

# CITY OF BELL

## Comprehensive Annual Financial Report

Fiscal Year Ended  
June 30, 2020





# **City of Bell**

Bell, California

## **Comprehensive Annual Financial Report**

*For the Year Ended June 30, 2020*

**Prepared by:**  
Finance Department



**City of Bell**  
**Comprehensive Annual Financial Report**  
**For the Year Ended June 30, 2020**  
**Table of Contents**

---

	<u>Page</u>
 <b><u>INTRODUCTORY SECTION (Unaudited)</u></b>	
Letter of Transmittal .....	i
Officials of the City .....	vi
Organizational Chart .....	vii
GFOA Certificate of Achievement for Excellence in Financial Reporting .....	viii
 <b><u>FINANCIAL SECTION</u></b>	
Independent Auditors' Report .....	1
Management's Discussion and Analysis (Required Supplementary Information) (Unaudited) .....	3
<b>Basic Financial Statements:</b>	
<b>Government-Wide Financial Statements:</b>	
Statement of Net Position .....	18
Statement of Activities .....	20
<b>Fund Financial Statements:</b>	
<b><i>Governmental Fund Financial Statements:</i></b>	
Balance Sheet .....	26
Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position .....	29
Statement of Revenues, Expenditures, and Changes in Fund Balances .....	30
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Government-Wide Statement of Activities .....	32
<b><i>Fiduciary Fund Financial Statements:</i></b>	
Statement of Fiduciary Net Position .....	35
Statement of Changes in Fiduciary Net Position .....	36
Notes to the Basic Financial Statements .....	41

**City of Bell**  
**Comprehensive Annual Financial Report**  
**For the Year Ended June 30, 2020**  
**Table of Contents (Continued)**

---

**Page**

**FINANCIAL SECTION (Continued)**

**Required Supplementary Information (Unaudited):**

***Budgetary Comparison Schedules:***

General Fund .....	83
Retirement Special Revenue Fund .....	84
Community Housing Authority Special Revenue Fund .....	85

<i>Notes to the Budgetary Comparison Schedules</i> .....	87
----------------------------------------------------------	----

<i>Schedule of the City's Proportionate Share of the Net Pension Liability and Related Ratios</i> .....	88
---------------------------------------------------------------------------------------------------------	----

<i>Schedule of Contributions – Pensions</i> .....	90
---------------------------------------------------	----

<i>Schedule of Changes in Net Other Postemployment Benefits Liability and Related Ratios</i> .....	92
----------------------------------------------------------------------------------------------------	----

<i>Schedule of Contributions – Other Postemployment Benefits</i> .....	93
------------------------------------------------------------------------	----

**Supplementary Information:**

***Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual***

STPL Local Capital Projects Fund .....	97
----------------------------------------	----

***Nonmajor Governmental Funds:***

Combining Balance Sheet .....	101
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances .....	106
Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual:	

***Special Revenue Funds:***

Air Quality Management Special Revenue Fund .....	111
Sanitation Special Revenue Fund .....	112
Sewer Maintenance Special Revenue Fund .....	113
AB939 Recycling Special Revenue Fund .....	114
Street Lighting Special Revenue Fund .....	115
Proposition A Special Revenue Fund .....	116
Bikeway Special Revenue Fund .....	117
Low and Moderate Housing Special Revenue Fund .....	118
OTS State Grant Special Revenue Fund .....	119
SB1 Streets and Roads Special Revenue Fund .....	120
Community Development Block Grant Special Revenue Fund .....	121
Gas Tax Special Revenue Fund .....	122
State COPS Special Revenue Fund .....	123
Proposition C Special Revenue Fund .....	124
Measure R Special Revenue Fund .....	125
Federal Grants Special Revenue Fund .....	126
Measure M Special Revenue Fund .....	127

**City of Bell**  
**Comprehensive Annual Financial Report**  
**For the Year Ended June 30, 2020**  
**Table of Contents (Continued)**

---

**Page**

**FINANCIAL SECTION (Continued)**

**Supplementary Information (Continued):**

***Nonmajor Governmental Funds:***

Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Continued):

***Capital Projects Funds:***

Community Housing Authority Capital Projects Fund .....	128
City Capital Projects Fund.....	129

***Debt Service Funds:***

Community Housing Authority Debt Service Fund .....	130
Public Financing Authority Debt Service Fund .....	131
General Obligation Bonds Debt Service Fund .....	132

**STATISTICAL SECTION (Unaudited)**

Description of Statistical Section Contents .....	135
---------------------------------------------------	-----

**Financial Trends:**

Net Position by Component – Last Ten Fiscal Years .....	136
Changes in Net Position – Expenses and Program Revenues – Last Ten Fiscal Years .....	138
Fund Balances of Governmental Funds – Last Ten Fiscal Years .....	142
Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years .....	144

**Revenue Capacity:**

Assessed Value and Estimated Actual Value of Taxable Property – Last Ten Fiscal Years .....	146
Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years .....	147
Principal Property Taxpayers – Current Fiscal Year and Nine Fiscal Years Ago .....	148
Property Tax Levies and Tax Collections – Last Ten Fiscal Years .....	149
Principal Sales Tax Producers – Current Fiscal Year and Nine Fiscal Years Ago .....	150
City Sales Tax Rates – Last Ten Fiscal Years .....	151

**Debt Capacity:**

Ratio of Outstanding Debt by Type – Last Ten Fiscal Years .....	152
-----------------------------------------------------------------	-----

**Demographic and Economic Information:**

Demographic and Economic Statistics – Last Ten Calendar Years .....	154
---------------------------------------------------------------------	-----

**Operating Information:**

Full-Time Equivalent City Government Employees by Function/Program – Last Ten Fiscal Years .....	155
Operating Indicators by Function – Last Ten Fiscal Years .....	156

*This page intentionally left blank.*





January 26, 2021

Honorable Mayor and Members of the City  
Council City of Bell  
Bell, California

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) for the City of Bell for the fiscal year ended June 30, 2020. State law requires that all general-purpose local governments publish within six months of the close of each fiscal year, a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America by a firm of licensed certified public accountants. This report consists of management's representations concerning the finances of the City. Consequently, responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City's management. 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 City's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformance 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 assurance that the financial statements will be free from misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material aspects.

The City's financial statements have been audited by The Pun Group LLP, a firm of certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for fiscal year ended June 30, 2020, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded based upon the audit that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended June 30, 2020 were fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this 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 MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the independent auditors.

## ***PROFILE OF THE CITY OF BELL***

Founded in 1927, Bell is an incorporated charter city located in the greater metropolitan Los Angeles area, approximately 10 miles southeast of downtown Los Angeles, near the center of the former San Antonio Township. With a California Department of Finance estimated population of 35,728 the City occupies a land area of 2.5 square miles and .12 square miles of water area. The City's climate is characterized as mild with a mean temperature of 70 degrees in the summer months and 55 degrees in the winter months.

The City has operated under the council-manager form of government since incorporation. Policy making and legislative authority are vested in a five member City Council. The City Council is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and task forces, and hiring the City Manager, City Clerk, and contracting for City Attorney services. The City Manager is responsible for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments. The five -member city council elected by a majority of voters in alternating terms for four years and who in turn elect the Mayor and Vice-Mayor from among themselves for a one year term.

The City provides a full range of services for the citizens utilizing a mix of contracts with other governmental entities or private companies. The City has its own Police Department but contract for fire and paramedic services through the Los Angeles County Fire Department (LACFD).

The Los Angeles County provides library services through a Library District, and funds are collected through property tax bills and are disbursed directly by the Los Angeles County Tax Collector's Office. The City contracted the maintenance of sewer and sanitation services.

Water services for the City are provided by Golden State Water Company. Refuse collection is provided by Republic Services a private waste collection company. Accordingly, none of these activities are included in this report.

## ***ECONOMIC CONDITION AND OUTLOOK***

The City's economy is linked to the national and state economy. The US economy's growth continued to prosper in 2019, but unfortunately, the US and world economy dramatically took an unprecedented downturn in March 2020 due to the Covid 19 pandemic. This crisis caused a massive drop in stock market, decrease in public

spending and labor. Per U.S. Bureau of Labor Statistics, the U.S unemployment rate surged to 14.7% in April 2020. On the same month, the California unemployment rate rose to record 15.5%. California EDD released its April 2020 jobs data and it stated that for the LA County region, the unemployment rate was 20.3%. During the past fiscal year, the unemployment rate for the City of Bell was at 21%. This significant increase in unemployment rate was consistent with the nationwide economic downturn due to the effect of the Covid 19 pandemic.

**Local Economy.** The uncertainty of Covid 19 pandemic created challenges to local governments, specifically on revenue projections. “Safer at home” health orders, federal and state assistance and the distribution of the Covid 19 vaccines have to be considered in the economic forecasting of both revenues and expenditures. Despite the current economic and public health situation, during the year, the City Council continued the initiative of pursuing health initiatives and economic development opportunities to address and serve the long-term needs of the City's community and residents.

In an effort to generate additional long-term revenue sources, the City is focusing its efforts by investing in underutilized land at key locations within the City as well as seeking out other new development opportunities. Within the downtown area, the City has the following economic development opportunities: (1) the southwest corner of Atlantic and Gage, also known as the former "Western Auto Site", and (2) the southeast corner of Atlantic and Gage, also known as the former "Sopp Site". Finally, there is property on Florence at Walker, the former Sports Park Site referred to as "Pritchard". These projects are in the downtown core and will create the synergy to transform the downtown City of Bell.

It is also worth mentioning that the City of Bell was awarded \$4,499,388 million in state funds to build a new park on the parcel known as “Pritchard Field”. Nestled on the corner of Florence Avenue and Walker Avenue and with its adjacency to the Lower Los Angeles River, this new park will become a staple for the Bell Community. Bell, richly diverse in culture and in its new stages of Economic Development, has been historically park poor. This new park facility will be one of only a handful of sites that will offer the community the opportunity to enjoy stretches of grass, trees, and picnic areas; a true escape from the urban environment Bell has grown accustomed to.

## ***AWARDS***

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Cities recognizing conformance with the highest standards for preparation of state and local financial reports.



In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, with contents that conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only.

We believe our current Comprehensive Annual Financial Report conforms to the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

### ***REPORTING ENTITY AND ITS SERVICES***

This Comprehensive Annual Financial Report includes all funds of the City. The City directly provides a limited range of services and contracts for several other services. The City's significant reliance on contracted services has the benefit of reducing expenses to the citizens of the City of Bell while simultaneously providing the City with a high degree of flexibility in responding to changing economic conditions. Contracted services include fire protection, building and safety, street maintenance, capital improvement projects, attorney services and engineering. Staff provided services include: community development (which includes planning, economic development, building and safety management), public works (which includes engineering, capital projects administration, street maintenance contract management, landscape maintenance, traffic and transportation matters, and solid waste contract management), community services (which includes senior services, park maintenance, recreation services, and community center operation), public information, grant administration, financial management, and administrative management. All of these activities are included in this report.

### ***INTERNAL CONTROLS***

The City of Bell's accounting system has been developed by giving consideration to the adequacy of internal accounting controls. Internal accounting controls are implemented by the City to provide reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition; and that the City's financial records used for preparing financial statements are maintained in a reliable fashion. The concept of reasonable assurance recognizes that the cost of these controls should not exceed the benefits derived from them. The City's internal controls accomplish these objectives.

## ***BUDGETARY CONTROL***

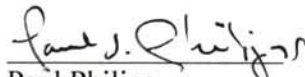
The City of Bell adopts a comprehensive budget detailed by department prior to the start of the fiscal year on July 1. The budget is further broken down by character of expenditure, defined as personnel services, service and supplies, and capital outlay. The ledgers of the City and its component units are maintained by the line item detail or object of expenditure. However, all budgetary controls are exercised at the department and fund level. The City maintains budgetary controls to ensure compliance with legal provisions in the annual appropriated budget approved by the City Council. Revenues are estimated annually and measured against actual revenues earned. The City also maintains an encumbrance accounting system for budgetary control. Encumbrances generally are re-appropriated as part of the following year's budget.

## ***ACKNOWLEDGEMENTS***

The preparation of this Comprehensive Annual Financial Report could not have been accomplished without the effort and professionalism demonstrated by Department of Finance staff. Preparation of annual financial statement requires a major effort from the entire accounting staff and we would like to express our appreciation to everyone who assisted and contributed to the effort, particularly Accounting Manager Elisa Gratil, and Finance Director Tineke Norrdin. In addition, I would also like to thank our independent auditor, The Pun Group LLP., who provided expertise and advice in the preparation of the City's Comprehensive Annual Financial Report.

In closing, without the leadership and support of the City Council of the City of Bell, the preparation of this Report would not have been possible.

Respectfully submitted,

  
Paul Philips  
Interim City Manager

  
Tineke K. Norrdin  
Finance Director

# **CITY OF BELL**

Officials of the City of Bell

June 30, 2020

## **CITY COUNCIL**

Ali Saleh – Mayor

Alicia Romero – Vice Mayor

Fidencio Joel Gallardo – Councilmember

Ana Maria Quintana – Councilmember

Monica Arroyo – Councilmember

## **ADMINISTRATION AND DEPARTMENT HEADS**

Interim City Manager – **Paul Philips**

City Attorney – **David Aleshire**

City Clerk – **Angela Bustamante**

Chief of Police – **Carlos Islas**

Director of Community Development – **Manuel Acosta**

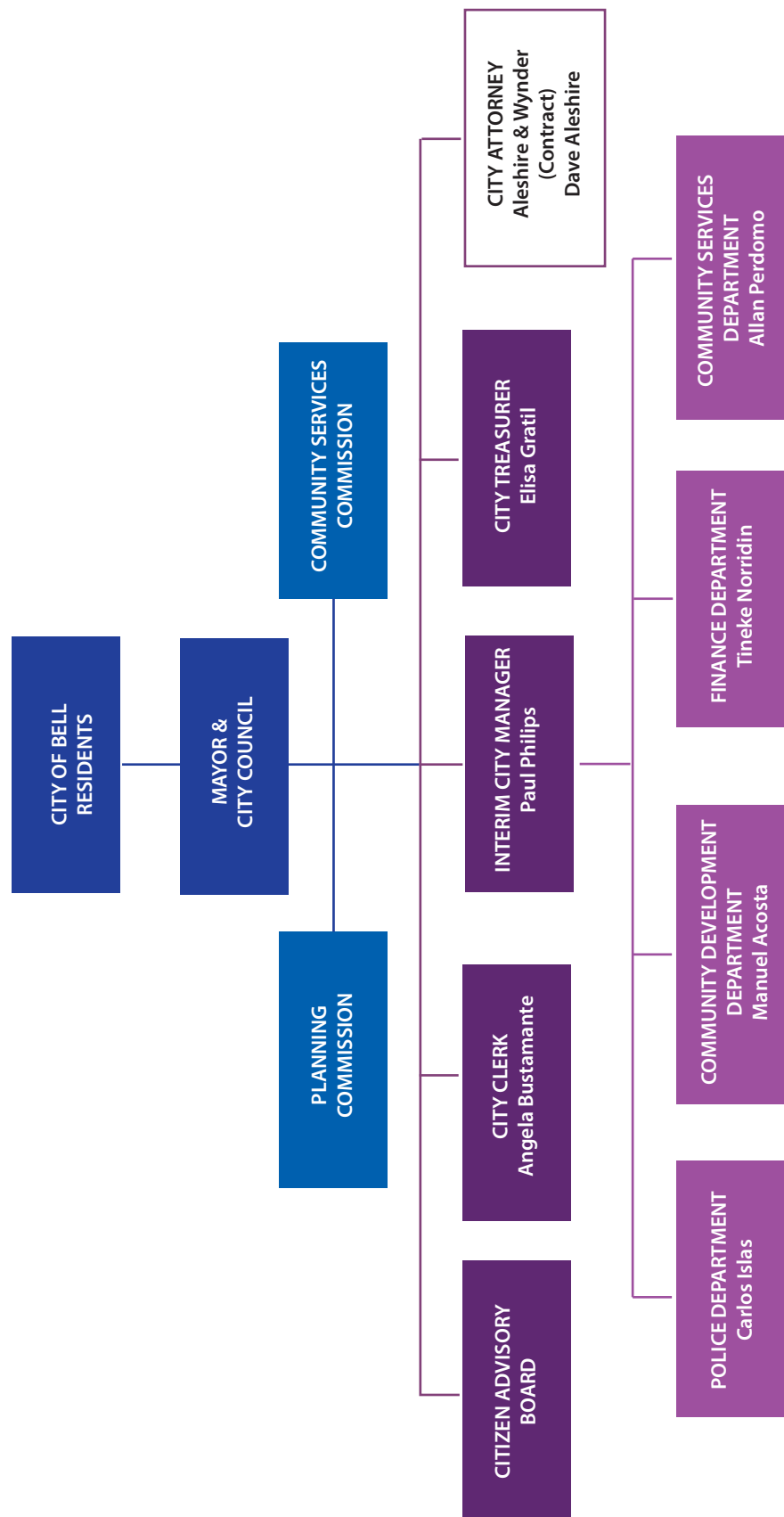
Director of Community Services – **Allan Perdomo**

Director of Finance – **Tineke Kartina Norrdin**

Human Resources and Risk Manager – **Sergio Ibarra**

# CITY of BELL

## Organizational Chart





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Bell  
California**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morill*

Executive Director/CEO



## **INDEPENDENT AUDITORS' REPORT**

To the Honorable Mayor and the Members of the City Council  
of the City of Bell  
Bell, California

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the City of Bell, California (the "City") as of and for the year ended June 30, 2020, and the related notes to the basic financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2020, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Budgetary Comparison Schedules, the Schedules of Changes in Proportionate Share of the Net Pension Liabilities and Related Ratios, the Schedules of Contributions – Pensions, the Schedule of Changes in Net Other Postemployment Benefits liabilities and Related Ratios, and the Schedule of Contributions – Other Postemployment Benefits on pages 3 to 14 and 83 to 93 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The Introductory Section, the Combining and Individual Nonmajor Fund Financial Statements, and the Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Combining and Individual Nonmajor Fund Financial Statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Combining and Individual Nonmajor Fund Financial Statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 26, 2021, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*The PwC Group, LLP*

## **CITY OF BELL**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of the City of Bell (City), California, we offer readers of the City's basic financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information found in the letter of transmittal and the basic financial statements in the financial section of this report.

#### **FINANCIAL HIGHLIGHTS**

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$4.1 million (*net position*), which was comprised of net investment in capital assets of \$24.2 million, restricted for projects and programs of \$15.5 million, and unrestricted net deficit of \$35.5 million.
- The City's total net position increased by \$731 thousand during the current fiscal year. This increase primarily resulted from an increase in net investment in capital of \$2.7 million, an increase in restricted fund of \$158 thousand and a decrease in restricted net position of \$2.1 million.
- As of June 30, 2020, the City's governmental funds combined ending fund balances decreased by \$1.4 million from the prior fiscal year to \$35 million. This decrease is primarily due to 1% increase in revenue, while expenditures increased by 11% compared to prior year.
- At the end of the current fiscal year, Nonspendable fund balance for the General Fund was \$4.9 million, or 24% of total General Fund fund balance, representing amounts associated with assets which are not in a spendable form.
- The unassigned General Fund balance comprised \$15.8 million, or approximately 76% of total fund balance, is available for spending at the City's discretion.

#### **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 financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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

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

The ***Statement of Activities*** presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government and administration, public safety, community development services, public works, community services and recreation. The City currently has no business-type activities.

**Fund Financial Statements** – A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local government, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements provide detailed information about the most significant funds and other funds – not the City as a whole. Some funds are required to be established by State law and by bond covenants. However, management established many other funds to help control and manage money for particular purposes or to verify that all legal requirements for using certain taxes, grants, and other resources are being satisfied. The City's two types of funds are governmental and fiduciary funds.

**Governmental funds** – *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year.

Most of the City's basic services are reported in governmental funds, which focus on how money flows in and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the City's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. The differences of results in the Governmental Fund financial statements to those in the Government-wide financial statements are explained in a reconciliation following each of the Governmental Fund financial statements.

**Fiduciary funds** – The City utilizes Fiduciary funds to account for assets held by the City in a trustee capacity, or as an agent for other governmental entities, private organizations, or individuals. All of the City's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the City's Government-wide Financial Statements because the City cannot use these assets to finance its operations.

**Notes to the Financial Statements** – The financial statements also include the Notes to the Financial Statements that provide important narrative details about the information contained in the financial

statements. Information contained in the Notes to the Financial Statements is critical to a reader's full understanding of the Government-wide and Fund Financial Statements.

**Supplementary Information** – In addition to the required elements of the Basic Financial Statements, a Supplementary Information section is included which contains budgetary and combining schedules that provide additional details about the City's non-major Governmental Funds and Fiduciary Funds.

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Our analysis focuses on the City's net position and changes in net position resulting from the City's activities.

**Net Position** – Net position may serve over time as a useful indicator of a government's financial position. The City's net position was \$4.1 million and \$3.4 million for the years ending June 30, 2020 and June 30, 2019 respectively, as shown in Table 1. This increase primarily resulted from an increase in net investment in capital of \$2.7 million, an increase in restricted fund of \$158 thousand and a decrease in restricted net position of \$2.1 million.

By far the largest portion of the City's net position is its investment in capital assets net of related debt which accounted for \$24.2 million of the City's total net position. This component of net position consists of capital assets (land, structures and improvements, equipment, infrastructure, and construction-in-progress) net of accumulated depreciation, reduced by outstanding debt attributable to the acquisition, construction, or improvement of the assets. The City uses these capital assets to provide services to citizens, and although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources as the capital assets themselves cannot be used to liquidate these liabilities.

Net investment in capital assets increased by \$2.7 million or 0.013% from the prior fiscal year. This is primarily attributable to capitalized completed projects.

Restricted net position, \$15.5 million, represents the second largest portion of the City's net position and is made up of resources that are legally restricted to specific uses. These restrictions are generally enforced by external agencies.

The remaining portion of the City's net position is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors. At June 30, 2020, the City had deficit unrestricted net position of \$35.5 million.

**Table 1**  
Net Position  
June 30 2019 and 2020  
(in Thousands)

	Governmental Activities	
	2019	2020
<b>Assets</b>		
Current and other assets	\$ 40,771	\$ 38,485
Capital assets	64,831	67,232
Total assets	105,602	105,717
Deferred Outflows of Resources	8,377	9,125
<b>Liabilities</b>		
Current Liabilities	9,138	7,627
Noncurrent liabilities, net	98,210	99,308
Total liabilities	107,348	106,935
Deferred Inflows of Resources	3,221	3,765
<b>Net position</b>		
Net investment in capital assets	21,458	24,164
Restricted	15,357	15,515
Unrestricted	(33,405)	(35,537)
<b>Total net position</b>	<b>\$ 3,410</b>	<b>\$ 4,142</b>

With the exception of contracting the City's fire services with the Los Angeles County Fire Department, the City is a full-service city providing residents and visitors with the following functional services:

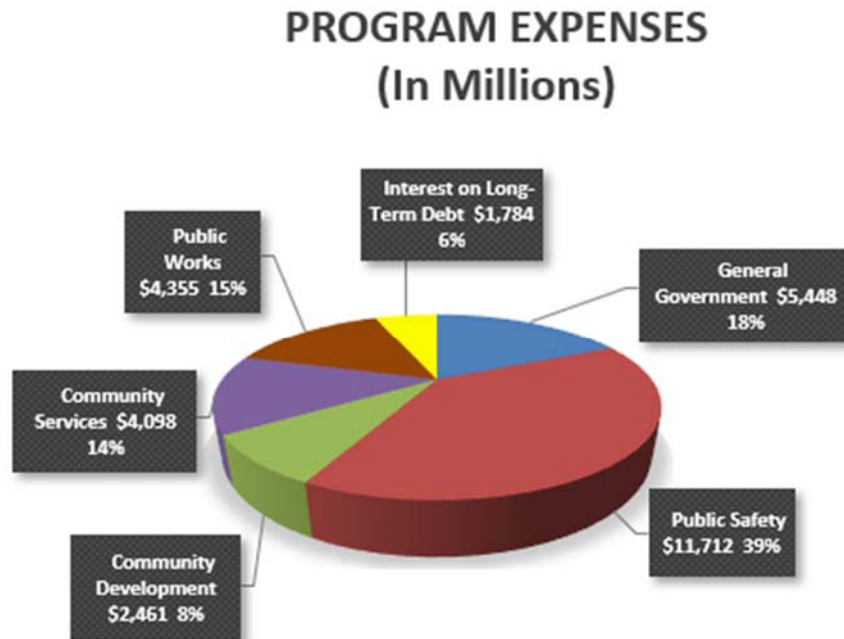
General Government is comprised of the City Council, City Attorney, City Clerk, City Manager, Human Resources, and Finance. These departments provide general governance, executive management, records management, risk management, finance, cash management, accounting, and information technology services. The City Clerk 's office provides a variety of support and information to the Council, public and staff. The City Clerk also serves as the elections official who is in charge of administering and overseeing the election process for all City elections and as the filing official who is responsible to assist the Council, Board members, candidates, consultants, and staff to comply with all Fair Political Practice Commission (FPPC) regulations. An outside firm appointed by the City Council provides legal services.

Public Safety is comprised of the three divisions. (1) The Operations division includes general police patrol, emergency response services, routine traffic collision investigations, criminal investigations and provide other public safety related services. (2) Support division includes dispatch, records, jail services, and parking enforcement. (3) Administration division provides leadership and administration for all divisions.

Community Development is comprised of the Planning and Zoning, Building and Safety, Housing Authority, Code Enforcement and Economic Development. In addition, the Community Development Director oversees the outside engineering firm. Economic Development is a high priority for the City of Bell and critical focus area in order to revitalize the commercial, retail, and industrial sectors within the City's boundaries. Economic Development is essential to job growth, revenues, and property values.

Community Services is comprised of Youth, Sport, Park Activities, Social Services for senior programming, special events, educational programs, excursions, Technology Center for youth and adult computer classes, open computer lab, and Transit Operations to include recreational transit, bus pass subsidy, and bus shelter maintenance program.

Public Works provides engineering, construction and maintenance of public streets, highways, buildings, parks and related infrastructure, as well as traffic engineering, street lighting, sewer and refuse service. City contracts with an outside engineering firm to manage the engineering, planning, building and capital projects services.



MANAGEMENT'S DISCUSSION & ANALYSIS (CONTINUED)  
JUNE 30, 2020

The following table provides a summary of the City's operations for the years ended June 30, 2020 and 2019.

<p><b>Table 2</b> Changes in Net Position June 30 2019 and 2020 (in Thousands)</p>		
	Governmental Activities	
	2019	2020
<b>Revenues</b>		
Program Revenues:		
Charges for services	\$ 5,632	\$ 5,555
Operating grants and capital contributions	8,756	7,720
Capital grants and contributions	2,110	2,550
General Revenues:		
Taxes:		
Property taxes	2,909	2,934
Transient occupancy taxes	459	365
Sales taxes	2,612	2,640
Franchise taxes	731	753
Utility users taxes	2,755	2,920
Other taxes	34	26
Motor vehicle in lieu-unrestricted	3,962	4,290
Use of money and property	472	497
Other	515	339
<b>Total revenues</b>	<b>30,948</b>	<b>30,590</b>
<b>Expenses</b>		
General Government	5,449	5,448
Public Safety	11,578	11,712
Community Development	2,344	2,461
Community Services	4,240	4,098
Public Works	4,395	4,355
Interest on Long-Term Debt	1,845	1,784
<b>Total expenses</b>	<b>29,851</b>	<b>29,858</b>
Increase (decrease) in net position	1,097	732
Net position at beginning of year	2,313	3,410
<b>Net position at end of year</b>	<b>\$ 3,410</b>	<b>\$ 4,142</b>

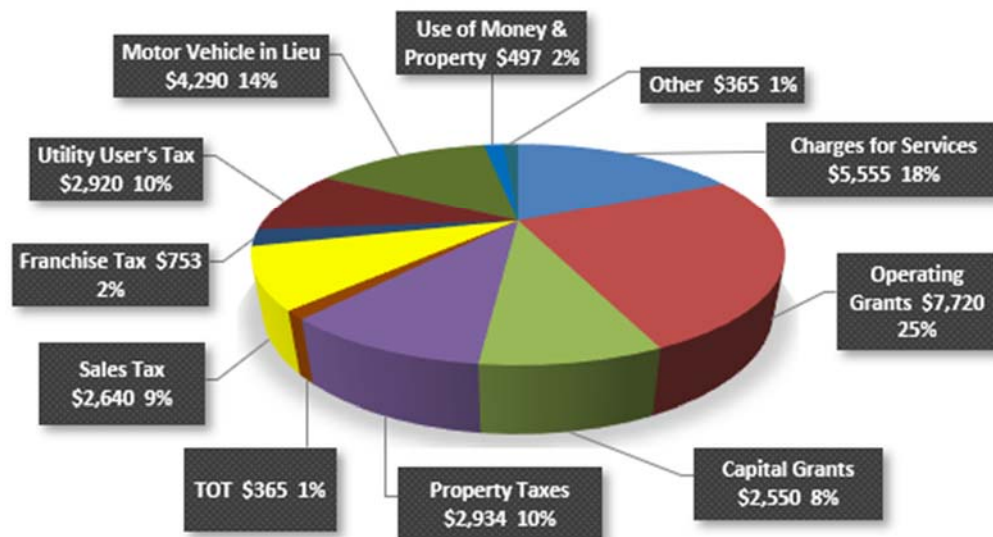


## Revenues

In the Statement of Activities, the City's total revenues were \$30.6 million representing a decrease of \$359 thousand, or 1%, over the prior fiscal year. The following are highlights of some of the major differences:

- Transient occupancy tax decreased by \$94 thousand, while business license was \$39 thousand less compared to last fiscal year. Plan check fees and encroachment/excavation permits had a combined decrease of \$109 thousand. Community service program had a significant decrease of \$147 thousand and Housing rentals went down by \$118 thousand. These major changes were attributed to Covid19 pandemic.
- The City received \$333 thousand from CEMEX for Community Impact Fees.
- Vehicle License Fees increased by \$328 thousand from \$4.0 Million in FY2019 to \$4.3 Million in FY2020.
- The Community Service Department received \$187 thousand for the Veterans Park Playground Replacement Project.

### GOVERNMENTAL ACTIVITIES REVENUE (In Thousands)

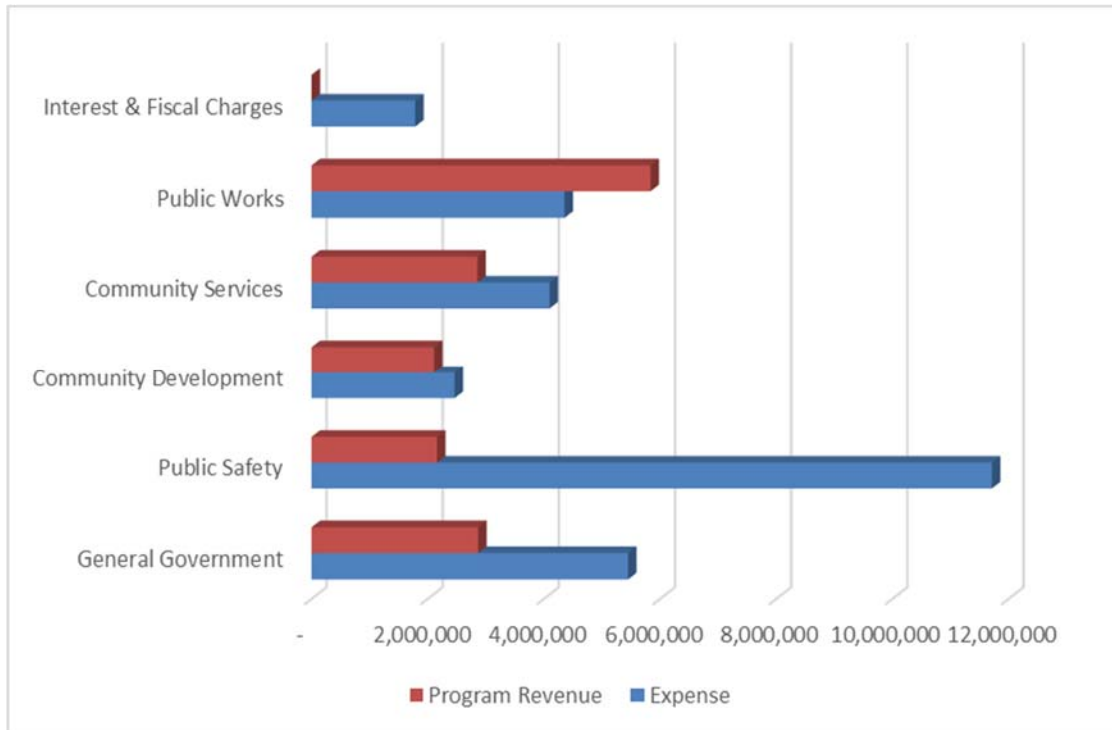


### Expenses for Governmental Activities

While the City's Governmental Funds combined expenditures increased by 11% compared to prior year, the expenditures for Governmental Activities remained relatively the same with an insignificant \$7 thousand increase from previous year. Total expenses for the City totaled \$29.9 million, same as last year. Some of the notable changes are:

- An increase in Public Safety expenses of \$134 thousand, primarily resulting from net pension liability recording changes.
- A decrease in General government expenses of \$1 thousand.
- Community Development expenses increased by \$117 thousand from prior year due to equipment repairs and covid19 related charges.
- Public Works expenses decreased by \$40 thousand from prior year. This decrease were attributed to unfilled positions in the department.
- Community Services expenses decreased by \$142 thousand. Due to covid19, a number of programs were discontinued which resulted in a significant decrease in part-time staff.
- Decreased interest on long-term debt by \$61 thousand.

#### Expenses and Program Revenues – Governmental Activities



### Financial Analysis of the City's Funds

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

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

At June 30, 2020 the City's governmental funds reported a combined ending fund balance of \$35 million, a decrease of \$1.4 million in comparison with the prior year. Approximately 41% of this amount \$14.5 million constitutes unassigned fund balance, which is available for spending at the government's discretion. This change in fund balance resulted from a decrease in assets of \$2.5 million and a decrease in liability of \$1.1 million. The decrease in assets was mostly due to decrease in cash and investment with fiscal agent due to the completion of the energy conservation capital project during the fiscal year ended June 30, 2020.

- The General Fund is the chief operating fund of the City. At the end of the current fiscal year total fund balance was \$20.7 million, a decrease of \$1.7 million over the prior fiscal year. Of this amount, \$15.8 million, or 76%, was unassigned fund balance. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 92% of total general fund expenditures, while the total fund balance of governmental funds represents 120% of the total expenditures.
- Retirement Special Revenue Fund account for revenue received from the voter-approved property tax levied to provide for employee retirement costs. Total revenues and transfers for 2019-20 were \$3.9 million, an increase of \$0.1 million over 2018-19. Total expenditures for 2019-20 were \$3.8 million including transfers out, down \$1.2 million from 2018-19. The decrease in expenditures was due to decrease in transfer out. In 2018-2019, the Retirement Special Revenue Fund transferred \$1.5 million to the General Fund to cover the increasing other postemployment benefit cost. Total fund balance in the Retirement Fund as of June 30, 2020 was negative \$1.2 million.
- The Community Housing Authority fund decreased \$207 thousand due to increase in the legal charges and the equipment maintenance expenses.
- STPL (Surface Transportation Program Local) Capital Projects Fund reports the activities of various grants that the City received from the Federal, State, and local agencies for capital improvement projects; managing the Street Furniture Program; reviewing landscape permits and developing landscape policies; and constructing sidewalks, access ramps, bioswales, bus pads, bus landings, curbs and gutters, and various streetscape. Unspent grant funds are accumulated for expenditures in the future years. The fund had no change in fund balance from 2018-19 to 2019-20.

### General Fund Budgetary Highlights

There was a \$274 thousand change to the original revenue budget projection, but actual revenues exceeded estimated revenues by \$758 thousand. This higher than anticipated revenues was the result of a significant increase in Vehicle License Fee and Community Impact Fees.

The increase between the original and final amended appropriations budget for the General Fund expenditures was approximately \$2 million. This difference was due to a variety of budget amendments approved by the City Council during the fiscal year including a \$500 thousand budget for covid19. Other budget amendments approved by City Council were for capital projects.

### Capital Asset and Debt Administration

**Capital Assets** – The City's capital assets for its governmental activities as of June 30, 2020, amounted to \$67.2 million compared to \$64.8 million for FY 2018-19. This investment in capital assets includes land, building, equipment, improvements, infrastructure and construction in progress. Total capital assets for governmental activities for the current fiscal year increased by \$2.4 million, or 4% as result of the completion of projects netting with the normal depreciation of Capital Assets Values.

**Table 3**  
Capital Assets At Year End  
(Net of Depreciation, in Thousands)

	Governmental Activities	
	2019	2020
Land and land easement	\$ 23,033	\$ 23,033
Building and Improvements	19,342	20,149
Equipment and vehicles	797	761
Infrastructure	19,921	21,067
Construction-in-progress	1,738	2,222
<b>Totals</b>	<b>\$ 64,831</b>	<b>\$ 67,232</b>

During FY 2019-20, there were seven major capital projects completed:

- Climatec/Solar Project \$1.4 Million
- Pavement Rehabilitation Project \$1 Million
- Fishburn Avenue Improvement Proj \$714 Thousand
- Eastern Avenue Improvement Proj \$480 Thousand
- Traffic Signals \$442 Thousand
- Walker & Florence Intersection Proj \$387 Thousan
- Sidewalk Assessment/Repair \$357 Thousand

Additional information on the City's capital assets can be found in Note 4 in the Financial Section of this report.

**Long-term debt** – At the end of the current fiscal year, the City's total long-term debt equaled \$49.7 million.

**Outstanding Long Term Debt at Year End  
Governmental Activities**

<u>General Obligation Bonds:</u>	<b>2019</b>	<b>2020</b>
Series 2018 A & B	\$ 26,765,000	\$ 26,055,000
Unamortized Premium/discount	690,284	655,951
<b>Total General Obligation Bonds</b>	<b>27,455,284</b>	<b>26,710,951</b>
<u>Revenue Bonds:</u>		
Lease Revenue Refunding Bonds, Series 2005	15,265,000	14,710,000
Taxable Pension Revenue Bonds, Series 2005	895,000	
Unamortized Premium	307,280	196,085
<b>Total Revenue Bonds</b>	<b>16,467,280</b>	<b>14,906,085</b>
<u>Capital Lease</u>		
The Bancorp	1,514	1,514
Motorola Lease Purchase Agreement	392,173	256,302
Enterprise Fleet Management	31,431	31,431
De Lage Landen Public Finance	38,723	24,316
<b>Total Capital Leases</b>	<b>463,841</b>	<b>313,563</b>
Master Tax-Exempt Lease/Purchase Agreement	1,292,170	1,242,342
Other Liabilities		
Liability Claims	4,859,176	5,115,991
Compensated Absences	1,230,642	1,374,528
<b>Total Other Liabilities</b>	<b>6,089,818</b>	<b>6,490,519</b>
<b>Total Governmental Activities Long Term Liabilities</b>	<b>\$ 51,768,393</b>	<b>\$ 49,663,460</b>

See footnote 5 for additional information on the City's long-term liabilities as of June 30, 2020.

**Economic Factors and Next Year's Budgets and Rates**

The City's economy is linked to the national and state economy. Per U.S. Bureau of Labor Statistics, the U.S unemployment rate dropped to 14.7% in April 2020. On the same month, the California unemployment rate rose to record 15.5%. California EDD released it's April 2020 jobs data and it stated that for the LA County region, the unemployment rate was 20.3%. During the past fiscal year, the unemployment rate for the City of Bell was at 21%. This significant increase in unemployment rate was consistent with the nationwide economic downturn due to the effect of the Covid19 pandemic.

The City's 2020/21 budget is a fiscally conservative budget. As the nation continues to be devastated by the ongoing pandemic, the uncertainty of Covid19 created challenges to local governments, specifically on revenue projections. "Safer at home" health orders, federal and state assistance and the distribution of the Covid19 vaccines have to be considered in the economic forecasting of both revenues and expenditures. The City's management plans to present an operating plan that permits the City to live within a reasonable

MANAGEMENT'S DISCUSSION & ANALYSIS (CONTINUED)  
JUNE 30, 2020

estimate of revenues while continuing to provide community programs and services to the residents of the City.

Like in previous years, the City has made a conscientious decision to use some General Fund fund balance reserves for economic development purposes. As a result, the FY 20/21 budget includes an appropriation for economic development. It is anticipated that these efforts will continue to be rewarded in the near future with the development of several new retail spaces.

**Contacting the City's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City's Finance Department, at 6330 Pine Avenue, Bell, California 90201.

## **BASIC FINANCIAL STATEMENTS**

*This page intentionally left blank.*



## **GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**City of Bell**  
**Statement of Net Position**  
**June 30, 2020**

	<u>Primary Government</u> <u>Governmental</u> <u>Activities</u>
<b>ASSETS</b>	
<b>Current assets:</b>	
Cash and investments	\$ 29,596,138
Receivables:	
Accounts	820,865
Accrued interest	55,053
Due from Successor Agency	17,824
Due from other government	1,065,507
Prepaid items	35,863
Deposits	19,500
<b>Total current assets</b>	<u>31,610,750</u>
<b>Noncurrent assets:</b>	
Restricted cash and investments with fiscal agent	2,081
Advances to Successor Agency	771,513
Deferred loans	1,406,100
Land held for development	4,694,421
Capital assets:	
Nondepreciable	25,255,323
Depreciable, net	41,976,182
Total capital assets	<u>67,231,505</u>
<b>Total noncurrent assets</b>	<u>74,105,620</u>
<b>Total assets</b>	<u>105,716,370</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred charges on refunding	105,519
Deferred outflows of resources related to pensions	7,906,162
Deferred outflows of resources related to other postemployment benefits	1,113,639
<b>Total deferred outflows of resources</b>	<u>9,125,320</u>

**City of Bell**  
**Statement of Net Position (Continued)**  
**June 30, 2020**

	<u>Primary Government</u> <u>Governmental</u> <u>Activities</u>
<b>LIABILITIES</b>	
<b>Current liabilities:</b>	
Accounts payable	2,194,582
Accrued liabilities	232,150
Accrued interest payable	639,942
Deposits payable	329,680
Unearned revenue	571,058
Long-term liabilities, due within one year	3,660,006
<b>Total current liabilities</b>	<u>7,627,418</u>
<b>Noncurrent liabilities:</b>	
Long-term liabilities, due in more than one year	46,003,454
Aggregate net pension liability	38,509,944
Net other postemployment benefits liability	14,794,462
<b>Total noncurrent liabilities</b>	<u>99,307,860</u>
<b>Total liabilities</b>	<u>106,935,278</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred inflows of resources related to pensions	3,068,409
Deferred inflows of resources related to other postemployment benefits	696,117
<b>Total deferred inflows of resources</b>	<u>3,764,526</u>
<b>NET POSITION</b>	
Net investment in capital assets	24,164,083
Restricted for:	
Community development projects	4,024,947
Community services	610,510
Public safety	216,102
Public works	2,806,660
Capital projects	4,467,204
Debt service	2,067,950
Low and moderate housing	1,321,081
Unrestricted (deficit)	(35,536,651)
<b>Total net position</b>	<u>\$ 4,141,886</u>

**City of Bell**  
**Statement of Activities**  
**For the Year Ended June 30, 2020**

<b>Functions/Programs</b>	<b>Expenses</b>	<b>Program Revenues</b>		
		<b>Charges for Services</b>	<b>Operating Grants and Contributions</b>	<b>Capital Grants and Contributions</b>
<b>Governmental Activities:</b>				
General government	\$ 5,447,760	\$ 1,800,249	\$ 1,067,687	\$ -
Public safety	11,712,198	3,053	2,156,144	-
Community development	2,461,280	426,069	1,682,015	-
Community services	4,097,534	2,833,852	20,007	-
Public works	4,355,400	491,504	2,794,182	2,549,902
Interest and fiscal charges	1,783,657	-	-	-
<b>Total governmental activities</b>	<b>29,857,829</b>	<b>5,554,727</b>	<b>7,720,035</b>	<b>2,549,902</b>

**City of Bell**  
**Statement of Activities (Continued)**  
**For the Year Ended June 30, 2020**

	Net (Expense) Revenue and Changes in Net Position
<b>Functions/Programs</b>	<b>Total</b>
<b>Governmental Activities:</b>	
General government	\$ (2,579,824)
Public safety	(9,553,001)
Community development	(353,196)
Community services	(1,243,675)
Public works	1,480,188
Interest and fiscal charges	(1,783,657)
<b>Total governmental activities</b>	<b>(14,033,165)</b>
<b>General revenues:</b>	
Taxes:	
Property taxes, levied for general purpose	2,934,486
Transient occupancy taxes	364,612
Sales taxes	2,639,765
Franchise taxes	753,458
Utility users taxes	2,919,668
Other taxes	25,990
<b>Total taxes</b>	<b>9,637,979</b>
Motor vehicle in lieu - unrestricted	4,290,192
Use of money and property	497,449
Other	338,990
<b>Total general revenues</b>	<b>14,764,610</b>
<b>Changes in net position</b>	<b>731,445</b>
<b>Net position - beginning of year</b>	<b>3,410,441</b>
<b>Net position - end of year</b>	<b>\$ 4,141,886</b>

*This page intentionally left blank.*

## **FUND FINANCIAL STATEMENTS**

*This page intentionally left blank.*



**GOVERNMENTAL FUND FINANCIAL STATEMENTS**

**City of Bell  
Balance Sheet  
Governmental Funds  
June 30, 2020**

		Special Revenue Funds	
	General Fund	Retirement Fund	Community Housing Authority Fund
<b>ASSETS</b>			
Pooled cash and investments	\$ 15,125,703	\$ -	\$ 2,668,474
Receivables:			
Accounts	604,934	-	-
Accrued interest	18,780	-	6,659
Due from other governments	665,295	34,613	-
Prepaid items	30,857	-	-
Deposits	-	-	19,500
Due from other funds	1,279,726	-	-
Due from Successor Agency	17,824	-	-
Deferred loans	-	-	1,406,100
Advances to other funds	180,000	-	-
Land held for development	4,694,421	-	-
Advances to Successor Agency	-	-	-
Restricted cash and investments with fiscal agents	-	-	-
<b>Total Assets</b>	<b>\$ 22,617,540</b>	<b>\$ 34,613</b>	<b>\$ 4,100,733</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 1,231,939	\$ 4,733	\$ 97,027
Accrued liabilities	205,638	-	7,982
Deposit payable	317,362	-	12,318
Due to other funds	42,521	1,235,794	-
Advances from other funds	-	-	-
Unearned revenue	-	-	-
<b>Total Liabilities</b>	<b>1,797,460</b>	<b>1,240,527</b>	<b>117,327</b>
<b>Deferred inflows of resources:</b>			
Unavailable revenues	79,681	-	-
<b>Total deferred inflows of resources</b>	<b>79,681</b>	<b>-</b>	<b>-</b>
<b>Fund balances:</b>			
Nonspendable:			
Prepaid items	30,857	-	-
Land held for development	4,694,421	-	-
Advance to other funds	180,000	-	-
Restricted:			
Community development projects	-	-	3,983,406
Community services	-	-	-
Public safety	-	-	-
Public works	-	-	-
Capital projects	-	-	-
Debt service	-	-	-
Low and moderate housing	-	-	-
Committed:			
Capital projects	-	-	-
Unassigned (deficit)	15,835,121	(1,205,914)	-
<b>Total fund balances (Deficits)</b>	<b>20,740,399</b>	<b>(1,205,914)</b>	<b>3,983,406</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 22,617,540</b>	<b>\$ 34,613</b>	<b>\$ 4,100,733</b>

**City of Bell**  
**Balance Sheet (Continued)**  
**Governmental Funds**  
**June 30, 2020**

	STPL Local Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>			
Pooled cash and investments	\$ 644,874	\$ 11,157,087	\$ 29,596,138
Receivables:			
Accounts	-	215,931	820,865
Accrued interest	1,718	27,896	55,053
Due from other governments	-	365,599	1,065,507
Prepaid items	-	5,006	35,863
Deposits	-	-	19,500
Due from other funds	-	42,521	1,322,247
Due from Successor Agency	-	-	17,824
Deferred loans	-	-	1,406,100
Advances to other funds	-	-	180,000
Land held for development	-	-	4,694,421
Advances to Successor Agency	-	771,513	771,513
Restricted cash and investments with fiscal agents	-	2,081	2,081
<b>Total Assets</b>	<b>\$ 646,592</b>	<b>\$ 12,587,634</b>	<b>\$ 39,987,112</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 65,838	\$ 795,045	\$ 2,194,582
Accrued liabilities	-	18,530	232,150
Deposit payable	-	-	329,680
Due to other funds	-	43,932	1,322,247
Advances from other funds	-	180,000	180,000
Unearned revenue	571,058	-	571,058
<b>Total Liabilities</b>	<b>636,896</b>	<b>1,037,507</b>	<b>4,829,717</b>
<b>Deferred inflows of resources:</b>			
Unavailable revenues	-	79,439	159,120
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>79,439</b>	<b>159,120</b>
<b>Fund balances:</b>			
Nonspendable:			
Prepaid items	-	5,006	35,863
Land held for resale	-	-	4,694,421
Advance to other funds	-	-	180,000
Restricted:			
Community development projects	-	41,541	4,024,947
Community services	-	610,510	610,510
Public safety	-	216,102	216,102
Public works	9,696	2,796,964	2,806,660
Capital projects	-	4,388,218	4,388,218
Debt service	-	2,067,950	2,067,950
Low and moderate housing	-	1,321,081	1,321,081
Committed:			
Capital projects	-	173,397	173,397
Unassigned (deficit)	-	(150,081)	14,479,126
<b>Total fund balances (Deficits)</b>	<b>9,696</b>	<b>11,470,688</b>	<b>34,998,275</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 646,592</b>	<b>\$ 12,587,634</b>	<b>\$ 39,987,112</b>

See accompanying Notes to the Basic Financial Statements.

*This page intentionally left blank.*

**City of Bell**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Government-Wide Statement of Net Position**  
**June 30, 2020**

---

**Total Fund Balances - Total Governmental Funds** \$ 34,998,275

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 governmental funds. Those assets consist of:

Amount reported in government-wide statement of position:

Nondepreciable assets	\$ 25,255,323	
Depreciable assets, net of \$60,473,558 accumulated depreciation	41,976,182	67,231,505

Some of the City's receivables for operating and capital grant reimbursements, and taxes will be collected after year end, but are not available soon enough to pay for current-period expenditures, and therefore, are reported as unavailable revenues in the funds.	159,120
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------

Accrued interest payable for the current portion of interest due on long-term debt has not been reported in the governmental funds.	(639,942)
-------------------------------------------------------------------------------------------------------------------------------------	-----------

Long-term liabilities applicable to the City's governmental activities are not due and payable in the current period and, accordingly are not reported as fund liabilities. All liabilities, both current and long-term and related deferred outflows and inflows of resources are reported in the Statement of Net Position.

General obligation bonds	(26,055,000)
Lease revenue bonds	(14,710,000)
Unamortized bond premium	(1,083,890)
Unamortized bond discount	231,854
Unamortized loss on defeasance	105,519
Capital leases	(313,563)
Master Tax-Exempt Lease /Purchase Agreement	(1,242,342)
Claims payable	(5,115,991)
Compensated absences	(1,374,528)
Pensions:	
Deferred outflows of resources related to pensions	7,906,162
Net pension liabilities	(38,509,944)
Deferred inflows of resources related to pensions	(3,068,409)
Other postemployment benefits:	
Deferred outflows of resources related to other postemployment benefits	1,113,639
Net Other Postemployment Benefits liabilities	(14,794,462)
Deferred inflows of resources related to other postemployment benefits	(696,117)

<b>Net position of governmental activities</b>	<b>\$ 4,141,886</b>
------------------------------------------------	---------------------

**City of Bell**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**For the Year Ended June 30, 2020**

		Special Revenue Funds	
	General Fund	Retirement Fund	Community Housing Authority Fund
<b>REVENUES:</b>			
Taxes	\$ 7,591,192	\$ 2,505,323	\$ -
Licenses and permits	747,799	-	-
Intergovernmental	4,522,011	1,283,199	-
Charges for services	1,131,810	-	-
Use of money and property	483,617	309	2,752,285
Fines and forfeitures	369,945	-	-
Miscellaneous	367,640	-	631
<b>Total revenues</b>	<b>15,214,014</b>	<b>3,788,831</b>	<b>2,752,916</b>
<b>EXPENDITURES:</b>			
Current:			
General government	3,604,232	1,159,295	30,207
Public safety	7,125,704	1,799,438	-
Community development	941,673	-	1,180,170
Community services	2,617,244	-	-
Public works	697,162	-	-
Capital outlay	2,097,682	-	-
Debt service:			
Principal retirement	150,106	-	-
Interest and fiscal charges	50,745	-	-
<b>Total expenditures</b>	<b>17,284,548</b>	<b>2,958,733</b>	<b>1,210,377</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(2,070,534)</b>	<b>830,098</b>	<b>1,542,539</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	622,333	115,580	-
Transfers out	(230,420)	(923,573)	(1,749,849)
<b>Total other financing sources (uses)</b>	<b>391,913</b>	<b>(807,993)</b>	<b>(1,749,849)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(1,678,621)</b>	<b>22,105</b>	<b>(207,310)</b>
<b>FUND BALANCES:</b>			
Beginning of Year	22,419,020	(1,228,019)	4,190,716
End of Year	<u>\$ 20,740,399</u>	<u>\$ (1,205,914)</u>	<u>\$ 3,983,406</u>

**City of Bell**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)**  
**Governmental Funds**  
**For the Year Ended June 30, 2020**

	STPL Local Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>			
Taxes	\$ -	\$ 2,836,872	\$ 12,933,387
Licenses and permits	-	-	747,799
Intergovernmental	424,287	4,652,829	10,882,326
Charges for services	-	493,654	1,625,464
Use of money and property	20,432	281,865	3,538,508
Fines and forfeitures	-	110,450	480,395
Miscellaneous	-	15	368,286
<b>Total revenues</b>	<u>444,719</u>	<u>8,375,685</u>	<u>30,576,165</u>
<b>EXPENDITURES:</b>			
Current:			
General government	-	16,103	4,809,837
Public safety	-	343,324	9,268,466
Community development	-	188,177	2,310,020
Community services	-	645,159	3,262,403
Public works	-	1,762,841	2,460,003
Capital outlay	444,719	2,991,760	5,534,161
Debt service:			
Principal retirement	-	2,210,000	2,360,106
Interest and fiscal charges	-	1,879,702	1,930,447
<b>Total expenditures</b>	<u>444,719</u>	<u>10,037,066</u>	<u>31,935,443</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>-</u>	<u>(1,661,381)</u>	<u>(1,359,278)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	-	2,452,044	3,189,957
Transfers out	-	(286,115)	(3,189,957)
<b>Total other financing sources (uses)</b>	<u>-</u>	<u>2,165,929</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	<u>-</u>	<u>504,548</u>	<u>(1,359,278)</u>
<b>FUND BALANCES:</b>			
Beginning of Year	9,696	10,966,140	36,357,553
End of Year	<u>\$ 9,696</u>	<u>\$ 11,470,688</u>	<u>\$ 34,998,275</u>

**City of Bell**  
**Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes**  
**in Fund Balances to the Government-Wide Statement of Activities**  
**For the Year Ended June 30, 2020**

---

**Net change in fund balances - total governmental funds:** \$ (1,359,278)

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 expense. This is the amount by which capital expenditures exceeded depreciation in the current period:

Capital outlay expenditures	\$	5,534,161	
Net effect of capital asset disposal		(31,358)	
Depreciation expense		(3,102,427)	2,400,376

Certain accrued revenues such as taxes, grants, and City's general billing charges, do not provide current financial resources and therefore, are not reported in the governmental funds as revenues.	44,467
-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------

Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:

Bond principal repayments	2,160,000
Amortization of bond premium and discount	145,528
Amortization of deferred loss on refunding	(13,034)
Capital lease payment	200,106
Change in interest payable	14,296
Change in claims payable	(256,815)
Change in compensated absences	(143,886)
Pension expense of CalPERS Plan, net of pension contribution made after measurement date in the amount of \$3,427,688	(2,318,063)
OPEB expense, net of OPEB contribution made during the measurement period in the amount of \$771,107	(142,252)

<b>Change in net position of governmental activities</b>	<b>\$ 731,445</b>
----------------------------------------------------------	-------------------



## **FIDUCIARY FUND FINANCIAL STATEMENTS**

*This page intentionally left blank.*

**City of Bell**  
**Statement of Fiduciary Net Position**  
**Fiduciary Fund**  
**June 30, 2020**

---

	Bell Successor Agency Private Purpose Trust Fund
<b>ASSETS:</b>	
Cash and investments	\$ 2,815,414
Restricted cash and investments with fiscal agents	2,042,619
Accrued interest receivable	4,499
Land held for development	835,730
Capital assets, not being depreciated	8,286,780
Capital assets, being depreciated	5,498,992
<b>Total assets</b>	<u>19,484,034</u>
<b>LIABILITIES:</b>	
Accounts payable	50,396
Accrued liabilities	1,489
Accrued interest payable	184,917
Due to the City of Bell	17,824
Long-term liabilities:	
Advances from the City of Bell	771,513
Bonds and notes payable, due within one year	1,550,000
Bonds and notes payable, due more than one year	12,600,000
<b>Total liabilities</b>	<u>15,176,139</u>
<b>NET POSITION HELD IN TRUST</b>	<u><u>\$ 4,307,895</u></u>

**City of Bell**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Fund**  
**For the Year Ended June 30, 2020**

---

	Bell Successor Agency Private Purpose Trust Fund
<b>ADDITIONS:</b>	
Redevelopment Property Tax Trust Fund	\$ 2,962,049
Investment earnings	54,818
Miscellaneous	118,167
<b>Total additions</b>	<u>3,135,034</u>
<b>DEDUCTIONS:</b>	
Administrative	286,522
Contractual services	70,057
Interest	806,581
Depreciation	152,814
Contribution to the City of Bell	12,374
<b>Total deductions</b>	<u>1,328,348</u>
<b>CHANGE IN NET POSITION</b>	1,806,686
<b>NET POSITION:</b>	
Beginning of year	<u>2,501,209</u>
End of year	<u><u>\$ 4,307,895</u></u>

## **NOTES TO THE BASIC FINANCIAL STATEMENTS**

*This page intentionally left blank*

**City of Bell**  
**Index to the Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2020**

---

	<u>Page</u>
<b>Note 1 – Summary of Significant Accounting Policies .....</b>	<b>41</b>
A. Description of the Reporting Entity .....	41
B. Financial Statement Presentation, Measurement Focus, and Basis of Accounting .....	42
C. Cash and Investments .....	44
D. Fair Value Measurements .....	45
E. Accounts Receivables and Due from Other Governments .....	45
F. Prepaid Items and Deposits .....	45
G. Interfund Transactions .....	45
H. Land Held for Development .....	45
I. Capital Assets .....	46
J. Deferred Outflows of Resources and Deferred Inflows of Resources .....	46
K. Long-Term Debt .....	46
L. Claims and Judgements .....	47
M. Compensated Absences .....	47
N. Pensions .....	47
O. Other Postemployment Benefits (“OPEB”) .....	48
P. Net Position .....	48
Q. Fund Balances .....	49
R. Property Tax Calendar .....	49
S. Use of Estimates .....	50
T. Implementation of New GASB Pronouncement .....	50
<b>Note 2 – Cash and Investments .....</b>	<b>50</b>
<b>Note 3 – Interfund Transactions .....</b>	<b>55</b>
A. Due To/From .....	55
B. Advances Due To/Advance From .....	56
C. Transfers .....	56
<b>Note 4 – Capital Assets .....</b>	<b>57</b>
<b>Note 5 – Long-Term Liabilities .....</b>	<b>58</b>
<b>Note 6 – Defined Benefit Pension Plan .....</b>	<b>65</b>
A. General Information about the Pension Plans .....	65
B. Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions .....	67
<b>Note 7 – Other Postemployment Benefits (“OPEB”) .....</b>	<b>72</b>
A. General Information about the OPEB Plan .....	72
B. Total OPEB Liability .....	73
C. Changes in the Net OPEB Liability .....	73
D. OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB .....	74

**City of Bell**  
**Index to the Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

---

	<u><b>Page</b></u>
<b>Note 8 – Related Party Transactions .....</b>	<b>75</b>
<b>Note 9 – Successor Agency Trust for Assets of the Former Redevelopment Agency.....</b>	<b>75</b>
A. Cash and Investments.....	75
B. Capital Assets Held by the Successor Agency.....	76
C. Summary of the Successor Agency’s Long -Term Debt.....	76
<b>Note 10 – Other Required Disclosures .....</b>	<b>78</b>
A. Deficit Net Position.....	78
B. Deficit Fund Balances .....	79
C. Expenditures Over Appropriations .....	79
<b>Note 11 – Contingencies and Commitments .....</b>	<b>80</b>
A. Grants .....	80
B. COVID-19 Pandemic .....	80
C. Commitments .....	80
<b>Note 12 – Subsequent Event .....</b>	<b>80</b>



**City of Bell**  
**Notes to the Basic Financial Statements**  
**For the Year Ended June 30, 2020**

---

**Note 1 – Summary of Significant Accounting Policies**

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

***A. Description of the Reporting Entity***

The City was incorporated on November 7, 1927 under the general laws of the State of California. As of January 25, 2006, the City operates as a Charter City authorized by the Secretary of State. The City operates under the Council-Administrator form of government. Among the services provided by the City are the following: public safety, public works, and community services.

As required by U.S. GAAP, these financial statements present the City and its blended component units. The component units, although legally separate entities are, in substance, part of the City's operations and so data from these units are combined with data of the City.

In evaluating how to define the City for financial reporting purposes, management has considered all potential component units. The primary criteria for including a potential component unit within the reporting entity are the governing body's financial accountability and a financial benefit or burden relationship and whether it is misleading to exclude. A primary government is financially accountable and shares a financial benefit or burden relationship, if it appoints a voting majority of an organization's governing body and it is able to impose its will on the organization, or impose specific financial burdens on the primary government. A primary government may also financially accountable if an organization is fiscally dependent on the primary government regardless of whether the organization has a separately elected governing board, a governing board appointed by a higher level of government, or a jointly appointed board, and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government.

City management has determined that the following related entities should be included in the basic financial statements as blended component units because the City Council serves as the governing board and the City's management has operational responsibility for these entities.

**Bell Surplus Property Authority**

On July 7, 1975, the Bell Surplus Property Authority (the “Surplus Property Authority”) was created by the City Council to enable the City to acquire, own, maintain, operate and dispose of surplus real properties of the United States, which are within or contiguous to the City. The Surplus Property Authority is administered by a Board, which consists of the members of the City Council.

**Bell Public Financing Authority**

The Bell Public Financing Authority (the “Public Financing Authority”) was created by a joint exercise of joint powers agreement between the City and the Bell Redevelopment Agency on February 1, 1991. The Redevelopment Agency was dissolved in accordance with state law on February 1, 2012. The purpose of the Public Financing Authority is to provide, through the issuance of debt, financing necessary for various capital improvements. The Public Financing Authority is administered by a Board, which consists of the members of the City Council.

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

---

**Note 1 – Summary of Significant Accounting Policies (Continued)**

**A. Description of the Reporting Entity (Continued)**

Bell Community Housing Authority

On February 21, 1995, the Bell Community Housing Authority (the “Housing Authority”) was created by the City Council. The purpose of the Housing Authority is to provide safe and sanitary dwelling accommodations in the City to persons of low income. The Housing Authority is administered by a Board, which consists of the members of the City Council.

Bell Solid Waste and Recycling Authority

On September 15, 2005, the Bell Solid Waste and Recycling Authority (the “Authority”) was established by the City Council for the purpose of acquiring, constructing, maintaining, or operating the collection, treatment, or disposal of waste within the jurisdiction of the Authority. The Authority is administered by a Board, which consists of the members of the City Council.

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

The basic financial statements of the City are composed of the following:

Government-Wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole including a Statement of Net Position and a Statement of Activities. The City has no business-type activities or discretely presented component units. Fiduciary funds are not reported in the government-wide financial statements.

The Government-Wide Financial Statements are presented on an “*economic resources*” measurement focus and the accrual basis of accounting. Accordingly, all of the City’s assets and liabilities, including capital assets, as well as infrastructure assets, and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred. Fiduciary activities are not included in these statements.

Program revenues for the City are reported in three categories: 1) charges for services, 2) operating contributions and grants, and 3) capital contributions and grants. Charges for services include revenues from customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function. Contributions and grants include revenues restricted to meeting the operational or capital requirements of a particular function. Program revenues are netted with program expenses in the Statement of Activities to present the net cost of each program. Taxes and other items not included among program revenues are reported as general revenues.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as expenditures. Proceeds of long-term debt are reported as liabilities in the government-wide financial statements, rather than as other financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liabilities, rather than as expenditures.

Certain eliminations have been made in regard to interfund activities. However, interfund service provided and used are not eliminated in the process of consolidation. All internal balances in the Statement of Net Position and the Statement of Activities have been eliminated. The following interfund activities have been eliminated:

- Due from and to other funds
- Advance to and from other funds
- Transfers in and out

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

---

**Note 1 – Summary of Significant Accounting Policies (Continued)**

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

Governmental Fund Financial Statements

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

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

Revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property tax, sales tax, franchise taxes, special assessments, licenses, interest revenue, intergovernmental revenues, charges for services, and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

The reconciliation of the fund financial statements to the government-wide financial statements is provided to explain the differences.

The City reports the following major governmental funds:

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

**Retirement Special Revenue Fund** is used to account for special assessment levied and collected for the retirement benefits of Safety and Miscellaneous employees.

**Community Housing Authority Special Revenue Fund** is used to account for revenues and expenditures related to the operation of the Community Housing Authority.

**STPL Local Capital Project Fund** is used to account for the exchange program between the City and the Los Angeles County Metropolitan Transportation Authority “LACMTA” for the Federal Surface Transportation Program-Local Funds (“STPL”).

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

---

**Note 1 – Summary of Significant Accounting Policies (Continued)**

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

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Fiduciary Net Position and a Statement of Change in Fiduciary Net Position. The fiduciary fund follows the accrual basis of accounting.

The City reports the following fiduciary fund:

***Bell Successor Agency Private Purpose Trust Fund*** is used to account for responsibilities that are assigned to the Successor Agency to the former Redevelopment Agency of the City with the passage of Assembly Bill 1X 26 (AB 1X 26) and was established on February 1, 2012. The fund accounts for the assets, liabilities, receipt of redevelopment property tax trust fund revenues pursuant to the dissolution of the former Redevelopment Agency and expenses incurred pursuant to the recognized obligation payment schedule (“ROPS”) approved by the California Department of Finance.

***C. Cash and Investments***

The City pools cash and investments of all funds, except for assets held by fiscal agents and restricted cash. Each fund's share in this pool is displayed in the accompanying financial statements as *cash and investments*. Investment income earned by the pooled investments is allocated to the various funds based on each fund's average monthly cash and investment balance.

Cash includes demand deposits. The California Government Code and the City's investment policy permit the City to invest in various instruments and pools. Investments are reported in the accompanying Statement of Net Position and Balance sheet at fair value, except for certain investment that are reported at amortized cost because they have terms that are not affected by changes in market interest rates.

Except for fiduciary fund, the City recognizes changes in fair value that occur during a fiscal year as *investment income* reported for that fiscal year. *Investment income* includes interest earnings, changes in fair value, any gains or losses realized upon the liquidation, maturity or sale of investments. Fiduciary funds report changes in fair value that occur during a fiscal year as either a net gain or net loss on fair value.

Certain disclosure requirements, if applicable, for deposit and investments risks in the following areas:

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

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

---

**Note 1 – Summary of Significant Accounting Policies (Continued)**

***D. Fair Value Measurements***

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

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

- Level 1 – Inputs are unadjusted, quoted prices for identical assets or liabilities in active markets at the measurement date.
- Level 2 – Inputs, other than quoted prices included in Level 1, that are observable for the assets or liabilities through corroboration with market data at the measurement date.
- Level 3 – Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the assets or liabilities at the measurement date.

***E. Accounts Receivables and Due from Other Governments***

Accounts receivables include such items as taxes, charges for services, miscellaneous accounts receivable, and interest receivable. No allowance for doubtful accounts has been established, as the City believes all amounts are considered to be collectible in the normal course of business.

Due from other government includes receivables from other governments, such as sales taxes, state gas taxes, motor vehicle in-lieu taxes and other revenues, collected or provided by the Federal, State, and County governments and unremitted to the City as of end of the year.

***F. Prepaid Items and Deposits***

Prepaid items are payments made to vendors for services that will benefit periods beyond the fiscal year ended using purchase method. Deposits are payments made as a security or in part payment.

A nonspendable fund balance has been reported in the governmental funds to show that prepaid items and deposits do not constitute "available spendable resources", even though they are a component of net current assets.

***G. Interfund Transactions***

Activities between funds that is 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).

***H. Land Held for Development***

The former Redevelopment Agency acquired several parcels of land as part of its primary purpose to develop or redevelop blighted areas. The City also acquired several parcels of land for development as part of potential commercial development projects. The properties are held by the Successor Agency and the City at the lower of cost or estimated net realizable value determined at the date of an executed disposition and developer's agreement. The General Fund reports nonspendable fund balance equal to the carrying value of land held for development because the balances are not in spendable form.

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

---

**Note 1 – Summary of Significant Accounting Policies (Continued)**

***I. Capital Assets***

Capital assets (including infrastructure) greater than \$5,000 are capitalized and recorded at cost or at the estimated fair value of the assets at the time of acquisition where complete historical records have not been maintained. Donated capital assets are valued at the acquisition value at the date of the donation. The costs of normal maintenance and repairs that do not add to the value of these assets or materially extend assets lives are not capitalized.

Capital assets include public domain (infrastructure) capital assets consisting of certain improvements other than buildings, including roads and bridges, traffic signals, and sewerage and drainage systems.

Depreciation has been provided using the straight-line method over the estimated useful life of the asset in the government-wide financial statements. The following is a summary of the estimated useful life of each asset type:

Infrastructure:	
Roads and bridges	40-60 years
Traffic signals	7-20 years
Sewer	40-60 years
Storm drain	40-60 years
Building and improvements	15-50 years
Furniture and equipment	3-20 years
Vehicles	5-15 years

***J. Deferred Outflows of Resources and Deferred Inflows of Resources***

The Statement of Net Position reports separate sections for deferred outflows of resources, and deferred inflows of resources, when applicable.

**Deferred Outflows of Resources** represent outflows of resources (consumption of net position) that apply to future periods; therefore, will not be recognized as an expense until that time.

**Deferred Inflows of Resources** represent inflows of resources (acquisition of net position) that apply to future periods; therefore, will not be recognized as revenue until that time.

***K. Long-Term Debt***

Long-term debt and other financial obligations are reported as liabilities in the government-wide financial statements and fiduciary fund financial statements.

Bond premiums and discounts are deferred and amortized over the term of the bonds using the straight-line method, which materially approximates the effective interest method. Bond premiums are presented as an addition to the face amount of bonds payable whereas discounts are recorded as a reduction to the face value of the bonds payable amount. Issuance costs are expensed in the year of issuance.

The governmental fund financial statements do not present long-term debt but are shown as reconciliation of the Governmental Fund Balance Sheet to the government-wide Statement of Net Position.

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

---

**Note 1 – Summary of Significant Accounting Policies (Continued)**

***L. Claims and Judgements***

The City records a liability for litigation, judgments, and claims when it is probable that an asset has been impaired, or a liability has been incurred prior to the end of the year and the probable amount of loss (net of any insurance coverage) can be reasonably estimated.

***M. Compensated Absences***

Compensated absences (unpaid vacation and sick leave) are recorded as expenditures in the year they are paid. The balance of unpaid vacation and vested sick leave at the end of the year is reported as a long-term liability in the Government-Wide financial statements. These amounts will be recorded as fund expenditures in the year in which they are paid or become due on demand to terminated employees. Compensated absences are liquidated principally by the General Fund.

***N. Pensions***

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

The following timeframes are used for pension reporting:

<u>CalPERS</u>	
Valuation Date	June 30, 2018
Measurement Date	June 30, 2019
Measurement Period	July 1, 2018 to June 30, 2019

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

Pensions liabilities are liquidated principally by the all the funds.



**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

---

**Note 1 – Summary of Significant Accounting Policies (Continued)**

***O. Other Postemployment Benefits (“OPEB”)***

For the purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms.

<u>OPEB</u>	
Valuation Date	July 1, 2019
Measurement Date	June 30, 2020
Measurement Period	July 1, 2019 to June 30, 2020

Gains and losses related to changes in total OPEB liability are recognized in OPEB expense systematically over time. The first amortized amounts are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. Gain and loss are amortized on a straight-line basis over the average expected remaining service lives of all members that are provided with benefits (active, inactive, and retired) at the beginning of the measurement period.

Other postemployment benefits liabilities are liquidated principally by the General Fund.

***P. Net Position***

In the government-wide financial statements, net position is classified into three components, which are defined as follows:

**Net Investment in Capital Assets** – This component of net position consists of capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any debt and related debt premiums, discounts, and deferred inflows and outflows of resources, that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent debt proceeds at year-end, the unspent proceeds and the amount of related debt are included in the calculation of net investment in capital assets.

**Restricted Net Position** – This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.

**Unrestricted Net Position** – This component of net position consists of net position that do not meet the definition of "net investment in capital assets" or "restricted".

Sometimes the government 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 financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted net position to have been depleted before unrestricted net position is applied.



**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

---

**Note 1 – Summary of Significant Accounting Policies (Continued)**

***Q. Fund Balances***

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

**Nonspendable Fund Balance** – includes amounts that are (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, for example: inventories, prepaid amounts, and deposits.

**Restricted Fund Balance** – includes amounts that are restricted for specific purposes stipulated by external resources providers, constitutionally or through enabling legislation. Restrictions may effectively be changed or lifted only with the consent of resource providers. The use of proceeds from Community Housing Authority deferred loans is restricted; therefore, it is reported in the restricted fund balance classification.

**Committed Fund Balance** – includes amounts that have been limited to specific purposes as defined in the City Charter or through adoption of a resolution or an ordinance by City Council, the highest level of decision making authority of the City. The City has determined that both a resolution and an ordinance are equally binding. These commitments may be changed or lifted, but only by the same formal action that was used to impose the constraint originally. City Council action to commit fund balance must occur within the financial reporting period while the amount committed may be subsequently determined.

**Assigned Fund Balance** – includes amounts that are intended to be used by the City for specific purposes. Intent is expressed by the City Manager to which the City Council has delegated the authority to assign amounts to be used for a specific purpose.

**Unassigned Fund Balance** – includes amounts within the General Fund, the residual resources, either positive or negative, in excess of what can be properly classified in one of the other four fund balance categories. Unassigned amounts are available for any purpose. Other governmental funds may only report a negative unassigned balance that was created after classification of fund balance in the nonspendable, restricted or committed categories. The City maintains a minimum unassigned fund balance at least 25% of operating expenditures in the General Fund.

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

***R. Property Tax Calendar***

Property taxes attach as an enforceable lien on property as of January 1, each year. Taxes are levied during September of each year and are payable in two installments; the first is due November 1 and delinquent with penalties after December 10; the second is due February 1 and delinquent with penalties after April 10. The County of Los Angeles bills and collects the property taxes and remits them to the City in installments during the year, net of administrative expenses. Property tax revenue is recognized in the funds in the fiscal year for which the taxes have been levied, provided it is collected within 60 days of the end of the fiscal year.

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

---

**Note 1 – Summary of Significant Accounting Policies (Continued)**

**R. Property Tax Calendar (Continued)**

The County of Los Angeles is permitted by State law (Proposition 13) to levy taxes at 1% of full cash or market value (with some exceptions) pursuant to Article XIII A of the California State Constitution and statutory provisions by the Los Angeles County Assessor and State Board of Equalization.

**S. Use of Estimates**

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

**T. Implementation of New GASB Pronouncement**

In May 2020, GASB issued Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance (GASB Statement No. 95), to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. This objective is accomplished by postponing the effective dates of provisions in certain GASB Statements and Implementation Guides which became effective or were scheduled to become effective for periods beginning after June 15, 2018, and later. The City implemented GASB Statement No. 95 in the fiscal year ended June 30, 2020 and postponed the effective dates of the following GASB Statements:

- GASB Statement No. 84, Fiduciary Activities
- GASB Statement No. 87, Leases
- GASB Statement No. 89, Accounting for Interest Cost Incurred before the End of a Construction Period
- GASB Statement No. 90, Majority Equity Interests
- GASB Statement No. 91, Conduit Debt Obligations
- GASB Statement No. 92, Omnibus 2020
- GASB Statement No. 93, Replacement of Interbank Offered Rates

**Note 2 – Cash and Investments**

Cash and investments as of June 30, 2020, are classified in the accompanying financial statements as follows:

	Government-Wide Statement of Net Position	Fiduciary Fund Statement of Net Position	Total
Unrestricted assets:			
Cash and investments	\$ 29,596,138	\$ 2,815,414	\$ 32,411,552
Restricted assets:			
Cash and investments	2,081	2,042,619	2,044,700
<b>Total cash and investments</b>	<b>\$ 29,598,219</b>	<b>\$ 4,858,033</b>	<b>\$ 34,456,252</b>

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

**Note 2 – Cash and Investments (Continued)**

Cash and investments as of June 30, 2020, consist of the following:

	Government-Wide Statement of Net Position	Fiduciary Fund Statement of Net Position	Total
Deposits with financial institution	\$ 1,310,004	\$ 412,031	\$ 1,722,035
Petty cash	3,580	-	3,580
Investments	28,284,635	4,446,002	32,730,637
<b>Total cash and investments</b>	<b>\$ 29,598,219</b>	<b>\$ 4,858,033</b>	<b>\$ 34,456,252</b>

**Demand Deposits**

As of June 30, 2020, the carrying amount of the City's deposits was \$1,722,035 and the bank balance was \$2,124,533. The \$402,498 difference represents outstanding checks, deposits in transits and other reconciling items.

The California Government Code requires California banks and savings and loan associations to secure a City's deposits by pledging government securities with a value of 110% of a City's deposits. California law also allows financial institutions to secure a City's deposits by pledging first trust deed mortgage notes having a value of 150% of a City's total deposits. The City Treasurer may waive the collateral requirement for deposits that are fully insured up to \$250,000 by the FDIC. The collateral for deposits in federal and state chartered banks is held in safekeeping by an authorized Agent of Depository recognized by the State of California Department of Banking.

The collateral for deposits with savings and loan associations is generally held in safekeeping by the Federal Home Loan Bank in San Francisco, California as an Agent of Depository. These securities are physically held in an undivided pool for all California public agency depositors. Under Government Code Section 53655, the placement of securities by a bank or savings and loan association with an "Agent of Depository" has the effect of perfecting the security interest in the name of the local governmental agency. Accordingly, all collateral held by California Agents of Depository are considered to be held for, and in the name of, the local governmental agency.

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

The table below identifies the investment types that are authorized for the City by the California Government Code and the City's investment policy that was adopted for the calendar year 2019. The City adopts investment policies on the calendar basis. The table also identifies certain provisions of the California Government Code and the City's investment policy, if more restrictive, that address interest rate risk and concentration of credit risk. This table does not address investments of debt proceeds held by the bond trustee that are governed by the provisions of debt agreements of the City, rather than the general provisions of the California Government Code and the City's investment policy.

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

**Note 2 – Cash and Investments (Continued)**

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage Allowed	Maximum Investments in One Issuer
Municipal obligations, notes and bonds	5 Years	30%	5%
United States Treasury bills, bonds and notes	5 Years	None	None
United States government sponsored enterprise securities	5 Years	None	25%
Banker's acceptances	180 days	40%	5%
Commercial paper	270 days	25%	5%
Negotiable certificates of deposit	5 Years	30%	5%
Federally insured time certificates of deposit	5 Years	20%	Limited to federal insurance
Collateralized time deposits	5 Years	20%	None
Certificate of deposit placement service	5 Years	30%	None
Repurchase agreements	1 Year	None	None
U.S. corporate Notes	5 Years	30%	5%
Local Agency Investment Fund ("LAIF")	N/A	None	None
Asset-backed, mortgage-backed, mortgage pass-through securities, and collateralized mortgage obligations	5 Years	20%	5%
Mutual funds and money market funds	N/A	20%	10%
Local Government investment pools	N/A	None	None
Supranational	5 Years	30%	10%

N/A - Not Applicable

Investments Authorized by Debt Agreements

Investments of debt proceeds held by the 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 the bond trustee. The table also identifies certain provisions of these debt agreements that address interest rate risk, credit risk, and concentration of credit risk. The permitted investments are as follows:

Authorized Investment Type	Maximum Maturity	Maximum Percentage Allowed	Maximum Investments in One Issuer	Minimum Credit Rating
United States Treasury bills, bonds and notes	None	None	None	None
United States government sponsored enterprise securities	None	None	None	None
Interest-bearing demand or time deposits	None	None	None	None
Tax-exempt obligations	None	None	None	AAA
Money market mutual funds	None	None	None	AAA
Local Agency Investment Fund ("LAIF")	None	None	None	None
Investment agreements	None	None	None	AAA*

\* Represents credit rating of the counterparty

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

**Note 2 – Cash and Investments (Continued)**

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in the 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 the 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 the portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations.

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

Investment Type	Remaining Maturity (In Months)			Total
	12 Months or Less	13-24 Months	25-60 Months	
Investments:				
Local Agency Investment Fund	\$ 19,923,502	\$ -	\$ -	\$ 19,923,502
Asset-backed securities	-	225,179	530,362	755,541
United States Treasury Notes	1,338,618	355,254	1,415,472	3,109,344
United States government sponsored enterprise securities	776,015	1,078,662	1,813,195	3,667,872
Collateralized mortgage obligation	-	-	794,843	794,843
Supra-national agency notes	70,760	-	-	70,760
Money market funds	17,554	-	-	17,554
U.S. corporate notes	752,627	637,281	956,613	2,346,521
Investments with fiscal agent:				
Money market funds	2,044,700	-	-	2,044,700
<b>Total</b>	<b>\$ 24,923,776</b>	<b>\$ 2,296,376</b>	<b>\$ 5,510,485</b>	<b>\$ 32,730,637</b>

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the actual rating as of year-end for each investment type.

Investment Type	Fair Value as of June 30, 2020	Minimum Legal Rating	AAA	AA	A	Not Required to be Rated
Investments:						
Local Agency Investment Fund	\$ 19,923,502	N/A	\$ -	\$ -	\$ -	\$ 19,923,502
Asset-backed securities	755,541	A	755,541	-	-	-
United States Treasury Notes	3,109,344	N/A	3,109,344	-	-	-
United States government sponsored enterprise securities	3,667,872	N/A	3,667,872	-	-	-
Collateralized mortgage obligation	794,843	AA	794,843	-	-	-
Supra-national agency notes	70,760	A	70,760	-	-	-
Money market funds	17,554	AAA	17,554	-	-	-
U.S. corporate notes	2,346,521	A	134,654	522,830	1,689,037	-
Investments with fiscal agent:						
Money market funds	2,044,700	N/A	2,044,700	-	-	-
<b>Total</b>	<b>\$ 32,730,637</b>		<b>\$ 10,595,268</b>	<b>\$ 522,830</b>	<b>\$ 1,689,037</b>	<b>\$ 19,923,502</b>

N/A - Not Applicable

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

---

**Note 2 – Cash and Investments (Continued)**

Concentration of Credit Risk

The investment policy of the City contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There were no investments in any one issuer (other than mutual funds and external investment pools), which represent 5% or more of the total City investments as of June 30, 2020.

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 the financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure City deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits. The collateral is held by the pledging financial institution's trust department and is considered held in the City's name. As of June 30, 2020, none of the City's deposits or investments were exposed to custodial credit risk.

Investment in Local Agency Investment Funds

The City is a participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City's investments with LAIF as of June 30, 2020, included a portion of the pool funds invested in Structured Notes and Asset-Backed Securities:

**Structured Notes** are debt securities (other than asset-backed securities) whose cash flow characteristics (coupon rate, redemption amount, or stated maturity) depend upon one or more indices and/or that have embedded forwards or options.

**Asset-Backed Securities** are generally mortgage-backed securities that entitle their purchasers to receive a share of the cash flows from a pool of assets such as principal and interest repayments from a pool of mortgages (for example, Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2020, the City had \$19,923,502 invested in LAIF, which had invested 3.37% of the pool investment funds in Structured Notes and Asset-Backed Securities. LAIF is overseen by the Local Agency Investment Advisory Board, which consists of five members, in accordance with State statute. LAIF determines fair value on its investment portfolio based on market quotations for those securities where market quotations are readily available and based on amortized cost or best estimate for those securities where market value is not readily available. The City valued its investments in LAIF at amortized cost which appropriates fair value.

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

**Note 2 – Cash and Investments (Continued)**

**Fair Value Measurement Disclosure**

The following table presents the fair value measurement of investments on a recurring basis and the levels within GASB 72 fair value hierarchy in which the fair value measurements fall at June 30, 2020:

Investment Type	Measurement Input		
	Significant	Uncategorized	Total
	Other Observable Inputs (Level 2)		
Investments:			
Local Agency Investment Fund	\$ -	\$ 19,923,502 <sup>(5)</sup>	\$ 19,923,502
Asset-backed securities	755,541 <sup>(1)(2)</sup>	-	755,541
United States Treasury notes	3,109,344 <sup>(1)(3)</sup>	-	3,109,344
United States government sponsored enterprise securities	3,667,872 <sup>(1)(4)</sup>	-	3,667,872
Collateralized mortgage obligation	794,843 <sup>(1)(2)</sup>	-	794,843
Supra-national agency notes	70,760 <sup>(1)</sup>	-	70,760
Money market fund		17,554 <sup>(5)</sup>	17,554
U.S. Corporate notes	2,346,521 <sup>(1)(4)</sup>	-	2,346,521
Investments with fiscal agent:			
Money market funds	-	2,044,700 <sup>(5)</sup>	2,044,700
<b>Total</b>	<b>\$ 10,744,881</b>	<b>\$ 21,985,756</b>	<b>\$ 32,730,637</b>

<sup>(1)</sup> Standard Inputs, in order of priority for use when available, including benchmark yield, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications.

<sup>(2)</sup> plus new issue data, monthly payment information, and collateral performance

<sup>(3)</sup> including vendor trading platform data

<sup>(4)</sup> including TRACE® reported trades

<sup>(5)</sup> Cash equivalent

**Note 3 – Interfund Transactions**

**A. Due To/From**

As of June 30, 2020, the City had the following short-term interfund receivables and payables to cover negative cash at the end of the fiscal year.

Due To Other Funds				
Governmental Funds				
Due From Other Funds	General Fund	Retirement Special Revenue Fund	Nonmajor Governmental Funds	Total
Governmental Funds:				
General Fund	\$ -	\$ 1,235,794	\$ 43,932	\$ 1,279,726
Nonmajor Governmental Funds	42,521	-	-	42,521
Total	\$ 42,521	\$ 1,235,794	\$ 43,932	\$ 1,322,247

The interfund balances were made to cover negative cash balances and other temporary loans as of June 30, 2020.





**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

**Note 4 – Capital Assets**

Summary of changes in the capital assets for the year ended June 30, 2020 is as follows:

	Balance July 1, 2019	Additions	Deletions	Reclassification	Balance June 30, 2020
<b>Capital assets, not being depreciated:</b>					
Right-of-way	\$ 6,725,298	\$ -	\$ -	\$ -	\$ 6,725,298
Land	16,307,515	-	-	-	16,307,515
Construction in progress	1,738,044	1,358,129	(31,358)	(842,305)	2,222,510
<b>Total capital assets, not being depreciated</b>	<b>24,770,857</b>	<b>1,358,129</b>	<b>(31,358)</b>	<b>(842,305)</b>	<b>25,255,323</b>
<b>Capital assets, being depreciated:</b>					
Building and improvements	36,385,490	1,616,983	-	-	38,002,473
Equipment and vehicles	3,405,882	428,274	-	-	3,834,156
Infrastructure:					
Roads and bridges	51,510,160	1,816,806	-	714,041	54,041,007
Traffic signals	3,956,697	313,969	-	128,264	4,398,930
Sewers	1,213,256	-	-	-	1,213,256
Storm drains	959,918	-	-	-	959,918
<b>Total capital assets, being depreciated</b>	<b>97,431,403</b>	<b>4,176,032</b>	<b>-</b>	<b>842,305</b>	<b>102,449,740</b>
<b>Less accumulated depreciation for:</b>					
Building and improvements	(17,043,293)	(810,448)	-	-	(17,853,741)
Equipment and vehicles	(2,609,246)	(464,166)	-	-	(3,073,412)
Infrastructure:					
Roads and bridges	(32,643,044)	(1,679,373)	-	-	(34,322,417)
Traffic signals	(3,375,682)	(132,594)	-	-	(3,508,276)
Sewers	(743,430)	(12,364)	-	-	(755,794)
Storm drains	(956,436)	(3,482)	-	-	(959,918)
<b>Total accumulated depreciation</b>	<b>(57,371,131)</b>	<b>(3,102,427)</b>	<b>-</b>	<b>-</b>	<b>(60,473,558)</b>
<b>Total capital assets, being depreciated, net</b>	<b>40,060,272</b>	<b>1,073,605</b>	<b>-</b>	<b>842,305</b>	<b>41,976,182</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 64,831,129</b>	<b>\$ 2,431,734</b>	<b>\$ (31,358)</b>	<b>\$ -</b>	<b>\$ 67,231,505</b>

Depreciation expense was charged in the following functions in the statement of activities for the year ended June 30, 2020 as follows:

General government	\$ 340,847
Public safety	271,089
Community services	650,058
Public works	1,840,433
<b>Total depreciation expense - governmental activities</b>	<b>\$ 3,102,427</b>

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

**Note 5 – Long-Term Liabilities**

Summary of changes in long-term liabilities for the year ended June 30, 2020 is as follows:

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020	Due within One Year	Due in More Than One Year
<b>Governmental Activities:</b>						
<u>General Obligation Bonds - Publicly Offered</u>						
Series 2018 A&B	\$26,765,000	\$ -	\$ (710,000)	\$26,055,000	\$ 905,000	\$25,150,000
Unamortized premium	950,776	-	(62,971)	887,805	-	887,805
Unamortized discount	(260,492)	-	28,638	(231,854)	-	(231,854)
Total general obligation bonds	27,455,284	-	(744,333)	26,710,951	905,000	25,805,951
<u>Revenue Bonds - Publicly Offered</u>						
Lease Revenue Refunding Bonds, series 2005	15,265,000	-	(555,000)	14,710,000	580,000	14,130,000
Taxable Pension Revenue Bonds, series 2005	895,000	-	(895,000)	-	-	-
Unamortized premium	307,280	-	(111,195)	196,085	-	196,085
Total revenue bonds	16,467,280	-	(1,561,195)	14,906,085	580,000	14,326,085
<u>Capital Leases - Direct Borrowings</u>						
The Bancorp	1,514	-	-	1,514	1,514	-
Enterprise Fleet Management	31,431	-	-	31,431	25,258	6,173
De Lage Landen public Finance	38,723	-	(14,407)	24,316	15,135	9,181
Motorola Lease-Purchase Agreement	392,173	-	(135,871)	256,302	125,644	130,658
Master Tax-Exempt Lease /Purchase Agreement	1,292,170	-	(49,828)	1,242,342	53,580	1,188,762
Total capital leases	1,756,011	-	(200,106)	1,555,905	221,131	1,334,774
<u>Other Liabilities</u>						
Claims payable	4,859,176	1,417,682	(1,160,867)	5,115,991	1,303,745	3,812,246
Compensated absences	1,230,642	745,959	(602,073)	1,374,528	650,130	724,398
<b>Total governmental activities</b>	<b>\$51,768,393</b>	<b>\$ 2,163,641</b>	<b>\$ (4,268,574)</b>	<b>\$49,663,460</b>	<b>\$ 3,660,006</b>	<b>\$46,003,454</b>

**General Obligation Refunding Bonds, Series 2018A & B**

On March 28, 2018, the City issued \$10,405,000 in General Obligation Refunding Bonds, Series 2018A and \$16,360,000 in General Obligation Refunding Bonds, Series 2018B (federally taxable) for the purposes of refunding all of the outstanding City of Bell General Obligation Bonds, Series 2004, refunding all of the outstanding City of Bell General Obligation Bonds, Series 2007, and pay certain costs of issuance for the 2018 bonds. The City Council is empowered and is obligated to levy *ad valorem* taxes, without limitation of rate or amount, for the payment of interest on and principal of the 2018 bonds. The City is not obligated to pay the principal of the interest and premium on the bonds out of any funds or properties of the City other than *ad valorem* taxes levied on all taxable property in the City. No reserve fund was established for either series of bonds.

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

**Note 5 – Long-Term Liabilities (Continued)**

General Obligation Refunding Bonds, Series 2018A & B (Continued)

Interest on the bonds is payable semiannually on February 1 and August 1 of each year commencing February 1, 2019. Concurrently with the issuance of the bonds, Build America Mutual Assurance Corporation ("BAM") issued its Municipal Bond Insurance Policy for the bonds. The policy guarantees the scheduled payment of and interest on the bonds when due according to the bonds' respective debt service schedules. The outstanding balance on the bonds at June 30, 2020, is \$26,055,000.

The General Obligation Refunding Bonds, Series 2018A & B debt service requirements to maturity are as follows:

Year Ending June 30	Series 2018A		Series 2018B		Total		
	Principal	Interest	Principal	Interest	Principal	Interest	Total
2021	\$ 475,000	\$ 441,863	\$ 430,000	\$ 641,544	\$ 905,000	\$ 1,083,407	\$ 1,988,407
2022	495,000	419,987	475,000	627,672	970,000	1,047,659	2,017,659
2023	525,000	394,487	490,000	612,287	1,015,000	1,006,774	2,021,774
2024	550,000	375,175	540,000	594,875	1,090,000	970,050	2,060,050
2025	560,000	354,988	600,000	574,550	1,160,000	929,538	2,089,538
2026-2030	3,255,000	1,313,562	3,815,000	2,466,456	7,070,000	3,780,018	10,850,018
2031-2035	4,140,000	421,206	5,550,000	1,505,988	9,690,000	1,927,194	11,617,194
2036-2037	-	-	4,155,000	269,556	4,155,000	269,556	4,424,556
Total	\$10,000,000	\$ 3,721,268	\$16,055,000	\$ 7,292,928	\$26,055,000	\$11,014,196	\$37,069,196

Defeasance of the Series 2004 and Series 2007 General Obligation Bonds

The refunding of the Series 2004 and Series 2007 General Obligation Bonds by the issuance of the Series 2018A & B General Obligation Refunding Bonds reduced the total debt service payments of the life of the refunded bonds by \$6,290,649 and obtained an economic gain (difference between net present value of the debt service payments on the old debt and new debt) of \$5,910,387. As of June 30, 2020, the Series 2004 and Series 2007 General Obligation Bonds were fully redeemed, with no principal outstanding.

2005 Lease Revenue Refunding Bonds

On October 19, 2005, the Housing Authority issued \$20,790,000 of 2005 Series Lease Revenue Refunding Bonds. The 2005 Series Lease Revenue Refunding Bonds were issued to refinance \$8,120,000 of outstanding 1995A Revenue Bonds, \$3,280,000 of 1995B Subordinate Revenue Bonds and \$5,000,000 of 2003 Housing Notes and to provide \$6,011,908 for the construction, acquisition and rehabilitation of rental properties. The original issue was also used for the construction, acquisition and rehabilitation of rental properties. The 2005 Series Lease Revenue Refunding Bonds consist of \$13,525,000 of term bonds and \$7,265,000 of serial bonds. The serial bonds accrue interest at rates between 2.90% and 4.35%, which is payable semiannually on April 1 and October 1 of each year commencing April 1, 2006. Principal on the serial bonds is payable on October 1, 2006 through October 1, 2021, in amounts ranging from \$335,000 to \$605,000. The \$13,525,000 term bonds accrue interest at 5.00% and mature between October 1, 2025 and October 1, 2036. The outstanding balance as of June 30, 2020, was \$14,710,000.

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

**Note 5 – Long-Term Liabilities (Continued)**

2005 Lease Revenue Refunding Bonds (Continued)

The 2005 Series Lease Revenue Refunding Bonds are subject to redemption prior to maturity as described in the bond covenants. The indenture provides that in lieu of a cash deposit, the Housing Authority may satisfy the reserve requirements by means of a qualified reserve fund credit instrument, which consists of a quality surety bond, insurance policy or similar financial undertaking. The Housing Authority deposited a Financial Guaranty Insurance Policy issued by Ambac Assurance Corporation (Ambac Assurance) in the reserve fund for the 2005 Series Lease Revenue Refunding Bonds. On November 9, 2010, Ambac Financial Group Inc. (Ambac Financial) filed for bankruptcy protection under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court. Ambac Assurance is a subsidiary of Ambac Financial. According to the 2005 Series Lease Revenue Refunding Bonds indenture, in the event that such surety bonds for any reason terminate or expire, and the remaining amount on deposit in the Reserve Account is less than the Reserve Account Requirement (as defined in the indenture), the Housing Authority is to address such shortfall by delivering to the trustee a surety bond or a letter of credit meeting the criteria of the Reserve Account Requirement under the indenture, or depositing cash to the Reserve Account in the amount of \$2,040,129.

The 2005 Lease Revenue Refunding Bonds debt service requirements to maturity are as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$ 580,000	\$ 715,038	\$ 1,295,038
2022	605,000	689,409	1,294,409
2023	625,000	660,625	1,285,625
2024	660,000	628,500	1,288,500
2025	690,000	594,750	1,284,750
2026-2030	4,000,000	2,407,000	6,407,000
2031-2035	5,125,000	1,271,625	6,396,625
2036-2037	2,425,000	122,625	2,547,625
Total	<u>\$14,710,000</u>	<u>\$ 7,089,572</u>	<u>\$21,799,572</u>

The 2005 Lease Revenue Refunding Bonds are secured by and to be serviced from lease payments paid by the City to the Housing Authority. The lease payments have been pledged until October 1, 2036, the final maturity date of the bonds. The total remaining debt service (principal and interest) for the bonds is \$21,799,572. Pledged lease payment transferred during the year ended June 30, 2020 was in the amount of \$1,298,051 as against the total debt service payments in the amount of \$1,294,301.

2005 Taxable Pension Revenue Bonds

On December 1, 2005, the Public Financing Authority issued \$9,225,000 of the 2005 Taxable Pension Revenue Bonds. The 2005 Taxable Pension Revenue Bonds were issued to fund the City's then unfunded actuarial accrued liability for retirement benefits of the City's safety employees in the amount of \$7,320,000 and to redeem the Public Financing Authority's outstanding 1998 Taxable Pension Revenue Bonds of \$1,460,000.

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

---

**Note 5 – Long-Term Liabilities (Continued)**

2005 Taxable Pension Revenue Bonds (Continued)

The 2005 Taxable Pension Revenue Bonds consist of \$3,655,000 of term bonds and \$5,570,000 of serial bonds. The serial bonds accrue interest at a rate between 4.77% and 5.26%, which is payable semiannually on February 1 and August 1 of each year, commencing on August 1, 2006. Principal on the serial bonds is payable on August 1, 2006 through August 1, 2015, in amounts ranging from \$385,000 to \$780,000. The \$2,810,000 term bonds accrue interest at 5.48% and mature on August 1, 2019.

The 2005 Taxable Pension Revenue Bonds are payable from the loan payment to be made by the City to the Public Financing Authority sufficient to pay the principal and interest on the bonds.

The 2005 Taxable Pension Revenue Bonds were paid off during the year ended June 30, 2020.

The 2005 Taxable Pension Revenue Bonds are secured by and to be serviced from the retirement tax (reported as special assessments) levied and collected by the City. Retirement tax revenues are pledged until August 1, 2019, the final maturity of the bonds. Pledged retirement tax revenue transferred during the year ended June 30, 2020 was in the amount of \$923,573 as against the total debt service payments in the amount of \$919,523.

The Bancorp Capital Lease

During July 2015, the City entered into a vehicle lease agreement with The Bancorp for a 2014 Chevrolet Tahoe and a 2015 Ford Utility Police Interceptor for the Police Department. Interest on the vehicles accrues at 6.598% annum for a period of 5 years commencing on September 10, 2015. As of June 30, 2020, the assets capitalized were \$77,518 with accumulated depreciation of \$62,014, resulting in total book value of \$15,504.

In the event of default, the lease shall be deemed terminated.

Future minimum lease payments under the capital lease is as follows:

Year Ending June 30,	Total
2021	\$ 1,520
<b>Subtotal</b>	<b>1,520</b>
<b>Less amount representing interest</b>	<b>(6)</b>
<b>Present value of future minimum lease payments</b>	<b>\$ 1,514</b>

Enterprise Fleet Management Capital Lease

During March 2015, the City entered into a vehicle lease agreement with Enterprise Fleet Management for a 2013 Ford Utility Police Interceptor, a 2015 Ford Taurus, four 2015 Ford Taurus for the Police Department. Interest on the vehicles accrues at 7.184%, 7.922%, 7.856%, 7.917%, 7.922%, 7.856%, and 7.325% annum for a period of 5 years commencing on July 1, 2015 and one vehicle commencing on October 1, 2016. As of June 30, 2020, the assets capitalized were \$119,031 with accumulated depreciation of \$95,225, resulting in total book value of \$23,806.

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

---

**Note 5 – Long-Term Liabilities (Continued)**

Enterprise Fleet Management Capital Lease (Continued)

In the event of default, the lease shall be deemed terminated.

Future minimum lease payments under the capital lease are as follows:

Year Ending June 30,	Total
2021	\$ 26,472
2022	7,892
2022	1,317
<b>Subtotal</b>	<b>35,681</b>
<b>Less amount representing interest</b>	<b>(4,250)</b>
<b>Present value of future minimum lease payments</b>	<b>\$ 31,431</b>

De Lage Landen Public Finance Capital Lease

On January 25, 2017, the City entered into a lease agreement with De Lage Landen Public Finance LLC for 7 copy machines for total lease payment in the amount of \$1,333. Lease payments are due on each periodic anniversary of the commencement date. Interest on the copies machine accrues at 4.941% annum. As of June 30, 2020, the assets capitalized were \$70,742 with accumulated depreciation of \$42,445, resulting in total net book value of \$28,297.

In the event of default, the lease shall be deemed terminated.

Future minimum lease payments under the capital lease are as follows:

Year Ending June 30,	Total
2021	\$ 15,997
2022	10,015
<b>Subtotal</b>	<b>26,012</b>
<b>Less amount representing interest</b>	<b>(1,696)</b>
<b>Present value of future minimum lease payments</b>	<b>\$ 24,316</b>

Motorola Lease-Purchase Agreement

On December 21, 2018, the City entered into a lease-purchase agreement with Motorola Solutions Inc. in the amount of \$392,173 to purchase police equipment with an initial term of 36 months with 3.99% annum. Principal and interest payments on the agreement are due annually commencing November 1, 2019. As of June 30, 2020, the assets capitalized were \$392,173 with accumulated depreciation of \$78,435, resulting in total net book value of \$313,738.

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

**Note 5 – Long-Term Liabilities (Continued)**

Motorola Lease-Purchase Agreement (Continued)

In the event of default, the lender may, at its option, exercise any of one or more of the following remedies: (1) by written notice to the City, declare all amounts then due under the lease, (2) by written notice to the City, request the City to, at the City's expenses, promptly discount use of the equipment, remove the equipment from all of the city's computers and electronic devices, return the equipment to the lender, (3) sell or lease the equipment or sublease it for the account of the City, (4) promptly return the equipment to the lender, (5) exercise any other right, remedy or privilege which may be available to it under applicable laws of the State of California.

Future annual lease payments to maturity are as follows:

Year Ending June 30,	Total
2021	\$ 135,871
2022	135,871
<b>Subtotal</b>	<b>271,742</b>
<b>Less amount representing interest</b>	<b>(15,440)</b>
<b>Present value of future minimum lease payments</b>	<b>\$ 256,302</b>

Master Tax-Exempt Lease/Purchase Agreement

On April 26, 2019, the City entered into a master tax-exempt lease/purchase financing agreement in the amount of \$1,292,170 with U.S. Bancorp Governmental Leasing and Finance, Inc. for the City's energy conservation capital projects. The contract rate for the agreement is 3.54% annum. Principal and interest payments on the agreement are due annually commencing April 26, 2020 for fifteen years. The project was completed during the year ended June 30, 2020.

In the event of default, the lender shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps: (1) declare all lease payments and other amounts payable by the City thereunder to the end of then-current budget year of the City to be due, and such amounts shall thereafter bear interest at the rate of 12% per annum or the maximum rate permitted by applicable law, whichever is less; (2) lender may terminate the agreement; (3) by written notice to any escrow agent who is holding proceeds of the Property Schedule, lender may instruct such escrow agent to release all such proceeds and any earnings thereon to lender, such sums to be credited to payment of the City's obligations under the Property Schedule; (4) lender may take any action, at law or in equity, that is permitted by applicable law and that may appear necessary or desirable to enforce or to protect any of its rights.

Future annual lease payments to maturity are as follows:

Year Ending June 30	Principal	Interest	Total
2021	53,580	43,979	97,559
2022	57,522	42,082	99,604
2023	66,075	40,046	106,121
2024	70,579	37,707	108,286
2025	75,304	35,208	110,512
2026-2030	454,930	132,416	587,346
2031-2034	464,352	42,178	506,530
<b>Total</b>	<b>\$ 1,242,342</b>	<b>\$ 373,616</b>	<b>\$ 1,615,958</b>

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

**Note 5 – Long-Term Liabilities (Continued)**

Claims Payable

The City has a program for insurance for workers' compensation, general liability, auto liability, and certain other risks. The City entered into an Excess Workers' Compensation Program with CSAC Excess Insurance Authority with Excess and Reinsurance layers provided by ACE American Insurance Company and National Union Fire Insurance Co. of Pittsburgh, PA. The City is self-insured up to \$250,000 Self-Insurance Retention (SIR) per occurrence. Coverage in excess of SIR was provided by various companies. The pooled retention is up to \$5,000,000 (difference between \$5,000,000 and the City's SIR). Layer 1 - \$45,000,000 in excess, \$5,000,000 each occurrence is reinsured by ACE American Insurance Company. Layer 2 - up to the statutory limit in excess of \$50,000,000 each occurrence is provided by National Union Fire Insurance Co. of Pittsburgh, PA (AIG).

The City entered into an Excess Liability Coverage policy with Independent Cities Risk Management Authority ("ICRMA") for public entity excess liability. The City is self-insured up to \$250,000 SIR each occurrence. Any losses in excess of the SIR up to \$20,000,000 is provided by Lexington Insurance Co. of the State of Massachusetts per each occurrence.

At June 30, 2020, no fund balance has been committed or assigned for self-insurance for workers' compensation and general liability claims. While the ultimate amount of losses incurred through June 30 is dependent on future developments, the estimated liability claims are based upon information from the actuarial valuation report for workers' compensation, the City Attorney, outside counsel, the service agent and others involved with the administration of the programs. There are no claims that exceed insurance coverage over the last three years. Costs relating to the litigation of claims are charged to expenditures as incurred. Claims liabilities are liquidated by the General Fund.

Changes in the liability claims payable amounts for the past three years, are as follows:

	Beginning of Fiscal Year	Current Year Claims and Changes in Estimates	Claims Payables	Balance at Fiscal Year End
	Liability			
2017-2018	\$ 5,438,267	\$ 1,305,385	\$ (2,005,414)	\$ 4,738,238
2018-2019	4,738,238	1,673,734	(1,552,796)	4,859,176
2019-2020	4,859,176	1,417,682	(1,160,867)	5,115,991

Compensated Absences

Employees, who have passed the initial probationary period (eligible employees), accrue 3.0000 to 3.6960 hours bi-weekly for sick leave. Eligible employees also accrue 3.6960 to 10.1520 hours bi-weekly for vacation leave; depending on years of service and position during employment with the City or on approved employee leave. Vacation leave caps at 280 hours for employees who were hired after July 1, 2000 or 360 hours for employees who were hired after July 1, 1998, except for the City Manager whose vacation leave caps at 280 hours. Unused accumulated vacation leave will be paid to each employee upon the date of separation from the City.

Any unused sick leave at the end of each fiscal year is carried over to the next fiscal year with no cap limit, except for the City Manager whose sick leave caps at 192 hours, subject to change according to the position's contract. Employees hired prior to June 30, 1998, upon separation from service, will be paid an amount equivalent to the remaining unused hours of sick leave at the time of separation or, at retirement from the City, all unused sick leave may be credited toward CalPERS service credit. Employees hired after July 1, 1998, upon separation from service, will be compensated for any unused sick leave up to 100 hours or, at retirement from the City; an unlimited amount of unused sick leave may be credited toward CalPERS service credit. Any vacation hours up to the cap limit will be paid out at retirement. Compensated absences are liquidated by the General Fund.

The outstanding balance at June 30, 2020 was in the amount of \$1,374,528, which includes vested sick and vacation time.



**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

**Note 6 – Defined Benefit Pension Plan**

**A. General Information about the Pension Plans**

Plan Description

All qualified permanent and probationary employees are eligible to participate in the Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (“Plan”) administered by the California Public Employees' Retirement System (“CalPERS”). The Plan consists of individual rate plans (benefit tiers) within a safety risk pool (police and fire) and a miscellaneous risk pool (all other). Plan assets may be used to pay benefits for any employer rate plan of the safety and miscellaneous pools. Accordingly, rate plans within the safety or miscellaneous pools are not separate plans under GASB Statement No. 68. Individual employers may sponsor more than one rate plan in the safety and miscellaneous pools. The City sponsors five rate plans (two miscellaneous and three safety). Benefit provisions under the Plan are established by State statute and City resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website.

Employee Covered by Benefit Terms

As of June 30, 2018, valuation date, the following employees were covered by benefit terms:

	<b>Plans</b>				
	<b>Miscellaneous</b>		<b>Safety</b>		
	<b>Classic</b>	<b>PEPRA</b>	<b>Classic</b>	<b>Tire II</b>	<b>PEPRA</b>
Active employees	40	23	16	4	8
Transferred and terminated employees	160	16	14	7	3
Retired Employees and Beneficiaries	110	1	95	2	0
Total	310	40	125	13	11

Benefits Provided

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

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

**Note 6 – Defined Benefit Pension Plan (Continued)**

**A. General Information about the Pension Plans (Continued)**

Benefits Provided (Continued)

Below is the summary of the plans' provisions and benefits in effect at June 30, 2020, for which the City of Bell has contracted:

	Plans				
	Miscellaneous		Classic	Safety	
	Classic	PEPRA		Tire II	PEPRA
	Prior to January 1, 2013	January 1, 2013 and after	Prior to January 1, 2010	January 1, 2010 but prior to January 1, 2013	January 1, 2013 and after
Hire date	Prior to January 1, 2013	January 1, 2013 and after	Prior to January 1, 2010	January 1, 2010 but prior to January 1, 2013	January 1, 2013 and after
Benefit formula	2.7% @ 55	2% @ 62	3.0% @ 50	3.0% @ 55	2.7% @ 55
Benefit vesting schedule	5 years service	5 years service	5 years service	5 years service	5 years service
Benefit payments	Monthly for life	Monthly for life	Monthly for life	Monthly for life	Monthly for life
Retirement age	Minimum 50 yrs	Minimum 52 yrs	Minimum 50 yrs	Minimum 50 yrs	Minimum 50 yrs
Monthly benefits, as a % of eligible compensation	1.426%-2.418%, 50 yrs - 63+yrs, respectively	1.00%-2.50%, 52 yrs - 67+yrs, respectively	3%	2.400%-3.000%, 50 yrs - 55+yrs, respectively	2.000%-2.7000%, 50 yrs - 52+yrs, respectively
Employee contribution rate	8.00%	6.75%	9.100%	9.000%	12.250%
Employer contribution rate (Measurement period)	13.847%	7.480%	22.346%	20.416%	12.965%
Employer contribution rate (current fiscal year)	14.625%	7.482%	22.654%	21.748%	13.786%

Participant is eligible for non-industrial disability retirement if he/she becomes disabled and has at least 5 years of credited service. There is no special age requirement. The standard non-industrial disability retirement benefit is a monthly allowance equal to 1.8 percent of final compensation, multiplied by service. Industrial disability benefits are not offered.

An employee's beneficiary may receive the basic death benefit if the employee dies while actively employed. A member's survivor who is eligible for any other pre-retirement death benefit may choose to receive that death benefit instead of this basic death benefit. The basic death benefit is a lump sum in the amount of the employee's accumulated contributions, where interest is currently credited at 7.5 percent per year, plus a lump sum in the amount of one month salary for each completed year of current service, up to a maximum of six months' salary. For purposes of this benefit, one month's salary is defined as the member's average monthly full-time rate of compensation during the 12 or 36 months preceding death.

Upon the death of a retiree, a one-time lump sum payment of \$500 will be made to the retiree's designated survivor(s), or to the retiree's estate.

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

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

---

**Note 6 – Defined Benefit Pension Plan (Continued)**

**A. General Information about the Pension Plans (Continued)**

Contribution Description

Section 20814(c) of the California Public Employees' Retirement Law ("PERL") requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through the CalPERS' annual actuarial valuation process. The actuarially determined rate is based on the estimated amount necessary to pay the Plan's allocated share of the risk pool's costs of benefits earned by employees during the year, and any unfunded accrued liability. The City is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

For the year ended June 30, 2020 (measurement date of June 30, 2019), the contributions recognized as a reduction to the collective net pension liability was \$1,069,623 for the Miscellaneous Plan and \$1,584,979 for the Safety Plan, for a total of \$2,654,602.

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

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

For the measurement period ended June 30, 2019, the total pension liability was determined by rolling forward the June 30, 2018 total pension liability. The June 30, 2019 total pension liabilities were based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Discount Rate	7.15%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Mortality Rate Table <sup>1</sup>	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.0% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.50% thereafter

<sup>1</sup>The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 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 December 2017 that can be found on the CalPERS website.

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

**Note 6 – Defined Benefit Pension Plan (Continued)**

***B. Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)***

Change of Assumption

In 2019, there were no changes in assumptions.

Long-Term Expected Rate of Return

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

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

The expected real rates of return by asset class are as followed

Asset Class <sup>1</sup>	Assumed Asset Allocation	Real Return Years 1 - 10 <sup>2</sup>	Real Return Years 11+ <sup>3</sup>
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	0.00%	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.93%
Liquidity	1.00%	0.00%	-0.92%
	<u>100%</u>		

<sup>1</sup> In the CalPERS' CAFR, Fixed Income is included in Global Debt Securities; Liquidity is included in Short-term Investments; Inflation Assets are included in both Global Equity Securities and Global Debt Securities

<sup>2</sup> An expected inflation of 2.00% used

<sup>3</sup> An expected inflation of 2.92% used

Discount Rate

The discount rate used to measure the total pension liability was 7.15%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

**Note 6 – Defined Benefit Pension Plan (Continued)**

***B. Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)***

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

The following presents the net pension liability of the plans as of the measurement date, calculated using the discount rate of 7.15%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.15%) or 1 percentage-point higher (8.15%) than the current rate:

	<b>Plan's Aggregate Net Pension Liability</b>		
	<b>Discount Rate</b>	<b>Current Discount</b>	<b>Discount Rate</b>
	<b>- 1% (6.15%)</b>	<b>Rate (7.15%)</b>	<b>+ 1% (8.15%)</b>
Miscellaneous Plan	\$ 21,931,241	\$ 13,672,397	\$ 6,855,305
Safety Plan	37,619,733	24,837,547	14,358,157
Total	\$ 59,550,974	\$ 38,509,944	\$ 21,213,462

Pension Plan Fiduciary Net Position

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

Proportionate Share of Net Pension Liability and Pension Expense

The following table shows the plan's proportionate share of the risk pool collective net pension liability over the measurement period:

<b>Miscellaneous Plan</b>			
	<b>Increase (Decrease)</b>		
	<b>Total Pension</b>	<b>Plan Fiduciary</b>	<b>Net Pension</b>
	<b>Liability</b>	<b>Net Position</b>	<b>Liability</b>
	<b>(a)</b>	<b>(b)</b>	<b>(c) = (a) - (b)</b>
Balance at 6/30/18 (Valuation Date)	\$ 39,001,673	\$ 26,023,111	\$ 12,978,562
Balance at 6/30/19 (Measurement Date)	41,588,435	27,916,038	13,672,397
Net Changes during 2018-2019	2,586,762	1,892,927	693,835
<b>Safety Plan</b>			
	<b>Increase (Decrease)</b>		
	<b>Total Pension</b>	<b>Plan Fiduciary</b>	<b>Net Pension</b>
	<b>Liability</b>	<b>Net Position</b>	<b>Liability</b>
	<b>(a)</b>	<b>(b)</b>	<b>(c) = (a) - (b)</b>
Balance at 6/30/18 (Valuation Date)	\$ 77,737,095	\$ 54,579,696	\$ 23,157,399
Balance at 6/30/19 (Measurement Date)	80,249,907	55,412,360	24,837,547
Net Changes during 2018-2019	2,512,812	832,664	1,680,148

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

**Note 6 – Defined Benefit Pension Plan (Continued)**

***B. Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)***

Proportionate Share of Net Pension Liability and Pension Expense (Continued)

The following is the approach established by the plan actuary to allocate the net pension liability and pension expense to the individual employers within the risk pool.

- (1) In determining a cost-sharing plan's proportionate share, total amounts of liabilities and assets are first calculated for the risk pool as a whole on the valuation date (June 30, 2018). The risk pool's fiduciary net position ("FNP") subtracted from its total pension liability ("TPL") determines the net pension liability ("NPL") at the valuation date.
- (2) Using standard actuarial roll forward methods, the risk pool TPL is then computed at the measurement date (June 30, 2019). Risk pool FNP at the measurement date is then subtracted from this number to compute the NPL for the risk pool at the measurement date. For purposes of FNP in this step and any later reference thereto, the risk pool's FNP at the measurement date denotes the aggregate risk pool's FNP at June 30, 2019 less the sum of all additional side fund (or unfunded liability) contributions made by all employers during the measurement period (2018-19).
- (3) The individual plan's TPL, FNP and NPL are also calculated at the valuation date.
- (4) Two ratios are created by dividing the plan's individual TPL and FNP as of the valuation date from (3) by the amounts in step (1), the risk pool's total TPL and FNP, respectively.
- (5) The plan's TPL as of the measurement date is equal to the risk pool TPL generated in (2) multiplied by the TPL ratio generated in (4). The plan's FNP as of the Measurement Date is equal to the FNP generated in (2) multiplied by the FNP ratio generated in (4) plus any additional side fund (or unfunded liability) contributions made by the employer on behalf of the plan during the measurement period.
- (6) The plan's NPL at the Measurement Date is the difference between the TPL and FNP calculated in (5).

Deferred outflows of resources, deferred inflows of resources, and pension expense is allocated based on the City's share of net pension liability at the measurement date.

The City's proportionate share of the net pension liability was as follows:

	<b>Plans</b>	
	<b>Miscellaneous</b>	<b>Safety</b>
June 30, 2018	0.13468%	0.24032%
June 30, 2019	0.13343%	0.24239%
Change - Increase (Decrease)	-0.00126%	0.00207%

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

**Note 6 – Defined Benefit Pension Plan (Continued)**

***B. Pension Liabilities, Pension Expenses, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)***

Proportionate Share of Net Pension Liability and Pension Expense (Continued)

For the year ended June 30, 2020, the City recognized pension expense in the amounts of \$2,100,628 and \$3,645,123 for the miscellaneous plan and safety plan, respectively.

The expected average remaining service lifetime (“EARSL”) is calculated by dividing the total future service years by the total number of plan participants (active, inactive, and retired). The EARSL for the miscellaneous plan and the safety risk pool for the 2018-19 measurement period is 3.8 years, which was obtained by dividing the total service years of 530,470 (the sum of remaining service lifetimes of the active employees) by 140,593 (the total number of participants: active, inactive, and retired).

As of June 30, 2019, the measurement date, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

	<b>Miscellaneous Plan</b>		<b>Safety Plan</b>	
	<b>Deferred outflows of Resources</b>	<b>Deferred inflows of Resources</b>	<b>Deferred outflows of Resources</b>	<b>Deferred inflows of Resources</b>
Contribution made after the measurement date	\$ 1,388,501	\$ -	\$ 2,039,187	\$ -
Changes of assumptions	651,965	(231,115)	1,018,047	(198,671)
Difference between expected and actual experience	949,606	(73,576)	1,621,668	-
Net difference between projected and actual earning on pension plan investments	-	(239,034)	-	(341,682)
Adjustment due to differences in proportions	6,585	(529,198)	215,336	(167,286)
Difference between the City's contributions and proportionate share of contributions	15,267	(150,442)	-	(1,137,405)
Total	<u>\$ 3,011,924</u>	<u>\$ (1,223,365)</u>	<u>\$ 4,894,238</u>	<u>\$ (1,845,044)</u>

\$1,388,501 and \$2,039,187 reported as deferred outflows of resources related to pensions for miscellaneous plan and safety plan, respectively, resulting from the City’s contributions subsequent to the measurement date will be recognized as a reduction of the collective net pension liability in the year ending June 30, 2021. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in the future pension expense as follows:

	<b>Deferred Outflows/(Inflows) of Resources</b>	
<b>Year Ended June 30</b>	<b>Miscellaneous</b>	<b>Safety</b>
2021	\$ 692,551	\$ 1,187,143
2022	(393,170)	(386,593)
2023	52,375	142,976
2024	48,302	66,481
2025	-	-
Thereafter	-	-
Total	<u>\$ 400,058</u>	<u>\$ 1,010,007</u>

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

---

**Note 7 – Other Postemployment Benefits (“OPEB”)**

**A. General Information about the OPEB Plan**

Plan Description

The City administers a single-employer defined benefit plan (the Plan), which provides health care benefits and other benefits such as vision and dental coverage to City retirees and their eligible dependents in accordance with City contracts and agreements.

Eligibility is determined by CalPERS vesting rules, date of hire, and years of service at retirement date. Both Miscellaneous and Safety members who retire from the City and have attained at least the age of 50 and completed 5 years of CalPERS service or become disabled and have completed 5 years of CalPERS service are eligible for health care benefits after retirement. Miscellaneous members who retire after January 1, 1997, with 30 years of service, who retire after July 1, 2006 with 20 years of service, and elected officials whose term started before January 1, 1995 and ended after July 1, 1997 and have completed at least 12 years of credited service are also eligible for health care benefits. The City pays the cost of health benefits and other benefits for eligible retirees and eligible dependents as established by the City's contract, agreements, and/or resolution. Currently, City Council Resolution 91-33 caps the benefit payments at \$563 per month. The plan is included in the CalPERS financial statements available on the CalPERS website.

Employees Covered

As of the June 30, 2020 measurement date (June 30, 2019 valuation date), the following current and former employees were covered by the benefit terms under the Plan:

Active plan members	92
Inactive plan members or beneficiaries currently receiving benefit payments	<u>76</u>
Total	<u><u>168</u></u>

Contributions

The Plan and its contribution requirements are established by Memoranda of Understanding with the applicable employee bargaining units and may be amended by agreements between the City and the bargaining units. The annual contribution is based on the actuarially determined contribution. For the measurement date ended June 30, 2020, the City's contributions including the implicit subsidy were \$771,107 in total payments, which were recognized as a reduction to the total OPEB liability. The City currently finances benefits on a pay-as-you-go basis.



**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

**Note 7 – Other Postemployment Benefits (“OPEB”) (Continued)**

**B. Total OPEB Liability**

Actuarial Methods and Assumptions Used to Determine Total OPEB Liability

The total OPEB liability as of June 30, 2020 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Inflation	2.75%
Salary increases	2.75%, average, including inflation
Discount rate	2.20%, net of expense
Healthcare cost trend rate	8.00% for 2017-18, decreasing to 4.00% for 2020-21 and after
Retirees' share of cost	Retirees pay the balance of the premium after City contribution of \$563/month (additional contributions made in certain cases depending on classification and date of hire).

Change in Assumptions

The discount rate decreased from 3.5% at June 30, 2019 to 2.20% at June 30, 2020.

Discount Rate

The discount rate used was based on the Bond Buyer 20-bond General Obligation index at June 30, 2020 the rate is 2.20%. The City does not prefund any portion of the OPEB liability. Because the City has not contributed to a qualifying trust, the fiduciary net position of the plan is \$0 and the Net OPEB liability is by definition equal to the total OPEB liability in the amount of \$14,794,462.

**C. Changes in the Net OPEB Liability**

The following table shows the changes in the total OPEB liability recognized over the measurement period.

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (c) = (a) - (b)
Balance at July 1, 2019	\$ 14,490,647	\$ -	\$ 14,490,647
Changes Recognized for the Measurement Period:			
Service Cost	352,168	-	352,168
Interest on the total OPEB liability	499,841	-	499,841
Changes of benefit terms	-	-	-
Changes of assumptions	832,025	-	832,025
Difference between expected and actual experience	(609,112)	-	(609,112)
Contributions from the employer	-	771,107	(771,107)
Contributions from employees	-	-	-
Net investment income	-	-	-
Benefit payments, including refunds of employee contributions	(771,107)	(771,107)	-
Administrative Expense	-	-	-
Net Changes during July 1, 2019 to June 30, 2020	\$ 303,815	\$ -	\$ 303,815
Balance at June 30, 2020 (Measurement Date)	\$ 14,794,462	\$ -	\$ 14,794,462

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

**Note 7 – Other Postemployment Benefits (“OPEB”) (Continued)**

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

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

The following table presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.2 percent) or 1-percentage-point higher (3.2 percent) than the current discount rate:

<b>Plan's Net OPEB Liability</b>		
<b>Discount Rate - 1%</b>	<b>Current Discount</b>	<b>Discount Rate + 1%</b>
<b>(1.20%)</b>	<b>Rate (2.20%)</b>	<b>(3.20%)</b>
\$ 16,365,735	\$ 14,794,462	\$ 13,467,958

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

The following presents the total OPEB liability of the City, as well as what the City’s total OPEB liability would be if it were calculated using healthcare cost trend rates that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

<b>Plan's Net OPEB Liability</b>		
<b>Discount Rate - 1%</b>	<b>Current Discount</b>	<b>Discount Rate + 1%</b>
<b>Rate (7.00%)</b>	<b>Rate (8.00%)</b>	<b>Rate (9.00%)</b>
<b>decreasing to 3.00%</b>	<b>decreasing to 4.00%</b>	<b>decreasing to 5.00%</b>
\$ 14,048,006	\$ 14,794,462	\$ 15,631,872

**D. OPEB Expenses and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the fiscal year ended June 30, 2020, the City recognized OPEB expenses in the amount of \$913,359. As of June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<b>Deferred outflows of Resources</b>	<b>Deferred inflows of Resources</b>
Change of assumptions	\$ 1,113,639	\$ (123,000)
Difference between expected and actual experience	-	(573,117)
Total	\$ 1,113,639	\$ (696,117)

The amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in future OPEB expenses based on expected average remaining service lifetime for the measurement period 9.4 years as follows:

<b>Year Ending</b>	<b>Deferred Outflows/(Inflows) of Resources OPEB Plan</b>
<b>June 30</b>	
2021	\$ 88,131
2022	177,620
2023	23,714
2024	23,714
2025	23,714
Thereafter	80,629
Total	\$ 417,522

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

---

**Note 8 – Related Party Transactions**

As described in the California State Controller's Office ("SCO") Audit of the City's Administrative and Internal Accounting Control System for the period July 1, 2008 to June 30, 2010, dated September 22, 2010, the City made unsecured interest-bearing loans to members of the City Council, City officials, City employees, and local business at the discretion of the former Chief Administration Officer. Loans bear interest at LAIF interest rates and have various repayment terms. The outstanding loans receivable balance at June 30, 2020, was \$37,733 and is included in the loans receivable balance however it also has an associated allowance for doubtful accounts to offset the loan.

**Note 9 – Successor Agency Trust for Assets of the Former Redevelopment Agency**

On December 29, 2011, the California Supreme Court upheld AB 1x 26 that provides for the dissolution of all redevelopment agencies in the State of California. This action impacted the reporting entity of the City that previously had reported the former Agency within the reporting entity of the City as a blended component unit. In June 2012, the Legislature adopted AR 1484, which amended portions of AB 1x 26 and added certain new provisions. AB 1x 26 and AB 1484 are collectively referred to herein as the "Bill."

The Bill provides that upon dissolution of a redevelopment agency, either city or another unit local government will agree to serve as the "successor agency" to hold the assets until they are distributed to other units of state and local government. The successor agency is defined as being a separate legal entity from the City. On January 10, 2012, the City Council elected to become the Successor Agency for the former Redevelopment Agency in accordance with the Bill as part of City resolution number 28029. The assets and activities of the Successor Agency for the former Agency are reported in a fiduciary fund (private-purpose trust fund) in the financial statements of the City.

Subject to the approval of the oversight board and the State of California Department of Finance ("DOF"), remaining assets can only be used to pay enforceable obligations in existence at the date of dissolution (including the completion of any unfinished projects that were subject to legally enforceable contractual commitments).

Successor agencies are allocated property tax revenue in the amount that is necessary to pay the estimated installment payments on enforceable obligations of the former redevelopment agencies until all enforceable obligations of the prior redevelopment agencies have been paid in full and all assets have been liquidated.

**A. Cash and Investments**

Cash and investments of the Successor Agency is pooled with the City funds and are invested in accordance with the City's investment policy. The Cash and investments reported in the accompanying financial statements consisted of the following:

Cash and Investments	\$ 2,815,414
Restricted:	
Cash with fiscal agent	<u>2,042,619</u>
Total	<u>\$ 4,858,033</u>

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

**Note 9 – Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)**

**B. Capital Assets Held by the Successor Agency**

Summary of changes in the Successor Agency's capital assets for the year ended June 30, 2020 is as follows:

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020
<b>Capital assets, not being depreciated:</b>				
Land	\$ 8,286,780	\$ -	\$ -	\$ 8,286,780
<b>Total capital assets, not being depreciated</b>	<b>8,286,780</b>	<b>-</b>	<b>-</b>	<b>8,286,780</b>
<b>Capital assets, being depreciated:</b>				
Building and improvements	7,478,617	-	-	7,478,617
<b>Total capital assets, being depreciated</b>	<b>7,478,617</b>	<b>-</b>	<b>-</b>	<b>7,478,617</b>
<b>Less accumulated depreciation for:</b>				
Building and improvements	(1,826,811)	(152,814)	-	(1,979,625)
<b>Total accumulated depreciation</b>	<b>(1,826,811)</b>	<b>(152,814)</b>	<b>-</b>	<b>(1,979,625)</b>
<b>Total capital assets, being depreciated, net</b>	<b>5,651,806</b>	<b>(152,814)</b>	<b>-</b>	<b>5,498,992</b>
<b>Total capital assets, net</b>	<b>\$13,938,586</b>	<b>\$ (152,814)</b>	<b>\$ -</b>	<b>\$13,785,772</b>

Depreciation expense for the year ended June 30, 2020 was \$152,814.

**C. Summary of the Successor Agency's Long-Term Debt**

Summary of changes of the Successor Agency's long-term debt for the year ended June 30, 2020 is as follows:

	Balance July 1, 2019	Additions	Deletions	Balance June 30, 2020	Due within One Year	Due in More Than One Year
<b>Tax allocation bonds - Publicly Offered</b>						
Refunding Bonds, Series 2003	\$14,505,000	\$ -	\$ (1,230,000)	\$13,275,000	\$ 1,300,000	\$11,975,000
<b>Total tax allocation bonds</b>	<b>14,505,000</b>	<b>-</b>	<b>(1,230,000)</b>	<b>13,275,000</b>	<b>1,300,000</b>	<b>11,975,000</b>
<b>Promissory notes</b>						
2009 Promissory Note	1,000,000	-	(125,000)	875,000	250,000	625,000
<b>Total promissory notes</b>	<b>1,000,000</b>	<b>-</b>	<b>(125,000)</b>	<b>875,000</b>	<b>250,000</b>	<b>625,000</b>
<b>SERAF Loan</b>	<b>1,124,273</b>	<b>-</b>	<b>(352,760)</b>	<b>771,513</b>	<b>-</b>	<b>771,513</b>
<b>Total long-term liability</b>	<b>\$16,629,273</b>	<b>\$ -</b>	<b>\$ (1,707,760)</b>	<b>\$14,921,513</b>	<b>\$ 1,550,000</b>	<b>\$13,371,513</b>

**Tax Allocation Refunding Bonds, Series 2003**

On October 1, 2003, the former Agency issued \$27,925,000 of 2003 Tax Allocation Refunding Bonds (2003 Bonds). The proceeds were used to refund the former Agency's previously issued Tax Allocation Refunding Bonds Series 1994, Subordinated Tax Allocation Refunding Bonds Series 1994, and to finance a portion of the costs of the redevelopment projects, which were not considered capital assets of the former Agency. The original issuance was also used for redevelopment projects that are not considered capital assets of the former Redevelopment Agency.

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

**Note 9 – Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)**

**C. Summary of the Successor Agency's Long - Term Debt (Continued)**

Tax Allocation Refunding Bonds, Series 2003 (Continued)

The 2003 Bonds consist of \$13,420,000 of serial bonds and \$14,505,000 of term bonds. The serial bonds accrue interest at rates between 2.00% and 4.70%, which is payable semiannually on April 1 and October 1 of each year commencing October 1, 2004. Principal on the serial bonds is payable on April 1, 2004 through October 1, 2031 in amounts ranging from \$710,000 to \$1,525,000. The first portion of the term bonds with principal of \$6,870,000 accrues interest at a rate of 5.50% and matures on October 1, 2023. The second portion of term bonds with principal of \$7,635,000 accrues interest at a rate of 5.625% and matures on October 1, 2033. The outstanding balance at June 30, 2020 was \$13,275,000.

The Tax Allocation Refunding Bonds, Series 2003 debt service requirements to maturity are as follows:

Year Ending June 30	Principal	Interest	Total
2021	\$ 1,300,000	\$ 703,919	\$ 2,003,919
2022	1,370,000	630,494	2,000,494
2023	1,445,000	553,081	1,998,081
2024	1,525,000	471,406	1,996,406
2025	590,000	412,875	1,002,875
2026-2030	3,480,000	1,513,967	4,993,967
2031-2034	3,565,000	414,703	3,979,703
Total	<u>\$ 13,275,000</u>	<u>\$ 4,700,445</u>	<u>\$ 17,975,445</u>

The 2003 Tax Allocation Refunding Bonds are secured by and to be serviced from the tax increment levied and collected by the Agency. Tax increment revenues are pledged until October 1, 2033, the final maturity date of the bonds. The total remaining debt service amount for the bonds is \$17,975,445. The Successor Agency had debt service payments totaling \$2,003,494 during the year ended June 30, 2020.

2009 Promissory Note

On May 21, 2009, the former Agency entered into a promissory agreement for \$4,600,000. The agreement was entered into for the purchase of a commercial property within the City. The agreement provides for monthly payments at a stipulated interest rate of 6% for a term of 15 years with the note paid in full in 2024. In October 2010, the former Agency was in default on the 2009 Promissory Note. The entire \$4.4 million balance of the note became due and payable. The former Agency did not make any principal and interest payments since October 2010, because the validity of this transaction was questionable. The holder of the 2009 Promissory Note commenced a foreclosure proceeding against the former Agency. The City and the former Agency filed a lawsuit for declaratory relief, a gift of public funds, and injunctive relief to preclude and/or postpone the foreclosure and sale of the subject property, commonly known as the Western Auto Center.

The City and the former Agency were successful in obtaining a temporary restraining order and preliminary injunction to prevent the sale or transfer of the property from occurring pending the outcome of this lawsuit. Following several motions, mediations and settlement conferences, the City and the Successor Agency reached a settlement agreement with the holder of the 2009 Promissory Note, pursuant to which the City will retain the property for redevelopment purposes for the price of \$2,500,000. To repay this settlement amount, the City and the Successor Agency also entered into a new promissory agreement secured by a new deed of trust for \$2,500,000 at a stipulated interest rate of 5% for a term of 10 year. The settlement was approved by the court on September 19, 2013.

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

---

**Note 9 – Successor Agency Trust for Assets of the Former Redevelopment Agency (Continued)**

**C. Summary of the Successor Agency's Long - Term Debt (Continued)**

2009 Promissory Note (Continued)

Since the principal amount of the new promissory note of \$2,500,000 is less than the principal amount of the 2009 Promissory Note of \$4,353,685 and the accrued interest of \$436,836, the gain on forgiveness of note payable due of \$2,290,521 was reported as a special item in during the year ended June 30, 2013.

The new promissory note was approved by the Oversight Board of the Successor Agency on September 23, 2013, and the California Department of Finance on November 7, 2013, as an enforceable obligation of the former Agency. Since the new promissory note is an enforceable obligation, this obligation will be repaid by the redevelopment property tax trust fund revenue allocated to the Successor Agency. If the amount of redevelopment property tax trust fund revenue allocated to the Successor Agency is not sufficient to pay for principal and interest payment due on the note, the Successor Agency shall pay an amount equal to at least 33% of the available redevelopment property tax trust fund revenue allocated to the Successor Agency for that period.

The promissory note debt service requirements to maturity are as follows:

June 30	Principal	Interest	Total
2021	\$ 250,000	\$ 18,750	\$ 268,750
2022	250,000	31,250	281,250
2023	250,000	18,750	268,750
2024	125,000	6,250	131,250
Total	<u>\$ 875,000</u>	<u>\$ 75,000</u>	<u>\$ 950,000</u>

SERAF Loan

On May 15, 2015 the Department of Finance reinstated the SERAF Loan between the Successor Agency and the Low Mod Housing Successor Fund. HSC Section 34191.4(b)(2)(A) allows this repayment to be equal to one-half of the increase between the ROPS residual pass-through distributed to the taxing entities in that fiscal year and the ROPS residual pass-through disturbed to the taxing entities in the fiscal year 2012-13 base year. At June 30, 2020, the outstanding balance was \$771,513.

**Note 10 – Other Required Disclosures**

**A. Deficit Net Position**

In the government-wide financial statements, the City had a deficit unrestricted net position as of June 30, 2020 for its governmental activities of \$(35,536,651). The deficit was mainly due to the reporting of the net pension liabilities starting fiscal year 2015 and the total OPEB liabilities starting fiscal year 2018 on the financial statements. The aggregate net pension liabilities and total OPEB liability reported were \$38,509,944 and \$14,794,462, respectively.

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

---

**Note 10 – Other Required Disclosures (Continued)**

***B. Deficit Fund Balances***

The following funds had a deficit fund balance as of June 30, 2020:

Retirement Special Revenue Fund	\$ (1,205,914)
Nonmajor Governmental Funds:	
Street Lighting	(14,930)
OTS State Grant	(10,372)
Federal Grants	(58,892)

The deficits will be recovered by future tax revenues and grant revenues.

***C. Expenditures Over Appropriations***

The following funds had expenditures in excess of appropriations:

Fund	Appropriations	Expenditures	Excess of Expenditures Over Appropriations
<b>General Fund:</b>			
Current:			
General government - City attorney	\$ 620,000	\$ 753,498	\$ (133,498)
Non-departmental	931,294	961,882	(30,588)
Public works	347,920	697,162	(349,242)
Capital outlay	814,334	2,097,682	(1,283,348)
Debt service:			
Principal retirement	100,884	150,106	(49,222)
Interest and fiscal charges	1,000	50,745	(49,745)
<b>Nonmajor Governmental Funds:</b>			
Street Lighting Special Revenue Fund			
Current:			
Public works	484,871	498,700	(13,829)
Proposition C Special Revenue Fund			
Current:			
General government	3,459	4,014	(555)
Federal Grants Special Revenue Fund			
Current:			
Public works	-	2,783	(2,783)
Community Housing Authority Debt Service Fund			
Debt service:			
Interest and fiscal charges	743,051	743,545	(494)

**City of Bell**  
**Notes to the Basic Financial Statements (Continued)**  
**For the Year Ended June 30, 2020**

---

**Note 11 – Contingencies and Commitments**

**A. Grants**

Under the terms of federal and state grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. City management believes disallowances, if any, would not materially affect the financial statements of the City.

**B. COVID-19 Pandemic**

In December 2019, a novel strain of coronavirus has spread around the world resulting in business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. The operations and business results of City could potentially be adversely affected by this global pandemic. The extent to which the coronavirus may impact business activity or investment results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus. The ultimate financial impact and duration cannot be estimated at this time.

**C. Commitments**

The City did not have significant outstanding commitments at June 30, 2020.

**Note 12 – Subsequent Event**

On August 15, 2020, the City entered into a master lease purchase agreement to acquire of certain streetlights from Southern California Edison with Pinnacle Public Finance, Inc. in the amount of \$1,500,000 with 3.5% interest rate. The principal matures in amounts ranging from \$127,862 to \$174,263 from August 15, 2021 through August 15, 2030.



**REQUIRED SUPPLEMENTARY INFORMATION  
(UNAUDITED)**

*This page intentionally left blank.*

**City of Bell**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule - General Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Taxes	\$ 7,608,877	\$ 7,625,877	\$ 7,591,192	\$ (34,685)
Licenses and permits	707,450	707,450	747,799	40,349
Intergovernmental	3,902,207	4,159,207	4,522,011	362,804
Charges for services	1,097,452	1,097,452	1,131,810	34,358
Use of money and property	348,000	348,000	483,617	135,617
Fines and forfeitures	395,000	395,000	369,945	(25,055)
Miscellaneous	122,575	122,575	367,640	245,065
<b>Total revenues</b>	<b>14,181,561</b>	<b>14,455,561</b>	<b>15,214,014</b>	<b>758,453</b>
<b>EXPENDITURES:</b>				
Current:				
General government:				
City council	161,885	161,885	140,681	21,204
City manager	264,808	305,808	281,919	23,889
Human resources	387,582	402,582	322,406	80,176
Finance	971,526	1,001,526	964,924	36,602
City attorney	570,000	620,000	753,498	(133,498)
City clerk	216,138	231,138	178,922	52,216
Non-departmental	1,108,894	931,294	961,882	(30,588)
Public safety	7,783,990	8,037,626	7,125,704	911,922
Community development	936,505	1,111,657	941,673	169,984
Community services	2,740,907	3,248,610	2,617,244	631,366
Public works	120,413	347,920	697,162	(349,242)
Capital outlay	43,000	814,334	2,097,682	(1,283,348)
Debt service:				
Principal retirement	15,013	100,884	150,106	(49,222)
Interest and fiscal charges	1,000	1,000	50,745	(49,745)
<b>Total expenditures</b>	<b>15,321,661</b>	<b>17,316,264</b>	<b>17,284,548</b>	<b>31,716</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,140,100)</b>	<b>(2,860,703)</b>	<b>(2,070,534)</b>	<b>790,169</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	655,504	655,504	622,333	(33,171)
Transfers out	-	-	(230,420)	(230,420)
<b>Total other financing sources (uses)</b>	<b>655,504</b>	<b>655,504</b>	<b>391,913</b>	<b>(263,591)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>\$ (484,596)</b>	<b>\$ (2,205,199)</b>	<b>(1,678,621)</b>	<b>\$ 526,578</b>
<b>FUND BALANCE:</b>				
Beginning of Year			22,419,020	
End of Year			<u>\$ 20,740,399</u>	

**City of Bell**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule - Retirement Special Revenue Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Taxes	\$ 2,258,100	\$ 2,258,100	\$ 2,505,323	\$ 247,223
Intergovernmental	1,100,000	1,100,000	1,283,199	183,199
Use of money and property	-	-	309	309
<b>Total revenues</b>	<u>3,358,100</u>	<u>3,358,100</u>	<u>3,788,831</u>	<u>430,731</u>
<b>EXPENDITURES:</b>				
Current:				
General government	1,224,715	1,224,715	1,159,295	65,420
Public safety	1,835,274	1,835,274	1,799,438	35,836
<b>Total expenditures</b>	<u>3,059,989</u>	<u>3,059,989</u>	<u>2,958,733</u>	<u>101,256</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>298,111</u>	<u>298,111</u>	<u>830,098</u>	<u>531,987</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	115,580	115,580	115,580	-
Transfers out	(923,573)	(923,573)	(923,573)	-
<b>Total other financing sources (uses)</b>	<u>(807,993)</u>	<u>(807,993)</u>	<u>(807,993)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (509,882)</u>	<u>\$ (509,882)</u>	22,105	<u>\$ 531,987</u>
<b>FUND BALANCE:</b>				
Beginning of Year			(1,228,019)	
End of Year			<u>\$ (1,205,914)</u>	

**City of Bell**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule - Community Housing Authority Special Revenue Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Use of money and property	\$ 2,783,896	\$ 2,783,896	\$ 2,752,285	\$ (31,611)
Miscellaneous	100	100	631	531
<b>Total revenues</b>	<u>2,783,996</u>	<u>2,783,996</u>	<u>2,752,916</u>	<u>(31,080)</u>
<b>EXPENDITURES:</b>				
Current:				
General government	42,034	42,034	30,207	11,827
Community development	1,431,463	1,436,663	1,180,170	256,493
Capital outlay	-	24,800	-	24,800
<b>Total expenditures</b>	<u>1,473,497</u>	<u>1,503,497</u>	<u>1,210,377</u>	<u>293,120</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>1,310,499</u>	<u>1,280,499</u>	<u>1,542,539</u>	<u>262,040</u>
<b>OTHER FINANCIN USES:</b>				
Transfers out	(1,749,849)	(1,749,849)	(1,749,849)	-
<b>Total other financing uses</b>	<u>(1,749,849)</u>	<u>(1,749,849)</u>	<u>(1,749,849)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (439,350)</u>	<u>\$ (469,350)</u>	<u>(207,310)</u>	<u>\$ 262,040</u>
<b>FUND BALANCE:</b>				
Beginning of Year			<u>4,190,716</u>	
End of Year			<u>\$ 3,983,406</u>	

*This page intentionally left blank.*

**City of Bell**  
**Required Supplementary Information**  
**Notes to the Budgetary Comparison Schedules**  
**For the Year Ended June 30, 2020**

---

**Budget and Budgetary Accounting**

The City Council establishes budgets for all governmental funds on a basis consistent with Generally Accepted Accounting Principles, with the exception of capital projects which are budgeted a project-length basis. The City Council approves budget submitted by the City Manager prior to the beginning of the new fiscal year. Public hearings are conducted prior to its adoption by the City Council. All supplemental appropriations, where required during the period, are also approved by the City Council. Intradepartmental budget transfers are approved by the City Manager. In most cases, expenditures may not exceed appropriations at the departmental level with the General Fund and at the fund level for other funds. At fiscal year-end, all operating budget appropriations lapse. The budgetary comparison schedule was not presented for the Federal Asset Seizure Special Revenue Fund due to no approved budget for the year ended June 30, 2020.

Encumbrances are estimates of costs related to unperformed contracts for goods and services. These commitments are recorded for budgetary control purposes in governmental funds. These commitments are recorded for budgetary control purposes in governmental funds. Encumbrances are closed out at the end of each fiscal year.

**City of Bell**  
**Required Supplementary Information**  
**Schedule of the City's Proportionate Share of the Net Pension Liability and Related Ratios**  
**For the Year Ended June 30, 2020**

**Last Ten Fiscal Years**

**California Public Employees' Retirement System Defined Pension Plan - Miscellaneous**

Measurement period	2013-14 <sup>1</sup>	2014-15	2015-16	2016-17	2017-18
City's proportion of the net pension liability	0.11340%	0.12093%	0.11681%	0.13360%	0.13468%
City's proportionate share of the net pension liability	\$ 8,300,842	\$ 10,107,586	\$ 11,878,189	\$ 13,249,607	\$ 12,978,562
City's covered payroll	\$ 3,271,270	\$ 2,499,269	\$ 2,822,312	\$ 3,007,673	\$ 3,073,096
City's proportionate share of the net pension liability as a percentage of its covered payroll	253.75%	404.42%	420.87%	440.53%	422.33%
Plan fiduciary net position as a percentage of the total pension liability	76.29%	78.39%	74.06%	65.30%	66.72%

**California Public Employees' Retirement System Defined Pension Plan - Safety**

Measurement period	2013-14 <sup>1</sup>	2014-15	2015-16	2016-17	2017-18
City's proportion of the net pension liability	0.21049%	0.19082%	0.18106%	0.23005%	0.24032%
City's proportionate share of the net pension liability	\$ 13,097,414	\$ 15,667,179	\$ 20,092,937	\$ 22,815,053	\$ 23,157,399
City's covered payroll	\$ 2,787,548	\$ 1,631,843	\$ 1,647,040	\$ 2,372,016	\$ 2,565,279
City's proportionate share of the net pension liability as a percentage of its covered payroll	469.85%	960.09%	1219.94%	961.84%	902.72%
Plan fiduciary net position as a percentage of the total pension liability	81.37%	78.39%	74.06%	75.39%	70.21%

<sup>1</sup> Historical information is presented only for measurement periods for which GASB 68 is available for periods after GASB 68 implementation in 2013-14.



**City of Bell**  
**Required Supplementary Information**  
**Schedule of the City's Proportionate Share of the Net Pension Liability and Related Ratios (Continued)**  
**For the Year Ended June 30, 2020**

---

Last Ten Fiscal Years

**California Public Employees' Retirement System Defined Pension Plan - Miscellaneous**

Measurement period	2018-19
City's proportion of the net pension liability	0.13343%
City's proportionate share of the net pension liability	\$ 13,672,397
City's covered payroll	\$ 3,388,309
City's proportionate share of the net pension liability as a percentage of its covered payroll	403.52%
Plan fiduciary net position as a percentage of the total pension liability	67.12%

**California Public Employees' Retirement System Defined Pension Plan - Safety**

Measurement period	2018-19
City's proportion of the net pension liability	0.24239%
City's proportionate share of the net pension liability	\$ 24,837,547
City's covered payroll	\$ 2,589,277
City's proportionate share of the net pension liability as a percentage of its covered payroll	959.25%
Plan fiduciary net position as a percentage of the total pension liability	69.05%

**City of Bell**  
**Required Supplementary Information**  
**Schedule of Contributions - Pensions**  
**For the Year Ended June 30, 2020**

**Last Ten Fiscal Years**

**California Public Employees' Retirement System Defined Pension Plan - Miscellaneous Plan**

Fiscal year	2013-14 <sup>1</sup>	2014-15	2015-16	2016-17	2017-18
Actuarially determined contribution	\$ 732,490	\$ 753,630	\$ 865,883	\$ 1,015,918	\$ 809,147
Contributions in relation to the actuarially determined contribution	(732,490)	(753,630)	(865,883)	(1,015,918)	(809,147)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll <sup>2</sup>	\$ 3,271,270	\$ 2,499,269	\$ 2,822,312	\$ 3,007,673	\$ 3,073,096
Contributions as a percentage of covered payroll <sup>3</sup>	22.39%	30.15%	30.68%	33.78%	26.33%

**California Public Employees' Retirement System Defined Pension Plan - Safety Plan**

Fiscal year	2013-14 <sup>1</sup>	2014-15	2015-16	2016-17	2017-18
Actuarially determined contribution	\$ 702,603	\$ 517,528	\$ 1,005,648	\$ 1,358,176	\$ 1,427,736
Contributions in relation to the actuarially determined contribution	(702,603)	(517,528)	(1,005,648)	(1,358,176)	(1,427,736)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll <sup>2</sup>	\$ 2,787,548	\$ 1,631,843	\$ 1,647,040	\$ 2,372,016	\$ 2,565,279
Contributions as a percentage of covered payroll <sup>2</sup>	25.21%	31.71%	61.06%	57.26%	55.66%

<sup>1</sup> Historical information is presented only for measurement periods for which GASB 68 is available for periods after GASB 68 implementation in 2013-14.

<sup>2</sup> Includes one year's payroll growth using 2.75 percent payroll assumption from 2018-19 to 2019-20.

**Notes to Schedule:**

Change in Benefit Terms: There were no change in benefit term.

Changes of Assumptions: In 2019, there were no changes in assumptions. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of Actuarial Assumptions December 2017. There were no changes in the discount rate. In 2017, the discount rate was reduced from 7.65 percent to 7.15 percent. In 2016, there were no changes. In 2015, amounts reported reflect an adjustment of the discount rate from 7.5 percent (net of administrative expense) to 7.65 percent (without a reduction for pension plan administrative expense.) In 2014, amounts reported were based on the 7.5 percent discount rate.

**City of Bell**  
**Required Supplementary Information**  
**Schedule of Contributions - Pensions (Continued)**  
**For the Year Ended June 30, 2020**

---

**Last Ten Fiscal Years**

**California Public Employees' Retirement System Defined Pension Plan - Miscellaneous Plan**

Fiscal year	2018-19	2019-20
Actuarially determined contribution	\$ 1,069,623	\$ 1,388,501
Contributions in relation to the actuarially determined contribution	(1,069,623)	(1,388,501)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered payroll <sup>2</sup>	\$ 3,388,309	\$ 3,481,487
Contributions as a percentage of covered payroll <sup>3</sup>	31.57%	39.88%

**California Public Employees' Retirement System Defined Pension Plan - Safety Plan**

Fiscal year	2018-19	2019-20
Actuarially determined contribution	\$ 1,584,979	\$ 2,039,187
Contributions in relation to the actuarially determined contribution <sup>2</sup>	(1,584,979)	(2,039,187)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Covered payroll <sup>2</sup>	\$ 2,589,277	\$ 2,660,482
Contributions as a percentage of covered payroll <sup>2</sup>	61.21%	76.65%

**City of Bell**  
**Required Supplementary Information**  
**Schedule of Changes in Net Other Postemployment Benefits Liability and Related Ratios**  
**For the Year Ended June 30, 2020**

Last Ten Fiscal Years

**OTHER POSTEMPLOYMENT BENEFITS PLAN**

Measurement period	2017-18 <sup>1</sup>	2018-19	2019-20
<b>Total OPEB liability</b>			
Service cost	\$ 318,857	\$ 305,742	\$ 352,168
Interest	501,302	527,034	499,841
Changes of benefit terms	-	-	-
Changes of assumptions	(572,341)	776,596	832,025
Differences between expected and actual experience	-	(60,439)	(609,112)
Benefit payments, including refunds of employee contributions	(638,769)	(592,920)	(771,107)
<b>Net change in total OPEB liability</b>	(390,951)	956,013	303,815
<b>Total OPEB liability - beginning</b>	13,925,585	13,534,634	14,490,647
<b>Total OPEB liability - ending (a)</b>	<u>\$ 13,534,634</u>	<u>\$ 14,490,647</u>	<u>\$ 14,794,462</u>
<b>Plan fiduciary net position</b>			
Contributions - employer	\$ 638,769	\$ 592,920	\$ 771,107
Benefit payments, including refunds of employee contributions	(638,769)	(592,920)	(771,107)
<b>Net change in plan fiduciary net position</b>	-	-	-
<b>Plan fiduciary net position - beginning</b>	-	-	-
<b>Plan fiduciary net position - ending (b)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Plan net OPEB liability - ending (a) - (b)</b>	<u>\$ 13,534,634</u>	<u>\$ 14,490,647</u>	<u>\$ 14,794,462</u>
<b>Plan fiduciary net position as a percentage of the total OPEB liability</b>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
<b>Covered payroll</b>	<u>\$ 6,888,400</u>	<u>\$ 7,095,052</u>	<u>\$ 6,141,970</u>
<b>Plan net OPEB liability as a percentage of covered payroll</b>	<u>196.48%</u>	<u>204.24%</u>	<u>240.87%</u>

<sup>1</sup> Historical information is presented only for measurement periods for which GASB 75 is available for periods after GASB 75 implementation in 2017-18.

**City of Bell**  
**Required Supplementary Information**  
**Schedule of Contributions - Other Postemployment Benefits**  
**For the Year Ended June 30, 2020**

---

Last Ten Fiscal Years

**OTHER POSTEMPLOYMENT BENEFITS PLAN**

Fiscal Year	2017-18 <sup>1</sup>	2018-19	2019-20
Actuarially determined contribution	\$ 476,953	\$ 489,669	\$ 667,131
Contributions in relation to the actuarially determined contribution	638,769	592,920	771,107
Contribution deficiency (excess)	<u>\$ (161,816)</u>	<u>\$ (103,251)</u>	<u>\$ (103,976)</u>
Covered payroll	\$ 6,888,400	\$ 7,095,052	\$ 6,141,970
Contributions as a percentage of covered payroll	9.27%	8.36%	12.55%

<sup>1</sup> Historical information is presented only for measurement periods for which GASB 75 is available for periods after GASB 75 implementation in 2017-18.

**Notes to Schedule:**

Valuation date: June 30, 2019

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Salary increases	2.75%, average, including inflation
Discount rate	2.2%, net of investment expense, including inflation
Healthcare cost trend rate	8.00% for 2017-18, decreasing to 4.00% for 2020-21 and after
Retirees' share of cost	Retirees pay the balance of the premium after City contribution of \$563/month (additional contributions made in certain cases depending on classification and date of hire).
Mortality rates	2017 CalPERS Mortality Tables

*This page intentionally left blank.*

## **SUPPLEMENTARY INFORMATION**

*This page intentionally left blank.*



**City of Bell**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**STPL Local Capital Projects Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Intergovernmental	\$ 1,032,663	\$ 1,032,663	\$ 424,287	\$ (608,376)
Use of money and property	-	-	20,432	20,432
<b>Total revenues</b>	<u>1,032,663</u>	<u>1,032,663</u>	<u>444,719</u>	<u>(587,944)</u>
<b>EXPENDITURES:</b>				
Capital outlay	<u>953,125</u>	<u>1,003,865</u>	<u>444,719</u>	<u>559,146</u>
<b>Total expenditures</b>	<u>953,125</u>	<u>1,003,865</u>	<u>444,719</u>	<u>559,146</u>
<b>NET CHANGES IN FUND BALANCE</b>	<u>\$ 79,538</u>	<u>\$ 28,798</u>	-	<u>\$ (28,798)</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>9,696</u>	
End of year			<u>\$ 9,696</u>	

*This page intentionally left blank.*

## NONMAJOR GOVERNMENTAL FUNDS

### Nonmajor Special Revenue Funds:

**Special Revenue Funds** are used to account for specific revenues that are legally restricted or committed to expenditures for particular purposes.

**Air Quality Management Fund** - To account for the allocation of motor vehicle fees received from the South Coast Air Quality Management District for enacting air quality improvement policies.

**Sanitation Fund** - To account for special assessment collections from benefited properties for the operations of the City's waste collections.

**Sewer Maintenance Fund** - To account for special assessment collections from benefited properties for the operations of the City's sewer system.

**AB939 Recycling Fund** - To account for the allocation of revenues received from the County for the operations of the City's recycling activities.

**Street Lighting Fund** - To account for special assessment collections from benefited properties for the operations of the City's street lighting activities.

**Proposition A Fund** - To account for the allocation of a half-cent sales tax received from the transportation planning agency to be used for transportation costs.

**Federal Asset Seizure Fund** - To account for federal grants and costs related to special narcotics investigations and seizure of assets.

**Bikeway Fund** - To account for funds received to design, construct, improve, repair and maintain bikeways, including the installation and repair of storm drains and bridges.

**Low and Moderate Housing Fund** - To account for the housing assets and functions related to the Low and Moderate Income Housing Program retained by the Housing Authority following the dissolution of the former Redevelopment Agency.

**OTS State Grant Fund** - To account for funds received to effectively administer state traffic safety programs to reduce injuries and economic losses resulting from traffic related collisions in the City.

**SB 1 Streets and Roads Fund** - To account for transportation taxes from the Road Repair and Accountability Act of 2017 (SB1 Beall) to be used for local streets and roads and other transportation uses. The source of the revenue are: (1) an additional 12 cent per gallon to the gas excise tax, (2) an additional 10 cent per gallon to the diesel fuel excise tax, and (3) an additional vehicle registration tax.

**Community Development Block Grant Fund** - To account for the revenues and expenditures related to the administration of the Community Development Block Grants federal award program.

**Gas Tax Fund**- To account for gas taxes assessed by the State of California and allocated to the City to be used for street maintenance and improvements.

## NONMAJOR GOVERNMENTAL FUNDS

### Nonmajor Special Revenue Funds (Continued):

**State COPS Fund** - To account for funds received from the State of California under AB3229 for the purpose of the Citizens Option for Public Safety (COPS) program.

**Proposition C Fund** - To account for the allocation of a half-cent sales tax received from the transportation planning agency to be used for transit costs that pertain to roadways.

**Measure R Fund** - To account for the allocation of a half-cent sales tax received from LA County Metropolitan Transportation Agency to be used for transportation projects and improvements.

**Federal Grants Fund** - To account for the federal expenditures related to capital project.

**Measure M Fund** - To account for the allocation of a half-cent sales tax received from the transportation planning agency to be used for transportation projects and improvements.

### Nonmajor Capital Projects Funds:

**Capital Projects Funds** are used to account for resources that are restricted, committed or assigned for the purchase or construction of major capital facilities. Capital Projects Funds are ordinarily not used to account for the acquisition of furniture, fixtures, machinery, equipment and other relatively minor or comparatively short-lived fixed assets.

**Community Housing Authority Fund** - To account for the acquisition and development of certain mobile home units.

**City Capital Projects Fund** - To account for general capital projects through the City as determined by City Council.

### Nonmajor Debt Service Funds:

**Debt Service Funds** are used to account for the accumulation of resources that are restricted, committed or assigned for the payment of long-term debt principal and interest.

**Community Housing Authority Fund** - To account for the payment of principal and interest on long-term debt of the Community Housing Authority.

**Public Financing Authority Fund** - To account for the payment of principal and interest for the debt of the Public Financing Authority.

**General Obligation Bonds Fund** - To account for the payment of principal and interest for the General Obligation Bonds.

**City of Bell**  
**Combining Balance Sheet**  
**Nonmajor Governmental Funds**  
**June 30, 2020**

	Special Revenue Funds				
	Air Quality Management	Sanitation	Sewer Maintenance	AB939 Recycling	Street Lighting
<b>ASSETS</b>					
Pooled cash and investments	\$ 97,927	\$ 504,933	\$ 1,260,536	\$ 20,020	\$ 14,281
Receivables:					
Accounts	-	203,875	-	-	-
Accrued interest	246	1,481	3,304	68	58
Prepaid items	606	-	-	-	-
Due from other governments	-	88	7,694	1,047	7,417
Due from other funds	-	-	-	-	-
Advances to Successor Agency	-	-	-	-	-
Restricted cash and investments with fiscal agents	-	-	-	-	-
<b>Total assets</b>	<b>\$ 98,779</b>	<b>\$ 710,377</b>	<b>\$ 1,271,534</b>	<b>\$ 21,135</b>	<b>\$ 21,756</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ -	\$ 112,059	\$ 60,715	\$ -	\$ 34,467
Accrued liabilities	-	-	2,239	-	2,219
Due to other funds	-	-	-	-	-
Advances from other funds	-	-	-	-	-
<b>Total liabilities</b>	<b>-</b>	<b>112,059</b>	<b>62,954</b>	<b>-</b>	<b>36,686</b>
<b>Deferred inflows of resources:</b>					
Unavailable revenues	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances (Deficit):</b>					
Nonspendable					
Prepaid items	606	-	-	-	-
Restricted:					
Community development projects	-	-	-	-	-
Community services	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	98,173	598,318	1,208,580	21,135	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Low and moderate housing	-	-	-	-	-
Committed:					
Capital projects	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	(14,930)
<b>Total fund balances (deficit)</b>	<b>98,779</b>	<b>598,318</b>	<b>1,208,580</b>	<b>21,135</b>	<b>(14,930)</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 98,779</b>	<b>\$ 710,377</b>	<b>\$ 1,271,534</b>	<b>\$ 21,135</b>	<b>\$ 21,756</b>

(Continued)

**City of Bell**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2020**

	Special Revenue Funds				
	Proposition A	Federal Asset Seizure	Bikeway	Low and Moderate Housing	OTS State Grant
<b>ASSETS</b>					
Pooled cash and investments	\$ 623,561	\$ 147,636	\$ 13,117	\$ 547,913	\$ 170,524
Receivables:					
Accounts	2,429	-	-	-	-
Accrued interest	1,644	385	35	1,655	189
Prepaid items	-	-	-	-	-
Due from other governments	-	-	19,793	-	-
Due from other funds	42,521	-	-	-	-
Advances to Successor Agency	-	-	-	771,513	-
Restricted cash and investments with fiscal agents	-	-	-	-	-
<b>Total assets</b>	<b>\$ 670,155</b>	<b>\$ 148,021</b>	<b>\$ 32,945</b>	<b>\$ 1,321,081</b>	<b>\$ 170,713</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 56,895	\$ -	\$ 208	\$ -	\$ -
Accrued liabilities	2,750	-	-	-	1,085
Due to other funds	-	-	-	-	-
Advances from other funds	-	-	-	-	180,000
<b>Total liabilities</b>	<b>59,645</b>	<b>-</b>	<b>208</b>	<b>-</b>	<b>181,085</b>
<b>Deferred inflows of resources:</b>					
Unavailable revenues	-	-	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances (Deficit):</b>					
Nonspendable					
Prepaid items	-	-	-	-	-
Restricted:					
Community development projects	-	-	-	-	-
Community services	610,510	-	-	-	-
Public safety	-	148,021	-	-	-
Public works	-	-	32,737	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Low and moderate housing	-	-	-	1,321,081	-
Committed:					
Capital projects	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	(10,372)
<b>Total fund balances (deficit)</b>	<b>610,510</b>	<b>148,021</b>	<b>32,737</b>	<b>1,321,081</b>	<b>(10,372)</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 670,155</b>	<b>\$ 148,021</b>	<b>\$ 32,945</b>	<b>\$ 1,321,081</b>	<b>\$ 170,713</b>

(Continued)

**City of Bell**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2020**

	Special Revenue Funds				
	SB 1 Streets and Roads	Community Development Block Grant	Gas Tax	State COPS	Proposition C
<b>ASSETS</b>					
Pooled cash and investments	\$ 550,636	\$ 21,959	\$ 396,711	\$ -	\$ 2,300,300
Receivables:					
Accounts	-	1,641	892	-	-
Accrued interest	1,360	70	74	-	6,113
Prepaid items	-	-	-	-	-
Due from other governments	96,685	60,813	-	59,578	-
Due from other funds	-	-	-	-	-
Advances to Successor Agency	-	-	-	-	-
Restricted cash and investments with fiscal agents	-	-	-	-	-
<b>Total assets</b>	<b>\$ 648,681</b>	<b>\$ 84,483</b>	<b>\$ 397,677</b>	<b>\$ 59,578</b>	<b>\$ 2,306,413</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 71,526	\$ 48,097	\$ 133,654	\$ 3,049	\$ 80,823
Accrued liabilities	-	335	2,704	4,913	632
Due to other funds	-	-	-	43,932	-
Advances from other funds	-	-	-	-	-
<b>Total liabilities</b>	<b>71,526</b>	<b>48,432</b>	<b>136,358</b>	<b>51,894</b>	<b>81,455</b>
<b>Deferred inflows of resources:</b>					
Unavailable revenues	-	-	453	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>453</b>	<b>-</b>	<b>-</b>
<b>Fund Balances (Deficit):</b>					
Nonspendable					
Prepaid items	-	-	-	-	-
Restricted:					
Community development projects	-	36,051	-	-	-
Community services	-	-	-	-	-
Public safety	-	-	-	7,684	-
Public works	577,155	-	260,866	-	-
Capital projects	-	-	-	-	2,224,958
Debt service	-	-	-	-	-
Low and moderate housing	-	-	-	-	-
Committed:					
Capital projects	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-
<b>Total fund balances (deficit)</b>	<b>577,155</b>	<b>36,051</b>	<b>260,866</b>	<b>7,684</b>	<b>2,224,958</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 648,681</b>	<b>\$ 84,483</b>	<b>\$ 397,677</b>	<b>\$ 59,578</b>	<b>\$ 2,306,413</b>

(Continued)

**City of Bell**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2020**

	Special Revenue Funds			Capital Projects Funds	
	Measure R	Federal Grants	Measure M	Community Housing Authority	City Capital Projects
<b>ASSETS</b>					
Pooled cash and investments	\$ 644,835	\$ 73,339	\$ 788,041	\$ 777,693	\$ 172,946
Receivables:					
Accounts	-	7,094	-	-	-
Accrued interest	1,456	306	1,944	2,050	451
Prepaid items	4,400	-	-	-	-
Due from other governments	-	81,801	-	-	-
Due from other funds	-	-	-	-	-
Advances to Successor Agency	-	-	-	-	-
Restricted cash and investments with fiscal agents	-	-	-	-	-
<b>Total assets</b>	<b>\$ 650,691</b>	<b>\$ 162,540</b>	<b>\$ 789,985</b>	<b>\$ 779,743</b>	<b>\$ 173,397</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
<b>Liabilities:</b>					
Accounts payable	\$ 50,643	141,747	\$ 1,162	\$ -	\$ -
Accrued liabilities	442	699	512	-	-
Due to other funds	-	-	-	-	-
Advances from other funds	-	-	-	-	-
<b>Total liabilities</b>	<b>51,085</b>	<b>142,446</b>	<b>1,674</b>	<b>-</b>	<b>-</b>
<b>Deferred inflows of resources:</b>					
Unavailable revenues	-	78,986	-	-	-
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>78,986</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balances (Deficit):</b>					
Nonspendable					
Prepaid items	4,400	-	-	-	-
Restricted:					
Community development projects	-	5,490	-	-	-
Community services	-	-	-	-	-
Public safety	-	60,397	-	-	-
Public works	-	-	-	-	-
Capital projects	595,206	-	788,311	779,743	-
Debt service	-	-	-	-	-
Low and moderate housing	-	-	-	-	-
Committed:					
Capital projects	-	-	-	-	173,397
Unassigned (deficit)	-	(124,779)	-	-	-
<b>Total fund balances (deficit)</b>	<b>599,606</b>	<b>(58,892)</b>	<b>788,311</b>	<b>779,743</b>	<b>173,397</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 650,691</b>	<b>\$ 162,540</b>	<b>\$ 789,985</b>	<b>\$ 779,743</b>	<b>\$ 173,397</b>

(Continued)



**City of Bell**  
**Combining Balance Sheet (Continued)**  
**Nonmajor Governmental Funds**  
**June 30, 2020**

	Debt Service Funds			
	Community Housing Authority	Public Financing Authority	General Obligation Bonds Debt	Total Governmental Funds
<b>ASSETS</b>				
Cash and investments	\$ 13,750	\$ 1,538	\$ 2,014,891	\$ 11,157,087
Receivables:				
Accounts	-	-	-	215,931
Accrued interest	37	-	4,970	27,896
Prepaid items	-	-	-	5,006
Due from other governments	-	-	30,683	365,599
Due from other funds	-	-	-	42,521
Advances to Successor Agency	-	-	-	771,513
Restricted cash and investments with fiscal agents	-	2,081	-	2,081
<b>Total assets</b>	<u>\$ 13,787</u>	<u>\$ 3,619</u>	<u>\$ 2,050,544</u>	<u>\$ 12,587,634</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>				
<b>Liabilities:</b>				
Accounts payable	\$ -	\$ -	\$ -	\$ 795,045
Accrued liabilities	-	-	-	18,530
Due to other funds	-	-	-	43,932
Advances from other funds	-	-	-	180,000
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,037,507</u>
<b>Deferred inflows of resources:</b>				
Unavailable revenues	-	-	-	79,439
<b>Total deferred inflows of resources</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>79,439</u>
<b>Fund Balances (Deficit):</b>				
Nonspendable				
Prepaid items	-	-	-	5,006
Restricted:				
Community development projects	-	-	-	41,541
Community services	-	-	-	610,510
Public safety	-	-	-	216,102
Public works	-	-	-	2,796,964
Capital projects	-	-	-	4,388,218
Debt service	13,787	3,619	2,050,544	2,067,950
Low and moderate housing	-	-	-	1,321,081
Committed:				
Capital projects	-	-	-	173,397
Unassigned (deficit)	-	-	-	(150,081)
<b>Total fund balances (deficit)</b>	<u>13,787</u>	<u>3,619</u>	<u>2,050,544</u>	<u>11,470,688</u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u>\$ 13,787</u>	<u>\$ 3,619</u>	<u>\$ 2,050,544</u>	<u>\$ 12,587,634</u>

(Concluded)

**City of Bell**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2020**

	Special Revenue Funds				
	Air Quality Management	Sanitation	Sewer Maintenance	AB939 Recycling	Street Lighting
<b>REVENUES:</b>					
Taxes	\$ -	\$ 13	\$ 345,352	\$ 1,048	\$ 443,672
Intergovernmental	34,776	774	-	-	-
Charges for services	-	475,168	-	-	-
Use of money and property	1,943	16,772	35,284	622	(146)
Fines and forfeitures	-	-	-	-	-
Miscellaneous	-	15	-	-	-
<b>Total revenues</b>	<b>36,719</b>	<b>492,742</b>	<b>380,636</b>	<b>1,670</b>	<b>443,526</b>
<b>EXPENDITURES:</b>					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Community development	-	-	-	-	-
Community services	-	-	-	-	-
Public works	642	492,731	206,936	-	498,700
Capital outlay	-	26,672	68,790	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
<b>Total expenditures</b>	<b>642</b>	<b>519,403</b>	<b>275,726</b>	<b>-</b>	<b>498,700</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>36,077</b>	<b>(26,661)</b>	<b>104,910</b>	<b>1,670</b>	<b>(55,174)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	-	-	-	-
Transfers out	-	(62,688)	(81,834)	-	(58,686)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(62,688)</b>	<b>(81,834)</b>	<b>-</b>	<b>(58,686)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>36,077</b>	<b>(89,349)</b>	<b>23,076</b>	<b>1,670</b>	<b>(113,860)</b>
<b>FUND BALANCES (DEFICIT):</b>					
Beginning of year	62,702	687,667	1,185,504	19,465	98,930
End of year	<u>\$ 98,779</u>	<u>\$ 598,318</u>	<u>\$ 1,208,580</u>	<u>\$ 21,135</u>	<u>\$ (14,930)</u>

(Continued)

**City of Bell**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2020**

	Special Revenue Funds				
	Proposition A	Federal Asset Seizure	Bikeway	Low and Moderate Housing	OTS State Grant
<b>REVENUES:</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	704,887	-	19,792	-	87,141
Charges for services	18,486	-	-	-	-
Use of money and property	18,461	4,109	658	15,091	1,859
Fines and forfeitures	-	110,450	-	-	-
Miscellaneous	-	-	-	-	-
<b>Total revenues</b>	<b>741,834</b>	<b>114,559</b>	<b>20,450</b>	<b>15,091</b>	<b>89,000</b>
<b>EXPENDITURES:</b>					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	47,929
Community development	-	-	-	-	-
Community services	645,159	-	-	-	-
Public works	-	-	-	-	-
Capital outlay	-	-	20,000	-	-
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
<b>Total expenditures</b>	<b>645,159</b>	<b>-</b>	<b>20,000</b>	<b>-</b>	<b>47,929</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>96,675</b>	<b>114,559</b>	<b>450</b>	<b>15,091</b>	<b>41,071</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	9,350	-	-	-	-
Transfers out	(16,800)	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(7,450)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>89,225</b>	<b>114,559</b>	<b>450</b>	<b>15,091</b>	<b>41,071</b>
<b>FUND BALANCES (DEFICIT):</b>					
Beginning of year	521,285	33,462	32,287	1,305,990	(51,443)
End of year	<u>\$ 610,510</u>	<u>\$ 148,021</u>	<u>\$ 32,737</u>	<u>\$ 1,321,081</u>	<u>\$ (10,372)</u>

(Continued)

**City of Bell**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2020**

	Special Revenue Funds				
	SB 1 Streets and Roads	Community Development Block Grant	Gas Tax	State COPS	Proposition C
<b>REVENUES:</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	633,145	395,556	831,657	284,217	584,706
Charges for services	-	-	-	-	-
Use of money and property	13,134	284	170	-	69,066
Fines and forfeitures	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<b>Total revenues</b>	<b>646,279</b>	<b>395,840</b>	<b>831,827</b>	<b>284,217</b>	<b>653,772</b>
<b>EXPENDITURES:</b>					
Current:					
General government	-	-	-	-	4,014
Public safety	-	-	-	281,659	-
Community development	-	163,154	-	-	25,023
Community services	-	-	-	-	-
Public works	-	71,635	437,535	-	30,776
Capital outlay	931,941	144,589	18,522	-	628,181
Debt service:					
Principal retirement	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-
<b>Total expenditures</b>	<b>931,941</b>	<b>379,378</b>	<b>456,057</b>	<b>281,659</b>	<b>687,994</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(285,662)</b>	<b>16,462</b>	<b>375,770</b>	<b>2,558</b>	<b>(34,222)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	-	-	221,070	-
Transfers out	-	-	(59,420)	-	(2,121)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(59,420)</b>	<b>221,070</b>	<b>(2,121)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(285,662)</b>	<b>16,462</b>	<b>316,350</b>	<b>223,628</b>	<b>(36,343)</b>
<b>FUND BALANCES (DEFICIT):</b>					
Beginning of year	862,817	19,589	(55,484)	(215,944)	2,261,301
End of year	<u>\$ 577,155</u>	<u>\$ 36,051</u>	<u>\$ 260,866</u>	<u>\$ 7,684</u>	<u>\$ 2,224,958</u>

(Continued)

**City of Bell**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2020**

	Special Revenue Funds			Capital Projects Funds	
	Measure R	Federal Grants	Measure M	Community Housing Authority	City Capital Projects
<b>REVENUES:</b>					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	437,902	145,723	492,553	-	-
Charges for services	-	-	-	-	-
Use of money and property	11,918	3,755	20,598	22,975	1,733
Fines and forfeitures	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<b>Total revenues</b>	<b>449,820</b>	<b>149,478</b>	<b>513,151</b>	<b>22,975</b>	<b>1,733</b>
<b>EXPENDITURES:</b>					
Current:					
General government	-	-	12,089	-	-
Public safety	-	13,736	-	-	-
Community development	-	-	-	-	-
Community services	-	-	-	-	-
Public works	21,103	2,783	-	-	-
Capital outlay	383,441	290,654	437,803	24,763	16,404
Debt service:					
Principal retirement	-	-	-	-	50,000
Interest and fiscal charges	-	-	-	-	-
<b>Total expenditures</b>	<b>404,544</b>	<b>307,173</b>	<b>449,892</b>	<b>24,763</b>	<b>66,404</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>45,276</b>	<b>(157,695)</b>	<b>63,259</b>	<b>(1,788)</b>	<b>(64,671)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	(4,566)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,566)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>45,276</b>	<b>(157,695)</b>	<b>63,259</b>	<b>(1,788)</b>	<b>(69,237)</b>
<b>FUND BALANCES (DEFICIT):</b>					
Beginning of year	554,330	98,803	725,052	781,531	242,634
End of year	<u>\$ 599,606</u>	<u>\$ (58,892)</u>	<u>\$ 788,311</u>	<u>\$ 779,743</u>	<u>\$ 173,397</u>

(Continued)

**City of Bell**  
**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)**  
**Nonmajor Governmental Funds**  
**For the Year Ended June 30, 2020**

	Debt Service Funds			
	Community Housing Authority	Public Financing Authority	General Obligation Bonds	Total Governmental Funds
<b>REVENUES:</b>				
Taxes	\$ -	\$ -	\$ 2,046,787	\$ 2,836,872
Intergovernmental	-	-	-	4,652,829
Charges for services	-	-	-	493,654
Use of money and property	131	38	43,410	281,865
Fines and forfeitures	-	-	-	110,450
Miscellaneous	-	-	-	15
<b>Total revenues</b>	<u>131</u>	<u>38</u>	<u>2,090,197</u>	<u>8,375,685</u>
<b>EXPENDITURES:</b>				
Current:				
General government	-	-	-	16,103
Public safety	-	-	-	343,324
Community development	-	-	-	188,177
Community services	-	-	-	645,159
Public works	-	-	-	1,762,841
Capital outlay	-	-	-	2,991,760
Debt service:				
Principal retirement	555,000	895,000	710,000	2,210,000
Interest and fiscal charges	743,545	24,523	1,111,634	1,879,702
<b>Total expenditures</b>	<u>1,298,545</u>	<u>919,523</u>	<u>1,821,634</u>	<u>10,037,066</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,298,414)</u>	<u>(919,485)</u>	<u>268,563</u>	<u>(1,661,381)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	1,298,051	923,573	-	2,452,044
Transfers out	-	-	-	(286,115)
<b>Total other financing sources (uses)</b>	<u>1,298,051</u>	<u>923,573</u>	<u>-</u>	<u>2,165,929</u>
<b>NET CHANGE IN FUND BALANCES</b>	(363)	4,088	268,563	504,548
<b>FUND BALANCES (DEFICIT):</b>				
Beginning of year	14,150	(469)	1,781,981	10,966,140
End of year	<u>\$ 13,787</u>	<u>\$ 3,619</u>	<u>\$ 2,050,544</u>	<u>\$ 11,470,688</u>

(Concluded)

**City of Bell**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Air Quality Management Special Revenue Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Intergovernmental	\$ 46,300	\$ 46,300	\$ 34,776	\$ (11,524)
Use of money and property	500	500	1,943	1,443
<b>Total revenues</b>	<u>46,800</u>	<u>46,800</u>	<u>36,719</u>	<u>(10,081)</u>
<b>EXPENDITURES:</b>				
Current:				
Public works	1,000	1,000	642	358
Capital outlay	<u>30,000</u>	<u>30,000</u>	-	<u>30,000</u>
<b>Total expenditures</b>	<u>31,000</u>	<u>31,000</u>	<u>642</u>	<u>30,358</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 15,800</u>	<u>\$ 15,800</u>	36,077	<u>\$ 20,277</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>62,702</u>	
End of year			<u>\$ 98,779</u>	

**City of Bell**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Sanitation Special Revenue Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Taxes	\$ 17,600	\$ 17,600	\$ 13	\$ (17,587)
Intergovernmental	-	-	774	774
Charges for services	409,800	409,800	475,168	65,368
Use of money and property	3,600	3,600	16,772	13,172
Miscellaneous	-	-	15	15
<b>Total revenues</b>	<u>431,000</u>	<u>431,000</u>	<u>492,742</u>	<u>61,742</u>
<b>EXPENDITURES:</b>				
Current:				
Public works	619,586	684,383	492,731	191,652
Capital outlay	<u>35,000</u>	<u>35,000</u>	<u>26,672</u>	<u>8,328</u>
<b>Total expenditures</b>	<u>654,586</u>	<u>719,383</u>	<u>519,403</u>	<u>199,980</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(223,586)</u>	<u>(288,383)</u>	<u>(26,661)</u>	<u>261,722</u>
<b>OTHER FINANCING USES:</b>				
Transfers out	<u>(62,688)</u>	<u>(62,688)</u>	<u>(62,688)</u>	<u>-</u>
<b>Total other financing uses</b>	<u>(62,688)</u>	<u>(62,688)</u>	<u>(62,688)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (286,274)</u>	<u>\$ (351,071)</u>	<u>(89,349)</u>	<u>\$ 261,722</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>687,667</u>	
End of year			<u>\$ 598,318</u>	



**City of Bell**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Sewer Maintenance Special Revenue Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Taxes	\$ 341,027	\$ 341,027	\$ 345,352	\$ 4,325
Use of money and property	6,200	6,200	35,284	29,084
<b>Total revenues</b>	<u>347,227</u>	<u>347,227</u>	<u>380,636</u>	<u>33,409</u>
<b>EXPENDITURES:</b>				
Current:				
Public works	222,728	257,728	206,936	50,792
Capital outlay	845,000	845,000	68,790	776,210
<b>Total expenditures</b>	<u>1,067,728</u>	<u>1,102,728</u>	<u>275,726</u>	<u>827,002</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(720,501)</u>	<u>(755,501)</u>	<u>104,910</u>	<u>860,411</u>
<b>OTHER FINANCING USES:</b>				
Transfers out	(81,834)	(81,834)	(81,834)	-
<b>Total other financing uses</b>	<u>(81,834)</u>	<u>(81,834)</u>	<u>(81,834)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (802,335)</u>	<u>\$ (837,335)</u>	<u>23,076</u>	<u>\$ 860,411</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>1,185,504</u>	
End of year			<u>\$ 1,208,580</u>	

**City of Bell**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**AB939 Recycling Special Revenue Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Taxes	\$ 5,400	\$ 5,400	\$ 1,048	\$ (4,352)
Use of money and property	100	100	622	522
<b>Total revenues</b>	<u>5,500</u>	<u>5,500</u>	<u>1,670</u>	<u>(3,830)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 5,500</u>	<u>\$ 5,500</u>	1,670	<u>\$ (3,830)</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>19,465</u>	
End of year			<u>\$ 21,135</u>	

**City of Bell**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Street Lighting Special Revenue Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Taxes	\$ 450,702	\$ 450,702	\$ 443,672	\$ (7,030)
Use of money and property	1,051	1,051	(146)	(1,197)
<b>Total revenues</b>	<u>451,753</u>	<u>451,753</u>	<u>443,526</u>	<u>(8,227)</u>
<b>EXPENDITURES:</b>				
Current:				
Public works	464,551	484,871	498,700	(13,829)
<b>Total expenditures</b>	<u>464,551</u>	<u>484,871</u>	<u>498,700</u>	<u>(13,829)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(12,798)</u>	<u>(33,118)</u>	<u>(55,174)</u>	<u>(22,056)</u>
<b>OTHER FINANCING USES:</b>				
Transfers out	(58,686)	(58,686)	(58,686)	-
<b>Total other financing uses</b>	<u>(58,686)</u>	<u>(58,686)</u>	<u>(58,686)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (71,484)</u>	<u>\$ (91,804)</u>	<u>(113,860)</u>	<u>\$ (22,056)</u>
<b>FUND BALANCE (DEFICIT):</b>				
Beginning of year			98,930	
End of year			<u>\$ (14,930)</u>	

**City of Bell**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Proposition A Special Revenue Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Intergovernmental	\$ 735,562	\$ 735,562	\$ 704,887	\$ (30,675)
Charges for services	30,000	30,000	18,486	(11,514)
Use of money and property	3,000	3,000	18,461	15,461
<b>Total revenues</b>	<u>768,562</u>	<u>768,562</u>	<u>741,834</u>	<u>(26,728)</u>
<b>EXPENDITURES:</b>				
Current:				
Community services	785,382	785,382	645,159	140,223
Capital outlay	205,000	205,000	-	205,000
<b>Total expenditures</b>	<u>990,382</u>	<u>990,382</u>	<u>645,159</u>	<u>345,223</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(221,820)</u>	<u>(221,820)</u>	<u>96,675</u>	<u>318,495</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	-	9,350	9,350
Transfers out	(49,971)	(49,971)	(16,800)	33,171
<b>Total other financing sources (uses)</b>	<u>(49,971)</u>	<u>(49,971)</u>	<u>(7,450)</u>	<u>42,521</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (271,791)</u>	<u>\$ (271,791)</u>	<u>89,225</u>	<u>\$ 361,016</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>521,285</u>	
End of year			<u>\$ 610,510</u>	

**City of Bell**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Bikeway Special Revenue Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Intergovernmental	\$ 26,243	\$ 26,243	\$ 19,792	\$ (6,451)
Use of money and property	100	100	658	558
<b>Total revenues</b>	<u>26,343</u>	<u>26,343</u>	<u>20,450</u>	<u>(5,893)</u>
<b>EXPENDITURES:</b>				
Capital outlay	<u>5,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
<b>Total expenditures</b>	<u>5,000</u>	<u>20,000</u>	<u>20,000</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 21,343</u>	<u>\$ 6,343</u>	450	<u>\$ (5,893)</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>32,287</u>	
End of year			<u>\$ 32,737</u>	

**City of Bell**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Low and Moderate Housing Special Revenue Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Use of money and property	\$ 1,300	\$ 1,300	\$ 15,091	\$ 13,791
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 1,300</u>	<u>\$ 1,300</u>	15,091	<u>\$ 13,791</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>1,305,990</u>	
End of year			<u>\$ 1,321,081</u>	

**City of Bell**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**OTS State Grant Special Revenue Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Intergovernmental	\$ 90,000	\$ 180,000	\$ 87,141	\$ (92,859)
Use of money and property	-	-	1,859	1,859
<b>Total revenues</b>	<u>90,000</u>	<u>180,000</u>	<u>89,000</u>	<u>(91,000)</u>
<b>EXPENDITURES:</b>				
Current:				
Public Safety	79,196	169,196	47,929	121,267
<b>Total expenditures</b>	<u>79,196</u>	<u>169,196</u>	<u>47,929</u>	<u>121,267</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 10,804</u>	<u>\$ 10,804</u>	41,071	<u>\$ 30,267</u>
<b>FUND BALANCE (DEFICIT):</b>				
Beginning of year			(51,443)	
End of year			<u>\$ (10,372)</u>	

**City of Bell**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**SB1 Streets and Roads Special Revenue Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Intergovernmental	\$ 601,238	\$ 601,238	\$ 633,145	\$ 31,907
Use of money and property	4,000	4,000	13,134	9,134
<b>Total revenues</b>	<u>605,238</u>	<u>605,238</u>	<u>646,279</u>	<u>41,041</u>
<b>EXPENDITURES:</b>				
Capital outlay	<u>921,820</u>	<u>1,443,786</u>	<u>931,941</u>	<u>511,845</u>
<b>Total expenditures</b>	<u>921,820</u>	<u>1,443,786</u>	<u>931,941</u>	<u>511,845</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (316,582)</u>	<u>\$ (838,548)</u>	<u>(285,662)</u>	<u>\$ 552,886</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>862,817</u>	
End of year			<u>\$ 577,155</u>	



**City of Bell**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Community Development Block Grant Special Revenue Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Intergovernmental	\$ 664,480	\$ 664,480	\$ 395,556	\$ (268,924)
Use of money and property	-	-	284	284
<b>Total revenues</b>	<u>664,480</u>	<u>664,480</u>	<u>395,840</u>	<u>(268,640)</u>
<b>EXPENDITURES:</b>				
Current:				
Community development	399,015	639,973	163,154	476,819
Community services	-	48,000	-	48,000
Public works	73,827	72,361	71,635	726
Capital outlay	<u>191,638</u>	<u>193,638</u>	<u>144,589</u>	<u>49,049</u>
<b>Total expenditures</b>	<u>664,480</u>	<u>953,972</u>	<u>379,378</u>	<u>574,594</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ (289,492)</u>	16,462	<u>\$ 305,954</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>19,589</u>	
End of year			<u>\$ 36,051</u>	

**City of Bell**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Gas Tax Special Revenue Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Intergovernmental	\$ 847,375	\$ 847,375	\$ 831,657	\$ (15,718)
Use of money and property	2,000	2,000	170	(1,830)
<b>Total revenues</b>	<u>849,375</u>	<u>849,375</u>	<u>831,827</u>	<u>(17,548)</u>
<b>EXPENDITURES:</b>				
Current:				
Public works	694,870	820,598	437,535	383,063
Capital outlay	82,000	60,000	18,522	41,478
<b>Total expenditures</b>	<u>776,870</u>	<u>880,598</u>	<u>456,057</u>	<u>424,541</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>72,505</u>	<u>(31,223)</u>	<u>375,770</u>	<u>406,993</u>
<b>OTHER FINANCING USES:</b>				
Transfers out	(59,420)	(59,420)	(59,420)	-
<b>Total other financing uses</b>	<u>(59,420)</u>	<u>(59,420)</u>	<u>(59,420)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 13,085</u>	<u>\$ (90,643)</u>	316,350	<u>\$ 406,993</u>
<b>FUND BALANCE (DEFICIT):</b>				
Beginning of year			(55,484)	
End of year			<u>\$ 260,866</u>	

**City of Bell**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**State COPS Special Revenue Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Intergovernmental	\$ 249,274	\$ 249,274	\$ 284,217	\$ 34,943
Use of money and property	200	200	-	(200)
<b>Total revenues</b>	<u>249,474</u>	<u>249,474</u>	<u>284,217</u>	<u>34,743</u>
<b>EXPENDITURES:</b>				
Current:				
Public Safety	<u>290,485</u>	<u>290,485</u>	<u>281,659</u>	<u>8,826</u>
<b>Total expenditures</b>	<u>290,485</u>	<u>290,485</u>	<u>281,659</u>	<u>8,826</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(41,011)</u>	<u>(41,011)</u>	<u>2,558</u>	<u>43,569</u>
<b>OTHER FINANCING SOURCES:</b>				
Transfers in	<u>-</u>	<u>-</u>	<u>221,070</u>	<u>221,070</u>
<b>Total other financing sources</b>	<u>-</u>	<u>-</u>	<u>221,070</u>	<u>221,070</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (41,011)</u>	<u>\$ (41,011)</u>	<u>223,628</u>	<u>\$ 264,639</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>(215,944)</u>	
End of year			<u>\$ 7,684</u>	

**City of Bell**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Proposition C Special Revenue Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Intergovernmental	\$ 610,129	\$ 610,129	\$ 584,706	\$ (25,423)
Use of money and property	-	-	69,066	69,066
<b>Total revenues</b>	<u>610,129</u>	<u>610,129</u>	<u>653,772</u>	<u>43,643</u>
<b>EXPENDITURES:</b>				
Current:				
General Government	3,459	3,459	4,014	(555)
Community development	40,000	65,023	25,023	40,000
Public works	72,084	72,084	30,776	41,308
Capital outlay	2,223,051	2,763,694	628,181	2,135,513
<b>Total expenditures</b>	<u>2,338,594</u>	<u>2,904,260</u>	<u>687,994</u>	<u>2,216,266</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,728,465)</u>	<u>(2,294,131)</u>	<u>(34,222)</u>	<u>2,259,909</u>
<b>OTHER FINANCING USES:</b>				
Transfers out	(2,121)	(2,121)	(2,121)	-
<b>Total other financing uses</b>	<u>(2,121)</u>	<u>(2,121)</u>	<u>(2,121)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (1,730,586)</u>	<u>\$ (2,296,252)</u>	<u>(36,343)</u>	<u>\$ 2,259,909</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>2,261,301</u>	
End of year			<u>\$ 2,224,958</u>	

**City of Bell**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Measure R Special Revenue Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Intergovernmental	\$ 457,646	\$ 457,646	\$ 437,902	\$ (19,744)
Use of money and property	5,500	5,500	11,918	6,418
<b>Total revenues</b>	<u>463,146</u>	<u>463,146</u>	<u>449,820</u>	<u>(13,326)</u>
<b>EXPENDITURES:</b>				
Current:				
Public works	84,577	84,577	21,103	63,474
Capital outlay	<u>756,161</u>	<u>781,693</u>	<u>383,441</u>	<u>398,252</u>
<b>Total expenditures</b>	<u>840,738</u>	<u>866,270</u>	<u>404,544</u>	<u>461,726</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (377,592)</u>	<u>\$ (403,124)</u>	45,276	<u>\$ 448,400</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>554,330</u>	
End of year			<u>\$ 599,606</u>	

**City of Bell**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Federal Grants Special Revenue Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Intergovernmental	\$ 3,431,998	\$ 3,503,998	\$ 145,723	\$ (3,358,275)
Use of money and property	-	-	3,755	3,755
<b>Total revenues</b>	<u>3,431,998</u>	<u>3,503,998</u>	<u>149,478</u>	<u>(3,354,520)</u>
<b>EXPENDITURES:</b>				
Current:				
Public safety	20,400	20,400	13,736	6,664
Public works	-	-	2,783	(2,783)
Capital outlay	<u>3,431,998</u>	<u>3,636,495</u>	<u>290,654</u>	<u>3,345,841</u>
<b>Total expenditures</b>	<u>3,452,398</u>	<u>3,656,895</u>	<u>307,173</u>	<u>3,349,722</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (20,400)</u>	<u>\$ (152,897)</u>	(157,695)	<u>\$ (4,798)</u>
<b>FUND BALANCE (DEFICIT):</b>				
Beginning of year			<u>98,803</u>	
End of year			<u>\$ (58,892)</u>	

**City of Bell**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Measure M Special Revenue Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Intergovernmental	\$ 518,610	\$ 518,610	\$ 492,553	\$ (26,057)
Use of money and property	3,500	3,500	20,598	17,098
<b>Total revenues</b>	<u>522,110</u>	<u>522,110</u>	<u>513,151</u>	<u>(8,959)</u>
<b>EXPENDITURES:</b>				
Current:				
General Government	23,923	23,923	12,089	11,834
Public works	26,129	26,129	-	26,129
Capital outlay	908,728	1,119,456	437,803	681,653
<b>Total expenditures</b>	<u>958,780</u>	<u>1,169,508</u>	<u>449,892</u>	<u>719,616</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (436,670)</u>	<u>\$ (647,398)</u>	63,259	<u>\$ 710,657</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>725,052</u>	
End of year			<u>\$ 788,311</u>	

**City of Bell**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Community Housing Authority Capital Projects Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Use of money and property	\$ 2,000	\$ 2,000	\$ 22,975	\$ 20,975
<b>Total revenues</b>	<u>2,000</u>	<u>2,000</u>	<u>22,975</u>	<u>20,975</u>
<b>EXPENDITURES:</b>				
Capital outlay	<u>780,000</u>	<u>780,000</u>	<u>24,763</u>	<u>755,237</u>
<b>Total expenditures</b>	<u>780,000</u>	<u>780,000</u>	<u>24,763</u>	<u>755,237</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (778,000)</u>	<u>\$ (778,000)</u>	(1,788)	<u>\$ 776,212</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>781,531</u>	
End of year			<u>\$ 779,743</u>	



**City of Bell**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**City Capital Projects Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Use of money and property	\$ -	\$ -	\$ 1,733	\$ 1,733
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>1,733</u>	<u>1,733</u>
<b>EXPENDITURES:</b>				
Capital outlay	-	18,208	16,404	1,804
Debt service:				
Principal retirement	<u>-</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
<b>Total expenditures</b>	<u>-</u>	<u>68,208</u>	<u>66,404</u>	<u>1,804</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>-</u>	<u>(68,208)</u>	<u>(64,671)</u>	<u>3,537</u>
<b>OTHER FINANCING USES:</b>				
Transfers out	<u>(4,566)</u>	<u>(4,566)</u>	<u>(4,566)</u>	<u>-</u>
<b>Total other financing uses</b>	<u>(4,566)</u>	<u>(4,566)</u>	<u>(4,566)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u><u>\$ (4,566)</u></u>	<u><u>\$ (72,774)</u></u>	<u>(69,237)</u>	<u><u>\$ 3,537</u></u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>242,634</u>	
End of year			<u><u>\$ 173,397</u></u>	

**City of Bell**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Community Housing Authority Debt Service Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Use of money and property	\$ -	\$ -	\$ 131	\$ 131
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>131</u>	<u>131</u>
<b>EXPENDITURES:</b>				
Debt service:				
Principal retirement	555,000	555,000	555,000	-
Interest and fiscal charges	<u>743,051</u>	<u>743,051</u>	<u>743,545</u>	<u>(494)</u>
<b>Total expenditures</b>	<u>1,298,051</u>	<u>1,298,051</u>	<u>1,298,545</u>	<u>(494)</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,298,051)</u>	<u>(1,298,051)</u>	<u>(1,298,414)</u>	<u>(363)</u>
<b>OTHER FINANCING SOURCES:</b>				
Transfers in	<u>1,298,051</u>	<u>1,298,051</u>	<u>1,298,051</u>	<u>-</u>
<b>Total other financing sources</b>	<u>1,298,051</u>	<u>1,298,051</u>	<u>1,298,051</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	<u>(363)</u>	<u>\$ (363)</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>14,150</u>	
End of year			<u>\$ 13,787</u>	

**City of Bell**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**Public Financing Authority Debt Service Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Use of money and property	\$ -	\$ -	\$ 38	\$ 38
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>38</u>	<u>38</u>
<b>EXPENDITURES:</b>				
Debt service:				
Principal retirement	895,000	895,000	895,000	-
Interest and fiscal charges	<u>28,573</u>	<u>28,573</u>	<u>24,523</u>	<u>4,050</u>
<b>Total expenditures</b>	<u>923,573</u>	<u>923,573</u>	<u>919,523</u>	<u>4,050</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(923,573)</u>	<u>(923,573)</u>	<u>(919,485)</u>	<u>4,088</u>
<b>OTHER FINANCING SOURCES:</b>				
Transfers in	<u>923,573</u>	<u>923,573</u>	<u>923,573</u>	<u>-</u>
<b>Total other financing sources</b>	<u>923,573</u>	<u>923,573</u>	<u>923,573</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	<u>4,088</u>	<u>\$ 4,088</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>(469)</u>	
End of year			<u>\$ 3,619</u>	

**City of Bell**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**  
**General Obligation Bonds Debt Service Fund**  
**For the Year Ended June 30, 2020**

	Original Budget	Final Budget	Actual	Variance with Final Budget
<b>REVENUES:</b>				
Taxes	\$ 1,981,535	\$ 1,981,535	\$ 2,046,787	\$ 65,252
Use of money and property	-	-	43,410	43,410
<b>Total revenues</b>	<u>1,981,535</u>	<u>1,981,535</u>	<u>2,090,197</u>	<u>108,662</u>
<b>EXPENDITURES:</b>				
Debt service:				
Principal retirement	710,000	710,000	710,000	-
Interest and fiscal charges	<u>1,112,934</u>	<u>1,112,934</u>	<u>1,111,634</u>	<u>1,300</u>
<b>Total expenditures</b>	<u>1,822,934</u>	<u>1,822,934</u>	<u>1,821,634</u>	<u>1,300</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 158,601</u>	<u>\$ 158,601</u>	268,563	<u>\$ 109,962</u>
<b>FUND BALANCE:</b>				
Beginning of year			<u>1,781,981</u>	
End of year			<u>\$ 2,050,544</u>	

## **STATISTICAL SECTION**

*This page intentionally left blank.*

# City of Bell Statistical Section (Unaudited)

---

This part of the City of Bell's annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b>Financial Trends</b>	136-145
<i>These tables contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.</i>	
<b>Revenue Capacity</b>	146-151
<i>These tables contain information to help the reader assess the City's most significant local revenue source, the property tax.</i>	
<b>Debt Capacity</b>	152 - 153
<i>These tables 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.</i>	
<b>Demographic and Economic Information</b>	154
<i>These tables offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.</i>	
<b>Operating Information</b>	155 - 157
<i>These tables 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.</i>	

Sources: City of Bell Finance Department

**City of Bell**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
*(amount based in thousands)*  
*(accrual basis of accounting)*

---

	<b>Fiscal Year</b>				
	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Governmental activities					
Net Investment in capital assets	\$ 24,507	\$ 35,511	\$ 41,050	\$ 22,939	\$ 23,797
Restricted	15,286	17,156	14,009	13,687	12,777
Unrestricted	(25,430)	(23,833)	(32,214)	2,295	(29,327)
Total governmental activities net position	<u>\$ 14,363</u>	<u>\$ 28,834</u>	<u>\$ 22,845</u>	<u>\$ 38,921</u>	<u>\$ 7,247</u>

Notes:

The city began to report accrual information when it implmented GASB Statement 34 in Fiscal Year 2003

Source: City of Bell Finance Department

\*Line and column may contain rounding difference.



**City of Bell**  
**Net Position by Component (Continued)**  
**Last Ten Fiscal Years**  
*(amount based in thousands)*  
*(accrual basis of accounting)*

---

	<b>Fiscal Year</b>				
	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Governmental activities					
Net Investment in capital assets	\$ 22,251	\$ 19,702	\$ 21,638	\$ 21,459	\$ 24,164
Restricted	13,321	13,734	12,312	15,356	15,515
Unrestricted	(27,343)	(29,273)	(31,638)	(33,405)	(35,537)
Total governmental activities net position	<u>\$ 8,229</u>	<u>\$ 4,163</u>	<u>\$ 2,312</u>	<u>\$ 3,410</u>	<u>\$ 4,142</u>

Notes:

The city began to report accrual information when it implmented GASB Statement 34 in Fiscal Year 2003

Source: City of Bell Finance Department

\*Line and column may contain rounding difference.

**City of Bell**  
**Changes in Net Position**  
**Last Ten Fiscal Years**  
*(amount expressed in thousands)*  
*(accrual basis of accounting)*

	Fiscal Year				
	2011	2012	2013	2014	2015
Expenses:					
Governmental activities:					
General government	\$ 12,759	\$ 9,123	\$ 10,546	\$ 10,195	\$ 7,817
Public safety	7,706	6,708	7,425	7,024	9,208
Community Development	-	-	-	2,886	1,282
Community Services	4,242	3,535	3,759	3,641	4,029
Public works	4,394	4,631	5,040	4,550	4,038
Pass through agreements	1,190	509	-	-	-
Interest on long-term debt	5,101	4,068	4,376	3,027	2,234
Total governmental activities net position	35,392	28,574	31,146	31,323	28,608
Total primary government net position	<u>\$ 35,392</u>	<u>\$ 28,574</u>	<u>\$ 31,146</u>	<u>\$ 31,323</u>	<u>\$ 28,608</u>
Program Revenues:					
Governmental activities:					
Charges for Services:					
General government	4,590	4,349	4,704	1,347	3,097
Public safety	910	785	768	495	1
Community Development	-	-	-	-	212
Community Services	299	283	291	308	-
Public works	12	52	368	664	297
Operating contributions and grants	1,730	1,957	1,398	1,732	810
Capital contributions and grants	2,396	2,706	2,093	2,701	3,279
Total government activities program revenues	<u>\$ 9,937</u>	<u>\$ 10,132</u>	<u>\$ 9,622</u>	<u>\$ 7,247</u>	<u>\$ 7,696</u>

(Continued)

In FY2019, the City entered into a new auditing contract services with Pun Group. Changes were implemented on account grouping and presentation.

\*Years 2010 to 2013 does not have a line item for "sales and use taxes" and utilized a different format to calculate taxes

(a) Line item includes BCHA-Community Housing Authority Fund transactions which include sale of

Source: City of Bell Finance Department

**City of Bell**  
**Changes in Net Position (Continued)**  
**Last Ten Fiscal Years**  
*(amount expressed in thousands)*  
*(accrual basis of accounting)*

	Fiscal Year				
	2016	2017	2018	2019	2020
Expenses:					
Governmental activities:					
General government	\$ 3,675	\$ 6,691	\$ 5,104	\$ 5,449	\$ 5,448
Public safety	9,818	11,541	10,193	11,578	11,712
Community Development	2,290	2,752	2,654	2,344	2,461
Community Services	3,373	3,494	4,072	4,240	4,098
Public works	4,727	6,087	3,915	4,395	4,355
Pass through agreements	-	-	-	-	-
Interest on long-term debt	2,463	2,363	2,258	1,845	1,784
Total governmental activities net position	26,346	32,928	28,196	29,851	29,858
Total primary government net position	<u>\$ 26,346</u>	<u>\$ 32,928</u>	<u>\$ 28,196</u>	<u>\$ 29,851</u>	<u>\$ 29,858</u>
Program Revenues:					
Governmental activities:					
Charges for Services:					
General government	1,790	1,990	1,832	1,930	1,800
Public safety	177	97	20	-	3
Community Development	210	231	236	206	426
Community Services	-	-	-	(a) 3,010	2,834
Public works	401	896	418	486	492
Operating contributions and grants	1,063	447	896	8,757	7,720
Capital contributions and grants	3,792	3,384	3,225	2,110	2,550
Total government activities program revenues	<u>\$ 7,433</u>	<u>\$ 7,045</u>	<u>\$ 6,627</u>	<u>\$ 16,499</u>	<u>\$ 15,825</u>

(Continued)

In FY2019, the City entered into a new auditing contract services with Pun Group. Changes were implemented on account grouping and presentation.

\*Years 2010 to 2013 does not have a line item for "sales and use taxes" and utilized a different format to calculate taxes

(a) Line item includes BCHA-Community Housing Authority Fund transactions which include sale of property.

Source: City of Bell Finance Department

**City of Bell**  
**Changes in Net Position (Continued)**  
**Last Ten Fiscal Years**  
*(amount expressed in thousands)*  
*(accrual basis of accounting)*

	<b>Fiscal Year</b>				
	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
Net (Expense)/Revenue					
Governmental activities	\$ (25,455)	\$ (18,442)	\$ (21,524)	\$ (24,076)	\$ (20,912)
Total primary government net expense	<u>\$ (25,455)</u>	<u>\$ (18,442)</u>	<u>\$ (21,524)</u>	<u>\$ (24,076)</u>	<u>\$ (20,912)</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 6,526	\$ 2,272	\$ 903	\$ 8,390	\$ 9,446
Sales and use taxes**	-	-	-	2,054	2,063
Franchise taxes	480	588	521	690	696
Business licenses taxes	-	-	-	-	38
Utility users taxes	3,151	2,959	3,017	3,135	3,195
Transient occupancy taxes	-	-	-	-	-
Special assessments	5,450	7,346	4,721	-	-
Real property transfer taxes	39	23	17	-	-
Other Taxes	-	-	-	109	69
Motor vehicle in lieu	-	-	-	-	16
Unrestricted grants and contributions	5,040	4,666	4,716	-	-
Investment income	28	11	4	-	-
Sale of property	-	-	-	13,117	-
Other	651	108	1,967	10,982	85
Extraordinary gain: dissolution of the Bell	-	14,944	-	-	-
Extraordinary loss: uncollectible advances to Bell	-	-	(6,632)	-	-
Special item: gain on forgiveness of bonds payable	-	-	6,300	-	-
Use of money and property	-	-	-	3,400	3,080
Transfers	-	-	-	-	-
Total governmental activities	<u>21,365</u>	<u>32,917</u>	<u>15,534</u>	<u>41,877</u>	<u>18,688</u>
Total primary government	<u>21,365</u>	<u>32,917</u>	<u>15,534</u>	<u>41,877</u>	<u>18,688</u>
Change in Net Position					
Governmental activities	\$ (4,090)	\$ 14,475	\$ (5,990)	\$ 17,801	\$ (2,224)
Restatement of Net Position	-	-	-	(1,724)	(29,449)
Total primary government	<u>\$ (4,090)</u>	<u>\$ 14,475</u>	<u>\$ (5,990)</u>	<u>\$ 16,077</u>	<u>\$ (31,673)</u>

(Continued)

Notes:

In FY2019, the City entered into a new auditing contract services with Pun Group. Changes were implemented on account grouping and presentation.

Source: City of Bell Finance Department

\*Line and column may contain rounding difference.

**City of Bell**  
**Changes in Net Position (Continued)**  
**Last Ten Fiscal Years**  
*(amount expressed in thousands)*  
*(accrual basis of accounting)*

	<b>Fiscal Year</b>				
	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Net (Expense)/Revenue					
Governmental activities	\$ (18,913)	\$ (25,883)	\$ (21,569)	\$ (13,352)	\$ 14,033
Total primary government net expense	<u>\$ (18,913)</u>	<u>\$ (25,883)</u>	<u>\$ (21,569)</u>	<u>\$ (13,352)</u>	<u>\$ 14,033</u>
General Revenues and Other Changes in Net Position					
Governmental activities:					
Taxes					
Property taxes	\$ 9,232	\$ 10,086	\$ 9,748	\$ 2,909	\$ 2,934
Sales and use taxes**	2,392	2,151	2,515	2,613	2,640
Franchise taxes	619	565	724	731	753
Business licenses taxes	-	-	-	-	-
Utility users taxes	3,221	3,374	3,411	2,755	2,920
Transient occupancy taxes	-	-	407	459	365
Special assessments	-	-	-	-	-
Real property transfer taxes	-	-	-	-	-
Other Taxes	76	118	254	34	26
Motor vehicle in lieu	15	17	19	3,962	4,290
Unrestricted grants and contributions	-	-	-	-	-
Investment income	-	-	-	-	-
Sale of property	-	-	-	-	-
Other	1,946	1,858	1,350	515	339
Extraordinary gain: dissolution of the Bell	-	948	-	-	-
Extraordinary loss: uncollectible advances to Bell	-	-	-	-	-
Special item: gain on forgiveness of bonds payable	-	-	-	-	-
Use of money and property	3,063	3,129	3,419	472	497
Transfers	-	-	-	-	-
Total governmental activities	<u>20,564</u>	<u>22,246</u>	<u>21,847</u>	<u>14,450</u>	<u>14,764</u>
Total primary government	<u>20,564</u>	<u>22,246</u>	<u>21,847</u>	<u>14,450</u>	<u>14,764</u>
Change in Net Position					
Governmental activities	\$ 1,651	\$ (3,637)	\$ 278	\$ 1,098	\$ 731
Restatement of Net Position	(455)	(428)	(2,128)	-	-
Total primary government	<u>\$ 1,196</u>	<u>\$ (4,065)</u>	<u>\$ (1,850)</u>	<u>\$ 1,098</u>	<u>\$ 731</u>

(Concluded)

Notes:

In FY2019, the City entered into a new auditing contract services with Pun Group. Changes were implemented on account grouping and presentation.

Source: City of Bell Finance Department

\*Line and column may contain rounding difference.

**City of Bell**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*  
*(amount expressed in thousands)*

---

	<b>Fiscal Year</b>				
	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
General Fund					
Nonspendable	\$ 4,489	\$ 4,384	\$ 129	\$ 8	\$ 1,338
Committed	-	-	-	-	-
Unassigned	1,709	303	(1,615)	20,754	18,694
General Fund total fund balance	<u>\$ 6,198</u>	<u>\$ 4,687</u>	<u>\$ (1,486)</u>	<u>\$ 20,762</u>	<u>\$ 20,032</u>
All Other Governmental Funds					
Nonspendable	66	61	197	-	20
Restricted	39,469	37,949	15,322	13,687	13,234
Committed	-	-	-	-	-
Assigned	1,778	2,327	2,346	1,262	44
Unassigned	(6,925)	(282)	(198)	(972)	(2,122)
All Other Governmental Funds total fund balance	<u>34,388</u>	<u>40,055</u>	<u>17,667</u>	<u>13,977</u>	<u>11,176</u>
Total fund balances of governmental funds	<u>\$ 40,586</u>	<u>\$ 44,742</u>	<u>\$ 16,181</u>	<u>\$ 34,739</u>	<u>\$ 31,208</u>

Source: City of Bell Finance Department

\*Line and column may contain rounding difference.

**City of Bell**  
**Fund Balances of Governmental Funds (Continued)**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*  
*(amount expressed in thousands)*

	<b>Fiscal Year</b>				
	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
General Fund					
Nonspendable	\$ 987	\$ 496	\$ 4,750	\$ 4,820	\$ 4,905
Committed	-	4,750		1,292	-
Unassigned	19,710	15,718	15,341	16,307	15,835
General Fund total fund balance	<u>\$ 20,697</u>	<u>\$ 20,964</u>	<u>\$ 20,091</u>	<u>\$ 22,419</u>	<u>\$ 20,740</u>
All Other Governmental Funds					
Nonspendable	-	-	-	9	5
Restricted	13,321	13,734	12,313	15,242	15,435
Committed	-	-	-	243	173
Assigned	-	852	-	-	-
Unassigned	(1,814)	(1,646)	(413)	(1,555)	(1,356)
All Other Governmental Funds total fund balance	<u>11,507</u>	<u>12,940</u>	<u>11,900</u>	<u>13,939</u>	<u>14,257</u>
Total fund balances of governmental funds	<u>\$ 32,204</u>	<u>\$ 33,904</u>	<u>\$ 31,991</u>	<u>\$ 36,358</u>	<u>\$ 34,998</u>

Source: City of Bell Finance Department

\*Line and column may contain rounding difference.

**City of Bell**  
**Changes in Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*  
*(amount expressed in thousands)*

	Fiscal Year				
	2011	2012	2013	2014	2015
Revenues:					
Taxes	\$ 17,673	\$ 14,792	\$ 10,974	\$ 14,376	\$ 15,507
Licenses and permits	629	554	762	743	580
Fines and forfeitures	759	869	554	391	504
Charges for services	715	621	1,199	1,291	2,539
Intergovernmental	7,135	7,487	6,407	4,832	4,110
Investment income	28	11	4	-	-
Lease income	3,712	3,661	3,615	-	-
Use of money and property	-	-	-	3,400	3,080
Other	1,417	132	1,969	10,982	85
Total revenues	32,068	28,127	25,484	36,015	26,405
Expenditures:					
Current:					
General government	7,789	8,437	9,434	9,478	5,821
Public safety	7,083	5,967	6,845	6,759	8,842
Community development	-	-	-	2,965	1,267
Community services	2,970	2,642	2,908	2,825	3,024
Public works	2,874	2,932	3,435	2,984	1,816
Pass-through agreements	1,190	509	-	-	-
Capital outlay	1,501	1,312	1,456	3,752	3,201
Debt service	-	-	-	-	-
Interest and fiscal charges	5,028	4,317	4,711	2,779	2,624
Principal payments	2,224	2,295	18,625	30,415	3,325
Total expenditures	30,659	28,411	47,414	61,957	29,920
Excess of revenues over (under) expenditures	1,409	(284)	(21,930)	(25,942)	(3,515)
Other financing sources (uses)					
Proceed from sale of capital assets	1	-	4,486	44,500	-
Transfers in	3,127	4,037	(4,486)	33,962	2,845
Transfers out	(3,127)	(4,037)	-	(33,962)	(2,845)
Issuance of loan	-	-	-	-	-
Premium on bond issue	-	-	-	-	-
Payment to bond escrow	-	-	-	-	-
Refunding bonds issued	-	-	-	-	-
Capital Leases	-	-	-	-	-
Extraordinary gain from dissolution of Bell CRA	-	4,440	-	-	-
Successor Agency	-	-	(6,632)	-	-
Total other financing sources (uses)	1	4,440	(6,632)	44,500	-
Net change in fund balance	\$ 1,410	\$ 4,156	\$ (28,562)	\$ 18,558	\$ (3,515)
Debt service as a percentage of non-capital expenditures	24.9%	24.4%	50.8%	57.0%	22.3%

Notes:

In FY2019, the City entered into a new auditing contract services with The Pun Group. Changes were implemented on account grouping and presentation. Significant changes in fund balances are due to debt issuance and/or refunding as reported under other financing sources.

Source: City of Bell Finance Department

\*Line and column may contain rounding difference.



**City of Bell**  
**Changes in Fund Balances of Governmental Funds (Continued)**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*  
*(amount expressed in thousands)*

	Fiscal Year				
	2016	2017	2018	2019	2020
Revenues:					
Taxes	\$ 15,392	\$ 16,443	\$ 17,060	\$ 12,834	\$ 12,933
Licenses and permits	634	814	663	773	748
Fines and forfeitures	670	533	423	447	480
Charges for services	1,256	1,176	1,318	1,558	1,625
Intergovernmental	4,533	4,885	3,973	10,319	10,882
Investment income	-	-	-	-	-
Lease income	-	-	-	-	-
Use of money and property	3,063	3,129	3,419	3,653	3,539
Other	1,946	1,858	1,348	573	368
Total revenues	27,499	28,838	28,204	30,157	30,576
Expenditures:					
Current:					
General government	4,889	4,760	4,371	4,815	4,810
Public safety	8,798	9,174	9,571	9,775	9,268
Community development	2,260	2,661	2,577	2,253	2,310
Community services	2,479	2,582	3,136	3,244	3,262
Public works	2,982	4,180	1,891	2,402	2,460
Pass-through agreements	-	-	-	-	-
Capital outlay	1,060	332	1,517	3,099	5,534
Debt service					
Interest and fiscal charges	2,533	2,447	2,884	1,579	1,930
Principal payments	1,894	2,044	2,207	1,714	2,360
Total expenditures	26,895	28,180	30,654	28,881	31,935
Excess of revenues over (under) expenditures	604	658	(2,450)	1,276	(1,359)
Other financing sources (uses)					
Proceed from sale of capital assets	-	-	-	1,406	-
Transfers in	2,710	4,295	5,515	4,719	3,190
Transfers out	(2,710)	(4,295)	(5,515)	(4,719)	(3,190)
Issuance of loan	-	-	-	1,684	-
Premium on bond issue	-	-	734	-	-
Payment to bond escrow	-	-	(26,962)	-	-
Refunding bonds issued	-	-	26,765	-	-
Capital Leases	399	95	-	-	-
Extraordinary gain from dissolution of Bell CRA		948	-	-	-
Successor Agency			-	-	-
Total other financing sources (uses)	399	1,043	537	3,090	-
Net change in fund balance	\$ 1,003	\$ 1,701	\$ (1,913)	\$ 4,366	\$ (1,359)
Debt service as a percentage of non-capital expenditures	17.1%	16.1%	17.5%	12.8%	16.3%

Notes:

In FY2019, the City entered into a new auditing contract services with The Pun Group. Changes were implemented on account grouping and presentation. Significant changes in fund balances are due to debt issuance and/or refunding as reported under other financing sources.

Source: City of Bell Finance Department

\*Line and column may contain rounding difference.

**City of Bell**  
**Assessed Value and Estimated Actual Value of Taxable Property**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*  
*(amount expressed in thousands)*

<b>Fiscal Year End</b>	<b>Residential Property</b>	<b>Commercial Property</b>	<b>Industrial Property</b>	<b>Other Property*</b>	<b>Unsecured Property</b>	<b>Less Other Exemption</b>	<b>Taxable Assessed Value</b>	<b>Total Direct Tax Rate (1)</b>	<b>Estimated Actual Taxable Value (2)</b>	<b>Factor of Taxable Assessed Value</b>
2010-11	858,709	175,586	281,413	24,780	51,439	26	1,391,901	0.69074	-	-
2011-12	861,938	175,161	293,450	19,553	49,949	25	1,400,026	0.71265	-	-
2012-13	868,594	175,568	256,251	19,849	51,951	20	1,372,193	0.69804	-	-
2013-14	893,965	179,789	295,600	43,575	54,000	20	1,466,909	0.46965	-	-
2014-15	923,525	195,334	330,041	27,297	57,383	20	1,533,560	0.46491	-	-
2015-16	969,353	196,810	345,120	39,161	56,144	-	1,606,588	0.46627	-	-
2016-17	1,004,521	207,908	438,338	35,141	64,636	-	1,753,257	0.48268	-	-
2017-18	1,049,483	222,001	402,785	23,008	63,805	-	1,761,082	0.42882	-	-
2018-19	1,126,662	237,005	461,444	39,804	68,085	67,320	1,865,680	0.05366	3,275,608	1.755718
2019-20	1,187,755	250,565	491,153	41,358	78,218	33,467	2,015,582	0.05366	3,480,904	1.726997

Source: County Assessor data, MuniServices, LLC / an Avenu Insights & Analytics Company

Source: 2018-19 prior published CAFR

( - ) data unavailable

Table has been reformatted to comply with GASB No. 44 and include estimated actual value.

Taxable Assessed values are net of Other exemptions.

\* 2019-20 Other Property includes State Unitary tax \$781,509.

(1.) Total direct tax rate is the city share of the 1% Proposition 13 tax only for TRA 516

(2.) Estimated Actual Value is derived from a series of calculations comparing median assessed values from 1940 to current median sale prices.

Based on these calculations a multiplier value was extrapolated and applied to current assessed values.

**City of Bell**  
**Direct & Overlapping Property Tax Rates**  
*(Rate Per \$100 Of Taxable Value)*

	Fiscal Year									
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Basic Levy <sup>1</sup>	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
Bell Measure A Go Bonds	-	0.15286	0.15286	0.15286	0.15286	0.15286	0.15286	0.12270	0.10620	0.09960
County Detention Facilities 1987 Debt	-	-	-	-	-	-	-	-	-	-
LA Ccd Ds 2008 2012 Series F	-	-	0.01119	-	-	-	-	-	-	-
LA Community College District	0.04031	0.03530	0.03756	0.04454	0.04017	0.03575	0.03596	0.04599	0.04899	0.02718
LA County Flood Control	-	-	-	-	-	-	-	-	-	-
Los Angeles Unified School District	0.18695	0.16819	0.17561	0.14644	0.14688	0.12971	0.13110	0.12219	0.12045	0.12552
Metropolitan Water District	0.00370	0.00370	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350	0.00350
Montebello Unified School District	0.09792	0.10001	0.09630	0.09457	0.08750	0.08715	0.14705	0.13514	-	-
Tax District #1	0.31141	0.18755	0.18755	0.18755	0.18755	0.18755	0.18755	0.18755	0.18755	0.18755
Total Direct & Overlapping <sup>2</sup> Tax Rates	<u>\$ 1.64029</u>	<u>\$ 1.64761</u>	<u>\$ 1.66457</u>	<u>\$ 1.62946</u>	<u>\$ 1.61846</u>	<u>\$ 1.59652</u>	<u>\$ 1.65802</u>	<u>\$ 1.61707</u>	<u>\$ 1.46669</u>	<u>\$ 1.44335</u>
City's Share of 1% Levy Per Prop 13 <sup>3</sup>	0.05366	0.05366	0.05366	0.05366	0.05366	0.05366	0.05366	0.05366	0.05366	0.05366
Voter Approved City Debt Rate	0.31141	0.18755	0.18755	0.18755	0.18755	0.18755	0.18755	0.18755	0.18755	0.18755
Redevelopment Rate <sup>4</sup>	1.31511	1.19125	0	0	0	0	0	0	0	0
Total Direct Rate <sup>5</sup>	0.69074	0.71265	0.69804	0.46965	0.46491	0.46627	0.48268	0.42882	0.46669	0.44335

Source: County Assessor data, MuniServices, LLC / *an Avenu Insights & Analytics Company*

\*City direct rate may not be adjusted for ERAF, Tax Rate Area Code 516 is represented

**City of Bell**  
**Principal Property Taxpayers**  
**Current Fiscal Year and Nine Fiscal Years Ago**

Taxpayer	2019-20		2010-11	
	Taxable Value (\$)	Percent of Total City Taxable Value (%)	Taxable Value (\$)	Percent of Total City Taxable Value (%)
Cheli Distribution Center Inc.	117,957,855	5.85%	123,647,345	8.96%
First Industrial LP	62,379,043	3.09%		
Pi Bell Parcel I LLC	61,297,157	3.04%		
Perrin Bernard Supowitz Inc.	54,067,208	2.68%	26,410,700	1.91%
Salvation Army	47,180,374	2.34%	40,703,302	2.95%
Pr I Bell Tech Industrial Ca L	22,459,561	1.11%	19,409,368	1.41%
Bell Palm Plaza	16,027,723	0.80%	13,851,032	1.00%
Bell Container	15,980,558	0.79%		
Amb Property LP	15,353,963	0.76%	13,268,762	0.96%
6015 6025 Bandini LLC	14,356,273	0.71%		
500 Bandini LLC	12,760,999	0.63%	3,705,418	0.27%
Senior Citizens Housing Dev	9,116,530	0.45%		
Rodriguez Horacio Zoraida	8,900,026	0.44%		
Roselli Charles B	8,772,000	0.44%		
Barrera Arturo Juanita	8,148,274	0.40%	4,193,046	0.30%
Bandini Partners LLC	8,006,763	0.40%	6,608,778	0.48%
Palm Pacific LLC	7,852,938	0.39%		
United Parcel Service	7,649,785	0.38%		
Calderon J Vladimir	6,500,000	0.32%		
Inland Container Corp	6,399,097	0.32%	13,353,447	0.97%
Bank Of America N A	6,385,188	0.32%	3,141,673	0.23%
United Siblings LLC	6,298,283	0.31%	5,442,925	0.39%
Blueprint Cleanse	5,831,620	0.29%		
Westhoff Walker Avenue LLC	5,421,322	0.27%		
Eagle Investments Llc	5,404,266	0.27%	4,678,324	0.34%
Custom Building Products Inc.			6,921,560	0.50%
Bandini Properties LLC			5,873,703	0.43%
4900 East Florence Avenue LLC			4,638,979	0.34%
Wu Ying H & Ying C			3,936,786	0.29%
300 West Manchester LLC			3,807,000	0.28%
Michael Brandon Enterprises LLC			3,683,613	0.27%
H T Seafood Inc.			3,603,304	0.26%
Seoul Trading Inc			3,515,582	0.25%
Atlantic Bell LLC			3,351,520	0.24%
Elizabeth K Investments LLC			3,350,370	0.24%
SGN First Step Inc			3,172,463	0.23%
Mendez Ignacio I			3,096,675	0.22%
Total Top 25 Taxpayers	540,506,806	26.8%	327,365,675	23.72%
Total Taxable Value	2,015,583,042		1,380,091,040	

Source: County Assessor data, MuniServices, LLC / Avenu Insights & Analytics  
Total Taxable Value includes State Unitary \$781,509.

**City of Bell**  
**Property Tax Levies and Tax Collections**  
**Last Ten Fiscal Years**

Fiscal Year	Taxes Levied	Collected Within The Fiscal Year Of Levy		Collections In Subsequent Year	Total Collections To Date	
		Amount	Percent of Levy		Amount	Final Percent of Levy
2010-11	\$ 3,127,737	\$ 3,066,791	98.05%	\$ -	\$ 3,066,791	98.05%
2011-12	\$ 2,130,466	\$ 2,099,670	98.55%	\$ -	\$ 2,099,670	98.55%
2012-13	\$ 2,048,707	\$ 2,023,379	98.76%	\$ -	\$ 2,023,379	98.76%
2013-14	\$ 2,160,815	\$ 2,123,601	98.28%	\$ -	\$ 2,123,601	98.28%
2014-15	\$ 2,287,358	\$ 2,266,099	99.07%	\$ -	\$ 2,266,099	99.07%
2015-16	\$ 2,359,081	\$ 2,319,515	98.32%	\$ -	\$ 2,319,515	98.32%
2016-17	\$ 2,430,724	\$ 2,411,810	99.22%	\$ -	\$ 2,411,810	99.22%
2017-18	\$ 2,546,548	\$ 2,522,618	99.06%	\$ -	\$ 2,522,618	99.06%
2018-19	\$ 2,768,369	\$ 2,732,917	98.72%	\$ -	\$ 2,732,917	98.72%
2019-20	\$ 2,907,676	\$ 2,831,181	97.37%	\$ -	\$ 2,831,181	97.37%

Source: County Auditor/Controller Apportionment Ledger, MuniServices, LLC / *an Avenu Insights & Analytics Company*

( 1 ) Taxes levied is for Secured only.

( - ) Date unavailable

**City of Bell**  
**Principal Sales Tax Producers**  
**Current Fiscal Year and Nine Fiscal Years Ago**

2019-20		2010-11	
<b>Taxpayer</b>	<b>Business Type</b>	<b>Taxpayer</b>	<b>Business Type</b>
7-Eleven Food Stores	Food Markets	7-Eleven Food Stores	Food Markets
Advantage Auto Sales	Auto Sales - Used	A & E Products	Light Industry
Bell Thrift Store	Miscellaneous Retail	Al-Sal Oil Co.	Service Stations
Carl's Jr. Restaurants	Restaurants	Carl's Jr. Restaurants	Restaurants
Chevron Service Stations	Service Stations	Chevron Service Stations	Service Stations
Culichitown Bell	Restaurants	Chuck E Cheese Pizza	Restaurants
CVS/Pharmacy	Drug Stores	CSK Auto	Auto Parts/Repair
Domino's Pizza	Restaurants	CVS/Pharmacy	Drug Stores
Eurostar	Apparel Stores	Eurostar	Apparel Stores
Golden State Enterprises	Service Stations	Hill-Rom Company	Heavy Industry
Individual Foodservice	Food Processing Eqp	Hometown Buffet	Restaurants
Jack In The Box Restaurants	Restaurants	Individual Foodservice	Food Processing Eqp
Kaman Industrial Tech Corporation	Heavy Industry	Ink Jet Superstore	Office Equipment
Labarca Restaurantes	Restaurants	Jack In The Box Restaurants	Restaurants
Las Playitas Auto Sales	Auto Sales - Used	Kaman Industrial Tech Corporation	Heavy Industry
McDonald's Restaurants	Restaurants	Labarca Restaurantes	Restaurants
Northgate Market	Food Markets	Las Playitas Auto Sales	Auto Sales - Used
O'Reilly Auto Parts	Auto Parts/Repair	Maurice J. Sopp & Son	Auto Parts/Repair
Rexel USA	Electronic Equipment	McDonald's Restaurants	Restaurants
Smart & Final	Food Markets	Neo Life	Chemical Products
Socal Cars	Auto Sales - Used	Northgate Market	Food Markets
Tacos El Gavilan	Restaurants	Smart & Final	Food Markets
Tee Pee Automotive	Auto Parts/Repair	South West Petroleum	Service Stations
Tesoro Service Stations	Service Stations	Ultramar	Service Stations
Zoo Printing	Light Industry	Uruapan Auto Sales	Auto Sales - Used

Source: MuniServices, LLC / *an Avenu Insights & Analytics Company*

**City of Bell**  
**City Sales Tax Rates**  
**Last Ten Fiscal Years**

---

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
City Sales Tax Rate	N/A	N/A	9.00%	9.00%	9.00%	9.00%	9.00%	9.50%	9.50%	9.50%

---

Source: City of Bell Finance Department

**City of Bell**  
**Ratio of Outstanding Debt by Type**  
**Last Ten Fiscal Years**

---

<b>Fiscal Year</b>	<b>General Obligation Bonds</b>	<b>Tax Allocation Bonds</b>	<b>Revenue Bonds</b>	<b>Revenue Notes</b>	<b>Certificates of Participation</b>
2011	50,061,333	22,600,000	60,940,000	-	1,980,000
2012	49,680,320	-	59,990,000	-	1,865,000
2013	32,179,307	-	52,670,000	-	1,745,000
2014	31,663,294	-	22,880,000	-	1,620,000
2015	31,117,281	-	21,705,000	-	-
2016	30,190,000	-	20,450,000	-	-
2017	29,560,000	-	19,115,000	-	-
2018	27,498,458	-	18,117,048	-	-
2019	27,455,284	-	16,467,280	-	-
2020	26,710,951	-	14,906,085	-	-

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



**City of Bell**  
**Ratio of Outstanding Debt by Type (Continued)**  
**Last Ten Fiscal Years**

---

<b>Fiscal Year</b>	<b>Bond Anticipation Notes</b>	<b>Other Debt</b>	<b>Total Governmental Activities</b>	<b>Percent of Assessed Value</b>	<b>Debt Per Capita</b>
2011	-	4,353,685	139,935,018	15.87%	3,808
2012	-	-	111,535,320	8.13%	3,117
2013	-	-	86,594,307	5.90%	2,407
2014	-	-	56,163,294	3.66%	1,561
2015	-	-	52,822,281	3.44%	1,439
2016	-	334,786	50,974,786	3.17%	1,391
2017	-	351,819	49,026,819	2.80%	1,340
2018	-	260,316	45,875,822	2.60%	1,248
2019	-	1,756,011	45,680,594	2.45%	1,202
2020	-	1,555,905	43,174,961	2.14%	1,139

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

# City of Bell

## Demographic and Economic Statistics

### Last Ten Calendar Years

---

Calendar Year	Population (1)	City Unemployment Rate (3)	Personal Income (In Thousands)	Per Capita Personal Income (2)	Median Age (4)	% Of Pop 25+ with High School Diploma (5)	% of Pop 25+ with Bachelor's Degree (5)
2010	38,867	16.6%	473,633	12,186	28.2	44.2%	3.8%
2011	35,607	16.2%	451,675	12,685	28.3	42.3%	3.8%
2012	35,783	12.3%	442,707	12,372	28.5	42.2%	5.4%
2013	35,972	10.2%	438,930	12,202	28.7	44.5%	6.0%
2014	35,987	11.1%	431,124	11,980	30.5	45.3%	5.9%
2015	36,716	9.1%	431,879	11,762	30.0	45.3%	6.3%
2016	36,408	7.2%	440,325	12,094	29.9	47.4%	7.3%
2017	36,325	6.1%	466,057	12,830	30.0	49.3%	6.9%
2018	36,556	3.8%	492,848	13,482	30.0	49.4%	7.1%
2019	36,531	21.0%	512,238	14,022	28.9	50.5%	7.2%

---

Source: MuniServices, LLC / Avenu Insights & Analytics

Source: 2017-18 and prior years from previously published CAFR

The California Department of Finance demographics estimates now incorporate 2010 Census counts as the benchmark.

- 1.) Population Projections are provided by the California Department of Finance Projections.
- 2.) Income Data is provided by the United States Census Data and is adjusted for inflation.
- 3.) Unemployment and Total Employment Data are provided by the EDD's Bureau of Labor Statistics Department.
- 4.) Median Age reflects the U.S. Census data estimation table.
- 5.) % of population with HS diploma and bachelors degree reflects the US Census Bureau data.

**City of Bell**  
**Full-Time Equivalent City Government Employees by Function/Program**  
**Last Ten Fiscal Years**

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
City Council	N/A	0	0	0	1	1	1	1	1	1
General Government*	N/A									
City Manager's Office	N/A	2	3	3	4	2	4	4	5	5
City Clerk's Office	N/A	1	1	2	2	1	1	1	1	1
Finance Department	N/A	4	6	6	7	7	7	7	7	8
Police Department	N/A	40	43	40	41	46	51	52	52	52
Community Development Department	N/A	12	9	10	13	14	16	16	16	18
Public Works	N/A									
Community Services	N/A	3	5	6	8	9	37	47	47	50
Total business-type activities net position	N/A	62	67	67	76	80	117	128	129	135

Notes:

2,080 work hours/year= 1 full time equivalent (FTE) employee

\*In years fiscal year 2009-2010 through 2010-2011, city manager, city clerk, community development and finance departments were all included under "general government"

**City of Bell**  
**Operating Indicators By Function**  
**Last Ten Fiscal Years**

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Government										
Code Enforcement										
Number of Inspections	N/A	N/A	N/A	N/A	N/A	N/A	7,944	5,823	5,200	4,400
Investigations resulting in voluntary compliance	N/A	N/A	N/A	N/A	N/A	N/A	2,595	1,734	1,650	1,400
Building and planning										
Building permits issued	N/A	N/A	N/A	N/A	N/A	N/A	465	* 216	308	225
Plan checks	N/A	N/A	N/A	N/A	N/A	N/A	127	189	143	144
Public Safety										
Traffic citations issued	N/A	1,451	2,953	1,743	1,731	2,874	2,136	1,359	1,724	1,732
Calls for service	N/A	19,215	24,641	20,883	22,726	29,698	29,065	27,590	30,437	27,321
Community Services										
Class offered	N/A	N/A	N/A	N/A	N/A	N/A	127	159	126	272
Number of class participants	N/A	N/A	N/A	N/A	N/A	N/A	N/A	10,906	18,583	8,579

Source:

City of Bell, Various Departments

\* Change is due to a new process implemented in Community Development Service Department

**City of Bell**  
**Operating Indicators By Function (Continued)**  
**Last Ten Fiscal Years**

	Fiscal Year									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Public Works										
Streets (miles)	N/A	N/A	35	N/A	N/A	33	33	33	41	41
Sewers (miles)	N/A	N/A	N/A	N/A	N/A	N/A	37	37	37	37
Street lights	N/A	N/A	N/A	N/A	N/A	N/A	28	28	28	28
Traffic signals	N/A	N/A	N/A	N/A	28	28	31	31	31	31
Community Services										
Parks	6	6	6	6	6	6	6	6	6	6
Community centers	1	1	1	1	1	1	1	1	1	1
Finance										
Business Licenses	N/A	N/A	N/A	N/A	1,458	1,488	1,076	1,071	1,078	1,064

*This page intentionally left blank.*