,733
Interest and Fiscal Charges	-	(26,541)
Gain on Sale of Property and Equipment	-	34,499
Total Nonoperating Revenues (Expenses)	<u>48,490</u>	<u>677,691</u>
NET INCOME (LOSS) BEFORE TRANSFERS	(88,993)	488,219
TRANSFERS		
Transfers In	27,652	27,652
Transfers Out	(55,000)	(205,000)
Total Transfers	<u>(27,348)</u>	<u>(177,348)</u>
CHANGE IN NET POSITION	(116,341)	310,871
Net Position - Beginning of Year	<u>2,822,666</u>	<u>7,676,505</u>
NET POSITION - END OF YEAR	<u><u>\$ 2,706,325</u></u>	<u><u>\$ 7,987,376</u></u>

**CITY OF WESTMINSTER, CALIFORNIA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2024**

	Risk Management	Compensation/ Benefits	Motor Pool/ Equipment
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts for Interfund Services	\$ 2,042,235	\$ 2,622,379	\$ 4,525,973
Payments to Suppliers	(2,492,236)	(1,837,831)	(2,164,824)
Payments to Employees	-	(149,069)	(1,376,493)
Net Cash Provided (Used) By Operating Activities	(450,001)	635,479	984,656
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Cash Paid to Other Funds	-	-	(150,000)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Cash Received from Other Funds	-	-	-
Acquisition of Capital Assets	-	-	-
Proceeds from Sale of Assets	-	-	84,173
Principal Payments on Leases	-	-	(382,104)
Principal Payments on SBITAs	-	-	(353,069)
Interest and Fiscal Charges	-	-	(26,541)
Net Cash Used by Capital and Related Financing Activities	-	-	(677,541)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment Income	-	478,960	142,283
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(450,001)	1,114,439	299,398
Cash and Cash Equivalents - Beginning of Year	2,876,573	13,144,804	3,176,706
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 2,426,572</u>	<u>\$ 14,259,243</u>	<u>\$ 3,476,104</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE COMBINING STATEMENT OF NET POSITION			
Current Assets - Cash and Investments	\$ 2,426,572	\$ 8,769,266	\$ 3,476,104
Restricted Assets - Cash and Investments Held in Pension Trust	-	5,489,977	-
Total Cash and Cash Equivalents	<u>\$ 2,426,572</u>	<u>\$ 14,259,243</u>	<u>\$ 3,476,104</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ (350,740)	\$ 82,908	\$ 215,843
Depreciation and Amortization	-	-	736,560
Changes in Operating Assets and Liabilities:			
(Increase) Decrease in:			
Accounts Receivable	-	-	(7,122)
Prepaid Items	-	-	(39,854)
Increase (Decrease) in:			
Accounts Payable and Other Liabilities	22,739	(12,360)	58,218
Claims Payable	(122,000)	714,000	-
Compensated Absences Payable	-	(149,069)	21,011
Net Cash Provided (Used) by Operating Activities	<u>\$ (450,001)</u>	<u>\$ 635,479</u>	<u>\$ 984,656</u>
NONCASH FINANCING, CAPITAL, OR INVESTING ACTIVITIES			
Capital Assets Acquired Through Lease	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 392,312</u>
Capital Assets Acquired Through SBITA	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 512,050</u>

CITY OF WESTMINSTER, CALIFORNIA
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2024

	Facilities/ Maintenance	Total
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts for Interfund Services	\$ 2,601,493	\$ 11,792,080
Payments to Suppliers	(1,789,403)	(8,284,294)
Payments to Employees	(788,168)	(2,313,730)
Net Cash Provided (Used) By Operating Activities	23,922	1,194,056
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Cash Paid to Other Funds	(55,000)	(205,000)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Cash Received from Other Funds	27,652	27,652
Acquisition of Capital Assets	(27,652)	(27,652)
Proceeds from Sale of Assets	-	84,173
Principal Payments on Leases	-	(382,104)
Principal Payments on SBITAs	-	(353,069)
Interest and Fiscal Charges	-	(26,541)
Net Cash Used by Capital and Related Financing Activities	-	(677,541)
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment Income	48,490	669,733
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	17,412	981,248
Cash and Cash Equivalents - Beginning of Year	704,654	19,902,737
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 722,066</u>	<u>\$ 20,883,985</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE COMBINING STATEMENT OF NET POSITION		
Current Assets - Cash and Investments	\$ 722,066	\$ 15,394,008
Restricted Assets - Cash and Investments Held in Pension Trust	-	5,489,977
Total Cash and Cash Equivalents	<u>\$ 722,066</u>	<u>\$ 20,883,985</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating Income (Loss)	\$ (137,483)	\$ (189,472)
Depreciation and Amortization	165,615	902,175
Changes in Operating Assets and Liabilities:		
(Increase) Decrease in:		
Accounts Receivable	3,177	(3,945)
Prepaid Items	-	(39,854)
Increase (Decrease) in:		
Accounts Payable and Other Liabilities	(16,231)	52,366
Claims Payable	-	592,000
Compensated Absences Payable	8,844	(119,214)
Net Cash Provided (Used) by Operating Activities	<u>\$ 23,922</u>	<u>\$ 1,194,056</u>
NONCASH FINANCING, CAPITAL, OR INVESTING ACTIVITIES		
Capital Assets Acquired Through Lease	<u>\$ -</u>	<u>\$ 392,312</u>
Capital Assets Acquired Through SBITA	<u>\$ -</u>	<u>\$ 512,050</u>

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STATISTICAL SECTION

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CITY OF WESTMINSTER, CALIFORNIA
DESCRIPTION OF STATISTICAL SECTION CONTENTS
JUNE 30, 2024

This part of the City of Westminster'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 say about the government's overall financial health.

Contents

Financial Trends

These tables 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 sources.

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 tables is derived from the comprehensive annual financial reports for the relevant year.

CITY OF WESTMINSTER, CALIFORNIA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended June 30,				
	2024	2023	2022	2021	2020
GOVERNMENTAL ACTIVITIES					
Net Investment in Capital Assets	\$ 175,963,677	\$ 179,562,714	\$ 181,792,073	\$ 186,402,466	\$ 192,927,504
Restricted	67,004,897	62,891,975	56,657,394	55,860,876	41,489,439
Unrestricted	<u>(78,502,731)</u>	<u>(78,659,154)</u>	<u>(96,417,176)</u>	<u>(92,831,922)</u>	<u>(83,173,275)</u>
Total Governmental Activities Net Assets	<u>\$ 164,465,843</u>	<u>\$ 163,795,535</u>	<u>\$ 142,032,291</u>	<u>\$ 149,431,420</u>	<u>\$ 151,243,668</u>
BUSINESS-TYPE ACTIVITY					
Net Investment in Capital Assets	\$ 23,985,920	\$ 179,562,714	\$ 181,792,073	\$ 186,402,466	\$ 192,927,504
Restricted	-	-	-	-	-
Unrestricted	<u>21,102,808</u>	<u>18,751,019</u>	<u>15,293,980</u>	<u>10,751,230</u>	<u>5,941,410</u>
Total Business-Type Activity Net Assets	<u>\$ 45,088,728</u>	<u>\$ 198,313,733</u>	<u>\$ 197,086,053</u>	<u>\$ 197,153,696</u>	<u>\$ 198,868,914</u>
PRIMARY GOVERNMENT					
Net Investment in Capital Assets	\$ 199,949,597	\$ 359,125,428	\$ 363,584,146	\$ 372,804,932	\$ 385,855,008
Restricted	67,004,897	62,891,975	56,657,394	55,860,876	41,489,439
Unrestricted	<u>(57,399,923)</u>	<u>(59,908,135)</u>	<u>(81,123,196)</u>	<u>(82,080,692)</u>	<u>(77,231,865)</u>
Total Primary Government Net Assets	<u>\$ 209,554,571</u>	<u>\$ 362,109,268</u>	<u>\$ 339,118,344</u>	<u>\$ 346,585,116</u>	<u>\$ 350,112,582</u>

Source: City Finance Department

CITY OF WESTMINSTER, CALIFORNIA
NET POSITION BY COMPONENT (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended June 30,				
	2019	2018	2017	2016	2015
GOVERNMENTAL ACTIVITIES					
Net Investment in Capital Assets	\$ 200,733,298	\$ 217,710,821	\$ 227,269,999	\$ 232,222,529	\$ 205,398,439
Restricted	36,240,191	37,011,787	27,073,245	18,560,287	18,906,200
Unrestricted	<u>(82,197,759)</u>	<u>(100,941,993)</u>	<u>(52,891,903)</u>	<u>(45,089,856)</u>	<u>(38,262,036)</u>
Total Governmental Activities Net Assets	<u>\$ 154,775,730</u>	<u>\$ 153,780,615</u>	<u>\$ 201,451,341</u>	<u>\$ 205,692,960</u>	<u>\$ 186,042,603</u>
BUSINESS-TYPE ACTIVITY					
Net Investment in Capital Assets	\$ 200,733,298	\$ 217,710,821	\$ 227,269,999	\$ 232,222,529	\$ 205,398,439
Restricted	117,132	114,589	113,146	112,665	112,548
Unrestricted	<u>2,719,644</u>	<u>3,436,021</u>	<u>6,047,304</u>	<u>6,152,733</u>	<u>7,379,655</u>
Total Business-Type Activity Net Assets	<u>\$ 203,570,074</u>	<u>\$ 221,261,431</u>	<u>\$ 233,430,449</u>	<u>\$ 238,487,927</u>	<u>\$ 212,890,642</u>
PRIMARY GOVERNMENT					
Net Investment in Capital Assets	\$ 401,466,596	\$ 435,421,642	\$ 454,539,998	\$ 464,445,058	\$ 410,796,878
Restricted	36,357,323	37,126,376	27,186,391	18,672,952	19,018,748
Unrestricted	<u>(79,478,115)</u>	<u>(97,505,972)</u>	<u>(46,844,599)</u>	<u>(38,937,123)</u>	<u>(30,882,381)</u>
Total Primary Government Net Assets	<u>\$ 358,345,804</u>	<u>\$ 375,042,046</u>	<u>\$ 434,881,790</u>	<u>\$ 444,180,887</u>	<u>\$ 398,933,245</u>

Source: City Finance Department

CITY OF WESTMINSTER, CALIFORNIA
CHANGES IN NET POSITION – EXPENSES AND PROGRAM REVENUES
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended June 30,				
	2024	2023	2022	2021	2020
EXPENSES					
Governmental Activities:					
General Government	\$ 7,547,267	\$ 9,914,258	\$ 5,902,029	\$ 6,927,973	\$ 6,788,590
Public Safety	63,188,940	38,188,197	55,939,045	49,653,897	51,215,645
Public Works	15,061,250	12,748,589	13,318,804	13,584,616	13,747,708
Community Development	14,159,632	10,223,234	12,144,529	11,282,285	10,081,232
Community Services	4,510,745	3,701,909	3,943,976	3,117,789	3,245,549
Interest on Long-Term Debt	26,541	3,846	40,619	53,242	66,480
Total Governmental Activities Expenses	104,494,375	74,780,033	91,289,002	84,619,802	85,145,204
Business-Type Activity:					
Water Enterprise	18,802,848	16,852,184	15,595,896	15,000,910	15,820,968
Total Business-Type Activity Expenses	18,802,848	16,852,184	15,595,896	15,000,910	15,820,968
Total Primary Government Expenses	123,297,223	91,632,217	106,884,898	99,620,712	100,966,172
PROGRAM REVENUES					
Governmental Activities:					
Charges for Services:					
General Government	1,585,414	1,323,916	1,305,198	1,040,986	1,266,362
Public Safety	7,268,679	5,393,616	4,484,007	4,221,413	4,076,533
Public Works	690,471	438,268	583,450	635,402	820,428
Community Development	4,765,337	4,180,794	3,850,238	3,534,337	6,602,076
Community Services	339,326	284,746	219,406	95,182	151,858
Operating Grants and Contributions	15,749,584	16,617,014	10,779,692	10,753,411	9,411,769
Capital Grants and Contributions	2,533,281	4,234,962	961,141	2,793,635	371,229
Total Governmental Activities Program Revenues	32,932,092	32,473,316	22,183,132	23,074,366	22,700,255
Business-Type Activities:					
Charges for Services:					
Water Enterprise	19,989,315	18,957,252	18,886,264	18,630,480	17,569,859
Operating Grants and Contributions	-	-	52,200	-	-
Capital Grants and Contributions	132,386	-	-	-	-
Total Business-Type Activity Program Revenues	20,121,701	18,957,252	18,938,464	18,630,480	17,569,859
Total Primary Government Program Revenues	53,053,793	51,430,568	41,121,596	41,704,846	40,270,114
NET REVENUES (EXPENSES)					
Governmental Activities	(71,562,283)	(42,306,717)	(69,105,870)	(61,545,436)	(62,444,949)
Business-Type Activity	1,318,853	2,105,068	3,342,568	3,629,570	1,748,891
Total Net Revenues (Expenses)	<u>\$ (70,243,430)</u>	<u>\$ (40,201,649)</u>	<u>\$ (65,763,302)</u>	<u>\$ (57,915,866)</u>	<u>\$ (60,696,058)</u>

Source: City Finance Department

CITY OF WESTMINSTER, CALIFORNIA
CHANGES IN NET POSITION – EXPENSES AND PROGRAM REVENUES (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended June 30,				
	2019	2018	2017	2016	2015
EXPENSES					
Governmental Activities:					
General Government	\$ 4,827,179	\$ 5,401,118	\$ 4,350,036	\$ 3,595,489	\$ 3,280,458
Public Safety	49,134,686	46,362,520	43,809,880	44,860,014	40,616,802
Public Works	13,854,705	13,934,252	11,583,654	11,596,949	11,358,510
Community Development	4,845,123	5,847,143	7,625,758	8,276,191	8,417,841
Community Services	3,497,900	3,604,104	2,893,874	3,021,121	2,854,580
Interest on Long-Term Debt	90,161	114,028	142,149	164,648	185,852
Total Governmental Activities Expenses	76,249,754	75,263,165	70,405,351	71,514,412	66,714,043
Business-Type Activity:					
Water Enterprise	15,504,540	16,377,091	14,045,523	13,600,864	13,625,444
Total Business-Type Activity Expenses	15,504,540	16,377,091	14,045,523	13,600,864	13,625,444
Total Primary Government Expenses	91,754,294	91,640,256	84,450,874	85,115,276	80,339,487
PROGRAM REVENUES					
Governmental Activities:					
Charges for Services:					
General Government	1,149,664	1,690,706	1,231,459	1,494,713	1,708,850
Public Safety	3,875,102	3,661,542	3,487,204	2,816,217	2,901,892
Public Works	411,959	587,671	951,852	1,267,530	1,535,590
Community Development	2,109,265	2,641,720	3,546,329	3,219,518	2,583,435
Community Services	206,660	202,353	223,802	280,281	351,225
Operating Grants and Contributions	7,809,684	6,950,890	9,141,531	6,984,437	8,827,408
Capital Grants and Contributions	110,317	61,823	72,760	7,548,627	16,638,708
Total Governmental Activities Program Revenues	15,672,651	15,796,705	18,654,937	23,611,323	34,547,108
Business-Type Activities:					
Charges for Services:					
Water Enterprise	16,880,396	16,198,871	13,319,917	12,731,731	14,202,098
Operating Grants and Contributions	-	-	-	-	-
Capital Grants and Contributions	-	-	-	-	-
Total Business-Type Activity Program Revenues	16,880,396	16,198,871	13,319,917	12,731,731	14,202,098
Total Primary Government Program Revenues	32,553,047	31,995,576	31,974,854	36,343,054	48,749,206
NET REVENUES (EXPENSES)					
Governmental Activities	(60,577,103)	(59,466,460)	(51,750,414)	(47,903,089)	(32,166,935)
Business-Type Activity	1,375,856	(178,220)	(725,606)	(869,133)	576,654
Total Net Revenues (Expenses)	<u>\$ (59,201,247)</u>	<u>\$ (59,644,680)</u>	<u>\$ (52,476,020)</u>	<u>\$ (48,772,222)</u>	<u>\$ (31,590,281)</u>

Source: City Finance Department

CITY OF WESTMINSTER, CALIFORNIA
CHANGES IN NET POSITION – GENERAL REVENUES
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended June 30,				
	2024	2023	2022	2021	2020
GENERAL REVENUES AND OTHER					
CHANGES IN NET ASSETS					
Governmental Revenues:					
Unrestricted Taxes:					
Transactions and Use Taxes	\$ 15,521,023	\$ 12,381,160	\$ 16,645,283	\$ 14,573,087	\$ 12,764,803
Property Taxes, Levied for					
General Purposes	23,317,706	22,239,150	21,057,656	19,872,432	18,970,784
Utility Users Taxes	5,348,665	5,731,921	4,832,234	4,464,874	4,329,225
Motor Vehicle Taxes	-	-	-	-	-
Other Taxes	3,936,848	4,036,004	3,530,074	3,168,818	3,185,627
Unrestricted Investment Earnings	5,118,668	870,645	(4,685,026)	84,958	3,469,077
Intergovernmental Revenue - Sales					
Taxes	19,014,681	18,836,081	19,861,724	17,534,019	16,158,371
Transfers	(25,000)	(25,000)	(25,000)	35,000	35,000
Extraordinary Item	-	-	-	-	-
Total Governmental Activities	<u>72,232,591</u>	<u>64,069,961</u>	<u>61,216,945</u>	<u>59,733,188</u>	<u>58,912,887</u>
Business-Type Activity:					
Unrestricted Investment Earnings	689,301	375,599	190,914	232,439	230,145
Transfers	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>(35,000)</u>	<u>(35,000)</u>
Total Business-Type Activity	<u>714,301</u>	<u>400,599</u>	<u>215,914</u>	<u>197,439</u>	<u>195,145</u>
Total Primary Government	<u>72,946,892</u>	<u>64,470,560</u>	<u>61,432,859</u>	<u>59,930,627</u>	<u>59,108,032</u>
CHANGES IN NET ASSETS					
Governmental Activities	670,308	21,763,244	(7,888,925)	(1,812,248)	(3,532,062)
Business-Type Activity	<u>2,033,154</u>	<u>2,505,667</u>	<u>3,558,482</u>	<u>3,827,009</u>	<u>1,944,036</u>
Total Primary Government	<u>\$ 2,703,462</u>	<u>\$ 24,268,911</u>	<u>\$ (4,330,443)</u>	<u>\$ 2,014,761</u>	<u>\$ (1,588,026)</u>

Source: City Finance Department

CITY OF WESTMINSTER, CALIFORNIA
CHANGES IN NET POSITION – GENERAL REVENUES (CONTINUED)
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended June 30,				
	2019	2018	2017	2016	2015
GENERAL REVENUES AND OTHER					
CHANGES IN NET ASSETS					
Governmental Revenues:					
Unrestricted Taxes:					
Transactions and Use Taxes	\$ 13,538,135	\$ 12,138,125	\$ 3,064,761	\$ -	\$ -
Property Taxes, Levied for					
General Purposes	19,374,827	17,358,075	15,727,357	15,186,466	13,867,837
Utility Users Taxes	4,411,518	4,557,811	4,496,482	4,595,948	4,917,994
Motor Vehicle Taxes	-	-	-	-	38,642
Other Taxes	3,562,629	3,627,884	3,489,715	3,558,019	3,340,556
Unrestricted Investment Earnings	3,103,684	(41,593)	(108,819)	965,817	550,512
Intergovernmental Revenue - Sales					
Taxes	17,511,972	16,663,263	17,663,949	16,044,115	15,749,960
Transfers	69,453	35,000	35,000	35,000	(4,525,088)
Extraordinary Item	-	-	1,677,350	27,168,081	(16,963,040)
Total Governmental Activities	<u>61,572,218</u>	<u>54,338,565</u>	<u>46,045,795</u>	<u>67,553,446</u>	<u>16,977,373</u>
Business-Type Activity:					
Unrestricted Investment Earnings	187,952	128,409	78,750	117,837	108,353
Transfers	<u>(69,453)</u>	<u>(35,000)</u>	<u>(35,000)</u>	<u>(35,000)</u>	<u>4,525,088</u>
Total Business-Type Activity	<u>118,499</u>	<u>93,409</u>	<u>43,750</u>	<u>82,837</u>	<u>4,633,441</u>
Total Primary Government	<u>61,690,717</u>	<u>54,431,974</u>	<u>46,089,545</u>	<u>67,636,283</u>	<u>21,610,814</u>
CHANGES IN NET ASSETS					
Governmental Activities	995,115	(5,127,895)	(5,704,619)	19,650,357	(15,189,562)
Business-Type Activity	<u>1,494,355</u>	<u>(84,811)</u>	<u>(681,856)</u>	<u>(786,296)</u>	<u>5,210,095</u>
Total Primary Government	<u>\$ 2,489,470</u>	<u>\$ (5,212,706)</u>	<u>\$ (6,386,475)</u>	<u>\$ 18,864,061</u>	<u>\$ (9,979,467)</u>

Source: City Finance Department

CITY OF WESTMINSTER, CALIFORNIA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

		Fiscal Year Ended June 30,				
		2024	2023	2022	2021	2020
GENERAL FUND						
Nonspendable	\$	31,030	\$ 42,890	\$ 70,693	\$ 188,018	\$ 182,248
Restricted		2,589,172	-	-	-	-
Committed		13,147,338	11,782,742	11,312,182	10,826,211	10,603,349
Assigned		-	-	2,696,420	2,696,420	2,696,420
Unassigned		38,098,583	26,117,636	24,067,147	21,128,660	16,654,740
Total General Fund	\$	<u>53,866,123</u>	<u>\$ 37,943,268</u>	<u>\$ 38,146,442</u>	<u>\$ 34,839,309</u>	<u>\$ 30,136,757</u>
ALL OTHER GOVERNMENTAL FUNDS						
Nonspendable	\$	22,500	\$ -	\$ -	\$ 480	\$ -
Restricted		54,914,927	53,682,727	51,200,080	50,199,360	38,241,232
Assigned		13,177,410	18,117,340	20,654,692	25,310,584	39,666,673
Unassigned		(22,500)	-	-	-	-
Total All Other Governmental Funds	\$	<u>68,092,337</u>	<u>\$ 71,800,067</u>	<u>\$ 71,854,772</u>	<u>\$ 75,510,424</u>	<u>\$ 77,907,905</u>

Source: City Finance Department

CITY OF WESTMINSTER, CALIFORNIA
FUND BALANCES OF GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended June 30,				
	2019	2018	2017	2016	2015
GENERAL FUND					
Nonspendable	\$ 67,076	\$ 60,471	\$ 33,695	\$ 27,125	\$ 47,687
Restricted	-	-	-	-	-
Committed	10,141,831	9,561,065	9,197,836	-	-
Assigned	2,696,420	2,696,420	2,696,420	-	-
Unassigned	13,026,119	11,346,148	8,904,597	22,473,917	22,069,159
Total General Fund	<u>\$ 25,931,446</u>	<u>\$ 23,664,104</u>	<u>\$ 20,832,548</u>	<u>\$ 22,501,042</u>	<u>\$ 22,116,846</u>
ALL OTHER GOVERNMENTAL FUNDS					
Nonspendable	\$ -	\$ 12,675	\$ -	\$ -	\$ -
Restricted	34,160,856	37,683,195	36,772,473	33,487,248	32,727,621
Assigned	44,007,432	22,077,035	15,774,481	18,513,114	20,118,196
Unassigned	-	(460,469)	(186,360)	(1,894,658)	(261,909)
Total All Other Governmental Funds	<u>\$ 78,168,288</u>	<u>\$ 59,312,436</u>	<u>\$ 52,360,594</u>	<u>\$ 50,105,704</u>	<u>\$ 52,583,908</u>

Source: City Finance Department

CITY OF WESTMINSTER, CALIFORNIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended June 30,				
	2024	2023	2022	2021	2020
REVENUES					
Taxes	\$ 54,085,597	\$ 50,028,913	\$ 51,185,163	\$ 46,725,159	\$ 43,865,897
Licenses and Permits	1,532,775	1,501,005	1,243,869	1,079,964	1,231,688
Fines	549,459	651,412	701,784	790,627	631,030
Investment and Rental	6,866,355	2,403,769	(2,298,954)	750,413	4,499,042
Intergovernmental	30,881,689	29,922,813	24,089,484	24,538,883	21,232,119
Charges for Services	10,247,665	7,750,119	6,855,397	6,276,804	9,062,314
Other	803,613	1,062,614	2,100,317	280,390	911,316
Total Revenues	104,967,153	93,320,645	83,877,060	80,442,240	81,433,406
EXPENDITURES					
Current:					
General Government	6,316,911	10,442,939	5,848,161	6,834,863	6,306,566
Public Safety	57,756,239	51,911,482	50,842,118	47,729,063	46,636,567
Public Works	5,805,168	5,578,605	4,602,418	4,745,764	5,217,680
Community Development	8,263,381	8,856,297	8,711,017	9,455,041	8,486,974
Community Services	3,610,400	3,248,600	2,656,179	2,369,198	2,547,405
Capital Outlay	11,227,974	13,774,065	11,280,442	6,549,620	8,229,491
Debt Service:					
Principal Retirement	-	-	246,734	236,159	225,585
Interest and Fiscal Charges	-	-	11,229	20,832	30,137
Total Expenditures	92,980,073	93,811,988	84,198,298	77,940,540	77,680,405
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	11,987,080	(491,343)	(321,238)	2,501,700	3,753,001
OTHER FINANCING SOURCES (USES)					
Sale of Equipment and Property	75,697	8,464	10,097	6,073	708
Transfers In	205,000	13,255,128	6,928,582	10,058,332	5,470,865
Transfers Out	(52,652)	(13,030,128)	(6,965,960)	(10,261,034)	(5,279,646)
Total Other Financing Sources (Uses)	228,045	233,464	(27,281)	(196,629)	191,927
NET CHANGE IN FUND BALANCES, BEFORE EXTRAORDINARY ITEM	12,215,125	(257,879)	(348,519)	2,305,071	3,944,928
EXTRAORDINARY ITEM	-	-	-	-	-
NET CHANGE IN FUND BALANCES	<u>\$ 12,215,125</u>	<u>\$ (257,879)</u>	<u>\$ (348,519)</u>	<u>\$ 2,305,071</u>	<u>\$ 3,944,928</u>
Debt Service as a Percentage of Noncapital Expenditures	0.0%	0.0%	0.3%	0.4%	0.4%

Source: City Finance Department

CITY OF WESTMINSTER, CALIFORNIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (CONTINUED)
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ended June 30,				
	2019	2018	2017	2016	2015
REVENUES					
Taxes	\$ 45,968,953	\$ 41,667,325	\$ 30,849,080	\$ 27,374,545	\$ 25,593,873
Licenses and Permits	792,649	859,108	847,246	924,622	841,683
Fines	669,359	771,613	888,134	981,486	1,054,360
Investment and Rental	4,059,519	1,255,074	849,487	1,895,092	1,461,106
Intergovernmental	21,010,794	19,920,479	21,766,716	19,286,430	21,163,169
Charges for Services	4,641,153	5,464,976	6,798,588	7,223,368	7,053,125
Other	454,798	617,706	1,071,736	648,332	499,627
Total Revenues	77,597,225	70,556,281	63,070,987	58,333,875	57,666,943
EXPENDITURES					
Current:					
General Government	4,338,833	4,453,928	4,193,584	2,854,956	2,837,553
Public Safety	46,341,940	43,249,561	40,378,014	39,667,745	38,154,641
Public Works	4,965,284	4,753,540	4,163,081	4,120,634	4,059,709
Community Development	7,527,068	7,314,064	6,464,433	7,152,897	7,352,977
Community Services	2,712,756	2,651,021	2,456,758	2,548,588	2,350,030
Capital Outlay	5,280,934	4,509,240	7,443,447	9,043,703	4,565,323
Debt Service:					
Principal Retirement	433,547	419,446	401,823	384,200	370,100
Interest and Fiscal Charges	47,478	65,257	84,348	99,875	114,819
Total Expenditures	71,647,840	67,416,057	65,585,488	65,872,598	59,805,152
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	5,949,385	3,140,224	(2,514,501)	(7,538,723)	(2,138,209)
OTHER FINANCING SOURCES (USES)					
Sale of Equipment and Property	14,480,481	6,007,963	6,233	8,073	10,414
Transfers In	14,236,299	14,058,427	8,875,548	6,281,711	11,444,395
Transfers Out	(13,542,971)	(13,424,216)	(8,921,234)	(6,181,505)	(16,037,125)
Total Other Financing Sources (Uses)	15,173,809	6,642,174	(39,453)	108,279	(4,582,316)
NET CHANGE IN FUND BALANCES, BEFORE EXTRAORDINARY ITEM	21,123,194	9,782,398	(2,553,954)	(7,430,444)	(6,720,525)
EXTRAORDINARY ITEM	-	-	1,677,350	5,336,436	-
NET CHANGE IN FUND BALANCES	<u>\$ 21,123,194</u>	<u>\$ 9,782,398</u>	<u>\$ (876,604)</u>	<u>\$ (2,094,008)</u>	<u>\$ (6,720,525)</u>
Debt Service as a Percentage of Noncapital Expenditures	0.7%	0.7%	0.8%	0.8%	0.9%

Source: City Finance Department

CITY OF WESTMINSTER, CALIFORNIA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(RATE PER \$100 OF TAXABLE VALUE)

	Fiscal Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
City Direct Rate:										
City Basic Rate	0.09443	0.09443	0.09443	0.09443	0.09443	0.09443	0.09443	0.09443	0.09443	0.09443
Redevelopment Agency	0.00445	0.00427	0.00409	0.00410	0.00394	0.00397	0.00066	0.00066	0.00066	0.00066
Total City Direct Rate	0.09888	0.09870	0.09852	0.09853	0.09837	0.09840	0.09509	0.09509	0.09509	0.09509
Overlapping Rates:										
Special Districts	0.04380	0.04380	0.04380	0.04380	0.04380	0.04380	0.04400	0.04380	0.04380	0.04400
County of Orange	0.15487	0.15487	0.15487	0.15487	0.15487	0.15487	0.15277	0.15487	0.15487	0.15277
School Districts	0.70700	0.70700	0.70690	0.70690	0.70690	0.70700	0.70980	0.70690	0.70690	0.70980
Total Direct Rate	<u>1.00010</u>	<u>1.00010</u>	<u>1.00000</u>	<u>1.00000</u>	<u>1.00000</u>	<u>1.00010</u>	<u>1.00100</u>	<u>1.00000</u>	<u>1.00000</u>	<u>1.00100</u>

Notes:

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

Source: Orange County Assessor 2023/2024 Annual Tax Increment Tables
HdL, Coren & Cone

**CITY OF WESTMINSTER, CALIFORNIA
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2024		2015	
	Taxable Assessed Value	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Percent of Total City Taxable Assessed Value
Westminster Mall LLC	\$ 137,163,086	1.15 %	\$ -	- %
Westminster Village Owner LLC	93,441,595	0.78	-	-
WRI West Gate South LP	82,388,943	0.69	69,247,427	0.91
FG Goldenwest Senior Apartments LP	75,652,409	0.64	-	-
PK I Pavilions Place LP	70,671,247	0.59	50,806,713	0.67
Land Partners Company	55,335,291	0.46	63,190,119	0.83
An Tang Dao Trust	52,165,360	0.44	35,561,953	0.47
Jasmine Place Associates LLC	51,486,871	0.43	43,697,482	0.57
WRW Properties LLC	47,719,602	0.40	-	-
Prologis Targeted US Logistics Fund LP	47,198,329	0.40	-	-
Retail Property Trust	-	-	111,890,815	1.47
CPII Park Lane LLC	-	-	29,075,176	0.38
Springdale Villa LP	-	-	25,765,144	0.34
Mary Warne-Parks Trust-Bolsa-Bushard	-	-	29,100,000	0.38
Macy's California Realty LLC	-	-	26,821,217	0.35
Total	<u>\$ 713,222,733</u>	<u>5.98 %</u>	<u>\$ 485,156,046</u>	<u>6.37 %</u>

The amounts shown above include assessed value data for both the City and the Successor Agency.

Source: HdL, Coren & Cone

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**CITY OF WESTMINSTER, 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		Total Collections to Date	
		Amount	Percent of Levy	Amount	Percent of Levy
2024	\$ 2,497,018	\$ 2,468,771	98.87 %	\$ 2,468,771	98.87 %
2023	2,548,442	2,510,706	98.52	2,510,706	98.52
2022	2,495,132	2,454,680	98.38	2,454,680	98.38
2021	2,478,377	2,457,061	99.14	2,457,061	99.14
2020	2,488,601	2,465,478	99.07	2,465,478	99.07
2019	2,509,275	2,477,398	98.73	2,477,398	98.73
2018	2,510,143	2,481,863	98.87	2,481,863	98.87
2017	2,508,326	2,461,818	98.15	2,461,818	98.15
2016	2,505,497	2,452,411	97.88	2,452,411	97.88
2015	2,484,435	2,423,695	97.56	2,423,695	97.56

Note: The amounts presented include City secured and supplemental property taxes.

Source: Orange County Assessor's Office
Orange County Office of Auditor-Controller

**CITY OF WESTMINSTER, CALIFORNIA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE
OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30,	City			Taxable Assessed Value
	Secured	Unsecured	Less: Exemptions	
2024	\$ 3,048,143,038	\$ 100,146,914	\$ 82,558,999	\$ 3,065,730,953
2023	3,048,693,649	101,456,395	82,540,972	3,067,609,072
2022	3,048,693,649	101,456,395	82,540,972	3,067,609,072
2021	3,048,693,649	101,456,395	82,540,972	3,067,609,072
2020	3,068,997,732	101,438,368	82,540,972	3,087,895,128
2019	3,067,173,924	101,438,368	82,540,972	3,086,071,320
2018	3,064,980,617	101,438,368	82,540,972	3,083,878,013
2017	3,064,980,617	101,438,368	82,540,972	3,083,878,013
2016	3,064,980,617	101,438,368	82,540,972	3,083,878,013
2015	3,064,980,617	101,438,368	82,540,972	3,083,878,013

Notes:

Exemptions are netted directly against the individual property categories.

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

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

Source: HdL Coren & Cone, Orange County Assessor 2023/24 Combined Tax Rolls, and Orange County Auditor Controller

**CITY OF WESTMINSTER, CALIFORNIA
 ASSESSED VALUE AND ESTIMATED ACTUAL VALUE
 OF TAXABLE PROPERTY (CONTINUED)
 LAST TEN FISCAL YEARS**

Redevelopment Agency				Total Direct Tax Rate
Secured	Unsecured	Less: Exemptions	Taxable Assessed Value	
\$ 11,919,708,145	\$ 197,533,074	\$ 204,652,362	\$ 11,912,540,400	9.88800 % *
11,251,060,660	197,174,930	201,051,996	11,248,073,090	9.87000 *
10,664,939,578	169,718,290	191,308,534	10,643,349,334	9.85200 *
10,257,187,797	182,282,078	156,417,096	10,283,052,779	9.85300 *
9,784,074,905	172,273,238	170,043,868	9,786,304,275	9.83700 *
9,320,751,451	292,761,051	160,250,379	9,453,262,123	9.84000 *
8,863,834,129	207,351,283	155,854,634	8,915,330,778	0.09509 *
8,367,114,668	174,986,973	142,653,259	8,399,448,382	0.09509 *
8,132,917,882	265,498,056	136,841,764	8,261,574,174	0.09509 *
7,524,637,360	232,501,482	135,957,596	7,621,181,246	0.09509 *

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CITY OF WESTMINSTER, CALIFORNIA
TAX REVENUES BY SOURCE – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Fiscal Year Ended June 30,	Sales	Transactions and Use*	Property	Utility Users	Business License	Franchise	Transient Occupancy	Total
2024	\$ 19,014,681	\$ 15,521,023	\$ 23,317,706	\$ 5,348,665	\$ 1,558,600	\$ 1,481,093	\$ 897,155	\$ 67,138,923
2023	18,836,081	12,381,160	22,239,150	5,731,921	1,596,820	1,444,767	994,417	63,224,316
2022	19,861,724	16,645,283	21,057,656	4,832,234	1,396,905	1,192,877	940,292	65,926,971
2021	17,534,019	14,573,087	19,872,431	4,464,874	1,423,562	1,145,183	600,073	59,613,229
2020	16,158,371	12,764,803	18,970,784	4,329,225	1,306,371	1,180,939	698,317	55,408,810
2019	17,511,972	13,538,135	19,374,827	4,411,518	1,427,830	1,310,370	824,429	58,399,081
2018	16,663,263	12,138,125	17,358,075	4,557,811	1,359,594	1,407,680	860,610	54,345,158
2017	17,663,949	3,064,761	15,727,357	4,496,482	1,381,319	1,241,700	866,696	44,442,264
2016	16,044,115	-	15,186,466	4,595,948	1,388,612	1,367,801	801,606	39,384,548
2015	15,749,960	-	13,867,837	4,917,994	1,216,170	1,410,626	713,760	37,876,347

*Beginning in April 2017, a tax measure allowed for the collection of a 1% transaction tax.

Source: City of Westminster

**CITY OF WESTMINSTER, CALIFORNIA
TAXABLE SALES BY CATEGORY
LAST TEN CALENDAR YEARS
(IN THOUSANDS OF DOLLARS)**

	Calendar Years				
	2023	2022	2021	2020	2019
Apparel Stores	\$ 34,243	\$ 45,375	\$ 55,062	\$ 34,041	\$ 58,130
General Merchandise	200,650	211,515	201,256	182,801	200,701
Food Stores	42,288	42,091	48,911	47,631	43,787
Eating and Drinking Places	220,730	213,782	194,220	139,198	190,430
Building Materials	144,473	130,278	132,371	119,658	124,828
Auto Dealers and Supplies	493,630	472,248	498,749	446,635	438,965
Service Stations	110,315	122,846	108,657	68,754	103,581
Other Retail Stores	192,210	207,597	210,131	158,536	198,330
All Other Outlets	411,161	449,086	409,827	396,404	338,294
Total	<u>\$ 1,849,700</u>	<u>\$ 1,894,818</u>	<u>\$ 1,859,184</u>	<u>\$ 1,593,658</u>	<u>\$ 1,697,046</u>
City Direct Sales Tax Rate	1.00%	1.00%	1.00%	1.00%	1.00%

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

CITY OF WESTMINSTER, CALIFORNIA
TAXABLE SALES BY CATEGORY (CONTINUED)
LAST TEN CALENDAR YEARS
(IN THOUSANDS OF DOLLARS)

	Calendar Years				
	2018	2017	2016	2015	2014
Apparel Stores	\$ 63,429	\$ 62,984	\$ 68,310	\$ 70,768	\$ 73,730
General Merchandise	209,888	218,329	228,899	209,801	215,447
Food Stores	45,523	43,289	42,464	42,548	43,129
Eating and Drinking Places	189,296	184,474	170,304	158,720	151,288
Building Materials	128,353	115,548	95,642	89,293	75,341
Auto Dealers and Supplies	448,208	447,791	453,185	417,142	341,467
Service Stations	115,353	105,133	96,168	117,433	144,742
Other Retail Stores	225,518	225,287	229,420	216,333	208,819
All Other Outlets	296,807	284,566	296,228	281,701	264,968
Total	<u>\$ 1,722,375</u>	<u>\$ 1,687,401</u>	<u>\$ 1,680,620</u>	<u>\$ 1,603,739</u>	<u>\$ 1,518,931</u>
City Direct Sales Tax Rate	1.00%	1.00%	1.00%	1.00%	1.00%

**CITY OF WESTMINSTER, CALIFORNIA
PRINCIPAL SALES TAX REMITTERS BY CATEGORY
CURRENT YEAR AND NINE YEARS AGO**

Category	Calendar Year 2023			Calendar Year 2015		
	Taxable Sales	Rank	Percent of Total City Taxable Sales	Taxable Sales	Rank	Percent of Total City Taxable Sales
Auto Dealers and Supplies	\$ 340,776	1	25.26 %	\$ 493,630	1	26.69 %
General Merchandise	215,447	2	15.97	200,650	4	10.85
Other Retail Stores	209,591	3	15.53	192,210	5	10.39
Eating and Drinking Places	152,914	4	11.33	220,730	3	11.93
Service Stations	144,746	5	10.73	110,315	7	5.96
All Other Outlets	93,344	6	6.92	411,161	2	22.23
Building Materials	75,341	7	5.58	144,473	6	7.81
Apparel Stores	73,868	8	5.48	34,243	9	1.85
Food Stores	43,129	9	3.20	42,288	8	2.29

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

**CITY OF WESTMINSTER, CALIFORNIA
WATER CUSTOMERS
CURRENT YEAR AND NINE YEARS AGO**

Water Customer	2024		2015	
	Water Charges	Percent of Total Water Revenues	Water Charges	Percent of Total Water Revenues
Los Alisos	\$ 353,728	2.41 %	\$ 121,635	0.91 %
Arnel Management	268,811	1.83	206,448	1.55
City of Westminster	243,354	1.66	262,444	1.97
Westminster School District	197,375	1.34	138,372	1.04
Garden Grove Unified	119,120	0.81	122,729	0.92
Huntington Beach Union High School	108,082	0.74	94,478	0.71
Mobile Community Mgt Co	94,055	0.64	-	-
Prado Verde Estates	92,468	0.63	62,296	0.47
Mission Del Amo Mobile Home Park	88,684	0.60	69,559	0.52
Rancho Del Sol	77,543	0.53	-	-
Pembroke Mgmt Company	-	-	74,402	0.56
Tres Vidas Apartments	-	-	64,558	0.48
Westminster Village HOA	-	-	86,563	0.65
Windmill Apartments	-	-	5,560	0.42
Total	<u>\$ 1,643,220</u>		<u>\$ 1,309,044</u>	
Total Metered Water Sales	<u>\$ 14,682,918</u>		<u>\$ 13,324,386</u>	

Source: City of Westminster

**CITY OF WESTMINSTER, CALIFORNIA
WATER RATES
LAST TEN FISCAL YEARS**

<u>Fiscal Year Ended June 30,</u>	<u>Fixed Customer Charge</u> *	<u>Variable Commodity Charge</u> *
2024	19.45	3.85
2023	18.34	3.63
2022	17.30	3.42
	<u>Base Rate (Service Charge)</u>	
2021	9.48	3.21
2020	9.19	3.16
2019	8.91	3.07
2018	8.39	2.92
2017	7.30	2.54
2016	7.30	2.36
2015	7.30	2.30

Note:

* Rates are based on 5/8" meter, which is the standard household meter size per 8 week billing cycle. Commodity charge rate is per 100 cubic feet of water. The City charges an excess-use rate above normal demand. Reporting of the billing changed from monthly base rate to fixed customer charge in FY 22 due to resolution currently in place. Previously reported base rate does not include meter charge.

Source: City of Westminster

**CITY OF WESTMINSTER, CALIFORNIA
WATER SOLD BY TYPE OF CUSTOMER
LAST TEN FISCAL YEARS
(IN MILLIONS OF GALLONS)**

Fiscal Year Ended June 30,	Type of Customer				
	Residential	Industrial	Commercial	Government	Total
2024	\$ 15,307,137	\$ 144,109	\$ 3,120,530	\$ 105,848	\$ 18,677,624
2023	13,735,125	130,756	3,212,148	100,305	17,178,334
2022	13,466,125	103,570	3,001,037	94,469	16,665,201
2021	13,671,194	133,258	2,817,894	105,799	16,728,145
2020	12,763,476	124,026	2,783,001	163,067	15,833,570
2019	12,067,332	117,948	2,974,898	103,100	15,263,278
2018	11,271,646	120,976	2,690,775	103,406	14,186,803
2017	10,276,682	109,734	2,275,296	100,155	12,761,867
2016	9,953,572	97,688	2,135,545	104,795	12,291,600
2015	11,312,453	108,947	2,501,890	101,055	14,024,345

Total Direct Rate per 1,000 Gallons

Source: City of Westminster

**CITY OF WESTMINSTER, CALIFORNIA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30,	Governmental Activities					Total Governmental Activities
	Tax Allocation Bonds	Leases & SBITAs Payable	Certificates of Participation	Notes Payable		
2024	\$ -	\$ 914,429	\$ -	\$ -		\$ 914,429
2023	-	745,240	-	-		745,240
2022	-	856,128	-	-		856,128
2021	-	1,844,240	350,000	-		2,194,240
2020	-	1,431,839	685,000	-		2,116,839
2019	-	1,816,704	1,005,000	-		2,821,704
2018	-	728,860	1,620,000	-		2,348,860
2017	-	616,527	2,215,000	-		2,831,527
2016	-	711,330	2,785,000	-		3,496,330
2015	-	479,507	3,330,000	-		3,809,507

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Source: City Finance Department

**CITY OF WESTMINSTER, CALIFORNIA
RATIOS OF OUTSTANDING DEBT BY TYPE (CONTINUED)
LAST TEN FISCAL YEARS**

Business-Type Activity			Total Primary Government	Percentage of Personal Income	Debt per Capita
Certificates of Participation	Loans Payable	Total Business-Type Activity			
\$ -	\$ 763,482	\$ 763,482	\$ 1,677,911	0.06 %	19
335,000	844,903	1,179,903	1,925,143	0.07	21
655,000	923,555	1,578,555	2,434,683	0.10	26
965,000	999,534	1,964,534	4,158,774	0.20	48
1,260,000	1,072,928	2,332,928	4,449,767	0.20	48
1,545,000	1,204,287	2,749,287	5,570,991	0.24	60
1,815,000	1,632,206	3,447,206	5,796,066	0.32	74
2,075,000	1,453,790	3,528,790	6,360,317	0.30	68
2,325,000	1,572,231	3,897,231	7,393,561	0.36	79
2,565,000	1,686,655	4,251,655	8,061,162	0.42	88

**CITY OF WESTMINSTER, CALIFORNIA
RATIO OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30,	Outstanding General Bonded Debt			Percent of Assessed Value	Per Capita
	General Obligation Bonds	Tax Allocation Bonds	Total		
2024	\$ -	\$ -	\$ -	- %	\$ -
2023	-	-	-	-	-
2022	-	-	-	-	-
2021	-	-	-	-	-
2020	-	-	-	-	-
2019	-	-	-	-	-
2018	-	-	-	-	-
2017	-	-	-	-	-
2016	-	-	-	-	-
2015	-	-	-	-	-

General bonded debt is debt payable with governmental fund resources and general obligation bonds recorded in enterprise funds (of which, the City has none).

Source: City Finance Department

**CITY OF WESTMINSTER, CALIFORNIA
DIRECT AND OVERLAPPING DEBT
JUNE 30, 2024**

2023-24 Assessed Valuation:		<u>\$ 11,925,163,309</u>	
	<u>Percentage Applicable (1)</u>	<u>Total Debt 6/30/2023</u>	<u>City's Share of Debt 6/30/23</u>
Overlapping Tax and Assessment Debt:			
Metropolitan Water District	0.307 %	\$ 18,210,000	\$ 55,905
Coast Community College District	6.493	886,956,084	57,590,059
Garden Grove Unified School District	8.703	517,805,000	45,064,569
Huntington Beach Union High School District	12.693	137,329,998	17,431,297
Ocean View School District	5.121	150,895,000	7,727,333
Westminster School District	62.721	155,518,449	97,542,726
Total Overlapping Tax and Assessment Debt		<u>\$ 1,866,714,531</u>	<u>\$ 225,411,889</u>
Direct and Overlapping General Fund Debt:			
Orange County General Fund Obligations	1.549	\$ 440,385,000	\$ 6,821,564
Orange County Board of Education Certificates of Participation	1.549	10,030,000	155,365
Coast Community College District Certificates of Participation	6.493	1,075,000	69,800
Coast Community College District Pension Obligation Bonds	6.493	925,000	60,060
Huntington Beach Union High School District Certificates of Participation	12.693	51,436,090	6,528,783
Ocean View School District Certificates of Participation	5.121	12,725,000	651,647
Westminster School District Certificates of Participation	62.721	24,475,000	15,350,965
City of Westminster Certificates of Participation	100.000	-	-
City of Westminster Leases and SBITAs Payable	100.000	914,429	914,429
Total Gross Direct and Overlapping General Fund Debt		<u>\$ 541,965,519</u>	30,552,613
Less: MWDOC Water Facilities Corporation (100% self-supporting)			-
Total Net Direct and Overlapping General Fund Debt			<u>\$ 30,552,613</u>
Overlapping Tax Increment Debt: (Successor Agency)	100.000 %	<u>\$ 90,720,000</u>	<u>\$ 90,720,000</u>
Total Direct Debt			<u>\$ 914,429</u>
Total Gross Overlapping Debt			<u>\$ 345,770,073</u>
Total Net Overlapping Debt			<u>\$ 345,770,073</u>
Gross Combined Total Debt			\$ 346,684,502 (2)
Net Combined Total Debt			\$ 346,684,502

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

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

Ratios to 2023-24 Assessed Valuation:

Total Overlapping Tax and Assessment Debt	1.89 %
Total Direct Debt (\$914,429)	0.01
Gross Combined Total Debt	2.91
Net Combined Total Debt	2.91

Ratios to Redevelopment Successor Agency Incremental Valuation (\$8,775,581,903):

Total Overlapping Tax Increment Debt	1.03 %
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Source: California Municipal Statistics

**CITY OF WESTMINSTER, CALIFORNIA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	Fiscal Year Ended June 30,				
	2024	2023	2022	2021	2020
Assessed Valuation	\$ 11,925,163,309	\$ 11,263,280,568	\$ 10,675,124,295	\$ 10,290,575,674	\$ 9,801,405,362
Conversion Percentage	25%	25%	25%	25%	25%
Adjusted Assessed Valuation	2,981,290,827	2,815,820,142	2,668,781,074	2,572,643,919	2,450,351,341
Debt Limit Percentage	15%	15%	15%	15%	15%
Debt Limit	447,193,624	422,373,021	400,317,161	385,896,588	367,552,701
Total Net Debt Applicable to Limitation: General Obligation Bonds	-	-	-	-	-
Legal Debt Margin	<u>\$ 447,193,624</u>	<u>\$ 422,373,021</u>	<u>\$ 400,317,161</u>	<u>\$ 385,896,588</u>	<u>\$ 367,552,701</u>
Total Debt Applicable to the Limit as a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%

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

Source: Orange County Assessor's Office
City Finance Department

**CITY OF WESTMINSTER, CALIFORNIA
LEGAL DEBT MARGIN INFORMATION (CONTINUED)
LAST TEN FISCAL YEARS**

	Fiscal Year Ended June 30,				
	2019	2018	2017	2016	2015
Assessed Valuation	\$ 9,391,193,921	\$ 8,907,507,276	\$ 8,410,334,862	\$ 8,279,643,537	\$ 7,628,668,713
Conversion Percentage	25%	25%	25%	25%	25%
Adjusted Assessed Valuation	2,347,798,480	2,226,876,819	2,102,583,716	2,069,910,884	1,907,167,178
Debt Limit Percentage	15%	15%	15%	15%	15%
Debt Limit	352,169,772	334,031,523	315,387,557	310,486,633	286,075,077
Total Net Debt Applicable to Limitation: General Obligation Bonds	-	-	-	-	-
Legal Debt Margin	<u>\$ 352,169,772</u>	<u>\$ 334,031,523</u>	<u>\$ 315,387,557</u>	<u>\$ 310,486,633</u>	<u>\$ 286,075,077</u>
Total Debt Applicable to the Limit as a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%

**CITY OF WESTMINSTER, CALIFORNIA
PLEDGED-REVENUE COVERAGE
LAST TEN FISCAL YEARS**

Fiscal Year Ended June 30,	Certificates of Participation					
	Water Revenue	Less Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2024	\$ 20,678,616	\$ 17,168,903	\$ 3,509,713	\$ 416,421	\$ 42,964	7.64
2023	19,332,851	15,361,532	3,971,319	398,652	59,381	8.67
2022	19,077,178	13,565,719	5,511,459	385,979	75,277	11.95
2021	18,862,921	13,944,479	4,918,442	368,395	90,075	10.73
2020	17,800,004	14,084,149	3,715,855	355,899	104,371	8.07
2019	17,068,347	13,756,511	3,311,836	338,488	117,624	7.26
2018	16,327,280	14,553,987	1,773,293	326,159	130,394	3.88
2017	13,398,669	12,462,923	935,746	313,910	142,683	2.05
2016	12,849,568	11,596,914	1,252,654	301,737	154,495	2.75
2015	14,310,451	11,794,202	2,516,249	294,637	166,031	5.46

Notes: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
Operating expenses do not include interest or depreciation and amortization expenses.

Source: City Finance Department

**CITY OF WESTMINSTER, CALIFORNIA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

<u>Fiscal Year Ended June 30,</u>	<u>Population (1)</u>	<u>Personal Income (billions) (2)*</u>	<u>Per Capita Personal Income (2)*</u>	<u>Unemployment Rate (3)</u>
2024	89,490	294.2	88,126	4.40 %
2023	90,498	277.2	85,200	4.10
2022	90,393	252.2	76,054	3.30
2021	91,466	235.7	71,072	8.90
2020	92,421	223.4	68,909	18.90
2019	92,610	232.3	72,128	3.20
2018	94,476	220.7	69,782	3.70
2017	93,533	208.9	69,188	5.50
2016	94,073	200.0	68,414	6.10
2015	92,106	193.1	60,013	6.20

Sources:

(1) State Department of Finance

*(2) Department of Transportation - Orange County Economic Forecast 2023-2050.

(3) U.S. Dept of Labor, Bureau of Labor & Statistics (estimates last updated 6/30/24)

**CITY OF WESTMINSTER, CALIFORNIA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Employer	2024		2015	
	Number of Employees	Percent of Total Employment	Number of Employees	Percent of Total Employment
Westminster School District*	1,215	3.01 %	691	1.60 %
Kindred Hospital-Westminster	436	1.08	687	1.59
City of Westminster**	355	0.88	382	0.88
Target**	323	0.80	200	0.46
Walmart	220	0.54	354	0.82
Costco	190	0.47	-	-
Macy's	183	0.45	245	0.57
Home Depot	180	0.45	140	0.32
Extended Care Hospital of Westminster	156	0.39	-	-
Westminster High School	153	0.38	217	0.50
Honda World	-	-	197	0.46
JC Penney Co	-	-	168	0.39

"Total Employment" as used above represents the total employment of all employers located within City limits.

Source: Avenu Insights & Analytics and EDD Labor Force Data

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

* Includes Permanent Employees who are Full-time Classified, Certificated and Admin

** Includes full and part time employees

**CITY OF WESTMINSTER, CALIFORNIA
FULL-TIME AND PART-TIME CITY EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS**

Function	Fiscal Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Government	30	30	29	32	35	42	33	30	39	38
Public Safety	160	156	141	139	151	148	143	130	142	135
Public Works	30	33	27	30	31	32	28	28	30	26
Community Development	39	37	32	42	41	34	29	23	24	22
Community Service	53	47	49	55	46	67	57	56	59	53
Water	30	31	31	29	26	26	28	25	27	24
Total	<u>342</u>	<u>334</u>	<u>309</u>	<u>327</u>	<u>330</u>	<u>349</u>	<u>318</u>	<u>292</u>	<u>321</u>	<u>298</u>

Source: City Finance Department

**CITY OF WESTMINSTER, CALIFORNIA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	Fiscal Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Police:										
Arrests	2,782	2,604	2,188	2,129	2,356	2,340	2,262	2,359	2,540	2,646
Traffic Violations	6,420	2,591	4,589	4,490	4,945	3,551	3,636	1,067	1,831	2,991
Parking Violations	8,557	10,317	12,704	16,210	12,045	13,221	12,952	20,314	21,308	22,965
Fire:										
Number of Calls										
Answered	9,203	9,152	9,053	8,357	7,870	7,086	7,669	7,421	7,441	6,880
Inspections Conducted	1,098	1,399	1,074	142	742	1,520	1,383	1,459	1,694	1,013
Public Works:										
Street Resurfacing (Miles)	4.00	6.61	9.30	9.30	7.40	6.50	9.40	4.00	4.00	3.10
Parks and Recreation:										
Number of Recreation										
Classes	1,038	1,537	1,331	1,150	1,372	846	1,239	1,134	1,288	1,347
Number of Facility										
Rentals	102	98	94	2	74	136	113	106	88	80
Water:										
New Connections	94	89	83	57	65	54	71	76	80	43
Average Daily										
Consumption (in										
Hundred Cubic Feet)	10,844	11,222	12,213	12,759	11,822	11,938	12,676	11,841	11,480	13,678

*Includes Replacement Meters

Source: City of Westminster

**CITY OF WESTMINSTER, CALIFORNIA
CAPITAL ASSETS BY FUNCTION
LAST TEN FISCAL YEARS**

Function	Fiscal Year Ended June 30,									
	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Fire:										
Fire Stations	3	3	3	3	3	3	3	3	3	3
Public Works:										
Street (Miles)	187	187	187	187	187	187	187	187	180	180
Streetlights	4,765	4,724	4,713	4,733	4,733	4,733	4,733	4,733	4,733	4,733
Traffic Signals	72	71	71	71	71	71	71	71	71	68
Parks and Recreation:										
Parks	25	25	23	23	23	23	23	23	24	24
Community Centers	2	2	2	2	2	2	2	2	2	2
Water										
Water Mains (Miles)	240	240	240	240	240	240	240	240	235	230
Maximum Daily Capacity (in Acre per Feet per Day)	79	83	83	83	83	83	83	83	82	90

Source: City of Westminster