

AGENDA
REGULAR CITY COUNCIL MEETING
COUNCIL CHAMBERS
5000 CLARK AVENUE
LAKEWOOD, CALIFORNIA

December 13, 2022

RECEPTION: “Lakewood Celebrates . . .” 6:00 p.m.

CALL TO ORDER 7:30 p.m.

INVOCATION:

PLEDGE OF ALLEGIANCE: Girl Scout Troop 5543

ROLL CALL: Mayor Steve Croft
Vice Mayor Ariel Pe
Council Member Cassandra Chase
Council Member Todd Rogers
Council Member Jeff Wood

ANNOUNCEMENTS AND PRESENTATIONS:

Presentation by One Legacy/Donate Life Ambassador Maria Jimenez with an Update on the Organization and the Rose Parade Float

ROUTINE ITEMS:

All items listed within this section of the agenda are considered to be routine and will be enacted by one motion without separate discussion. Any Member of Council may request an item be removed for individual discussion or further explanation. All items removed shall be considered immediately following action on the remaining items.

RI-1 MEETING MINUTES - Staff recommends City Council approve Minutes of the Meetings held October 25, October 29, November 8, and November 22, 2022.

RI-2 PERSONNEL TRANSACTIONS - Staff recommends City Council approve report of personnel transactions.

RI-3 REGISTERS OF DEMANDS - Staff recommends City Council approve registers of demands.

RI-4 CITY COUNCIL COMMITTEES’ ACTIVITIES - Staff recommends City Council receive and file the report.

RI-5 MONTHLY REPORT OF INVESTMENT TRANSACTIONS - OCTOBER 2022 AND NOVEMBER 2022 - Staff recommends City Council receive and file the report.

RI-6 RESOLUTION NO. 2022-81; A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEWOOD EXTENDING A LOCAL EMERGENCY DUE TO THE COVID-19 VIRUS - Staff recommends City Council adopt proposed resolution.

City Council Agenda

December 13, 2022

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ROUTINE ITEMS: - Continued

- RI-7 RESOLUTION NO. 2022-82; FINDING AND DETERMINATION OF NEED TO CONTINUE EMERGENCY ACTION REGARDING REPAIRS TO BOLIVAR PARK STORMWATER CAPTURE BUILDING AND EQUIPMENT - Staff recommends City Council adopt proposed resolution.
- RI-8 RESOLUTION NO. 2022-83; ESTABLISHING A SCHEDULE FOR ANNUAL CITY COUNCIL REORGANIZATION - Staff recommends City Council adopt proposed resolution.
- RI-9 NOTICE OF COMPLETION – EQUIPPING WELL 28 WELLHEAD & PUMP - PW PROJECT NO. 2020-4 - Staff recommends City Council accept the work constructed by R.E. Chaffee Construction of Wrightwood in the amount of \$1,820,643.64 and authorize the City Clerk to file the Notice of Completion for the project.
- RI-10 REMOVAL OF DISABLED PERSONS DESIGNATED PARKING SPACES ON 214TH STREET, NELSONBARK AVENUE, ADENMOOR AVENUE AND CARFAX AVENUE, RESOLUTION NO. 2022-84; - Staff recommends City Council adopt proposed resolution.
- RI-11 INSTALLATION OF DISABLED PERSON DESIGNATED PARKING SPACES ON ECKLESON STREET, ASHWORTH STREET AND 207TH STREET, RESOLUTIONS NO. 2022-85, NO. 2022-86 AND NO. 2022-87 - Staff recommends City Council adopt proposed resolutions.
- RI-12 ADDITIONAL ARCHITECTURAL SERVICES AUTHORIZATION – DAHLIN GROUP – WEINGART SR. CENTER IMPROVEMENT PROJECT - Staff recommends City Council authorize additional work for Weingart Sr. Center Improvements per Dahlin Group proposal dated November 28, 2022, in amount not-to-exceed \$47,500, and authorize Mayor to sign proposal.
- RI-13 TITLE VI PROGRAM, RESOLUTION NO. 2022-88 - Staff recommends City Council adopt the proposed resolution approving the Title VI Program for the City of Lakewood.
- RI-14 APPROVAL OF VENDOR AGREEMENT WITH MEALS ON WHEELS OF LONG BEACH - Staff recommends City Council approve the Vendor Agreement with Meals on Wheels of Long Beach, subject to approval as to legal form by the City Attorney, and authorize the Mayor to execute the agreement to commence on January 2, 2023, and terminate on January 1, 2024.
- RI-15 FIRST AMENDMENT TO CARETAKER MANAGEMENT CONTRACT FOR LAKEWOOD EQUESTRIAN CENTER - Staff recommends City Council approve the First Amendment to Caretaker Management Contract for Lakewood Equestrian Center, which will commence on December 13, 2022, and terminate on October 31, 2023, and authorize the Mayor to execute the contract subject to approval as to legal form by the City Attorney.
- RI-16 APPROVAL OF ARPA FUNDS FOR DESIGN AND CONSTRUCTION OF A SECOND INTERCONNECTION WITH CITY OF LONG BEACH - Staff recommends City Council approve \$80,000 of ARPA funds for the design and construction of a second interconnection with City of Long Beach.
- RI-17 PROFESSIONAL SERVICES AGREEMENT WITH KOSMONT COMPANIES FOR ECONOMIC DEVELOPMENT CONSULTING - Staff recommends City Council approve the PSA with Kosmont for an amount not to exceed \$75,000.

City Council Agenda

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ROUTINE ITEMS: - Continued

RI-18 SELECTION OF INFORMATION TECHNOLOGY CYBERSECURITY SERVICES PROVIDER

- Staff recommends City Council approve an agreement with Alert Logic, Inc. to provide cybersecurity services for \$36,000 over a 12-month period, and authorize the City Manager or his designee to enter into an agreement as approved by the City Attorney.

PUBLIC HEARINGS:

- 1.1 ESTABLISHMENT OF UNDERGROUND UTILITIES DISTRICT NO. 14, LAKEWOOD BOULEVARD BETWEEN SOUTH STREET AND NORTH CITY LIMITS, RESOLUTION NO. 2022-89; Staff recommends City Council conduct the Public Hearing regarding proposed Underground Utilities District No. 14, and adopt proposed resolution which establishes Underground Utilities District 14.
- 1.2 APPLICATION FOR THE PERMANENT LOCAL HOUSING ALLOCATION GRANT, RESOLUTION NO. 2022-90 - Staff recommends City Council adopt the proposed resolution authorizing the submittal of a grant application to the State of California Housing and Community Development Department for the PLHA grant program, and authorize the City Manager to execute the required application submittal documents and funding agreement.

REPORTS:

- 3.1 REVIEW OF ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR) FOR YEAR ENDED JUNE 30, 2022, AND PRESENTATION OF GOVERNMENT FINANCE OFFICERS ASSOCIATION (GFOA) AWARD - Staff recommends City Council receive and file the ACFR for year ended June 30, 2022, and accept the GFOA Certificate of Achievement for Excellence in Financial Reporting award for fiscal year ending June 30, 2021.
- 3.2 REHAB STEEL WATER TANKS 1 & 2, PW PROJECT NO. 2022-6 - Staff recommends City Council authorize the Mayor to sign a contract with Advanced Industrial Services, Inc. of Los Alamitos in a form approved by the City Attorney in amount of \$278,100; authorize staff to approve Harper and Associates proposal in amount of \$43,200 to provide construction assistance and inspection; appropriate \$400,000 from the Water Reserve Fund; authorize staff to approve a cumulative total of change orders as needed not to exceed \$50,000; and adopt the plans, specifications and working details for the project.
- 3.3 APPROVAL OF WATER RIGHTS LEASE TO CITY OF COMPTON - Staff recommends City Council approve the water right license and lease agreement in a form approved by the City Attorney with City of Compton for 1,500 acre-feet of water extraction rights for FY 22/23, FY 23/24 and FY 24/25 for a total cost of \$742,500; and authorize the Mayor to sign the agreement with City of Compton on behalf of the City.
- 3.4 PRESENTATION BY CALIFORNIANS AGAINST RETAIL AND RESIDENTIAL THEFT COALITION - Staff recommends City Council approve joining the coalition Californians Against Retail and Residential Theft.
- 3.5 NEIGHBORHOOD SAFETY ENHANCEMENT PLAN UPDATE - Staff recommends City Council approve extending deployment of Sheriff's crime suppression and saturation patrol units on an overtime basis January 1 through June 30, 2023, and authorize an appropriation of \$545,000 of General Fund funds in the FY2022-2023 budget; and approve extending the agreement for private security patrols with Southwest Patrol, Inc. from January 1 through June 30, 2023, authorize the City Manager to sign the agreement as approved by the City Attorney, and authorize an appropriation of \$180,000 of General Fund funds in the FY2022-2023 budget.

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AGENDA LAKEWOOD SUCCESSOR AGENCY

1. REGISTER OF DEMANDS - Staff recommends Successor Agency approve registers of demands.
2. APPROVAL OF RECOGNIZED OBLIGATION PAYMENT SCHEDULE (ROPS) FOR JULY 1, 2023 THROUGH JUNE 30, 2024 – ROPS 23-24 AND ADMINISTRATIVE BUDGET FY 2023-24 – Staff recommends City Council approve the Recognized Obligation Payment Schedule (ROPS) for July 1, 2023 Through June 30, 2024 – ROPS 23-24 and the Administrative Budget for FY 2023-24.

AGENDA LAKEWOOD HOUSING SUCCESSOR AGENCY

1. REGISTER OF DEMANDS - Staff recommends Housing Successor Agency approve registers of demands.

ORAL COMMUNICATIONS:

ADJOURNMENT

In compliance with the Americans with Disabilities Act, if you are a qualified individual with a disability and need an accommodation to participate in the City Council meeting, please contact the City Clerk's Office, 5050 Clark Avenue, Lakewood, CA, at 562/866-9771, ext. 2200; or at cityclerk@lakewoodcity.org at least 48 hours in advance to ensure that reasonable arrangements can be made to provide accessibility to the meeting.

Agenda items are on file in the Office of the City Clerk, 5050 Clark Avenue, Lakewood, and are available for public review during regular business hours. Any supplemental material distributed after the posting of the agenda will be made available for public inspection during normal business hours in the City Clerk's Office. For your convenience, the agenda and the supporting documents are available in an alternate format by request and are also posted on the City's website at www.lakewoodcity.org

Routine Items

Routine Item 1 – City Council Minutes
will be available prior to the meeting.


DIVIDER SHEET

COUNCIL AGENDA

December 13, 2022

TO: The Honorable Mayor and City Council**SUBJECT:** Report of Personnel Transactions

<u>Name</u>	<u>Title</u>	<u>Schedule</u>	<u>Effective Date</u>
1. FULL-TIME EMPLOYEES			
A. Appointments			
Brianna Tavera	Community Services Supervisor	24B	11/28/2022
Trevor Ridgway	Park Maintenance Worker	10A	11/13/2022
B. Changes			
Nadhia Flores	Administrative Clerk Personnel Clerk	08A 12A	11/27/2022
C. Separations			
None			
2. PART-TIME EMPLOYEES			
A. Appointments			
Geoffrey Barker	Maintenance Services Aide III	B	11/13/2022
Kimilyn Dixon	Relief Tele Op/Service Receptionist	B	11/28/2022
Gerald Dixon	Community Services Officer I	B	11/01/2022
Humberto Tene	Maintenance Services Aide III	B	12/01/2022
B. Changes			
Ryan Heighes	Recreation Leader I Community Services Specialist	A to B	11/13/2022
C. Separations			
Thomas Avila	Maintenance Trainee I	B	11/04/2022
Jose Guzman	Aquatic Specialist IV	B	11/12/2022
Elias Martinez	Community Services Specialist	B	11/12/2022
Destiny Smith	Community Services Leader IV	B	11/12/2022


Thaddeus McCormack
City Manager

DIVIDER SHEET

**CITY OF LAKEWOOD
FUND SUMMARY 11/10/22**

In accordance with section 2521 of the Lakewood Municipal Code, presented herewith is a summary of obligations to be paid by the City of Lakewood. Each of the following demands has been audited by the Director of Finance and Administrative Services and approved by the City Manager.

1010	GENERAL FUND	567,719.67
1025	AMERICAN RESCUE PLAN	9,315.00
1030	CDBG CURRENT YEAR	416.67
1050	COMMUNITY FACILITY	18,323.11
1623	LA CNTY MEASURE W	958.39
3070	PROPOSITION "C"	2,242.57
5020	CENTRAL STORES	4,224.47
5030	FLEET MAINTENANCE	8,707.18
7500	WATER UTILITY FUND	65,307.98
8020	LOCAL REHAB LOAN	1,900.50
8030	TRUST DEPOSIT	7,007.54
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		686,123.08

Council Approval

Date

City Manager

Attest

City Clerk

Director of Finance and Administrative Services

CITY OF LAKEWOOD SUMMARY CHECK REGISTER

CHECK DATE	VENDOR NAME	CHECK AMOUNT
11/10/2022	A T & T CORP	320.80
11/10/2022	AEF SYSTEMS CONSULTING, INC.	9,315.00
11/10/2022	AGRI-TURF DISTRIBUTING	955.48
11/10/2022	AIRE RITE A/C & REFRIGERATION INC	1,069.75
11/10/2022	ALLEN, JOHNNY	504.40
11/10/2022	SPCLTY ALLIED MUFFLER OF BELLFLOWER	681.38
11/10/2022	AMAZON CAPITAL SERVICES, INC.	283.75
11/10/2022	ANIMAL PEST MANAGEMENT SERVICES, INC	2,750.00
11/10/2022	ROSS AVIATION INVESTMENT, LLC	3,850.41
11/10/2022	N. HARRIS COMPUTER CORPORATION	42,780.02
11/10/2022	AUTOZONE PARTS INC	34.81
11/10/2022	BISHOP COMPANY	143.69
11/10/2022	BROWN, BONNIE	226.20
11/10/2022	CALIFORNIA CONTRACT CITIES ASN	3,125.00
11/10/2022	CINTAS CORPORATION	72.26
11/10/2022	CITY LIGHT & POWER LKWD INC	4,945.31
11/10/2022	CLEANCOR HOLDINGS LLC DBA CLEANCOR LNG	2,502.21
11/10/2022	BRAGG INVESTMENT COMPANY, INC.	898.38
11/10/2022	COLOMRICAN, INC.	4,167.28
11/10/2022	D&J INTERNATIONAL INC	1,284.41
11/10/2022	D7 CONSULTING INC	7,150.00
11/10/2022	DUNRITE PEST CONTROL INC.	130.00
11/10/2022	DUONG, MINH	106.50
11/10/2022	RON BUTH STEPHENY CHAN INC	213.55
11/10/2022	ELLIOTT AUTO SUPPLY COMPANY INC	60.21
11/10/2022	FED EX OFFICE & PRINT SVCS INC	390.57
11/10/2022	FILE KEEPERS, LLC	45.80
11/10/2022	FLEMING ENVIRONMENTAL INC	53,202.56
11/10/2022	FRONTIER CALIFORNIA INC.	2,625.66
11/10/2022	GRAINGER W W INC	25.15
11/10/2022	HARA M LAWNMOWER CENTER	253.75
11/10/2022	HOME DEPOT	2,317.74
11/10/2022	INFOSEND INC	8,970.10
11/10/2022	JHM SUPPLY INC	649.59
11/10/2022	KICK IT UP KIDZ, LLC	295.75
11/10/2022	LAKEWOOD, CITY OF	100.00
11/10/2022	LIFTECH ELEVATOR SERVICES INC	852.00
11/10/2022	LINCOLN EQUIPMENT INC	338.31
11/10/2022	LOS ANGELES CO SHERIFFS DEPT	4,268.92
11/10/2022	LOS ANGELES CO/DEPT PW BLDG SVCS	29,569.45
11/10/2022	MATHESON TRI-GAS, INC.	122.69
11/10/2022	MIEIR-KING, RICHARD	345.81
11/10/2022	MILLER DON & SONS	209.68
11/10/2022	NGUYEN, DEREK	105.00

CITY OF LAKEWOOD SUMMARY CHECK REGISTER

CHECK DATE	VENDOR NAME	CHECK AMOUNT
11/10/2022	O'REILLY AUTOMOTIVE STORES INC	1,373.27
11/10/2022	ODP BUSINESS SOLUTIONS, LLC	493.89
11/10/2022	OPUS INSPECTION, INC.	127.89
11/10/2022	TAYLOR CORPORATION	220.30
11/10/2022	UAG CERRITOS I. LLC	335.69
11/10/2022	UAG CERRITOS I. LLC	32.74
11/10/2022	PIERSON, CLAIRE L	126.85
11/10/2022	PIERSON, JEREMY L.	526.20
11/10/2022	LONG BEACH PUBLISHING CO	1,435.13
11/10/2022	S & J SUPPLY CO	1,621.35
11/10/2022	SAFETY-KLEEN CORP	990.74
11/10/2022	STEARNS CONRAD & SCHMIDT CONSLT' ENG	8,450.00
11/10/2022	SEE'S CANDIES INC	2,940.20
11/10/2022	SO CALIF SECURITY CENTERS INC	13.23
11/10/2022	SEAACA	286,836.00
11/10/2022	SOUTHERN CALIFORNIA EDISON CO	141,637.74
11/10/2022	SOUTHERN CALIFORNIA GAS CO	994.19
11/10/2022	MANCE, MIKE J.	55.35
11/10/2022	SU CASA ENDING DOMESTIC VIOLENCE	416.67
11/10/2022	THURSTON ELEVATOR CONCEPTS, INC.	146.00
11/10/2022	U S BANK	18.01
11/10/2022	ULINE	359.57
11/10/2022	UNIFIRST CORPORATION	73.10
11/10/2022	USA BLUE BOOK A DIVISION OF	136.36
11/10/2022	VERITIV OPERATING COMPANY	345.25
11/10/2022	CELLCO PARTNERSHIP	5,213.64
11/10/2022	WALTERS WHOLESALE ELECTRIC CO	1,262.85
11/10/2022	WATERLINE TECHNOLOGIES INC	3,320.07
11/10/2022	WAXIE ENTERPRISES INC	1,336.40
11/10/2022	WELLS, DANIELLE	78.00
11/10/2022	WESTERN EXTERMINATOR CO	62.70
11/10/2022	COMPREHENSIVE PRINT GROUP LLC	1,096.99
11/10/2022	WILLDAN ASSOCIATES	10,867.50
11/10/2022	WORLDWIDE RECOVERY SYSTEMS, INC.	17,105.10
11/10/2022	WYNN, LAKYN	32.50
11/10/2022	FRIENDS OF THE LAKEWOOD LIBRARIES	250.00
11/10/2022	GARCIA, GENESSES	5.00
11/10/2022	LEWIS, BRIDGET	76.99
11/10/2022	MAD CAPITAL LLC	95.32
11/10/2022	RUVALCABA, IRMA	912.15
11/10/2022	STRAIGHT GATE FENCE COMPANY	1,900.50
11/10/2022	SUNRUN INSTALLATION SERVICES INC	542.32
Total:		686,123.08

**CITY OF LAKEWOOD
FUND SUMMARY 11/17/22**

In accordance with section 2521 of the Lakewood Municipal Code, presented herewith is a summary of obligations to be paid by the City of Lakewood. Each of the following demands has been audited by the Director of Finance and Administrative Services and approved by the City Manager.

1010	GENERAL FUND	773,344.67
1025	AMERICAN RESCUE PLAN	2,295.64
1030	CDBG CURRENT YEAR	3,932.91
1050	COMMUNITY FACILITY	2,162.63
1070	RETIREE BENEFITS	2,930.14
1621	LA CNTY MEASURE R	145,619.00
1623	LA CNTY MEASURE W	2,729.00
1630	USED OIL GRANT	237.50
1740	STATE PARK BOND ACT 2000	12,683.79
3000	AIR QUALITY IMPROVEMENT	34,031.90
3001	CAPITAL IMPROV PROJECT FUND	281,578.10
3015	ROAD MAINTC & REHAB ACCT	1,361,905.80
3070	PROPOSITION "C"	381,967.87
3080	SEWER RECONSTRUCTION	10,310.00
5020	CENTRAL STORES	2,514.78
5030	FLEET MAINTENANCE	6,437.04
7500	WATER UTILITY FUND	75,981.98
8020	LOCAL REHAB LOAN	1,795.00
8030	TRUST DEPOSIT	200.00
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		3,102,657.75

Council Approval

Date

City Manager

Attest

City Clerk

Director of Finance and Administrative Services

CITY OF LAKEWOOD SUMMARY CHECK REGISTER

CHECK DATE	VENDOR NAME	CHECK AMOUNT
11/17/2022	ADAMS-HILLERY SHARRON	3,224.58
11/17/2022	ADVANTAGE MAILING LLC	3,772.87
11/17/2022	MNRO HOLDINGS, LLC	194.03
11/17/2022	AMAZON CAPITAL SERVICES, INC.	2,476.31
11/17/2022	ARDURRA GROUP, INC.	400.00
11/17/2022	B&M LAWN AND GARDEN INC	158.82
11/17/2022	BELLFLOWER, CITY OF	302.64
11/17/2022	BISHOP COMPANY	136.67
11/17/2022	TWO SHELLS ENTERPRISES INC.	162.00
11/17/2022	BRENTAG PACIFIC INC	2,202.82
11/17/2022	CALIF. STATE DISBURSEMENT UNIT	157.38
11/17/2022	CALIF STATE FRANCHISE TAX BOARD	86.75
11/17/2022	CALIFORNIA STATE DEPT OF JUSTICE	256.00
11/17/2022	CERRITOS, CITY OF	28,815.20
11/17/2022	CHICAGO TITLE CO	100.00
11/17/2022	CINTAS CORPORATION	62.13
11/17/2022	CJ CONCRETE CONSTRUCTION INC	136,715.00
11/17/2022	BRAGG INVESTMENT COMPANY, INC.	40.28
11/17/2022	COMMUNITY FAMILY GUIDANCE CTR	708.33
11/17/2022	CN SCHOOL AND OFFICE SOLUTIONS INC	643.82
11/17/2022	DANIEL'S TIRE SERVICE INC	2,316.63
11/17/2022	DEARK E&C, INC.	41,000.67
11/17/2022	EDCO WASTE SERVICES LLC	508,055.08
11/17/2022	EDCO WASTE SERVICES LLC	9,477.72
11/17/2022	EEC ACQUISITION LLC	813.29
11/17/2022	EMPLOYMENT DEVELOPMENT DEPT .	2,618.00
11/17/2022	FARMERS & MERCHANTS BANK	2,402.00
11/17/2022	GOLDEN STATE WATER COMPANY	7,566.63
11/17/2022	GRAINGER W W INC	195.56
11/17/2022	HASS, BARBARA	910.00
11/17/2022	HEATON, KATHRYN	65.00
11/17/2022	HERMAN, LINDA	325.00
11/17/2022	HOME DEPOT	1,747.27
11/17/2022	JONES RICHARD D. A PROF LAW CORP	17,252.50
11/17/2022	LAKEWOOD CHAMBER OF COMMERCE	1,833.33
11/17/2022	LAKEWOOD ROTARY CLUB	140.00
11/17/2022	LAKEWOOD, CITY OF	100.00
11/17/2022	LANCE, STEVEN JOSEPH	300.00
11/17/2022	LOS ANGELES CO. REGISTRAR RECORDER	127,902.16
11/17/2022	LA COUNTY DEPT OF PUBLIC WORKS	21,698.23
11/17/2022	LA COUNTY DEPT OF PUBLIC WORKS	5,770.62
11/17/2022	MACRO AUTOMATICS	21,319.81
11/17/2022	MALLORY SAFETY AND SUPPLY LLC	273.64
11/17/2022	MC MASTER-CARR SUPPLY CO	416.13

CITY OF LAKEWOOD SUMMARY CHECK REGISTER

CHECK DATE	VENDOR NAME	CHECK AMOUNT
11/17/2022	MOTA, DANIEL	350.00
11/17/2022	NICHOLLS CONSULTING INC.	1,140.00
11/17/2022	NOBLE R.J. COMPANY	1,972,010.08
11/17/2022	O'REILLY AUTOMOTIVE STORES INC	1,214.09
11/17/2022	OC VACUUM INC.	5,353.00
11/17/2022	ODP BUSINESS SOLUTIONS, LLC	612.67
11/17/2022	PHASE II SYSTEMS INC	2,930.14
11/17/2022	UAG CERRITOS I. LLC	34,031.90
11/17/2022	MARTINEZ-RADZIUK, SONYA	692.83
11/17/2022	READWRITE EDUCATIONAL SOLUTIONS INC	803.40
11/17/2022	SECTRAN SECURITY INC	191.92
11/17/2022	SHARP ELECTRONICS CORPORATION	3,517.58
11/17/2022	SMART & FINAL INC	167.63
11/17/2022	SOUTHERN CALIFORNIA EDISON CO	13,336.35
11/17/2022	SOUTHERN CALIFORNIA GAS CO	3,308.30
11/17/2022	STANLEY CONVERGENT SECURITY	3,575.65
11/17/2022	STEIN, ANDREW T	987.15
11/17/2022	STEVEN ENTERPRISES	1,026.70
11/17/2022	ARIZONA MACHINERY LLC	1,709.92
11/17/2022	TGIS CATERING SVCS INC	460.00
11/17/2022	TW ASSOCIATES	908.18
11/17/2022	UNIFIRST CORPORATION	515.50
11/17/2022	VASIN SIGN SOLUTIONS INC.	224.24
11/17/2022	WATANABE, BRYCE	1,098.50
11/17/2022	WATERLINE TECHNOLOGIES INC	2,965.72
11/17/2022	WAXIE ENTERPRISES INC	724.85
11/17/2022	WECK ANALYTICAL ENVIRONMENTAL SERVICES	1,669.14
11/17/2022	WILLDAN ASSOCIATES	88,034.90
11/17/2022	WORTHINGTON FORD	129.03
11/17/2022	WYNN, LAKYN	65.00
11/17/2022	CALIFORNIA MARBLE	1,695.00
11/17/2022	COLON, TIFFANY	470.08
11/17/2022	EDGLEY, SHARIEON	250.00
11/17/2022	KNOLES, MAGGIE	25.00
11/17/2022	MASSEY, LORI	250.00
11/17/2022	SUKUT CONSTRUCTION	998.40
11/17/2022	THYDEN, TERESA	100.00
Total:		3,102,657.75

**CITY OF LAKEWOOD
FUND SUMMARY 11/23/22**

In accordance with section 2521 of the Lakewood Municipal Code, presented herewith is a summary of obligations to be paid by the City of Lakewood. Each of the following demands has been audited by the Director of Finance and Administrative Services and approved by the City Manager.

1010	GENERAL FUND	1,231,215.13
1020	CABLE TV	1,464.97
1025	AMERICAN RESCUE PLAN	5,593.03
1030	CDBG CURRENT YEAR	15,680.00
1050	COMMUNITY FACILITY	1,402.29
1070	RETIREE BENEFITS	3,081.00
1336	STATE COPS GRANT	11,397.51
1500	MISC-SPECIAL REVENUE FUND	8,738.00
5010	GRAPHICS AND COPY CENTER	983.39
5020	CENTRAL STORES	5,077.22
5030	FLEET MAINTENANCE	3,390.58
7500	WATER UTILITY FUND	401,085.94
8030	TRUST DEPOSIT	30,755.79
		<hr/>
		1,719,864.85

Council Approval

Date

City Manager

Attest

City Clerk

Director of Finance and Administrative Services

CITY OF LAKEWOOD

SUMMARY CHECK REGISTER

CHECK DATE	VENDOR NAME	CHECK AMOUNT
11/23/2022	ALAN'S LAWN AND GARDEN CENTER, INC.	529.18
11/23/2022	ALESHIRE & WYNDER LLP	2,146.15
11/23/2022	MNRO HOLDINGS, LLC	362.72
11/23/2022	ALS GROUP USA, CORP.	1,589.79
11/23/2022	AMAZON CAPITAL SERVICES, INC.	835.43
11/23/2022	AUTOZONE PARTS INC	177.71
11/23/2022	BANC OF AMERICA PUBLIC CAPITAL CORP.	390,154.69
11/23/2022	BEGINNERS EDGE SPORTS TRAINING, LLC	3,380.00
11/23/2022	BIG STUDIO INC	1,321.39
11/23/2022	BREA, CITY OF	36,796.25
11/23/2022	C A C E O	440.00
11/23/2022	SEMA, INC.	944.55
11/23/2022	CINTAS CORPORATION	72.26
11/23/2022	COLOR CARD ADMINISTRATOR CORP.	71.86
11/23/2022	DAHLIN GROUP, INC.	20,530.00
11/23/2022	ELLIOTT AUTO SUPPLY COMPANY INC	749.80
11/23/2022	FEDERAL EXPRESS CORP	132.69
11/23/2022	HOME DEPOT	518.12
11/23/2022	IMMEDIATE MEDICAL CARE	380.00
11/23/2022	JHM SUPPLY INC	74.32
11/23/2022	KARTER, JANET	686.40
11/23/2022	LAKEWOOD ROTARY CLUB	334.00
11/23/2022	LAKEWOOD, CITY OF	100.00
11/23/2022	LANDCARE HOLDINGS INC	8,315.52
11/23/2022	LIEBERT CASSIDY WHITMORE	2,746.00
11/23/2022	LONG BEACH, CITY OF	1,169.62
11/23/2022	LOPEZ, ADRIANA	8,700.46
11/23/2022	LOS ANGELES CO SHERIFFS DEPT	1,018,165.39
11/23/2022	LOS ANGELES CO. REGISTRAR RECORDER	20.00
11/23/2022	LA COUNTY DEPT OF PUBLIC WORKS	67,361.20
11/23/2022	LOUD PRINT LLC	574.91
11/23/2022	MARKLEY, ELIZABETH	117.00
11/23/2022	MC ENROE, BARBARA	218.40
11/23/2022	MIDAMERICA ADMIN & RETIREMENT	681.00
11/23/2022	MITY-LITE	8,547.85
11/23/2022	MUNI SERVICES LLC	2,214.75
11/23/2022	O'REILLY AUTOMOTIVE STORES INC	454.38
11/23/2022	ODP BUSINESS SOLUTIONS, LLC	1,135.91
11/23/2022	PARAMOUNT, CITY OF	60.00
11/23/2022	PAYMENTUS CORPORATION	7,543.49
11/23/2022	CHEN, PATRICIA P.C.	2,475.00
11/23/2022	PETTY CASH/ ANDREW CAMACHO	2,143.65
11/23/2022	US BANCORP ASSET MANAGEMENT, INC.	3,110.19
11/23/2022	EMPLOYERWARE LLC	558.60

CITY OF LAKEWOOD SUMMARY CHECK REGISTER

CHECK DATE	VENDOR NAME	CHECK AMOUNT
11/23/2022	READWRITE EDUCATIONAL SOLUTIONS INC	148.20
11/23/2022	RODRIGUEZ, EDIANNE	193.09
11/23/2022	S.T.E.A.M.	16,699.47
11/23/2022	SAN JUAN, CLYDE J	365.30
11/23/2022	SHARP ELECTRONICS CORPORATION	4,523.56
11/23/2022	SHUSTER ADVISORY GROUP, LLC	2,400.00
11/23/2022	SO CALIF SECURITY CENTERS INC	16.39
11/23/2022	MWB COPY PRODUCTS, INC.	115.76
11/23/2022	SOUTHERN CALIFORNIA EDISON CO	4,005.23
11/23/2022	SOUTHWEST PATROL INC.	15,744.00
11/23/2022	STEPHENS, ERIC	192.40
11/23/2022	STOVER SEED COMPANY	3,230.34
11/23/2022	TUMBLE-N-KIDS, INC	10,275.20
11/23/2022	TURF STAR	826.12
11/23/2022	U S BANK NATIONAL ASSOCIATION	43,571.17
11/23/2022	UNIFIRST CORPORATION	36.55
11/23/2022	WAMBA, DIANE B.	339.30
11/23/2022	WAXIE ENTERPRISES INC	728.51
11/23/2022	WESTERN EXTERMINATOR CO	70.25
11/23/2022	COMPREHENSIVE PRINT GROUP LLC	606.38
11/23/2022	WILLDAN ASSOCIATES	14,225.00
11/23/2022	WORTHINGTON FORD	222.64
11/23/2022	CHIU, VANESSA	100.00
11/23/2022	CORPUS, CHARLES SHERWIN	100.00
11/23/2022	GIBB FAMILY TRUST	160.20
11/23/2022	GIFFORD, ELIZABETH	250.00
11/23/2022	GRASHEL, DANIELLE	49.00
11/23/2022	IPERMIT	135.12
11/23/2022	KNOX, JOHN	100.00
11/23/2022	MARTINEZ, ESMERALDA	250.00
11/23/2022	MAYFAIR HIGH SCHOOL	250.00
11/23/2022	MUELLER, DEBBIE	49.00
11/23/2022	NORNG SENEITH	100.00
11/23/2022	PEREZ, HECTOR GARIBAY	100.00
11/23/2022	REYES, MA FELISA	250.00
11/23/2022	SCHWAHN, KHORA	47.04
11/23/2022	TITANIUM SOLAR LLC	450.00
11/23/2022	VASOUEZ, MARIA	250.00
11/23/2022	WARNOCK, ALLISON	49.00
Total:		1,719,864.85

**CITY OF LAKEWOOD
FUND SUMMARY 12/01/22**

In accordance with section 2521 of the Lakewood Municipal Code, presented herewith is a summary of obligations to be paid by the City of Lakewood. Each of the following demands has been audited by the Director of Finance and Administrative Services and approved by the City Manager.

1010	GENERAL FUND	231,828.75
1020	CABLE TV	499.97
1030	CDBG CURRENT YEAR	792.16
1621	LA CNTY MEASURE R	43.47
3001	CAPITAL IMPROV PROJECT FUND	10,391.28
3060	PROPOSITION "A"	20,390.00
3070	PROPOSITION "C"	134.98
5020	CENTRAL STORES	820.07
5030	FLEET MAINTENANCE	5,953.18
7500	WATER UTILITY FUND	2,862.38
8020	LOCAL REHAB LOAN	8,200.00
8030	TRUST DEPOSIT	100.00
		<hr/>
		282,016.24

Council Approval

Date

City Manager

Attest

City Clerk

Director of Finance and Administrative Services

CITY OF LAKEWOOD SUMMARY CHECK REGISTER

CHECK DATE	VENDOR NAME	CHECK AMOUNT
12/01/2022	4WALL LOS ANGELES INC	5,700.00
12/01/2022	ALL CITY MANAGEMENT SERVICES, INC.	11,068.38
12/01/2022	MNRO HOLDINGS, LLC	1,269.41
12/01/2022	AMAZON CAPITAL SERVICES, INC.	389.18
12/01/2022	ARAMARK UNIFORM&CAREER APPAREL GRP	47.00
12/01/2022	AUTOLIFT SERVICES INC	775.00
12/01/2022	AUTOZONE PARTS INC	155.65
12/01/2022	B.R. BREWER SIGN & GRAPHICS	2,343.50
12/01/2022	BELL EVENT SERVICES INC	8,700.00
12/01/2022	BLUEALLY TECHNOLOGY SOLUTIONS	1,984.50
12/01/2022	C A C E O	200.00
12/01/2022	CALIF. STATE DISBURSEMENT UNIT	157.38
12/01/2022	CALIF STATE FRANCHISE TAX BOARD	25.00
12/01/2022	CALIF JOINT POWERS INS AUTHORITY	1,125.00
12/01/2022	CINTAS CORPORATION	63.22
12/01/2022	CLAVERIE, COURTNEY DAY	48.75
12/01/2022	CORELOGIC, INC.	251.50
12/01/2022	DELTA DENTAL INSURANCE COMPANY	1,035.38
12/01/2022	DELTA DENTAL OF CALIFORNIA	6,809.68
12/01/2022	DIRECTV INC	35.00
12/01/2022	DOSSIER SYSTEMS, INC.	1,568.15
12/01/2022	ESTRADA, TERESA	215.00
12/01/2022	ELLIOTT AUTO SUPPLY COMPANY INC	82.16
12/01/2022	FUN EXPRESS LLC	147.99
12/01/2022	PLAYCORE WISCONSIN INC	276.52
12/01/2022	HARA M LAWNMOWER CENTER	243.44
12/01/2022	HODGE PRODUCTS INC.	137.22
12/01/2022	HOME DEPOT	5,631.71
12/01/2022	JHM SUPPLY INC	134.73
12/01/2022	JONES RICHARD D. A PROF LAW CORP	69.53
12/01/2022	KDC INC	1,620.00
12/01/2022	KICK IT UP KIDZ, LLC	117.00
12/01/2022	LAKEWOOD, CITY OF	100.00
12/01/2022	LANCE, STEVEN JOSEPH	260.00
12/01/2022	LONG BEACH PUBLIC TRANSPORTATION CO	20,390.00
12/01/2022	LA COUNTY DEPT OF PUBLIC WORKS	10,000.00
12/01/2022	LA COUNTY DEPT OF PUBLIC WORKS	7,192.21
12/01/2022	M&M DISPLAY INC.	742.03
12/01/2022	MANAGED HEALTH NETWORK	351.12
12/01/2022	MARKLEY, ELIZABETH	1,335.75
12/01/2022	NATIONAL UNION FIRE INSURANCE CO	444.55
12/01/2022	O'REILLY AUTOMOTIVE STORES INC	389.32
12/01/2022	ODP BUSINESS SOLUTIONS, LLC	81.52
12/01/2022	PATHWAYS VOLUNTEER HOSPICE	708.33

CITY OF LAKEWOOD SUMMARY CHECK REGISTER

CHECK DATE	VENDOR NAME	CHECK AMOUNT
12/01/2022	CERRITOS FORD INC	130,651.97
12/01/2022	SANCHEZ, EUGENE	630.00
12/01/2022	SHARP ELECTRONICS CORPORATION	643.74
12/01/2022	SMART & FINAL INC	164.15
12/01/2022	MWB COPY PRODUCTS, INC.	115.76
12/01/2022	SOUTHWEST PATROL INC.	14,883.00
12/01/2022	CHARTER COMMUNICATIONS HOLDINGS, LLC	4,320.47
12/01/2022	SPENCER, GORDON	80.00
12/01/2022	STANDARD INSURANCE CO UNIT 22	1,961.50
12/01/2022	STANDARD INSURANCE CO UNIT 22	9,873.27
12/01/2022	MANCE, MIKE J.	235.67
12/01/2022	STEPHENS, ERIC	400.40
12/01/2022	TGIS CATERING SVCS INC	687.00
12/01/2022	TUMBLE-N-KIDS, INC	4,617.60
12/01/2022	TURF STAR	357.71
12/01/2022	UNIFIRST CORPORATION	36.55
12/01/2022	VARSITY BRANDS HOLDING CO INC	39.69
12/01/2022	VISION SERVICE PLAN	4,129.98
12/01/2022	WHITE HOUSE FLORIST INC	2,614.03
12/01/2022	WILLDAN ASSOCIATES	434.75
12/01/2022	WORTHINGTON FORD	703.21
12/01/2022	BARAJAS, TERESA	250.00
12/01/2022	FENIX, CHRISTOL	250.00
12/01/2022	MODERN PAVING INC	8,200.00
12/01/2022	PEREZ, HUGO	250.00
12/01/2022	PODRASKY, PAUL	138.90
12/01/2022	PRATT, LYDIA	250.00
12/01/2022	RUSSELL, TAMARA	20.00
12/01/2022	SARMIENTO, CHARMAINE	250.00
12/01/2022	SAYLOR, A'NARI	405.08
Total:		282,016.24

**CITY OF LAKEWOOD
FUND SUMMARY 12/08/22**

In accordance with section 2521 of the Lakewood Municipal Code, presented herewith is a summary of obligations to be paid by the City of Lakewood. Each of the following demands has been audited by the Director of Finance and Administrative Services and approved by the City Manager.

1010	GENERAL FUND	488,755.40
1025	AMERICAN RESCUE PLAN	8,522.09
1030	CDBG CURRENT YEAR	46,187.33
1050	COMMUNITY FACILITY	2,322.20
1070	RETIREE BENEFITS	228,750.00
1500	MISC-SPECIAL REVENUE FUND	9,017.50
3001	CAPITAL IMPROV PROJECT FUND	3,838.00
3070	PROPOSITION "C"	715.00
5010	GRAPHICS AND COPY CENTER	394.81
5020	CENTRAL STORES	1,483.90
5030	FLEET MAINTENANCE	14,588.84
7500	WATER UTILITY FUND	39,025.19
8030	TRUST DEPOSIT	200.00
		<hr/>
		843,800.26

Council Approval

Date

City Manager

Attest

City Clerk

Director of Finance and Administrative Services

CITY OF LAKEWOOD SUMMARY CHECK REGISTER

CHECK DATE	VENDOR NAME	CHECK AMOUNT
12/08/2022	A T & T CORP	303.99
12/08/2022	AEF SYSTEMS CONSULTING INC.	8,217.50
12/08/2022	SALES, TIMOTHY	5,750.00
12/08/2022	AIRE RITE A/C & REFRIGERATION INC	6,288.52
12/08/2022	MNRO HOLDINGS, LLC	1,814.38
12/08/2022	ALLEN, JOHNNY	293.80
12/08/2022	ALLIANT INSURANCE SERVICES	1,515.00
12/08/2022	ALLIED REFRIGERATION INC	236.52
12/08/2022	AMAZON CAPITAL SERVICES, INC.	1,172.24
12/08/2022	AMERICAN TRUCK & TOOL RENTAL INC	1,210.84
12/08/2022	ANKER WIRELESS SYSTEMS, INC.	862.00
12/08/2022	ATALLA, IBRAHIM	234.00
12/08/2022	N. HARRIS COMPUTER CORPORATION	28,352.47
12/08/2022	AUTOZONE PARTS INC	27.33
12/08/2022	BAY AREA DRIVING SCHOOL, INC.	97.50
12/08/2022	BEAR COMMUNICATIONS INC	196.25
12/08/2022	BIOMETRICS4ALL INC	8.25
12/08/2022	BLUEALLY TECHNOLOGY SOLUTIONS	2,067.19
12/08/2022	C A C E O	144.00
12/08/2022	CA ASSOC FOR COORDINATED TRANSPORTN	715.00
12/08/2022	CAMERON WELDING SUPPLY	125.14
12/08/2022	CENTRAL BASIN MUNICIPAL WATER	1,800.00
12/08/2022	CERRITOS DODGE	185.71
12/08/2022	CINTAS CORPORATION	72.26
12/08/2022	CLEANCOR HOLDINGS LLC DBA CLEANCOR LNG	465.00
12/08/2022	CAMERON WELDING SUPPLY	278.76
12/08/2022	DAHLIN GROUP, INC.	144,656.84
12/08/2022	DANIEL'S TIRE SERVICE INC	4,025.70
12/08/2022	DE LAGE LANDEN FINANCIAL SERVICES	394.81
12/08/2022	DIAMOND ENVIRONMENTAL SERVICES LP	435.00
12/08/2022	DICKSON R F CO INC	100,111.64
12/08/2022	DUNRITE PEST CONTROL INC.	260.00
12/08/2022	DY, DERWIN	275.00
12/08/2022	FERGUSON ENTERPRISES INC	3,805.59
12/08/2022	FLEMING ENVIRONMENTAL INC	20,535.12
12/08/2022	FLUE STEAM INC	230.00
12/08/2022	FRONTIER CALIFORNIA INC.	2,592.84
12/08/2022	GRAINGER W W INC	403.53
12/08/2022	H & H NURSERY	1,747.98
12/08/2022	HARA M LAWNMOWER CENTER	1,407.08
12/08/2022	HOME DEPOT	1,045.97
12/08/2022	JHM SUPPLY INC	726.83
12/08/2022	JONES RICHARD D. A PROF LAW CORP	1,363.31
12/08/2022	KICK IT UP KIDZ, LLC	250.25

CITY OF LAKEWOOD SUMMARY CHECK REGISTER

CHECK DATE	VENDOR NAME	CHECK AMOUNT
12/08/2022	KIM, YVONNE	512.00
12/08/2022	KWIK-COVERS	136.14
12/08/2022	LAKEWOOD, CITY OF	200.00
12/08/2022	LONG BEACH CITY GAS & WATER DEPT	194.73
12/08/2022	LUNDERVILLE, GERALD P	216.00
12/08/2022	MICHAEL BAKER INTERNATIONAL, INC.	12,787.50
12/08/2022	NSWC MECHANICAL SERVICE, LLC	5,685.50
12/08/2022	O'REILLY AUTOMOTIVE STORES INC	2,385.36
12/08/2022	ODP BUSINESS SOLUTIONS, LLC	309.74
12/08/2022	PATHWAYS VOLUNTEER HOSPICE	708.33
12/08/2022	SCOTT, REBECCA DBA PONY TIME	8,000.00
12/08/2022	LONG BEACH PUBLISHING CO	1,296.80
12/08/2022	RAYVERN LIGHTING SUPPLY CO INC	908.93
12/08/2022	RODRIGUEZ MARQUEZ, JORGE	375.00
12/08/2022	HYDRAULIC SYSTEMS & COMPONENTS INC	461.16
12/08/2022	S & J SUPPLY CO	961.78
12/08/2022	SAFETY-KLEEN CORP	740.57
12/08/2022	SERVICEWEAR APPAREL INC.	197.53
12/08/2022	SITEONE LANDSCAPE SUPPLY, LLC	1,585.10
12/08/2022	SO CALIF SECURITY CENTERS INC	4.38
12/08/2022	MWB COPY PRODUCTS, INC.	115.76
12/08/2022	SOLID SURFACE CARE, INC.	1,689.00
12/08/2022	SOUTH COAST A.O.M.D.	1,241.22
12/08/2022	SOUTHERN CALIFORNIA EDISON CO	24,873.09
12/08/2022	SPASEFF TED C	287.50
12/08/2022	SUPERIOR COURT OF CALIFORNIA	8,651.00
12/08/2022	SUPERIOR COURT OF CALIFORNIA	10,980.00
12/08/2022	SUPERIOR COURT OF CALIFORNIA	10,032.50
12/08/2022	SUPERIOR COURT OF CALIFORNIA	12,240.00
12/08/2022	SUPERIOR COURT OF CALIFORNIA	8,329.00
12/08/2022	SUPERIOR COURT OF CALIFORNIA	9,922.50
12/08/2022	SUPERIOR COURT OF CALIFORNIA	7,369.50
12/08/2022	SUPERIOR COURT OF CALIFORNIA	9,765.00
12/08/2022	SYN-TECH SYSTEMS INC	498.53
12/08/2022	THE HITT COMPANIES	65.09
12/08/2022	THE RINKS-LAKEWOOD ICE	507.00
12/08/2022	TRANSAMERICA LIFE INSURANCE COMPANY	1,038.19
12/08/2022	TURF STAR	63.10
12/08/2022	TYLER BUSINESS FORMS	870.23
12/08/2022	U S BANK PARS ACCT #6746022500	228,750.00
12/08/2022	U S POSTAL SERVICE	4,000.00
12/08/2022	U S POSTAL SERVICE	275.00
12/08/2022	UNDERGROUND SERVICE ALERT	274.25
12/08/2022	UNIFIRST CORPORATION	334.86

**CITY OF LAKEWOOD
SUMMARY CHECK REGISTER**

CHECK DATE	VENDOR NAME	CHECK AMOUNT
12/08/2022	CELLCO PARTNERSHIP	2,567.21
12/08/2022	WALTERS WHOLESALE ELECTRIC CO	860.59
12/08/2022	WATER SYSTEM SERVICES LLC	175.00
12/08/2022	WATERLINE TECHNOLOGIES INC	6,675.82
12/08/2022	WAXIE ENTERPRISES INC	1,176.51
12/08/2022	WEST COAST ARBORISTS INC	100,597.00
12/08/2022	WESTERN WATER WORKS SUPPLY CO	758.52
12/08/2022	WILLDAN ASSOCIATES	3,838.00
12/08/2022	AHOLELEI, KALANIE P	111.60
12/08/2022	HOPKINS, DONALD	250.00
12/08/2022	WESLEY, ELINDA	250.00
	Total:	843,800.26

D I V I D E R S H E E T

COUNCIL AGENDA

December 13, 2022

TO: The Honorable Mayor and City Council

SUBJECT: Report of City Council Committees' Activities

INTRODUCTION

A brief update is provided for City Council review on the activities of the following standing committee: Water Resources Committees.

STATEMENT OF FACT

On November 1, 2022, the Public Safety Committee met and discussed:

Presentation by Californians Against Retail and Residential Theft (CARRT)

The coalition hopes to partner with cities and raise awareness of growing theft rates in an effort to find solutions. A presentation was shared with the committee. Representatives would like the opportunity to present an award to the City of Lakewood and extended an invitation join the coalition. The committee recommended to share with Council for consideration to join the coalition.

Crime Trends and Statistics

Overall, Part One Crimes are higher when compared to last year, however lower when compared to the 5 year trend. An undercover operation will begin before the holiday and will focus on specific vehicles in targeted areas. Crimes decreased at Lakewood Center Mall in September 2022.

Abatement Deputy Update

Updates were provided on various locations and encampment clean-ups. Homeless Services Liaison Adriana Lopez was introduced to the committee.

Public Outreach

Publicity will begin on holiday safety tips and upcoming community activities. Staff began preparing for Award of Valor and State of the City events.

Public Safety Department Update

One new Community Safety Officer (CSO) began training with the department. Monthly highlights of CSOs and event updates were provided.

Business Watch Proposal

A presentation was shared with the committee regarding a crime prevention program for the business community. It will promote crime prevention tips, letters of agency details, burglary prevention, etc. via seminars and social media. The Committee provided positive feedback.

Follow-Up Items

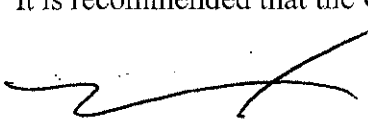
A proposal was provided to Hawaiian Gardens for Sky Knight services and a budget amendment was approved by Hawaiian Gardens City Council. An agreement will be presented to Lakewood City Council for consideration and approval.

Miscellaneous

Chairman Rogers requested clarification on the expansion of illegal dumping citations and protocols from City Attorney or City Prosecutor. Also, he asked staff to research civil or other remedies city or residents can pursue to address recurring neighbor disputes.

RECOMMENDATION

It is recommended that the City Council receive and file this report.



Thaddeus McCormack
City Manager

DIVIDER SHEET

COUNCIL AGENDA

December 13, 2022

TO: The Honorable Mayor and City Council**SUBJECT:** Monthly Report of Investment Transactions – October 2022**INTRODUCTION**

In accordance with California Government Code Section 53607, the City Council has delegated to the City Treasurer the responsibility to invest or to reinvest funds, or to sell or exchange securities purchased. The California Government Code Section 53607 requires that, if such responsibility has been delegated, then the Treasurer “shall make a monthly report of those transactions to the legislative body.” In compliance with this requirement, the Monthly Report of Investment Transactions is being rendered to be received and filed.

STATEMENT OF MONTHLY ACTIVITY

Date	Amount at Cost	Investment	Transaction	Rate*
01-Oct-22	\$9,076.10	CAMP	Interest	0.820%
01-Oct-22	2,728.75	CORP	Interest	2.950%
02-Oct-22	1,786.00	CORP	Interest	3.384%
05-Oct-22	365.50	CORP	Interest	0.731%
06-Oct-22	90,606.88	CORP	Purchase	3.300%
13-Oct-22	207,162.84	LAIF	Purchase	1.350%
14-Oct-22	1,475.00	FNMA	Interest	0.500%
15-Oct-22	15.02	ABS	Interest	0.340%
15-Oct-22	11.95	ABS	Interest	0.550%
15-Oct-22	54.17	ABS	Interest	0.520%
15-Oct-22	1,187.50	CORP	Interest	2.500%
15-Oct-22	106.33	ABS	Interest	0.580%
15-Oct-22	403.13	TREAS	Interest	0.375%
15-Oct-22	247.00	ABS	Interest	1.040%
15-Oct-22	18.55	ABS	Interest	0.400%
15-Oct-22	25.33	ABS	Interest	0.380%
15-Oct-22	833.38	ABS	Interest	3.390%
15-Oct-22	366.00	ABS	Interest	3.660%
15-Oct-22	876.71	ABS	Interest	3.970%
15-Oct-22	259.67	ABS	Interest	3.320%
15-Oct-22	26.22	ABS	Interest	0.440%
15-Oct-22	112.29	ABS	Interest	0.550%
15-Oct-22	10.99	ABS	Interest	0.430%

Monthly Investment Transactions
December 13, 2022
Page 2

Date	Amount at Cost	Investment	Transaction	Rate*
15-Oct-22	\$443.25	CORP	Interest	2.700%
15-Oct-22	32.73	ABS	Interest	0.500%
15-Oct-22	4,880.43	ABS	Paydown	0.500%
15-Oct-22	11,803.00	ABS	Paydown	0.430%
15-Oct-22	6,899.42	ABS	Paydown	0.440%
15-Oct-22	3,024.19	ABS	Paydown	0.340%
15-Oct-22	11,462.99	ABS	Paydown	0.400%
15-Oct-22	3,385.67	ABS	Paydown	0.550%
18-Oct-22	186.50	ABS	Interest	3.730%
18-Oct-22	33.55	ABS	Interest	0.370%
18-Oct-22	4,218.75	CORP	Interest	2.250%
18-Oct-22	9,149.77	ABS	Paydown	0.370%
19-Oct-22	2,275.00	CORP	Interest	3.500%
20-Oct-22	1,500,000.00	LAIF	Sell	1.350%
20-Oct-22	68.93	ABS	Interest	0.470%
20-Oct-22	56.67	ABS	Interest	0.340%
20-Oct-22	4.82	ABS	Interest	0.450%
20-Oct-22	18.75	ABS	Interest	0.500%
20-Oct-22	23,656.45	ABS	Paydown	0.470%
20-Oct-22	9287.46	ABS	Paydown	0.450%
20-Oct-22	19423.38	ABS	Paydown	0.340%
22-Oct-22	2,109.38	FNMA	Interest	0.625%
24-Oct-22	682.50	CORP	Interest	2.100%
25-Oct-22	13.42	FNMA	Interest	3.203%
25-Oct-22	15.53	ABS	Interest	0.290%
25-Oct-22	12.82	ABS	Interest	0.480%
25-Oct-22	722.50	CORP	Interest	0.850%
25-Oct-22	3081.53	CORP	Interest	3.350%
25-Oct-22	14.61	ABS	Paydown	3.203%
25-Oct-22	3,618.99	ABS	Paydown	0.480%
25-Oct-22	9,630.68	ABS	Paydown	0.290%
26-Oct-22	1,500,000.00	LAIF	Sell	1.350%
26-Oct-22	187.50	CORP	Interest	0.500%
26-Oct-22	2,500,000.00	CAMP	Purchase	3.140%
28-Oct-22	92,029.82	CORP	Purchase	2.875%
30-Oct-22	756.60	CORP	Interest	0.776%
31-Oct-22	5,156.25	TREAS	Interest	2.750%
31-Oct-22	365,000.00	ABS	Purchase	5.600%

Date	Amount at Cost	Investment	Transaction	Rate*
31-Oct-22	\$250.00	TREAS	Interest	0.500%
31-Oct-22	3,000.00	TREAS	Interest	1.500%
31-Oct-22	1,181.25	FNMA	Interest	0.750%
31-Oct-22	347,999.42	TREAS	Sell	2.875%
31-Oct-22	2,000,000	CAMP	Purchase	3.140%
31-Oct-22	12,000.00	TREAS	Interest	2.000%

* Rates shown for MMF, LAIF, and CAMP are distribution yields. All others are coupon rates.

INVESTMENT GLOSSARY

ABS (Asset-Backed Securities)

A mortgage pass-through security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable pass-through certificate, or consumer receivable-backed bond.

AGENCY (U.S. Government Agency Issues)

Federal agency or United States government-sponsored enterprise obligations, participations, or other instruments, including those issued by or fully guaranteed as to principal and interest by federal agencies or United States government-sponsored enterprises. There are no portfolio percentage limits for U. S. Government Agency issues.

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Registered treasury notes or bonds issued by states or municipalities, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the other 49 United States, in addition to California.

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A Joint Powers Authority established in 1989 by the treasurers and finance directors of several California public agencies to provide an investment pool at a reasonable cost. Participation is limited to California public agencies.

CD (Certificate of Deposit)

Negotiable CDs are issued by large banks and are freely traded in secondary markets as short term (2 to 52 weeks), large denomination (\$100,000 minimum) CDs, that are either issued at a discount on its par value, or at a fixed interest rate payable at maturity.

COM (Commercial Paper)

Commercial paper of "prime" quality of the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization.

CORP (Corporate Notes)

Medium-term notes, defined as all corporate and depository institution debt securities with a maximum remaining maturity of five years or less, issued by corporations organized and operating within the United States or by depository institutions licensed by the United States, or any state and operating within the United States.

FNMA (Federal National Mortgage Association)

A government-sponsored, privately owned corporation established to create a secondary market for Federal Housing Administration mortgages.

LAIF (Local Agency Investment Fund, State of California)

The Treasurer of the State of California administers this investment pool, providing a high-level of liquidity and strong safety through diversification of investments.

MMF (Money Market Fund)

This is a money market interest-bearing checking account that is fully insured and collateralized.

SUPRA (Supra-National Agency Bonds or Notes)

Supranational bonds and notes are debt of international or multi-lateral financial agencies. The debt is used to finance economic/infrastructure development, environmental protection, poverty reduction and renewable energy around the globe, rated AAA, highly liquid and issued in a range of maturities.

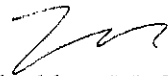
TREAS (U.S. Treasury Notes)

A Treasury obligation of the U.S. Government to provide for the cash flow needs of the Federal Government.

RECOMMENDATION

It is recommended that the City Council receive and file the Monthly Report of Investment Transactions rendered for the month of October 2022.


Jose Gomez
Director of Finance & Administrative Services


Thaddeus McCormack
City Manager

COUNCIL AGENDA

December 13, 2022

TO: The Honorable Mayor and City Council

SUBJECT: Monthly Report of Investment Transactions – November 2022

INTRODUCTION

In accordance with California Government Code Section 53607, the City Council has delegated to the City Treasurer the responsibility to invest or to reinvest funds, or to sell or exchange securities purchased. The California Government Code Section 53607 requires that, if such responsibility has been delegated, then the Treasurer “shall make a monthly report of those transactions to the legislative body.” In compliance with this requirement, the Monthly Report of Investment Transactions is being rendered to be received and filed.

STATEMENT OF MONTHLY ACTIVITY

Date	Amount at Cost	Investment	Transaction	Rate*
01-Nov-22	\$45,145.51	CAMP	Interest	0.820%
01-Nov-22	367.25	FNMA	Interest	0.565%
01-Nov-22	465.98	CORP	Interest	0.981%
01-Nov-22	13.38	FNMA	Interest	3.203%
02-Nov-22	5,000,000.00	LAIF	Sell	1.350%
03-Nov-22	497,690.46	TREAS	Purchase	4.125%
03-Nov-22	82,908.97	TREAS	Sell	1.375%
03-Nov-22	5,000,000.00	CAMP	Purchase	3.900%
04-Nov-22	4,085.00	CORP	Interest	2.150%
08-Nov-22	2,200.00	CORP	Interest	4.000%
10-Nov-22	627.55	CORP	Interest	1.141%
11-Nov-22	1,631.25	CORP	Interest	1.125%
11-Nov-22	247.50	CORP	Interest	0.450%
12-Nov-22	335.63	CORP	Interest	0.537%
13-Nov-22	23.69	ABS	Interest	0.440%
15-Nov-22	5,000,000.00	LAIF	Sell	1.350%
15-Nov-22	833.38	ABS	Interest	3.390%
15-Nov-22	14.16	ABS	Interest	0.340%
15-Nov-22	14.73	ABS	Interest	0.400%
15-Nov-22	2,970.00	CORP	Interest	3.300%
15-Nov-22	106.33	ABS	Interest	0.580%
15-Nov-22	247.00	ABS	Interest	1.040%
15-Nov-22	876.71	ABS	Interest	3.970%

Monthly Investment Transactions
December 13, 2022
Page 2

Date	Amount at Cost	Investment	Transaction	Rate*
15-Nov-22	\$850.00	CORP	Interest	1.700%
15-Nov-22	359.67	ABS	Interest	3.320%
15-Nov-22	6,750.00	TREAS	Interest	2.500%
15-Nov-22	6.76	ABS	Interest	0.430%
15-Nov-22	366.00	ABS	Interest	3.660%
15-Nov-22	10.40	ABS	Interest	0.550%
15-Nov-22	30.70	ABS	Interest	0.500%
15-Nov-22	233.75	CORP	Interest	0.550%
15-Nov-22	54.17	ABS	Interest	0.520%
15-Nov-22	5,046.88	TREAS	Interest	2.375%
15-Nov-22	25.33	ABS	Interest	0.380%
15-Nov-22	719.44	CORP	Interest	3.700%
15-Nov-22	112.29	ABS	Interest	0.550%
15-Nov-22	30.73	ABS	Interest	0.370%
15-Nov-22	4,747.16	ABS	Paydown	0.500%
15-Nov-22	11,629.68	ABS	Paydown	0.400%
15-Nov-22	560.84	ABS	Paydown	0.380%
15-Nov-22	6,585.64	ABS	Paydown	0.440%
15-Nov-22	3,162.12	ABS	Paydown	0.550%
15-Nov-22	9,303.43	ABS	Paydown	0.430%
15-Nov-22	8,658.68	ABS	Paydown	0.370%
16-Nov-22	13.82	FNMA	Paydown	3.203%
17-Nov-22	3,000,000.00	LAIF	Sell	1.350%
17-Nov-22	457,615.77	TREAS	Purchase	4.125%
17-Nov-22	5,000,000.00	CAMP	Purchase	3.900%
18-Nov-22	186.50	ABS	Interest	3.730%
18-Nov-22	1496.25	CORP	Interest	3.150%
18-Nov-22	22073.34	ABS	Paydown	0.470%
19-Nov-22	51.16	ABS	Interest	0.340%
20-Nov-22	1.34	ABS	Interest	0.450%
20-Nov-22	18.75	ABS	Interest	0.500%
20-Nov-22	59.66	ABS	Interest	0.470%
20-Nov-22	1,012.50	SUPRA	Interest	0.500%
20-Nov-22	3575.69	ABS	Paydown	0.450%
20-Nov-22	19,256.09	ABS	Paydown	0.340%
20-Nov-22	8,840.29	ABS	Paydown	0.290%
24-Nov-22	700.00	SUPRA	Interest	0.250%
24-Nov-22	13.20	ABS	Interest	0.290%

Date	Amount at Cost	Investment	Transaction	Rate*
25-Nov-22	\$1,608.75	CORP	Interest	1.650%
25-Nov-22	11.37	ABS	Interest	0.480%
25-Nov-22	690.00	CORP	Interest	1.200%
25-Nov-22	2,759.46	ABS	Paydown	0.340%
25-Nov-22	3318.01	ABS	Paydown	0.480%
25-Nov-22	397,495.39	TREAS	Sell	2.875%
28-Nov-22	472.5	CORP	Interest	0.700%
28-Nov-22	1,875.00	TREAS	Interest	0.750%
30-Nov-22	5,000,000.00	LAIF	Sell	1.350%
30-Nov-22	8,531.25	TREAS	Interest	2.625%
30-Nov-22	1,453.13	TREAS	Interest	0.375%
30-Nov-22	5,281.25	TREAS	Interest	1.250%
30-Nov-22	354,550.00	CORP	Maturity	2.600%

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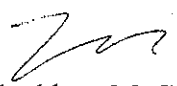
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RECOMMENDATION

It is recommended that the City Council receive and file the Monthly Report of Investment Transactions rendered for the month of November 2022.


Jose Gomez
Director of Finance & Administrative Services


Thaddeus McCormack
City Manager

DIVIDER SHEET

RESOLUTION NO. 2022-81

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEWOOD EXTENDING A LOCAL EMERGENCY DUE TO THE COVID-19 VIRUS.

THE CITY COUNCIL OF THE CITY OF LAKEWOOD DOES RESOLVE AS FOLLOWS:

SECTION 1. On March 24, 2020, the City Council adopted Resolution No. 2020-5, ratifying a Proclamation of a Local Emergency that the City Manager, acting in his capacity as the City's Director of Emergency Services, had issued on March 17, 2020, due to the COVID-19 virus. On May 12, 2020, the City Council adopted Resolution No. 2020-14, extending such Local Emergency. On June 23, 2020, the City Council adopted Resolution No. 2020-35, extending such Local Emergency. On July 28, 2020, the City Council adopted Resolution No. 2020-37, extending such Local Emergency. On September 22, 2020, the City Council adopted Resolution No. 2020-52, extending such Local Emergency. On November 10, 2020, the City Council adopted Resolution No. 2020-58, extending such Local Emergency. On December 8, 2020, the City Council adopted Resolution No. 2020-61, extending such Local Emergency. On January 26, 2021, the City Council adopted Resolution No. 2021-3, extending such Local Emergency. On March 23, 2021, the City Council adopted Resolution No. 2021-6, extending such Local Emergency. On May 11, 2021, the City Council adopted Resolution No. 2021-15, extending such Local Emergency. On June 22, 2021, the City Council adopted Resolution No. 2021-32, extending such Local Emergency. On July 27, 2021, the City Council adopted Resolution No. 2021-38, extending such Local Emergency. On September 14, 2021, the City Council adopted Resolution No. 2021-55, extending such Local Emergency. On November 9, 2021, the City Council adopted Resolution No. 2021-64, extending such Local Emergency. On December 14, 2021, the City Council adopted Resolution No. 2021-60, extending such Local Emergency. On February 8, 2022, the City Council adopted Resolution No. 2022-7, extending such Local Emergency. On March 22, 2022, the City Council adopted Resolution No. 2022-13, extending such Local Emergency. On May 10, 2022, the City Council adopted Resolution No. 2022-22, extending such Local Emergency. On June 28, 2022, the City Council adopted Resolution No. 2022-41, extending such Local Emergency. On August 9, 2022, the City Council adopted Resolution No. 2022-53, extending such Local Emergency. On September 27, 2022, the City Council adopted Resolution No. 2022-71, extending such Local Emergency. On November 8, 2022, the City Council adopted Resolution No. 2022-78, extending such Local Emergency. The City Council hereby extends such Local Emergency, on the same terms and conditions.

SECTION 2. The Local Emergency shall remain in effect until the expiration of the State Declaration of Emergency. The City Council shall review the need for continuing the Local Emergency at least once every 60 days until the City Council terminates the Local Emergency, as required by section 8630 of the California Government Code.

SECTION 3. If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this Resolution, or any part hereof, is held invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Resolution. The City Council hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase in this Resolution irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases may be declared invalid or unconstitutional.

SECTION 5. The City Clerk shall certify to the adoption of this Resolution.

ADOPTED AND APPROVED THIS 13TH DAY OF DECEMBER, 2022.

Mayor

ATTEST:

City Clerk

DIVIDER SHEET

COUNCIL AGENDA

December 13, 2022

TO: The Honorable Mayor and City Council

SUBJECT: Finding and Determination of Need to Continue Emergency Action Regarding Repairs to Bolivar Park Stormwater Capture Building and Equipment

INTRODUCTION

At its September 13, 2022 meeting, the City Council adopted Resolution 2022-70 finding and determining that it was necessary to take emergency action due to the fact that the Bolivar Park Stormwater Capture Building and Equipment were damaged as a result of a traffic collision.

State law allows for necessary purchases and repairs to be made in a more expedited manner. The process was initiated via the adoption of the above resolution declaring an emergency and dispensing with the contracting requirements of the Public Contract Code (PCC).

STATEMENT OF FACT

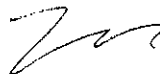
The emergency work is estimated to cost approximately \$300,000, with the City's property insurance policy covering the amount. Since the last meeting, staff has been working closely with contractors and engineers to define the scope of the needed repairs, review new warranty terms, and gathering construction and installation proposals.

The PCC also requires that staff report to the City Council at its next meeting the actions taken to cure the emergency. Such a report and an accompanying resolution must be provided (and approved by the City Council, by four-fifths vote) through the period of time needed for completion of the needed repairs.

STAFF RECOMMENDATION

It is recommended that the City Council adopt the proposed resolution as it finds and determines that there is a need to continue the action previously authorized by Resolution No. 2022-70.


Jose Gomez
Director of Finance & Administrative Services


Thaddeus McCormack
City Manager

RESOLUTION NO. 2022-82

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEWOOD FINDING AND DETERMINING THAT THERE IS A NEED TO CONTINUE TAKING EMERGENCY ACTION REGARDING THE NEED TO MAKE REPAIRS TO THE BOLIVAR PARK STORMWATER CAPTURE BUILDING AND EQUIPMENT.

WHEREAS, on September 13, 2022, the City Council adopted Resolution No. 2022-70, finding and determining that it was necessary to take emergency action due to the fact that the Bolivar Park Stormwater Capture Building and Equipment were damaged as a result of a traffic collision; and

WHEREAS, the City has not completed the actions authorized by Resolution No. 2022-70;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKEWOOD HEREBY RESOLVES AS FOLLOWS:

SECTION 1. Based on the evidence contained in the staff report submitted herewith, the City Council finds and determines that there is a need to continue the action authorized by Resolution No. 2022-70.

SECTION 2. The City Manager and his designees are hereby directed and authorized to implement the actions taken by the City Council to address this emergency.

SECTION 3. If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this Resolution, or any part hereof, is held invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Resolution. The City Council hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase in this Resolution irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases may be declared invalid or unconstitutional.

SECTION 4. The City Clerk shall certify to the adoption of this Resolution.

ADOPTED AND APPROVED THIS 13TH DAY OF DECEMBER, 2022.

Mayor

ATTEST:

City Clerk

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COUNCIL AGENDA

December 13, 2022

TO: Honorable Mayor and City Council

SUBJECT: Establishing a Schedule for Annual City Council Reorganization

INTRODUCTION

In December 2017, the City's election date was changed to March of even years to coincide with the statewide primary election because of the requirements of Senate Bill 415. The bill requires the City to align our regular municipal election with the statewide election dates. The state of California holds elections in November of every even-numbered year, as well as in March of the Presidential election years (e.g. 2016, 2020, etc.) and in June for the mid-term elections (e.g. 2018, 2022, etc.). As a result, the City Council's elections switch back and forth between March and June, depending on the year relative to the Presidential election cycle. Because this toggling of the elections disrupts the annual mayoral reorganization, staff recommends that the City Council hold its annual reorganization in the month of July, beginning in 2023. Moving the reorganization annually to July establishes a consistent schedule regardless of when the municipal elections occur.

STATEMENT OF FACT

The proposed resolution authorizes the City Council, at an annual meeting in July, to select one of its members to serve as Mayor and another of its members as Vice Mayor. For those years in which a municipal election for City Council seats is held in June, such selection shall take place in conjunction with the certification of the results from that election. For those years in which the municipal election is held in months other than June, the City Council will select one of its members to serve as Mayor and another of its member as Vice Mayor at the annual meeting in July, however, such action will be preceded by an action renaming the current Mayor and Vice Mayor as an adjunct to certifying the election results (unless of course either one of those persons is no longer on the Council following the election, in which case a replacement will be selected).

RECOMMENDATION

Adopt the proposed resolution establishing a schedule for annual city council reorganizations.



Paolo Beltran
Deputy City Manager



Thaddeus McCormack
City Manager

RESOLUTION NO. 2022-83

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
LAKEWOOD ESTABLISHING A SCHEDULE FOR ANNUAL
CITY COUNCIL REORGANIZATION.

THE CITY COUNCIL OF THE CITY OF LAKEWOOD DOES RESOLVE AS
FOLLOWS:

SECTION 1. Henceforth, the City Council shall select one of its members to serve as Mayor, and another of its members to serve as Vice Mayor, annually at a City Council meeting in July. In years in which a municipal election for City Council seats has been held in June, such selection shall take place in conjunction with the certification of the results of such election.

SECTION 2. Notwithstanding the Council's intention that all terms for Mayor and Vice Mayor shall run from July to July, in order to comply with California Government Code, section 36801, in years in which a municipal election for City Council seats has been held in a month other than June, the City Council shall select one of its members to serve as Mayor, and another of its members to serve as Vice Mayor, in conjunction with the certification of the results of such election.

SECTION 3. If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this Resolution, or any part hereof, is held invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Resolution. The City Council hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase in this Resolution irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases may be declared invalid or unconstitutional.

SECTION 4. The City Clerk shall certify to the adoption of this Resolution.

ADOPTED AND APPROVED THIS 13TH DAY OF DECEMBER, 2022.

Mayor

ATTEST:

City Clerk

DIVIDER SHEET

COUNCIL AGENDA

December 13, 2022

TO: The Honorable Mayor and City Council

SUBJECT: Notice of Completion – Equipping Well 28 Wellhead & Pump - PW Project 20-04

INTRODUCTION

Well 28 was drilled in 2020 under a previous contract. The current project installed a pump, electrical panel, disinfection equipment and related wellhead facilities to make a fully operational well integrated into the City's water storage and distribution system.

STATEMENT OF FACT


R.E. Chaffee Construction of Wrightwood was awarded a contract by the City Council on December 8, 2020 for the project in the amount of \$1,919,215. The City Council authorized staff to approve a cumulative total of contract change orders not to exceed \$190,000.

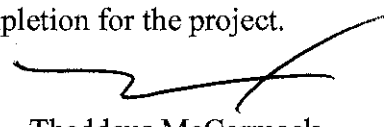
The final cost of this project contract was \$1,820,643.64 which is below the bid amount. The lower amount was due to staff selecting an alternate bid item of carbon steel instead of stainless steel for the well pump assembly.

The original completion date was anticipated to be September 2021. But, supply chain issues, especially for the pump, resulted in some very long lead times that extended the project for a year.

RECOMMENDATION

That the City Council accept the work constructed by R.E. Chaffee Construction of Wrightwood for "Equipping Well 28 Wellhead & Pump - PW Project 20-04" in the amount of \$1,820,643.64 and authorize the City Clerk to file the Notice of Completion for the project.

Kelli Pickler 
Director of Public Works


Thaddeus McCormack
City Manager

DIVIDER SHEET

COUNCIL AGENDA

December 13, 2022

TO: The Honorable Mayor and City Council

SUBJECT: Community Safety Commission Recommendation – Removal of Disabled Person Parking

INTRODUCTION

The Community Safety Commission met on October 3 and December 5 to consider various community safety matters that included the consideration of requests to remove the disabled person parking spaces at 11531 214th Street, 4202 Nelsonbark Avenue, 4945 Adenmoor Avenue, and 4412 Carfax Avenue.


STATEMENT OF FACT

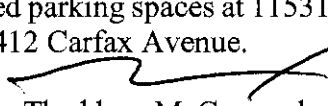
The Public Works Department received requests to remove disabled person parking spaces at 11531 214th Street, 4202 Nelsonbark Avenue, 4945 Adenmoor Avenue, and 4412 Carfax Avenue. The original residents for whom the spaces were installed no longer live at the locations. Staff observed the locations, confirmed that the original requestors no longer live there, and recommended removal of the spaces.

The Community Safety Commission, at their regular meetings on October 3 and December 5 approved recommending removal.

RECOMMENDATION

The Community Safety Commission recommends that the City Council adopt the attached resolution authorizing removal of disabled person designated parking spaces at 11531 214th Street, 4202 Nelsonbark Avenue, 4945 Adenmoor Avenue, and 4412 Carfax Avenue.

Kelli Pickler 
Director of Public Works


Thaddeus McCormack
City Manager

RESOLUTION NO. 2022-84

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEWOOD RESCINDING RESOLUTIONS ESTABLISHING A PHYSICALLY HANDICAPPED PERSONS DESIGNATED PARKING SPACE WITHIN THE CITY OF LAKEWOOD

THE CITY COUNCIL OF THE CITY OF LAKEWOOD DOES RESOLVE AS FOLLOWS:

SECTION 1. Resolution No. 2010-19 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEWOOD ESTABLISHING A PHYSICALLY HANDICAPPED PERSONS DESIGNATED PARKING SPACE ON THE NORTH SIDE OF 214TH STREET WITHIN THE CITY OF LAKEWOOD

is hereby rescinded.

SECTION 2. Resolution No. 2014-5 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEWOOD ESTABLISHING DISABLED PERSON DESIGNATED PARKING ON THE NORTH SIDE OF GREENMEADOW ROAD WITHIN THE CITY OF LAKEWOOD

is hereby rescinded.

SECTION 3. Resolution No. 2017-63 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEWOOD ESTABLISHING DISABLED PERSON DESIGNATED PARKING ON THE SOUTH SIDE OF ADENMOOR AVENUE WITHIN THE CITY OF LAKEWOOD

is hereby rescinded.

SECTION 4. Resolution No. 2004-63 entitled:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEWOOD ESTABLISHING A PHYSICALLY HANDICAPPED PERSONS DESIGNATED PARKING SPACE ON THE EAST SIDE OF CARFAX AVENUE WITHIN THE CITY OF LAKEWOOD

is hereby rescinded.

SECTION 5. This resolution has been adopted pursuant to a Community Safety Commission recommendation.

ADOPTED AND APPROVED this 13th day of December, 2022.

Mayor

ATTEST:

City Clerk

DIVIDER SHEET

COUNCIL AGENDA

December 13, 2022

TO: The Honorable Mayor and City Council

SUBJECT: Community Safety Commission Recommendation – Disabled Person Parking

INTRODUCTION


The Community Safety Commission met on December 5, 2022 to consider various community safety matters that included the consideration of a request for a disabled person parking space at 2847 Eckleson Street.

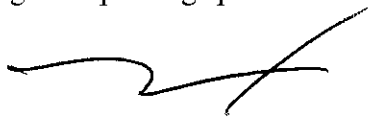
STATEMENT OF FACT

The Public Works Department received a request for a disabled person parking space at 2847 Eckleson Street. The resident stated that she is requesting the space because her son is disabled and uses a wheelchair. She prefers to load and unload at the curb and parking is limited. Staff observed the location, checked the placard number, and recommended installation of a space. The Community Safety Commission, at their regular meeting on December 5, 2022 approved recommending installation.

RECOMMENDATION

The Community Safety Commission recommends that the City Council adopt the attached resolution authorizing installation of a disabled person designated parking space at 2847 Eckleson Street.


Kelli Pickler
Director of Public Works


Thaddeus McCormack
City Manager

RESOLUTION NO. 2022-85

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
LAKEWOOD ESTABLISHING DISABLED PERSON
DESIGNATED PARKING ON THE NORTH SIDE OF
ECKLESON STREET WITHIN THE CITY OF LAKEWOOD

THE CITY COUNCIL OF THE CITY OF LAKEWOOD DOES RESOLVE AS FOLLOWS:

SECTION 1. This Resolution is enacted pursuant to Section 21458 and 22507 of the Vehicle Code of the State of California, and Section 3250.2 of the Lakewood Municipal Code.

SECTION 2. Disabled person designated parking is hereby established on the north side of Eckleson Street, beginning five hundred thirty five (535) feet west of the west curb line of Obispo Avenue, continuing west for a distance of twenty (20) feet within the City of Lakewood. No vehicle shall stop, stand or park in said parking restriction unless displaying a special identification license plate or placard issued by the Department of Motor Vehicles pursuant to Section 22511.55 of the California Vehicle Code.

SECTION 3. This resolution shall be effective as long as said restriction is painted and posted in accordance with the requirements of Vehicle Code Section 22511.7 of the California Vehicle Code. In addition, this resolution shall be in effect only as long as Daniel Diaz, a physically disabled person, occupies the house at 2847 Eckleson Street.

SECTION 4. This resolution has been adopted pursuant to a Community Safety Commission recommendation.

ADOPTED AND APPROVED this 13th day of December, 2022.

Mayor

ATTEST:

City Clerk

COUNCIL AGENDA

December 13, 2022

TO: The Honorable Mayor and City Council

SUBJECT: Community Safety Commission Recommendation – Disabled Person Parking

INTRODUCTION


The Community Safety Commission met on December 5, 2022 to consider various community safety matters that included the consideration of a request for a disabled person parking space at 5033 Ashworth Street.

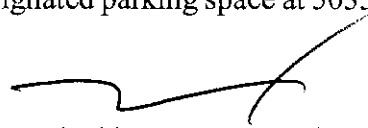
STATEMENT OF FACT

The Public Works Department received a request for a disabled person parking space at 5033 Ashworth Street. The resident stated that she is requesting the space because her husband and daughter are disabled. She prefers to load and unload at the curb and parking is limited. Staff observed the location, checked the placard number, and recommended installation of a space. The Community Safety Commission, at their regular meeting on December 5, 2022 approved recommending installation.

RECOMMENDATION

The Community Safety Commission recommends that the City Council adopt the attached resolution authorizing installation of a disabled person designated parking space at 5033 Ashworth Street.

Kelli Pickler 
Director of Public Works


Thaddeus McCormack
City Manager

RESOLUTION NO. 2022-86

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
LAKEWOOD ESTABLISHING DISABLED PERSON
DESIGNATED PARKING ON THE NORTH SIDE OF
ASHWORTH STREET WITHIN THE CITY OF LAKEWOOD

THE CITY COUNCIL OF THE CITY OF LAKEWOOD DOES RESOLVE AS FOLLOWS:

SECTION 1. This Resolution is enacted pursuant to Section 21458 and 22507 of the Vehicle Code of the State of California, and Section 3250.2 of the Lakewood Municipal Code.

SECTION 2. Disabled person designated parking is hereby established on the north side of Ashworth Street, beginning one hundred ninety (190) feet west of the west curb line of Clark Avenue, continuing west for a distance of twenty (20) feet within the City of Lakewood. No vehicle shall stop, stand or park in said parking restriction unless displaying a special identification license plate or placard issued by the Department of Motor Vehicles pursuant to Section 22511.55 of the California Vehicle Code.

SECTION 3. This resolution shall be effective as long as said restriction is painted and posted in accordance with the requirements of Vehicle Code Section 22511.7 of the California Vehicle Code. In addition, this resolution shall be in effect only as long as Sofia Bean, a physically disabled person, occupies the house 5033 Ashworth Street.

SECTION 4. This resolution has been adopted pursuant to a Community Safety Commission recommendation.

ADOPTED AND APPROVED this 13th day of December, 2022.

Mayor

ATTEST:

City Clerk

COUNCIL AGENDA

December 13, 2022

TO: The Honorable Mayor and City Council

SUBJECT: Community Safety Commission Recommendation – Disabled Person Parking

INTRODUCTION


The Community Safety Commission met on December 5, 2022 to consider various community safety matters that included the consideration of a request for a disabled person parking space at 11810 207th Street.

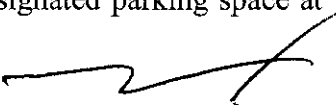
STATEMENT OF FACT

The Public Works Department received a request for a disabled person parking space at 11810 207th Street. The resident stated that she is requesting the space because her husband is disabled and uses a wheelchair. She prefers to load and unload at the curb and parking is limited. Staff observed the location, checked the placard number, and recommended installation of a space. The Community Safety Commission, at their regular meeting on December 5, 2022 approved recommending installation.

RECOMMENDATION

The Community Safety Commission recommends that the City Council adopt the attached resolution authorizing installation of a disabled person designated parking space at 11810 207th Street.

Kelli Pickler 
Director of Public Works


Thaddeus McCormack
City Manager

RESOLUTION NO. 2022-87

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
LAKEWOOD ESTABLISHING DISABLED PERSON
DESIGNATED PARKING ON THE SOUTH SIDE OF 207TH
STREET WITHIN THE CITY OF LAKEWOOD

THE CITY COUNCIL OF THE CITY OF LAKEWOOD DOES RESOLVE AS FOLLOWS:

SECTION 1. This Resolution is enacted pursuant to Section 21458 and 22507 of the Vehicle Code of the State of California, and Section 3250.2 of the Lakewood Municipal Code.

SECTION 2. Disabled person designated parking is hereby established on the south side of 207th Street, beginning one hundred twenty (120) feet east of the east curb line of Pioneer Boulevard, continuing east for a distance of twenty (20) feet within the City of Lakewood. No vehicle shall stop, stand or park in said parking restriction unless displaying a special identification license plate or placard issued by the Department of Motor Vehicles pursuant to Section 22511.55 of the California Vehicle Code.

SECTION 3. This resolution shall be effective as long as said restriction is painted and posted in accordance with the requirements of Vehicle Code Section 22511.7 of the California Vehicle Code. In addition, this resolution shall be in effect only as long as Stanley Martin, a physically disabled person, occupies the house 11810 207th Street.

SECTION 4. This resolution has been adopted pursuant to a Community Safety Commission recommendation.

ADOPTED AND APPROVED this 13th day of December, 2022.

Mayor

ATTEST:

City Clerk

DIVIDER SHEET

COUNCIL AGENDA

December 13, 2022

TO: The Honorable Mayor and City Council

SUBJECT: Additional Architectural Services Authorization – Dahlin Group – Weingart Sr. Center Improvement Project

INTRODUCTION

The City of Lakewood established a consulting Architectural Services on-call agreement with the Dahlin Group in December 2018. On September 27, 2022, City Council authorized Dahlin to proceed with final plans, specifications, engineer's estimate, and schedule suitable for bidding as a public works contract for the Weingart Sr. Center Improvement Project. As they proceeded through design development, City staff requested additional scope be added to the project, including exterior landscaping and both exterior and interior signage.

STATEMENT OF FACT

The Weingart Sr. Center Improvement Project is estimated to cost between \$2.5 and \$3.5 M, depending on construction escalation at the time of the bid. In addition to \$50,000 allocated from Measure L, the City has a remaining balance of \$792,494 in CDBG and CARES Act funding for the interior renovation of the Weingart Sr. Center including a new HVAC system, ADA improvements and upgraded finishes, as well as exterior ADA parking and path-of-travel improvements. The City is actively seeking other grant funding to supplement the available funding. In order to balance the total project budget and the required drawdown of CDBG funding, staff intends to design the project in totality, however, if additional funding is not made available by the deadlines, staff will award the project in phases based on the available funding, with the first priority being HVAC which must be completed by October.

On September 27, 2022, City Council authorized Dahlin Group to proceed with the architectural services to develop final contract documents suitable for public bid in the amount of \$297,200. As staff worked with Dahlin Group through the schematic design and design development phase of the project, staff is recommending additional scope of work be added to the project, including exterior landscaping and both exterior and interior building signage. Dahlin Group has submitted a proposal for the landscape design and building signage design services through construction, bidding and construction administration phases of the project in a not-to-exceed amount of \$47,500. If the project does not move forward in the near future, the funding for the construction administration phase, in the amount of \$9,800, would be reserved for future assistance. The landscaping renovation includes replacing plant material and updating the irrigation and the addition of two raised planter beds provided for community garden use. The exterior building signage would be installed on the building's east-facing wall, facing towards the alley. The sign would read "Weingart Senior Center"


and include the City logo along the left side of the sign. The interior building signage would include new general room signage.


Dahlin Group is ready to begin work immediately upon authorization of the agreement. Their fee for this scope of work will not exceed \$47,500. There are adequate funds in the project budget for this scope of work.

RECOMMENDATION

Staff recommends that the City Council:

Authorize additional work for the Weingart Sr. Center Improvements per the Dahlin Group proposal dated November 28, 2022, in an amount not-to-exceed \$47,500, and authorize the Mayor to sign the proposal.

Kelli Pickler 
Director of Public Works


Thaddeus McCormack
City Manager

REQUESTED ADDITIONAL SERVICES (“RAS”) #01

PROJECT NAME: WEINGART SENIOR CENTER IMPROVEMENTS DAHLIN PROJECT ID: 1533-003	RAS DATE: NOVEMBER 28, 2022 ORIGINAL AGREEMENT DATE: JUNE 1, 2021
ARCHITECT: DAHLIN GROUP, INC. OFFICE ADDRESS: 505 Technology Drive, Suite 200 Irvine, CA 92618 BILLING ADDRESS: 5865 Owens Drive Pleasanton, CA 94588 REPRESENTATIVE: Daniel Berghauser, Project Manager Stephanie Fujimura, Principal Gregor Markel, Senior Principal PHONE: 949-250-4680 EMAIL: daniel.berghauser@dahlingroup.com stephanie.fujimura@dahlingroup.com gregor.markel@dahlingroup.com	OWNER: CITY OF LAKEWOOD ADDRESS: 5050 N. Clark Avenue Lakewood, CA90712 REPRESENTATIVE: Kelli Pickler Director of Public Works PHONE: 562-866-9771 EMAIL: kpickler@lakewoodcity.org

I. ADDITIONAL SERVICES

- A. In relation to the above Agreement, DAHLIN requests authorization to perform the following Additional Service:
1. Landscape Design services – Construction Documents, Bidding, and Construction Administration based on the attached Exhibit A.
 2. Building Signage design and renovations – Construction Documents, Bidding, and Construction Administration based on the attached Exhibit B.

II. SCOPE OF SERVICES

A. LANDSCAPE DESIGN

1. DAHLIN's Landscape Architect will provide Construction Documents, Bidding, and Construction Administration services consistent to renovate twelve (12) landscape areas – see EXHIBIT A - within the parking lot of Weingart Senior Center, including:
 - a. Replacing the plant material and updating irrigation;
 - b. Addition of two raised planter beds provided for community garden use;
 - c. Up to two (2) virtual design team meetings.
 - d. Up to two (2) construction site visits.
2. The following are to remain:
 - a. Existing shrubs (xylosma) at the north side parking lot near the apartments
 - b. Turf on the southeast side of the building
3. Scope Not Included:
 - a. Front entry brick replacement;
 - b. Removal of the wall on the southeast corner of the building.

B. BUILDING SIGNAGE

1. Exterior building signage is to be designed and installed on the building's East facing wall, on the portion that juts out the farthest.
2. Exterior Signage characteristics
 - a. The sign to read “Weingart Senior Center” and include a CITY logo along the left side of the sign.
 - b. CITY logo not be colored nor on a white background field.
 - c. Text not be white.

REQUESTED ADDITIONAL SERVICES #01

Weingart Senior Center
Page 2 of 2

3. DAHLIN and DAHLIN's Consultants will review the existing wall structural system to verify wall support requirements are existing.
 - a. Additional structural support elements will be recommended and detailed as required.
4. Interior signage:
 - a. Design for general room signage to include (2) sign design options with material specifications
 - b. Sign package to include attachment details (non-structural)
 - c. New interior signage lighting not included.

III. COMPENSATION

A. FEE SUMMARY

SCOPE OF SERVICES	FIXED FEE
II.A. PH 90.1.0 – CONSTRUCTION DOCUMENTS	\$35,100
II.B. PH 90.1.1 – BIDDING	\$2,600
II.C. PH 90.1.2 – CONSTRUCTION ADMINISTRATION	\$9,800
TOTAL FEES:	\$47,500


Thank you,
Stephanie Fujimura

Approved this date: _____
(Filled in by OWNER)

CITY OF LAKEWOOD

Mayor
City of Lakewood

DAHLIN GROUP, INC.



Gregor L. Markel, AIA, LEED AP
Senior Principal
License #C23921, Exp. 2/28/2023

This Agreement can be accepted by either signing where indicated or providing a written notice to proceed. A written notice to proceed by electronic mail or other means signifies an acceptance of all terms and conditions contained within this Agreement.

END OF RAS 01

DIVIDER SHEET

COUNCIL AGENDA

December 13, 2022

TO: Honorable Mayor and City Council

SUBJECT: Title VI Program

INTRODUCTION

Title VI of the Civil Rights Act of 1964 (Title VI) prohibits discrimination on the basis of race, color, and national origin in programs that receive federal funding. The Federal Transportation Administration (FTA) requires transportation agencies to demonstrate compliance with Title VI by submitting a Title VI Program.

STATEMENT OF FACT

Title VI provides that “no person in the United States shall, on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.”

The Title VI Program consists of a report and supporting documentation that provides evidence of the equitable distribution of services; promotion of full and fair participation in public transportation decision making without regard to race, color, or national origin, and meaningful access to transit-related programs and activities by persons with limited English proficiency. The FTA reviews and concurs with the Title VI Program or requests additional information. Failure to have a Title VI Program approved by the FTA could result in the loss of federal funding.

The City of Lakewood is a sub-recipient of financial assistance from federal aid programs. The FTA requires that all direct recipients and subrecipients of FTA funding complete a Title VI Program documenting their compliance with Title VI of the Civil Rights Act. The Title VI Programs must be updated on a triennial basis. The Title VI Program is now due and must be approved by the City Council. It is important to note that the City has been independently taking actions in compliance with Title VI for many years. The adoption of this resolution formalizes our actions.

RECOMMENDATION

Adopt the proposed resolution approving the Title VI Program for the City of Lakewood.



Paolo Beltran
Deputy City Manager



Thaddeus McCormack
City Manager

RESOLUTION NO. 2022-88

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
LAKEWOOD ADOPTING A TITLE VI PROGRAM

WHEREAS, the City receives Federal funds through various Federal agencies; and

WHEREAS, the City is required to have in place a Title VI program that ensures that City programs and services are provided in a nondiscriminatory manner, promotes full and fair participation in program decision-making without regard to race, color or national origin, and ensures meaningful access to programs and activities by persons with limited English proficiency; and

WHEREAS, a Title VI Program shall include information about outreach methods to engage minority and limited English proficient ("LEP") populations and provide language assistance to persons with limited English proficiency;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKEWOOD DOES
RESOLVE AS FOLLOWS:

SECTION 1. The City Council hereby adopts the Title VI program attached hereto as Exhibit A.

SECTION 2. If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this Resolution, or any part hereof, is held invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Resolution. The City Council hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase in this Resolution irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases may be declared invalid or unconstitutional.

SECTION 3. The City Clerk shall certify to the adoption of this Resolution.

ADOPTED AND APPROVED THIS 13TH DAY OF DECEMBER, 2022.

Mayor

ATTEST:

City Clerk



City of Lakewood

Title VI Program



LAKEWOOD TITLE VI PROGRAM

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LAKEWOOD TITLE VI PROGRAM

City of Lakewood Title VI Policy Statement

It is the policy of the City of Lakewood to ensure compliance with Title VI of the Civil Rights Act of 1964, as amended; 42 USC 2000(d); related statutes and regulations to the end that no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

The City of Lakewood strictly forbids and will not tolerate actions that intimidate, threaten, coerce, or discriminate against any individual for the purpose of interfering with any right or privilege secured by Title VI, or because he/she has made a complaint, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under this policy.

This program has been prepared in accordance with Section 601 of Title VI of the Civil Rights Act of 1964 and Executive Order 13116 (Improving Access to Services for Persons with Limited English Proficiency).

I. INTRODUCTION

Title VI of the Civil Rights Act of 1964 (Title VI) is a federal law that requires no person in the United States on the grounds of race, color, or national origin, be excluded from, be denied the benefits or be subjected to discrimination under any program or activity receiving federal financial assistance. The Federal-Aid Highway Act of 1973 added the requirement that there be no discrimination on the basis of sex. Title VI applies to recipients and sub-recipients of federal financial assistance. The Civil Rights Restoration Act of 1987 makes clear that pursuant to Title VI discrimination is prohibited throughout any department of a local agency that accepts Federal financial assistance.

The City of Lakewood periodically receives federal funding from the Federal Highway Administration (FHWA) and other federal program funding. As a recipient of such federal aid, the City is required to comply with Title VI and the related Department of Transportation regulations (Title 49 CFR Part 21). Accordingly, the City is required to develop a Title VI program to comply with FTA Circular 4702.1B, which was adopted in 2012.

Title VI and Related Authorities

Title VI of the Civil Rights Act of 1964 states the following: "No person in the United States shall on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance."

Section 162(a) of the Federal-Aid Highway Act of 1973 (Section 324, Title 23 U.S.C.) added the requirement that there be no discrimination on the grounds of sex.

The Civil Rights Restoration Act of 1987, P.L. 100-209, provides clarification of the original intent of Congress in Title VI of the 1964 Civil Rights Act, Title IX of the Educational Amendments Act of 1972, the Age Discrimination Act of 1975, and Section 504 of the Rehabilitation Act of 1973.

Executive Order 12898 (issued February 11, 1994) addresses Environmental Justice regarding minority and low-income populations. Agencies must develop strategies to address disproportionately high and adverse human health or environmental effects of their programs on minority and low-income populations; promote nondiscrimination in federal programs substantially affecting human health and the environment; and provide minority and low income communities access to public information and an opportunity for public participation in matters relating to human health or the environment.

Executive Order 13166 (issued August 16, 2000) improves access to services for persons with limited English proficiency. Agencies are directed to evaluate services provided and implement a system that ensures that Limited English Proficiency (LEP) persons are able to meaningfully access the services provided, consistent with, and without unduly burdening the fundamental mission of the local agency. Agencies are directed to ensure that recipients of federal financial assistance provide meaningful access to programs, services and information to their LEP applicants and beneficiaries free of charge. Language barriers have the potential of prohibiting LEP persons from:

- Obtaining services and information relating to transportation services, programs and projects.
- Taking advantage of the transit system, which could affect their jobs and social opportunities.
- Understanding the benefits to which they are entitled when their home or business is acquired through eminent domain.

II. TITLE VI REQUIREMENTS

1. Requirement to Notify Beneficiaries of Protection under Title VI

In order to comply with 49 CFR, Section 21.9(d), the City provides information to the public regarding the City's obligations under DOT's Title VI regulations and apprise members of the public of the protections against discrimination afforded to them by Title VI.

The City of Lakewood informs members of the public of their Title VI protection rights by posting a Notice of Rights under Title VI on the City's website, posting a notice inside all COW buses and by United States Postal Service mailings to passengers that utilize the Dial- A-Ride service (see Attachment B, Notice of Civil Rights). Additionally, newly registered passengers for the Dial-A-Ride service receive a copy of the notice with confirmation of registration. Further, COW passengers that purchase monthly COW passes receive a copy of the notice in the mail with their monthly bus passes. Finally, customers purchasing bus passes at City Hall are offered a copy of the notice for informational purposes.

2. Requirement to Develop Title VI Complaint Procedures and Complaint Form

The City is required to develop procedures for investigating and tracking Title VI complaints filed against the City and to make these procedures for filing a complaint available to the general public. As such, the complaint procedures and complaint form are available on the City's website. The following complaint procedures have been established for the City's Title VI program:

A. City of Lakewood Title VI Complaint Procedures

1. Submission of Complaint

If a passenger believes he/she has received discriminatory treatment by a City of Lakewood employee on the basis of race, color or national origin, the passenger will have the right to file a complaint with the City. The complaint must be filed within sixty (60) calendar days of the alleged discriminatory incident, either in-person or by mail at:

City of Lakewood
City Manager's Office
5050 Clark Avenue
Lakewood CA 90712

Title VI complaint forms are available in English and Spanish.

2. Investigation of Complaints

Upon receipt of a complaint, the City will work with the transit contractor as appropriate to investigate the complaint. The investigation may include discussion(s) of the complaint with all affected parties to determine the issue. Based on information received, the City and transit contractor will prepare an investigation report for submittal to the Advance Planning/Economic Development Manager. The complainant will receive a letter from the City and/or transit contractor regarding the decision/findings of the investigation within forty-five (45) calendar days of receipt of the complaint.

If more time is needed to review the complaint, the City will notify the complainant of the estimated time-frame for completing the review. Upon completing the review, the City shall make a recommendation in writing to the transit contractor regarding the merit of the complaint, whether remedial actions are available to provide redress, and whether improvements to the City's Title VI process are needed.

3. Request for Reconsideration

If the complainant disagrees with the City's and transit contractor's decision/findings, the complainant may request reconsideration by submitting a written request to the Director of Community Development within ten (10) calendar days of receipt of the City's decision. The complainant shall provide a detailed description of the request for reconsideration. The Director of Community Development will notify the complainant of his/her decision either to accept or reject the request for reconsideration within ten (10) calendar days. When the Director of Community Development agrees to reconsider the matter, the complaint shall be returned to the City's transit staff for re-evaluation in accordance with the "Investigation of Complaint" procedures described previously.

4. Appeal Process

If the request for reconsideration is denied, the complainant may appeal the Director of Community Development's response by submitting a written request to the City. The appeal request will be forwarded to the City Manager for final determination.

5. Submission of Complaint to the Department of Transportation

If the complainant is dissatisfied with the City's resolution of the complaint, he/she may submit a complaint to the Department of Transportation for investigation:

Federal Transit Administration
Office of Civil Rights
Attention: Compliant Team
East Building, 5th Floor – TCR
1200 New Jersey Avenue, SE
Washington, DC 20590

In accordance with Chapter 9, Complaints, of FTA Circular 4702.1B, such a complaint must be filed within 180 calendar days of the date of the alleged discrimination.

The City has developed a Title VI Complaint Form to document all complaints received by the City. This form is available on the City's website and at the City of Lakewood, City Manager's Office, 5050 Clark Avenue, Lakewood, 90712 (see Attachment C, Complaint Form).

3. Requirement to Record and Report Transit-Related Title VI Investigations, Complaints, and Lawsuits

The City is required to prepare and maintain a list of investigations, complaints, or lawsuits that pertain to allegations of discrimination on the basis of race, color, and/or national origin in transit-related activities and programs. The City maintains a list of Title VI investigations, complaints, and lawsuits, including a comprehensive summary and description of actions taken by the City, as required by Title VI regulations (see Attachment D, Title VI Investigation List). The list shall include the date that an investigation, lawsuit, or complaint is received, opened, or filed; a summary of an allegation(s); the status of an investigation, lawsuit, or complaint; and actions taken by the City or final findings related to an investigation, lawsuit, or complaint. The list is included in the City's Title VI submittal to FTA every three (3) years.

It should be noted that to date, no investigations, complaints or lawsuits have been filed with the City of Lakewood for its Lakewood On Wheels or Dial-A-Ride transportation services.

4. Language Assistance Plan and Requirement to Provide Meaningful Access to LEP Persons

The Title VI Limited English Proficiency (LEP) Plan includes two components: a Title VI Limited English Proficiency (LEP) Analysis and a Language Assistance Plan. The LEP Analysis includes a four (4) factor analysis, which includes (i) the number of LEP persons in the service area, (ii) frequency that LEP persons utilize transit services, (iii) the nature and importance of programs, activities or services provided to the LEP population, and (iv) resources available to the City and overall costs to provide LEP assistance. The LEP Plan explains the findings of the four (4) factor analysis and describes how the City provides language assistance (see Attachment E, City of Lakewood Title VI Limited English Proficiency – LEP Plan).

Title VI and its implementing regulations require that FTA recipients take responsible steps to ensure meaningful access to benefits, services, information, and other important portions of programs and activities for individuals who are LEP. In addition to the steps outlined herein, the City collaborates with the Los Angeles County Metropolitan Transportation Authority (Metro) and other neighborhood stakeholders to ensure that limited English proficient persons have access to transit related information.

5. Promoting Inclusive Public Participation

The City is required to develop a public participation plan with outreach efforts to engage community members including low-income individuals, people with disabilities, minority and limited English proficient populations. Notice of Rights under Title VI are displayed on the City's website (see Attachment B, City of Lakewood Notice of Civil Rights).

6. Requirement to Provide Additional Information Upon Request

At the discretion of the FTA, information other than that required by the referenced circular, may be requested in writing from a recipient in order to investigate complaints of discrimination or to resolve concerns about possible noncompliance with Title VI

requirements. The City of Lakewood is available to provide additional information, as needed, and to respond to any verbal or written complaint accordingly.

7. Requirement to Develop System-Wide Standards and Policies

The FTA requires all fixed-route transit operators to develop quantitative service standards and policies for their fixed-route service. This requirement does not apply to the City of Lakewood as the City does not operate a fixed-route service.

8. Minority Representation on Planning or Advisory Board

Title 49 CFR Section 21.5(b)(1)(vii) states that a recipient may not, on the grounds of race, color, or national origin, "deny a person the opportunity to participate as a member of a planning, advisory, or similar body which is an integral part of the program." Recipients that have transit-related, non-elected planning boards, advisory councils or committees, or similar committees, with membership of which is selected by the recipient, must provide a table depicting the racial breakdown of the membership of those committees, and a description of efforts made to encourage the participation of minorities on such committees.

This requirement does not apply to the City of Lakewood as the City does not have a transportation commission or non-elected transit advisory board to address transportation issues. Rather, the Lakewood City Council serves as the legislative body for all transportation related policy decisions. Therefore, reporting minority representation on a planning or advisory board does not apply to the City of Lakewood.

9. Determination of Site or Location of Facilities

Title 49 CFR Section 21.9(b)(3) states, "In determining the site or location of facilities, a recipient or applicant may not make selections with the purpose or effect of excluding persons from, denying them the benefits of, or subjecting them to discrimination under any program to which this regulation applies, on the grounds of race, color, or national origin; or with the purpose or effect of defeating or substantially impairing the accomplishment of the objectives of the Act or this part." Title 49 CFR part 21, Appendix C, Section (3)(iv) provides, "The location of projects requiring land acquisition and the displacement of persons from their residences and businesses may not be determined on the basis of race, color, or national origin."

III. ATTACHMENTS

- A. Title VI of the Civil Rights Act of 1964 Section 2000d
- B. City of Lakewood Notice of Civil Rights
- C. City of Lakewood Title VI Complaint Form
- D. List of Transit Related Title VI Investigations, Complaints, and Lawsuits
- E. City of Lakewood Title VI Limited English Proficiency (LEP) Plan
- F. City of Lakewood Public Participation Plan
- G. City of Lakewood System-Wide Standards and Policies

ATTACHMENT A

Title VI of the Civil Rights Act of 1964 Section 2000d

ATTACHMENT B

City of Lakewood Notice of Civil Rights

Notifying the Public of Rights Under Title VI

City of Lakewood

City of Lakewood operates its programs and services without regard to race, color, and national origin in accordance with Title VI of the Civil Rights Act. Any person who believes she or he has been aggrieved by any unlawful discriminatory practice under Title VI may file a complaint with City of Lakewood.

For more information on City of Lakewood civil rights program, and the procedures to file a complaint, contact (562) 866-9771, or visit City Hall at 5050 Clark Avenue, Lakewood. For more information, visit:

<http://www.lakewoodcity.org/titlevi>.

A complainant may file a complaint directly with the Federal Transit Administration by filing a complaint with the Office of Civil Rights, Attention: Title VI Program Coordinator, East Building, 5th Floor-TCR, 1200 New Jersey Ave., SE, Washington, DC 20590

If information is needed in another language, contact (562) 866-9771

ATTACHMENT C

Civil Rights Complaint Form



City of Lakewood Title VI Program

Civil Rights Complaint Form

Title VI of the 1964 Civil Rights Act and related nondiscrimination statutes and regulations require that no person in the United States shall, on the ground of race, color and national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

The following information is necessary to assist the City of Lakewood in processing a complaint related to a violation of the 1964 Civil Rights Act. Should you require assistance in completing this form, please contact the City Manager's Office at 562-866-9771.

Complete and return this form to: City of Lakewood, City Manager's Office, 5050 Clark Avenue, Lakewood, California 90712.

Complainant's Name: _____

1. Address: _____

2. City: _____ State: _____ Zip Code: _____

3. Telephone Number (home): _____ (cell): _____

4. Person discriminated against (if someone other than the Complainant):

Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

5. Which of the following best describes the reason you believe the discrimination took place? Was it because of your:

- ☐ a. Race
- ☐ b. Color
- ☐ c. National Origin
- ☐ d. Religion
- ☐ e. Marital Status

- ☐ f. Sex
- ☐ g. Age
- ☐ h. Disability
- ☐ i. Medical Condition
- ☐ j. Sexual Orientation

6. What date did the alleged discrimination take place? _____

7. In your own words, describe the alleged discrimination. Explain what happened and whom you believe was responsible. Please use an additional sheet of paper if additional space is required.

8. Have you filed this complaint with any other federal, state, or local agency; or with any federal or state court? Yes: ☐ No: ☐

If yes, please check each box that applies:

Federal agency ☐ Federal court ☐ State agency ☐

State court ☐ Local agency ☐

9. Please provide information about a contact person at the agency/court where the complaint was filed:

Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

10. Please sign below. You may attach any written materials or other information that you think is relevant to your complaint.

Complainant's Signature

Date

ATTACHMENT D

List of Transit Related Title VI Investigations, Complaints, and Lawsuits

**City of Lakewood
List of Transit-Related Title VI
Investigations, Complaints and Lawsuits***

Action	Date (Month, Day, Year)	Summary (Basis of complaint: Race, Color, or National Origin)	Status	Action(s) Taken
Investigations				
Lawsuits				
Complaints				

*To date, no investigations, complaints, or lawsuits have been filed with the City of Lakewood for its DASH program.

ATTACHMENT E

City of Lakewood Title VI Limited English Proficiency (LEP) Plan

CITY OF LAKEWOOD
TITLE VI LIMITED ENGLISH PROFICIENCY (LEP) PLAN

December 2022

Introduction

This Limited English Proficiency (LEP) Plan has been prepared to address the City of Lakewood' (City) transit responsibilities as a recipient of federal financial assistance as it relates to the needs of individuals with limited English language skills. The plan has been prepared in accordance with Title VI of the Civil Rights Act of 1964, Federal Transit Administration Circular 4702.1B dated October 2012, which states that no person shall be subjected to discrimination on the basis of race, color, or national origin.

In August 2000, Executive Order 13166, titled "Improving Access to Services for Persons with Limited English Proficiency", was issued, proclaiming that differing treatment based on a person's inability to speak, read, write, or understand English is a type of national origin discrimination. It directs each federal agency to publish guidance for its respective recipients clarifying their obligation to ensure that such discrimination does not take place. This order applies to all State and local agencies which receive federal funds, including the City of Lakewood.

Background

The City administers the DASH transit program. Additionally, the Lakewood City Council is the policymaking body that provides policy direction for any service changes for the referenced transit program. In accordance with Title VI requirements, the City has developed this LEP Plan to help identify reasonable steps for providing language assistance to persons with limited English proficiency who wish to access the City's transit service. As defined by Executive Order 13166, "LEP persons are those who do not speak English as their primary language and have limited ability to read, speak, write, or understand English."

This plan outlines how to identify a person who may need language assistance, the ways in which assistance may be provided, and procedures for notifying LEP persons that assistance is available. In order to prepare this plan, City staff implemented the United States Department of Transportation's (US DOT) four-factor LEP analysis which considers the following factors:

1. The number or proportion of LEP persons in the service area who may be served by or are likely to encounter the City's transit program, activities, or services.
2. The frequency with which LEP persons utilize City transit service program, activities, or services.
3. The nature and importance of programs, activities, or services provided by the City transit services to the LEP population.
4. Resources available to the City and overall cost to provide LEP assistance.

Four-Factor Analysis

In accordance with the factors outlined by the US DOT with regard to analyzing the need for an LEP program, staff completed a thorough review of each of the four factors to determine the scope of LEP services that the City will need to provide in order to be in compliance with Title VI requirements. The analysis, which is provided below, utilized the 2016-2020 American Community Survey Five Year Estimate from the United States Census Bureau to obtain demographic and language information that will be used in order to shape the development of the City's LEP program.

As required by the FTA, the City is required to include any group that exceeds 1,000 persons that speak English "less than very well", as part of the four-factor analysis. If the group contains less than 1,000 persons that speak "less than very well", then the City is not required to include this group of persons in its analysis.

FACTOR 1:

Number or proportion of LEP persons in the service area who may be served by or are likely to encounter City transit programs, activities, or services.

City staff reviewed Census Data from the United States Census Bureau.

Lakewood, California	2020 Census	
	Counts	Percentages
Total Population	82,727	100.00%
American Indian and Alaska native alone	496	0.6%
Asian alone	15,718	19.0%
Black or African American alone	6,949	8.4%
Native Hawaiian and Other Pacific native alone	662	0.8%
Two or more races	8,025	9.7%
White alone	39,378	47.6%
Hispanic or Latino	28,210	34.1%

The 2020 United States Census reported that the City of Lakewood had a population of 82,727. The racial makeup of the City of Lakewood was 39,378 (47.6%) White, 6,949 (8.4%) African American, 496 (0.81%) American Indian and Alaska Native, 15,718 (19.0%) Asian, 662 (0.8%) Native Hawaiian and Pacific Native, and 8,025 (9.7%) from two or more races. Hispanic or Latino of any race was 28,210 (34.1%).

ACS Survey (2021)	Lakewood
Population 5+ years	75,192
Speak only English	47,874
Spanish or Spanish Creole:	15,371
Speak English "very well"	65,904
Speak English less than "very well"	9,288

The table above is from the 2021 **American Community Survey** (ACS) that produces population, demographic and housing unit estimates. It is the Census Bureau's Population Estimates Program that produces and disseminates the official estimates of the population for the nation, states, counties, cities and towns and estimates of housing units for states and counties. The 2021 **American Community Survey** estimates states the City of Lakewood estimated population 5 years and older was 75,192.

The American Community Survey (ACS) demonstrates the majority of residents speak English, either very well or less than very well. The second most-spoken language after English is Spanish. Approximately 20.4% of the total population of 5+ years old population speaks Spanish, the largest non-English language spoken within the City of Lakewood.

FACTOR 2:

The frequency with which LEP persons utilize Lakewood transit services programs, activities, or services.

As a result of the City of Lakewood's diversity, the agency regularly encounters LEP individuals throughout its day-to-day operations. Accordingly, the City works to ensure that all individuals have access to vital information relating to programs and services provided by the City.

Below are examples of where some of the interactions may take place with LEP individuals:

- Recreation and Community Services Department
- Public Information Department
- Community Development Department
- Administrative Services Department
- Personnel Department
- Public Works Department
- Public Safety Department
- Community centers and park offices
- City Manager's Office
- Website and social media pages
- Staffed booths at community events
- Community based organizations
- Public hearings

The City of Lakewood serves LEP persons daily via many of the listed services above. Since the majority of the LEP persons are Spanish- speakers, the City of Lakewood is staffed with Spanish- speaking personnel and resources to assist with LEP persons.

FACTOR 3:

The nature and importance of services provided by the City to the LEP population

As mentioned previously, the agency regularly encounters LEP individuals throughout its day-to-day operations. Accordingly, the City works to ensure that all individuals have access to vital information relating to programs and services provided by the City. The above interaction points with LEP individuals allows the city to communicate the myriad of services that we provide.

FACTOR 4:

The resources available to the City and overall cost to provide LEP assistance.

The City of Lakewood places an emphasis on providing vital information about its programs and services for its entire population, and recognizes the need to make these services available to its Spanish-speaking LEP population.

The City of Lakewood employs a number of full-time and part-time staff that are bilingual in English and Spanish and they receive a small monthly stipend per month. These employees are housed within several key departments in City Hall so that they can provide bilingual language services that covers broad requests.

While the City of Lakewood has not to date received a request for translation services in a language other than Spanish, the City would accommodate any reasonable request with a contracted language translation provider or through a referral to the 211 LA County language-assistance service line.

Language Assistance Measures

There are various ways in which the City of Lakewood responds to LEP persons, whether in person, by telephone, or in writing. These include, but are not limited to:

1. Post the City of Lakewood Title VI Policy and LEP plan on the City's website, in various languages, and in locations easily accessible by the public.

2. Translate vital documents into Spanish. Vital documents include but are not limited to: Civil Rights Notice, Complaint Procedures, etc.
3. When an interpreter is needed, in person or on the telephone, staff will attempt to access language assistance services from fellow employees.
4. Providing advance notice in various publications that interpreter services may be available for meetings, based on availability.
5. Staff Training: City and transit provider employees will conduct training with appropriate personnel to review and revise LEP policies and procedures, as appropriate.

Any request for translation, interpretation, or other means of language assistance, for Title VI Program documents or forms, can be appropriately directed to the City of Lakewood City Manager's Office at (562) 866-9771. Upon request, staff will utilize its resources to have documents translated or explained in other languages to further assist the City's efforts in providing language assistance.

Monitoring and Updating the LEP Plan

The City will update the LEP Plan as required by the US DOT. At a minimum, the plan will be reviewed and updated every three years, when data from the U.S Census is available, or when higher concentrations of LEP individuals are identified in the City's service area. Updates will include the following:

1. Documentation of LEP personal contacts.
2. How the needs of LEP persons have been addressed?
3. Estimations of the current LEP population in the service area.
4. Determination as to whether the need for translation services has changed.
5. Determine whether local language assistance programs have been effective and sufficient to meet the need.
6. Determine whether City financial resources are sufficient to fund language assistance resources needed.
7. Determine whether the City has fully complied with the goals of this LEP Plan.

ATTACHMENT F

Public Participation Plan

CITY OF LAKEWOOD PUBLIC PARTICIPATION PLAN

December 2022

The City is committed to advancing that projects, programs, and services delivered by the City are sensitive to the various demographic backgrounds within the City. The City's encouragement of Public Participation promotes public involvement in the planning and decision-making process of projects, programs, and services.

As a recipient of Federal funding, the City is required to adhere to Title VI of the Civil Rights Act of 1964 and to integrate the Public Participation into its Title VI Program. This plan provides guidelines for involving the public to ensure that all groups are represented and their needs considered. The City is committed to ensuring it serves the residents and businesses of the City fairly, consistently, and in the most cost-efficient and appropriate manner within available resources.

Goals and Objectives

The goal of the City's PPP is to offer a variety of opportunities for the public to engage in planning and decision-making activities. To meet this goal, the objectives of the PPP are as follows:

- To determine what non-English languages and/or other barriers may exist to public participation within the City service area.
- To provide a general notification of meetings for public input, in a manner that is understandable to all populations in the service area.
- To hold meetings in locations that are accessible and reasonably welcoming to all area residents, including, but not limited to minority, Limited English Proficiency (LEP), and low-income members of the public.
- To utilize a variety of communication methods to capture public input from populations that are not likely to attend or engage in public meetings.

Stakeholders

Limited English Proficiency Populations

A LEP individual is someone with limited ability to read, write, speak, or comprehend English. Reasonable efforts will be made to engage LEP populations utilizing techniques, such as the development of public notices in appropriate non-English Languages that will provide contact information where individuals can be informed of the affected project or services to provide input and comments. In addition, non-profit organizations and other advocacy groups can be utilized to disseminate and provide insight into the needs of LEP populations.

Low-Income Populations

The City will identify low-income populations within the service area. The low-income threshold will be defined as households with a per capita income of 80 percent or less of the national average. Low-income populations in the City will be given reasonable opportunity to provide input on plans and programs to avoid disproportionate harm or lack of benefit.

Public Comment Process Offered by the City Council

The public has a right to express their opinion during the regular Council meetings held. The meetings are held in the Council Chambers at 5050 Clark Avenue, Lakewood 90712. Information about the City Council is available on the City website at:

<https://www.lakewoodcity.org/Government/Council-Members/City-Council-Meetings-Minutes-Agendas>

Outreach Efforts

Engaging minority and LEP populations can be challenging and the City will use multiple techniques to actively solicit policy input in the planning process for a project. The City will engage the community through the City's website, social media, Lakewood Living Magazine, and surveys.

Appropriate techniques among the following will be used to inform, educate, and gain input from the public about the City's projects, services, or activities:

- Surveys or questionnaires - mail-in, online, telephone,
- Articles in the appropriate publications
- Distribution of informal reports, flyers, or brochures
- Informal presentations at community forums
- Information about meetings, public hearings, and special events on the City's website
- General mailings to residents

DIVIDER SHEET

COUNCIL AGENDA

December 13, 2022

TO: The Honorable Mayor and City Council

SUBJECT: City of Lakewood Vendor Agreement with Meals on Wheels of Long Beach

INTRODUCTION

In November, 2022, Lakewood Meals on Wheels has elected to dissolve as a non-profit organization in 2023. The city endeavors to continue provision of meals to the above described population. A vendor agreement with Meals on Wheels of Long Beach will achieve that end.

STATEMENT OF FACT

City of Lakewood staff have met and conferred with leadership from Meals on Wheels of Long Beach to enter into a vendor agreement to provide home delivered meals to elderly and homebound Lakewood residents. Daily and ongoing meal deliveries ensure Lakewood's most vulnerable residents receive both essential nutrition and first-person wellness checks from volunteers whom deliver the meals.

This agreement ensures no lapse in service to elderly and homebound residents, commencing on January 2, 2023, for a term of one year, ending on January 1, 2024. The scope of this vendor agreement authorizes Meals on Wheels of Long Beach to occupy the Meals on Wheels kitchen and one administrative office at the Burns Community Center for provision of this service at no cost to the organization. Meals on Wheels Long Beach will provide all personnel, supplies and equipment necessary to conduct its program.

Further, Meals on Wheels Long Beach will indemnify, defend and hold harmless the City of Lakewood and its officers and agents as per the terms of this agreement. Additionally, Meals on Wheels of Long Beach will maintain all levels of insurance as recommended to the city by the California Joint Powers Insurance Authority.

CONCLUSION

The City of Lakewood and Meals on Wheels of Long Beach have reached an agreement in principle, to ensure ongoing daily meal deliveries to Lakewood's elderly and homebound residents. The vendor agreement presented herein, when executed, will endeavor to build an ongoing relationship between the two entities in service to residents now and in the future.

Council Agenda

City of Lakewood Vendor Agreement with Meals on Wheels of Long Beach

December 13, 2022

Page 2

RECOMMENDATION

Staff recommends that the City Council approve the Vendor Agreement with Meals on Wheels of Long Beach, subject to approval as to legal form by the City Attorney, and authorize the mayor and city clerk to execute the agreement to commence on January 2, 2023 and terminate on January 1, 2024.

VF

Valarie Frost, Director
Recreation and Community Services

Thaddeus McCormack

Thaddeus McCormack
City Manager

**CITY OF LAKEWOOD
VENDOR AGREEMENT
WITH
MEALS ON WHEELS OF LONG BEACH**

This Vendor Agreement (this "Agreement") is made and effective as of December 13, 2023 (the "Effective Date"), by and between the City of Lakewood ("City"), a municipal corporation, and Meals on Wheels of Long Beach ("Vendor").

RECITALS

City wishes to retain the services of an experienced and qualified Vendor to provide a home delivery of nutritional meals to the elderly, handicapped and convalescing individuals, thereby reducing or eliminating the need for premature or prolonged institutionalization. Vendor represents and warrants that it is qualified to perform those services.

City owns and operates the William J. Burns Community Center located at 5510 Clark Avenue, Lakewood, CA, 90712, (the "Property"), for community service and recreational purposes and City does hereby grant Vendor the right and privilege to conduct, maintain and operate an office, kitchen and storage room within the Property, as depicted on [Exhibit A], attached hereto.

AGREEMENT

1. SERVICES

- A. Vendor shall coordinate the administrative and operational responsibilities necessary to provide nutritious meals and wellness checks for registered seniors, older adults and homebound individuals who reside in the City of Lakewood and surrounding cities. Vendor warrants that all work and services will be performed in a competent, professional, and satisfactory manner. Vendor shall provide all personnel, supplies and equipment necessary for the purpose of conducting its program. Vendor shall observe and comply with all applicable rules, regulations and laws now in effect or which may be enacted during the term of this Agreement by City, Los Angeles County, the State of California, and the Federal Government.
- B. Vendor shall not discriminate against any person or persons because of race, color, religion, sex, sexual orientation, gender identity or expression, age, disability, marital status, citizenship, national origin, genetic information, or any other characteristic protected by law.

2. TERM

Unless terminated earlier as provided herein below, this Agreement will continue in full force and effect from the Effective Date through January 1, 2024, subject to extension upon mutual written agreement of the parties

3. TERMINATION OF AGREEMENT

- A. City may, at any time, for any reason, with or without cause, terminate this Agreement, or any portion hereof, by serving written notice of termination upon Vendor at least thirty (30) days prior to the date of termination. Upon receipt of said notice, Vendor shall immediately cease all work under this Agreement, unless the notice provides otherwise. If City terminates a portion of this Agreement, such termination shall not make void or invalidate the remainder of this Agreement.
- B. In the event Vendor or City should terminate this Agreement, Vendor shall also vacate the Property removing all Vendor's property from the Property and restore the Property to a condition satisfactory to City.

4. USE OF THE PROPERTY

- A. Vendor shall provide all personnel, supplies and equipment necessary for the purpose of conducting its program, including refrigerator, freezer, and microwave, and shall observe and comply with all applicable rules, regulations and laws now in effect or which may be enacted during the term of this Agreement by City, Los Angeles County, State of California, and the Federal Government.
- B. Vendor shall maintain an office at Property which shall be open to the public and staffed by at least one employee with the general intention of providing customer service and information regarding Vendor services. Vendor shall provide an operational schedule to City for distribution and notification to the public. In addition, a Site Coordinator shall be onsite during all times when Vendor activity is in operation.
- C. Vendor shall also provide all office equipment needed to conduct its program including computers and office furnishings to be used on the Property in Room 125.
- D. Vendor is permitted use of Property to coordinate the administrative and operational responsibilities necessary to provide nutritious meals and wellness checks for registered seniors, older adults and homebound individuals who reside in the City of Lakewood and surrounding cities. Property shall be used for the purpose stated and no other use will be permitted. Vendor shall not sublet the Property, or any portion thereof, to anyone.

- E. Vendor shall have reasonable and necessary right of access to the Property and said right of access shall include the right to use the doors, hallways and grounds, and other contained shall be deemed to give or grant to Vendor the right or privilege to occupy any other portion of the Property or the right to use any other portion of the Property other than those portions of the building and grounds necessary for the purpose of parking, ingress and egress and appurtenant to the occupancy of the Property.
- F. City shall not be responsible for damages to any property of Vendor located on the Property, or for damages to property or injury to anyone which may arise from or be incident to the use and occupation of the Property by Vendor, or for damages to the Property or injuries to Vendor's personnel, volunteers, or others who may be on the Property at Vendor's invitation or the invitation of any one of the aforementioned.
- G. City shall provide ground maintenance services and custodial maintenance services as set forth in City's Custodial Maintenance Specifications [Exhibit B]. Should additional contract custodial maintenance services be retained by Vendor, City must approve the subcontractor. City agrees to maintain the Property at the same level and standard as it maintains the remainder of the Property. Vendor however, covenants and agrees to keep the Property in a reasonable clean and satisfactory condition and not to deposit or accumulate on the Property any accumulation of garbage, trash, waste, refuse, or other debris.
- H. City shall provide utility services including water, gas, electrical and telephone. Internet service shall be retained by Vendor. Vendor will be responsible for the maintenance or repair and the cleaning of Vendor's equipment.
- I. Nothing herein contained shall be construed as giving Vendor any right, title or interest in the land or the Property of City or the equipment installed or provided by City. City shall replace, repair and maintain all fixed equipment. "Fixed equipment" is identified as equipment that is permanent and remains on the Property if this Agreement is terminated.
- J. Vendor shall not make any general alterations or material additions or construct any improvements or remove any improvements on the Property without first submitting detailed plans or drawings to the Director of Recreation and Community Services and thereafter obtaining written approval. All such alterations, additions and improvements shall be done at the sole charge and responsibility of Vendor and Vendor shall protect the Property and any building or improvement located thereon from any lien or charge whatsoever by reason of said alterations of improvements or

additions. Any alterations must comply with all applicable building laws and regulations, and shall require proper permits from City.

- K. Vendor shall be responsible for any damage that may be caused to the Property by the activities of Vendor under this Agreement.
- L. The right is hereby reserved by City, its officers, agents and employees, to enter upon the Property at any time for such purposes as may be deemed necessary, including inspection or for the purposes of enforcing any term or provision of this Agreement.

5. FORCE MAJEURE

If either party fails to perform its obligations because of strikes, lockouts, labor disputes, embargoes, acts of God, inability to obtain labor or materials or reasonable substitutes for labor or materials, governmental restrictions, governmental regulations, governmental control, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, or other causes beyond the reasonable control of the party obligated to perform, then that party's performance shall be excused for a period equal to the period of such cause for failure to perform.

6. CITY REPRESENTATIVE

- A. The City Manager or his or her authorized representative shall represent City in all matters pertaining to the administration of this Agreement, with respect to the work and services specified in this Agreement and to make all decisions in connection with this Agreement. Whenever approval, directions, or other actions are required by City under this Agreement, those actions will be taken by the Director of Recreation and Community Services, unless otherwise stated.
- B. The term "City Manager," as used in this Agreement, shall include and mean the City Manager and his or her authorized representative.

7. VENDOR REPRESENTATIVE(S)

- A. Vendor's Executive Director are designated as being the principal(s) and representative(s) of Vendor and authorized to act on its behalf with respect to the work specified in this Agreement and make all decisions in connection with this Agreement. Vendor shall not change the designated representatives without prior written consent of City.
- B. Vendor shall be responsible for all functions assigned to Vendor's staff. The Site Coordinator shall also be fully acquainted with Vendor's operations and contract obligations and shall be authorized by Vendor to act on its behalf and to fulfill all contractual and other obligations in the day-to-day operation of Vendor's service.

8. BUSINESS LICENSE

Vendor must obtain a City business license prior to the start of work under this Agreement, unless Vendor is qualified for an exemption.

9. OTHER LICENSES AND PERMITS

Vendor warrants that it has all professional, contracting, and other permits and licenses required to undertake the work contemplated by this Agreement.

10. VENDOR'S RECORDS

Records of Vendor's time pertaining to the services and records of accounts between City and Vendor will be kept on a generally recognized accounting basis. Vendor will also maintain all other records, including without limitation invoices, correspondence, specifications, drawings, progress reports, and the like, relating to Vendor's services. All records will be available to City during normal working hours. Vendor will maintain these records for three (3) years.

11. NON-LIABILITY OF CITY OFFICERS AND EMPLOYEES

No officer or employee of City will be personally liable to Vendor, in the event of any default or breach by City or for any amount that may become due to Vendor under this Agreement.

12. INDEPENDENT CONTRACTOR

- A. Vendor is and shall at all times remain as to City a wholly independent contractor. Vendor's employees performing the services under this Agreement on behalf of Vendor shall at all times be under Vendor's exclusive direction and control. Neither City nor any of its officers, employees, or agents shall have control over the conduct of Vendor or any of Vendor's employees, except as set forth in this Agreement. Vendor shall not at any time or in any manner represent that it or any of its employees or agents are in any manner employees or agents of City. Vendor shall not incur nor have the power to incur any debt, obligation, or liability whatsoever against City, or bind City in any manner.
- B. No employee benefits shall be available to Vendor in connection with the performance of this Agreement. City shall not pay salaries, wages, or other compensation to Vendor and/or its employees for performing work or services hereunder for City. City shall not be liable for compensation or indemnification to Vendor for injury or sickness to its employee(s) arising out of performing work or services hereunder.

13. VENDOR'S EMPLOYEES

- A. No person employed in the performance of this Agreement by Vendor shall be deemed a City employee, and City shall not be called upon to assume any liability for the direct payment of any salary, wage or other compensation to

Vendor, or itsr employees, agents, volunteers, subcontractors, or its subcontractors' employees or agents.

- B. Vendor shall inform City in writing of its management and operations personnel, providing a documented record of Vendor's personnel along with each person's title, scope of work and contact information.
- C. Vendor certifies that it is aware of the provisions of the Labor Code of the State of California, which require every employer to be insured against liability for workers compensation or to undertake self-insurance in accordance with the provisions of that code, and it certifies that it will comply with such provisions before commencing the performance of the work of this Agreement.
- D. In the performance of this Agreement, Vendor shall comply with all applicable provisions of the California Fair Employment Practices Act (California Labor Code Sections (410 et seq.) and the applicable equal employment provisions of the Civil Rights Act of 1964 (42 U.S.C. 200e 217), whichever is more restrictive.
- E. Vendor agrees to ensure that employees are treated equally during their employment without regard to their race, color, religion, sex, sexual orientation, gender identity or expression, age, disability, marital status, citizenship, national origin, genetic information, or any other characteristic protected by law. Such action shall include, but is not limited to, the following: promotion, demotion or transfer, lay-off or termination; rate of pay or other form of compensation; and selection for training, including apprenticeship.
- F. All persons employed or utilized in connection with the operation of the Property shall be adequately trained for such purposes, shall be courteous, and shall be suitably and neatly attired so as to be recognizable as agents of Vendor.

14. SUBCONTRACTORS

Before Vendor retains or hires a subcontractor to provide any work, labor, or services relative to this Agreement, Vendor must:

1. Present the name and identifying information of the subcontractor that will provide any work, labor, or services to City;
2. Present to City the form of subcontract that will be used with the subcontractor for City's approval, which approval will not be unreasonably withheld. Such subcontract agreement must include an indemnity agreement that is generally in accord with the indemnity obligations contained herein of this Agreement and must specifically name City as an indemnified party; and

3. Secure from the subcontractor evidence of insurance coverage that meets with this Agreement including naming City as an additional insured as required by this Agreement, unless such requirement is waived in writing by City as provided herein below.

15. INDEMNIFICATION

Vendor shall indemnify, defend, and hold harmless City, and its officers, employees, and agents ("City Indemnitees"), from and against any and all causes of action, claims, liabilities, obligations, judgments, or damages, including reasonable attorneys' fees and costs of litigation ("claims"), arising out of Vendor's performance of its obligations under this Agreement or out of the operations conducted by Vendor, except for such loss or damage arising from the sole negligence or willful misconduct of City. In the event City Indemnitees are made a party to any action, lawsuit, or other adversarial proceeding arising from Vendor's performance of this Agreement, Vendor shall provide a defense to City Indemnitees or at City's option reimburse City Indemnitees their costs of defense, including reasonable attorneys' fees, incurred in defense of such claims.

Payment by City is not a condition precedent to enforcement of this indemnity. In the event of any dispute between Vendor and City, as to whether liability arises from the sole negligence or willful misconduct of City or its officers, employees, or agents, Vendor will be obligated to pay for City's defense until such time as a final judgment has been entered adjudicating City as solely negligent or to have acted with willful misconduct. Vendor will not be entitled in the absence of such a determination to any reimbursement of defense costs including but not limited to attorney's fees, expert fees, and costs of litigation.

16. INSURANCE

Without limiting Vendor's indemnification of City, and prior to commencement of work, Vendor shall obtain, provide, and maintain at its own expense during the term of this Agreement, policies of insurance of the types and amounts described below and in a form that is satisfactory to City.

General liability insurance. Vendor shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$1,000,000 per occurrence, \$2,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

Automobile liability insurance. Vendor shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of Vendor arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned,

hired, non-owned, or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

Umbrella or excess liability insurance. *[If required to meet higher limits]*. Vendor shall obtain and maintain an umbrella liability insurance policy with limits that will provide bodily injury, personal injury, and property damage liability coverage, including commercial general liability, automobile liability, and employer's liability. Such policy or policies shall include the following terms and conditions:

- A drop-down feature requiring the policy to respond if any primary insurance that would otherwise have applied proves to be uncollectible in whole or in part for any reason, other than bankruptcy or insolvency of said primary insurer;
- "Pay on behalf of" wording as opposed to "reimbursement";
- Concurrence of effective dates with primary policies.

Should Vendor obtain and maintain an excess liability policy, such policy shall be excess over commercial general liability, automobile liability, and employer's liability policies. Such policy or policies shall include wording that the excess liability policy follows the terms and conditions of the underlying policies.

Workers' compensation insurance. Vendor shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000).

Vendor shall submit to City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of City, its officers, agents, employees, and volunteers.

Other provisions or requirements

Proof of insurance. Vendor shall provide certificates of insurance and required endorsements to City as evidence of the insurance coverage required herein. Insurance certificates and endorsements must be approved by City's Clerk prior to commencement of performance. Current certification of insurance shall be kept on file with City for the contract period and any additional length of time required thereafter. City reserves the right to require complete, certified copies of all required insurance policies, at any time.

Duration of coverage. Vendor shall procure and maintain for the contract period, and any additional length of time required thereafter, insurance against claims for injuries to persons or damages to property, or financial loss which may arise from or in connection with the performance of the Work hereunder by Vendor, their agents, representatives, employees, or subcontractors.

Primary/non-contributing. Coverage provided by Vendor shall be primary and any insurance or self-insurance procured or maintained by City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of City before City's own insurance or self-insurance shall be called upon to protect it as a named insured.

City's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, City has the right but not the duty to obtain the insurance it deems necessary, and any premium paid by City will be promptly reimbursed by Vendor. In the alternative, City may cancel this Agreement.

Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by City's Risk Manager.

Waiver of subrogation. All insurance coverage maintained or procured pursuant to this Agreement shall be endorsed to waive subrogation against City, its elected or appointed officers, agents, officials, employees, and volunteers or shall specifically allow Vendor or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Vendor hereby waives its own right of recovery against City and shall require similar written express waivers and insurance clauses from each of its subcontractors.

Enforcement of contract provisions (non estoppel). Vendor acknowledges and agrees that any actual or alleged failure on the part of City to inform Vendor of non-compliance with any requirement imposes no additional obligations on City nor does it waive any rights hereunder.

Requirements not limiting. Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If Vendor maintains higher limits than the minimums shown above, City requires and shall be entitled to coverage for the higher limits maintained by Vendor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to City.

Notice of cancellation. Vendor agrees to oblige its insurance agent or broker and insurers to provide City with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage. If any of Vendor's insurers are unwilling to provide such notice, then Vendor shall have the responsibility of notifying City immediately in the event of Vendor's failure to renew any of the required insurance coverages or insurer's cancellation or non-renewal.

Additional insured status. General liability, automobile liability, and umbrella/excess liability insurance policies shall provide or be endorsed to provide that City and its officers, officials, employees, agents, and volunteers shall be additional insureds under such policies.

Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.

Separation of insureds. A severability of interests provision must apply for all additional insureds ensuring that Vendor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

Pass through clause. Vendor agrees to ensure that its subcontractors, subcontractors, and any other party who is brought into or involved in the services by Vendor (hereinafter collectively "Subcontractor"), provide the same minimum insurance coverage and endorsements required of Vendor. Vendor agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. However, in the event Vendor's Subcontractor cannot comply with this requirement, which proof must be submitted to City, Vendor may still be able to utilize the Subcontractor provided Vendor shall be required to ensure that its Subcontractor provide and maintain insurance coverage and endorsements sufficient to the specific risk of exposure involved with Subcontractor's scope of work and services, with limits less than required of Vendor, but in all other terms consistent with Vendor's requirements under this Agreement. This provision does not relieve Vendor of its contractual obligations under the Agreement and/or limit its liability to the amount of insurance coverage provided by its Subcontractors. This provision is intended solely to provide Vendor with the ability to utilize a Subcontractor who may be otherwise qualified to perform the work or services but may not carry the same insurance limits as required of Vendor under this Agreement given the limited scope of work or services provided by the Subcontractor. Vendor agrees that upon request, all agreements with Subcontractors, and others engaged in the services, will be submitted to City for review.

City's right to revise specifications. City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving Vendor ninety (90) days advance written notice of such change. If such change results in substantial additional cost to Vendor, City and Vendor may renegotiate Vendor's compensation.

Self-insured retentions. Any self-insured retentions must be declared to and approved by City. City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible, or require proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention through confirmation from the underwriter.

Timely notice of claims. Vendor shall give City prompt and timely notice of claims made or suits instituted that arise out of or result from Vendor's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

Additional insurance. Vendor shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the work.

17. CONFLICT OF INTEREST

No officer or employee of City shall have any financial interest, direct or indirect, in this Agreement, nor may any officer or employee participate in any decision relating to this Agreement that affects the officer or employee's financial interest or the financial interest of any corporation, partnership or association in which the officer or employee is, directly or indirectly interested, in violation of any law, rule or regulation.

No person may offer, give, or agree to give any officer or employee or former officer or employee, nor may any officer or employee solicit, demand, accept, or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any way pertaining to any program requirement, contract or subcontract, or to any solicitation or proposal.

18. PROHIBITION AGAINST ASSIGNMENT AND SUBCONTRACTING

This Agreement and all exhibits are binding on the heirs, successors, and assigns of the parties. The Agreement may not be assigned or subcontracted by either City or Vendor without the prior written consent of the other.

19. INTEGRATION; AMENDMENT

This Agreement represents the entire understanding of City and Vendor as to those matters contained in it. No prior oral or written understanding will be of any force or effect with respect to the terms of this Agreement. The Agreement may not be modified or altered except in writing signed by both parties.

20. INTERPRETATION

The terms of this Agreement should be construed in accordance with the meaning of the language used and should not be construed for or against either party by reason of the authorship of this Agreement or any other rule of construction that might otherwise apply.

21. SEVERABILITY

If any part of this Agreement is found to be in conflict with applicable laws, that part will be inoperative, null and void insofar as it is in conflict with any applicable laws, but the remainder of this Agreement will remain in full force and effect.

22. TIME OF ESSENCE

Time is of the essence in the performance of this Agreement.

23. GOVERNING LAW; JURISDICTION

This Agreement will be administered and interpreted under the laws of the State of California. Jurisdiction of any litigation arising from this Agreement will be in a court of competent jurisdiction within the county in which City is located.

24. COMPLIANCE WITH STATUTES AND REGULATIONS

Vendor will be knowledgeable of and will comply with all applicable federal, state, local, county, and city statutes, rules, regulations, ordinances, and orders.

Vendor shall provide to all employees, regularly contracted workers, operational staff and volunteers CPR, First Aid and AED certification along with Mandated Reporting Training in Elder and Dependent Adult Abuse and Neglect.

25. WAIVER OF BREACH

No delay or omission in the exercise of any right or remedy by a non-defaulting party on any default will impair the right or remedy or be construed as a waiver. A party's consent or approval of any act by the other party requiring the party's consent or approval will not be deemed to waive or render unnecessary the other party's consent to or approval of any subsequent act. Any waiver by either party of any default must be in writing and will not be a waiver of any other default concerning the same or any other provision of this Agreement.

26. ATTORNEYS' FEES

Except as provided for herein above, in any dispute, litigation, arbitration, or other proceeding by which one party either seeks to enforce its rights under this

Agreement (whether in contract, tort, or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing party will be awarded reasonable attorneys' fees, together with any costs and expenses, to resolve the dispute and to enforce any judgment, including post-judgment attorney's fees costs and expenses and any attorneys' fees or costs incurred on appeal of any judgment.

27. VENDOR'S AUTHORITY TO EXECUTE

The persons executing this Agreement on behalf of Vendor warrant:

- A. Vendor is duly organized and existing under the appropriate state laws.
- B. Vendor's representative is duly authorized to execute this Agreement on behalf of Vendor by so executing this Agreement.
- C. Vendor is formally bound to the provisions of this Agreement and the entering into this Agreement does not violate any provision of any other Agreement to which Vendor is bound.

28. NOTICES.

Any notice required to be given hereunder shall be deemed to have been given by depositing said notice in the United States mail in an envelope bearing the proper amount of postage thereon, and addressed as follows:

To CITY: City of Lakewood
 Attention: Director of Recreation and Community Services
 5050 Clark Avenue
 Lakewood, CA 90712

To Vendor: Meals on Wheels of Long Beach
 Attention: Executive Director
 317 Termino Avenue
 Long Beach, CA 90814

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed this day and year first above written.

CITY OF LAKEWOOD

MAYOR

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

Meals on Wheels of Long Beach

By _____

Title

DIVIDER SHEET

COUNCIL AGENDA

December 13, 2022

TO: The Honorable Mayor and City Council

SUBJECT: First Amendment to Caretaker Management Contract for Lakewood Equestrian Center

INTRODUCTION

Since November 1, 2020, under the terms and conditions of the Caretaker Management Contract for Lakewood Equestrian Center, SJ Equestrian, LLC has managed the equestrian activities and boarding facilities for horses at the Lakewood Equestrian Center. The 19-acre facility operates seven days a week from dawn to dusk to serve the local equine community along with neighborhood youth groups. The equestrian center's primary functions are boarding and training horses and providing riding lessons. Through sub-contracted services, the equestrian center also offers a petting zoo, pony rides, camps, birthday parties and special events for families. Additionally, Shoestring City Ranch, an equine therapy program, helps abandoned horses and introduces youth to the technical and interpersonal skills needed to care for an animal.

STATEMENT OF FACT

SJ Equestrian, LLC is currently under an agreement with the city through October 31, 2023 to operate and maintain the Lakewood Equestrian Center.

Sonya Jahn, owner and operator of SJ Equestrian, LLC, has coordinated with city staff on several facility improvement projects including the installation of a customer service office for the petting zoo and pony ride operation. The city owns this utility building and will permit its use to SJ Equestrian, LLC under an amended caretaker management contract. The use of the building will provide continuity of services for the petting zoo and pony ride operation. The amended terms of the agreement increase the monthly facility contract fee by \$250 per month for permitted use of the city's utility building related to the petting zoo and pony ride operation.

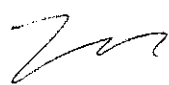
SUMMARY

SJ Equestrian, LLC has been a good partner with the city, serving as the caretaker of the Lakewood Equestrian Center since November 1, 2020. SJ Equestrian, LLC would like permitted use of the utility building, which serves as a customer service office in the petting zoo and pony ride operation. SJ Equestrian, LLC is amendable to the designated fee for the permitted use.

RECOMMENDATION

Staff recommends that the City Council approve the First Amendment to Caretaker Management Contract for Lakewood Equestrian Center, which will commence on December 13, 2022, and terminate on October 31, 2023, and authorize the mayor and the city clerk to execute the contract subject to approval as to legal form by the city attorney.


Valarie Frost, Director
Recreation & Community Services


Thaddeus McCormack
City Manager

FIRST AMENDMENT TO
CARETAKER MANAGEMENT CONTRACT
FOR LAKEWOOD EQUESTRIAN CENTER

This Amendment, made and entered into as of the 13th day of December 2022 by and between the City of Lakewood, a municipal corporation, sometimes hereinafter referred to as “City”, and SJ Equestrian, LLC., sometimes hereinafter referred to as “Caretaker” amends that certain “CITY OF LAKEWOOD CARETAKER MANAGEMENT CONTRACT FOR LAKEWOOD EQUESTRIAN CENTER” (“the Agreement”), dated October 26, 2021.

The Agreement is hereby amended as follows:

Section 5A. Caretaker Facility Contract Fee.

Each month, Caretaker shall pay to City a Facility Contract Fee. The term “Facility Contract Fee”, as it is used herein, shall mean the amount equal to eight percent (8%) of Caretaker’s Monthly Gross Receipts plus \$250 per month for the use of City’s utility office in the petting zoo and pony ride concession area.

In all other respects, the Agreement shall remain in full force and effect.

NOTICES. Any notice required to be given hereunder shall be deemed to have been given by depositing said notice in the United States mail in an envelope bearing the proper amount of postage thereon, and addressed as follows:

To CITY:	Director of Recreation and Community Services City of Lakewood 5050 Clark Avenue Lakewood, CA 90712
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To CARETAKER:	SJ Equestrian LLC 11369 East Carson Street Lakewood, California 90715
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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed this day and year first above written.

CITY OF LAKEWOOD

MAYOR

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney

SJ Equestrian, LLC

By _____

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CITY COUNCIL AGENDA

December 13, 2022

TO: Honorable Mayor and City Council

SUBJECT: Approval of ARPA funds for the design and construction of a second interconnection with City of Long Beach

INTRODUCTION

On September 28, 2021, the City Council approved the American Rescue Plan Act (ARPA) Ad Hoc Committee's recommendations on the use of ARPA funds for Lakewood. The recommendations included \$860,000 earmarked for Water Infrastructure Upgrades, which specified three emergency interconnection projects with Golden State Water Company, City of Cerritos and Bellflower Somerset Mutual Water Company. Upon further assessment, staff is recommending that funding for the proposed interconnection with Bellflower Somerset Mutual Water Company (Bellflower) be re-allocated for the design and construction of a second interconnection with the City of Long Beach.

STATEMENT OF FACT

The City of Lakewood owns 9,432 acre-feet of Allowed Pumping Allocation (APA) of extraction rights in the Central Basin. Over the years, with continued cycles of drought, water conservation efforts, increased public awareness and improvements in technologies, water usage in the region including the City of Lakewood has gone down. The current water conservation mandate requires that the City reduce its water consumption by 15% compare to 2020, which will likely result in over 3,400 ac-ft. of unused water rights for FY 22-23 and potentially future years.

On September 2021, The City approved \$860,000 of ARPA funds earmarked for emergency interconnections with Golden State Water Company, City of Cerritos and Bellflower. Upon further review, staff learned that Bellflower recently completed drilling of a new water well, thus, diminishing the need for Bellflower to require an emergency connection with Lakewood. Furthermore, staff also learned that Bellflower wells have exhibited poor water quality including PFOS. These discoveries have made the previously proposed emergency interconnection with Bellflower undesirable for the City. Staff is proposing that funding previously earmarked for the Bellflower emergency interconnection be re-allocated to establish the second interconnection with the City of Long Beach as approved by City Council on October 25, 2022.

The estimated cost for Lakewood to implement the design and construction of the second interconnection with Long Beach is \$80,000, which includes \$16,000 for design and \$64,000 for the shared cost of construction. The benefits of the second interconnection with Long Beach include:

- Increase capacity for Lakewood to maximize the use of its APA
- Generate additional revenues to offset projected lower demands now and in the future
- Foster interagency relationship with Long Beach for continued mutual benefits

Approval of ARPA funds for the design and construction of a second interconnection with City of Long Beach
December 13, 2022
Page 2

The City Council Capital Improvement Program Committee has reviewed this item at its November 14, 2022 meeting and supported staff recommendation for City Council approval.


FISCAL IMPACT

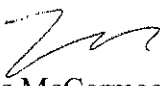
Staff estimates that it would cost Lakewood a total of \$80,000 for the design and construction of the second interconnection with Long Beach. Upon completion of the second interconnection, the City will receive approximately \$400,000 per year in water sales to Long Beach.

RECOMMENDATION

Staff recommends that the City Council:

- Approve \$80,000 of ARPA funds for the design and construction of a second interconnection with City of Long Beach.


Derek Nguyen, Ph.D., P.E.
Director of Water Resources


Thaddeus McCormack
City Manager

DIVIDER SHEET

COUNCIL AGENDA

December 13, 2022

TO: Honorable Mayor and Members of the Council

SUBJECT: Professional Services Agreement with Kosmont Companies for Economic Development Consulting

INTRODUCTION

The City of Lakewood ("City") has been working with Kosmont & Associates, Inc., dba Kosmont Companies ("Kosmont") for the past several months. During this time, Kosmont has provided valuable consulting services to help staff prepare for the creation of a mixed-use overlay on commercial sites, including the Lakewood Center Mall. This process would allow for the re-zoning of existing commercial sites to accommodate future housing development, in compliance with the recently certified 2021-2029 Housing Element update. Staff recommends approval of the proposed Professional Services Agreement ("PSA") for a second phase between the City of Lakewood ("City") and Kosmont & Associates, Inc., dba Kosmont Companies ("Kosmont") for continued economic development consulting.

STATEMENT OF FACT

On July 12, 2022, the City Council approved an agreement with Kosmont for Phase I of multi-phased economic development consulting. In the first phase, Kosmont worked with City staff to establish economic development objectives and conduct an initial market assessment of the mall. Their primary tasks included: analysis of demographic, economic and real estate trends; attend meetings with potential mixed-use developers; and analyze the potential economic benefit of special district financing tools, such as Enhanced Infrastructure Financing Districts, to fund needed infrastructure and municipal service costs.

Under the proposed PSA, Kosmont will continue to work with staff to refine various economic development objectives and begin the process of applying the findings of initial market assessment. In addition, Kosmont will explore the possibility of establishing a special district funding project, such as an Enhanced Infrastructure Financing District, to fund needed infrastructure and municipal service costs.

Kosmont has over 36 years of experience providing real estate and economic development services, and are the industry leader. The firm offers a full range of real estate market and financial advisory, economic strategies, implementation tools, project finance, transaction structuring and negotiations for both public and private sectors.

STAFF RECOMMENDATION

Staff recommends that the City Council approve the PSA with Kosmont for an amount not to exceed \$75,000.


Abel Avalos

Director of Community Development


Thaddeus McCormack
City Manager

**CITY OF LAKEWOOD
PROFESSIONAL SERVICES AGREEMENT
WITH
Kosmont & Associates, Inc.**

This Professional Services Agreement ("Agreement") is made and effective as of _____ (the "Effective Date"), by and between the City of Lakewood, a California municipal corporation, (the "City") and Kosmont & Associates Inc., dba "Kosmont Companies" a California Corporation. ("Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. TERM

This Agreement shall commence on the Effective Date, and shall remain and continue in effect until the Services are completed, unless sooner terminated pursuant to the provisions of this Agreement.

2. SERVICES

Consultant shall perform the services described and set forth in Consultant's Proposal attached hereto as Exhibit A ("Services"), incorporated herein as though set forth in full.

3. PERFORMANCE

Consultant shall at all times faithfully, competently and to the best of Consultant's ability, experience, and talent, perform all tasks described herein. Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Consultant under this Agreement.

4. CITY MANAGEMENT

The City Manager or designee shall represent the City in all matters pertaining to the administration of this Agreement.

5. PAYMENT

A. The City agrees to pay Consultant for Services satisfactorily performed in accordance with the fees set forth in Exhibit A, in an amount not to exceed \$75,000.

B. Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager or designee. Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to in writing by the City and Consultant at the time the City's written authorization is given to Consultant for the performance of said services.

C. Consultant will submit invoices monthly for actual Services performed. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of Consultant's Services or fees, it shall give written

notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice. Any final payment under this Agreement shall be made within forty-five (45) days of receipt of an invoice therefor.

6. SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE

A. The City may at any time, for any reason, without cause, suspend or terminate this Agreement, or any portion hereof, by serving written notice upon Consultant. Upon receipt of said notice, Consultant shall immediately cease all Services under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement, such suspension or termination shall not make void or invalidate the remainder of this Agreement.

B. In the event this Agreement is terminated pursuant to this section, the City shall pay to Consultant the actual value of the Services performed up to the time of termination, unless the City disputes any of the Services performed or fees. Upon termination of the Agreement pursuant to this section, Consultant will submit an invoice to the City pursuant to Section 5.

7. DEFAULT OF CONSULTANT

If the City determines that Consultant is in default in the performance of any of the terms or conditions of this Agreement, the City shall serve Consultant a written notice of the default. Consultant shall have seven (7) days after service of said notice to cure the default. In the event that Consultant fails to cure the default within such period of time or fails to present the City with a written plan for the diligent cure of default if such default cannot be cured within seven days, the City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement. The City shall also have the right to offset against the amount of any fees due to Consultant any costs incurred by the City as a result of Consultant's default.

8. OWNERSHIP OF DOCUMENTS

A. Consultant shall maintain complete and accurate records with respect to tasks, costs, expenses, receipts, and other such information required by the City that relate to the performance of Services under this Agreement. Consultant shall maintain adequate records of Services provided in sufficient detail to permit an evaluation of Services. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of the City or its designees at reasonable times to such books and records; shall give the City the right to examine and audit said books and records; shall permit the City to make transcripts or copies therefrom as necessary; and shall allow inspection of all Services, data, documents, proceedings, and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

B. Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared in the course of providing the Services shall become the sole property of the City and may be used, reused, or otherwise disposed of by the City without the permission of Consultant. With respect to computer files, Consultant shall make available to the City, at the Consultant's office and upon reasonable written request by the City, the necessary computer software and hardware for purposes of accessing, compiling, transferring, copying and/or printing computer files. Consultant hereby grants to the City all right, title, and interest, including any copyright, in and to the documents, designs, drawings, maps, models, computer files, surveys, notes, and other documents prepared by Consultant in the course of providing the Services under this Agreement.

9. INDEMNIFICATION AND DEFENSE

A. Indemnity.

To the fullest extent permitted by law, Consultant shall indemnify and hold harmless the City and any and all of its officials, officers, employees, agents, and/or volunteers ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including attorney's fees and costs, caused in whole or in part by the acts, errors, or omissions of Consultant, its officers, agents, employees, subcontractors, or subconsultants (or any agency or individual that Consultant shall bear the legal liability thereof) in the performance of Services under this Agreement.

B. Duty to Defend.

In the event the City, its officials, officers, employees, agents, and/or volunteers are made a party to any claim, action, lawsuit, or other adversarial proceeding ("Action") arising from the performance of the Services under this Agreement, whether or not Consultant is named in such Action, and upon demand by the City, Consultant shall defend the City at Consultant's sole cost, or at the City's option, to reimburse the City for its costs of defense, including reasonable attorney's fees and costs incurred in the defense.

C. Payment by the City for Services is not a condition precedent to enforcement of this section. Consultant's duty to defend, indemnify, and hold harmless the City shall not extend to the City's sole or active negligence. In the event of any dispute between Consultant and the City as to whether liability arises from the sole or active negligence of the City or its officials, officers, employees, agents, and/or volunteers, Consultant will be obligated to pay for the City's defense until such time as a final judgment has been entered adjudicating the City as solely or actively negligent. Consultant will not be entitled in the absence of such a determination to any reimbursement of defense costs including, but not limited to, attorney's fees, expert fees and costs of litigation.

10. INSURANCE

Consultant shall maintain prior to the beginning of and for the duration of this Agreement insurance coverage as specified in Exhibit B attached hereto and made a part of this Agreement.

11. INDEPENDENT CONSULTANT

A. Consultant is and shall at all times remain as to the City a wholly independent consultant and/or independent contractor. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither the City nor any of its officers, employees, or agents shall have control over the conduct of Consultant or any of Consultant's officers, employees, agents, subcontractors, or subconsultants, except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that Consultant or any of Consultant's officers, employees, agents, subcontractors, or subconsultants are in any manner officers, employees, or agents of the City. Consultant shall not incur or have the power to incur any debt, obligation, or liability whatever against the City, or bind the City in any manner.

B. No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, the City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for the City. The City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder. Consultant shall secure, at its sole expense, and be responsible for any and all payment of Income Tax, Social Security, State Disability Insurance Compensation, Unemployment Compensation, and other payroll deductions for Consultant and its officers, agents, and employees, and all business licenses, if any are required, in connection with the services to be performed hereunder. Consultant shall indemnify and hold the City harmless from any and all taxes, assessments, penalties, and interest asserted against the City by reason of the independent Consultant relationship created by this Agreement. Consultant further agrees to indemnify and hold the City harmless from any failure of Consultant to comply with the applicable worker's compensation laws. The City shall have the right to offset against the amount of any fees due to Consultant under this Agreement as a result of Consultant's failure to promptly pay to the City any reimbursement or indemnification arising under this paragraph.

C. In the event that Consultant or any employee, agent, subcontractor, or subconsultant of Consultant providing Services under this Agreement claims or is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of the City, Consultant shall indemnify, defend, and hold harmless the City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, subcontractors, or subconsultants, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of the City.

D. Notwithstanding any other agency, state or federal policy, rule, regulation, law or ordinance to the contrary, Consultant and any of its employees, agents, subcontractors, and subconsultants providing service under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any claims to, any

compensation, benefit, or any incident of employment by the City, including but not limited to eligibility to enroll in PERS as an employee of the City and entitlement to any contribution to be paid by City for employer contribution and/or employee contributions for PERS benefits.

12. LEGAL RESPONSIBILITIES

Consultant shall keep itself informed of State and Federal laws and regulations which in any manner affect those employed by it or in any way affect the performance of Services pursuant to this Agreement. Consultant shall at all times observe and comply with all such laws and regulations. The City and its officials, officers, employees, and agents, shall not be liable at law or in equity occasioned by failure of Consultant to comply with this Section.

13. UNDUE INFLUENCE

Consultant declares and warrants that no undue influence or pressure was used against or in concert with any officer or employee of the City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of the City has or will receive compensation, directly or indirectly, from Consultant, or from any officer, employee or agent of Consultant, in connection with this Agreement or any Services to be conducted as a result of this Agreement. Violation of this section shall be a material breach of this Agreement entitling the City to any and all remedies at law or in equity.

14. NO BENEFIT TO ARISE TO LOCAL EMPLOYEES

No member, officer, or employee of the City, or their designees or agents, and no public official who exercises authority over or responsibilities with respect to the Services during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any Agreement or sub-agreement, or the proceeds thereof, for Services to be performed under this Agreement.

15. RELEASE OF INFORMATION/CONFLICTS OF INTEREST

A. All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without the City's prior written authorization, unless the information is clearly public. Consultant, its officers, employees, agents, subcontractors, or subconsultants, shall not without written authorization from the City Manager or designee, or unless requested by the City's attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories, or other information concerning the Services performed under this Agreement or relating to the City. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives the City notice of such court order or subpoena.

B. Consultant shall promptly notify the City should Consultant, its officers, employees, agents, subcontractors, and/or subconsultants be served with any summons, complaint, notice of deposition, request for documents, interrogatories, request for admissions, or other discovery request ("Discovery"), court order, or subpoena from

any person or party regarding this Agreement and the Services performed hereunder or the City, unless the City is a party to any lawsuit, arbitration, or administrative proceeding connected to such Discovery, or unless Consultant is prohibited by law from informing the City of such Discovery. The City retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing, or similar proceeding as allowed by law. Unless the City is a party to the lawsuit, arbitration, or administrative proceeding and is adverse to Consultant in such proceeding, Consultant agrees to cooperate fully with the City and to provide the opportunity to review any response to discovery requests provided by Consultant. However, the City's right to review any such response does not imply or mean the right by the City to control, direct, or rewrite said response, or that the City has an obligation to review any such response or verifies any response it has reviewed.

16. NOTICES

Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, which provides a receipt showing date and time of delivery, or (iii) mail by the United States Postal Service, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by notice:

To the City: City of Lakewood
 5050 Clark Avenue
 Lakewood, CA 90712
 Attention: City Manager

To Consultant: Kosmont Companies
 1601 N Sepulveda Blvd. #382
 Manhattan Beach, CA 90266
 Attention: Larry J. Kosmont

17. ASSIGNMENT

Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the City. Before retaining or contracting with any subcontractor or subconsultant for any services under this Agreement, Consultant shall provide the City with the identity of the proposed subcontractor or subconsultant, a copy of the proposed written contract between Consultant and such subcontractor or subconsultant which shall include an indemnity provision similar to the one provided herein and identifying the City as an indemnified party, or an incorporation of the indemnity provision provided herein, and proof that such proposed subcontractor or subconsultant carries insurance at least equal to that required by this Agreement or obtain a written waiver from the City for such insurance.

18. LICENSES

At all times during the term of this Agreement, Consultant shall have in full force and effect all licenses required of it by law for the performance of the Services described in this Agreement.

19. GOVERNING LAW

The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties, and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with jurisdiction over the City.

20. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the parties relating to the obligations of the parties described in this Agreement. All prior or contemporaneous agreements, understandings, representations, and statements, oral or written and pertaining to the subject of this Agreement or with respect to the terms and conditions of this Agreement shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

21. AMENDMENTS

Any amendments to this Agreement must be in writing and executed by the parties hereto, or their respective successors and assigns, in order to be valid.

22. ATTORNEYS' FEES

In the event that litigation is brought by any party in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any of the terms, conditions, or provisions hereof.

23. CONSTRUCTION

The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

24. WAIVER

The delay or failure of any party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this

Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence or event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

25. SEVERABILITY

If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance. Notwithstanding the foregoing, if the value of this Agreement, based upon the substantial benefit of the bargain for any party, is materially impaired, which determination made by the presiding court or arbitrator of competent jurisdiction shall be binding, then both parties agree to substitute such provision(s) through good faith negotiations.

26. COUNTERPARTS

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

27. AUTHORITY TO EXECUTE THIS AGREEMENT

The persons executing this Agreement on behalf of the parties warrant and represent that they have the authority to execute this Agreement on behalf of said parties and have the authority to bind the parties to the provisions of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date.

[If Consultant is a corporation, two signatures are required: Signature 1 – the Chairperson of the Board, the President, or any Vice President; Signature 2 – the Secretary, any Assistant Secretary, the Chief Financial Officer, or any Assistant Treasurer (Corp. Code § 313).]

CITY OF LAKEWOOD

CONSULTANT

Mayor

ATTEST:

CONSULTANT

City Clerk

APPROVED AS TO FORM:

City Attorney

Attachments:	Exhibit A	Consultant's Proposal
	Exhibit B	Insurance Requirements

EXHIBIT A

CONSULTANT'S PROPOSAL

I. BACKGROUND AND OBJECTIVE

The Lakewood Mall is one of the oldest and largest malls in the U.S. It is a super-regional center with over 2 million SF serving Southeast Los Angeles County. It opened in 1952 and was enclosed in 1978. Today the Mall contains a dozen anchor stores, including Costco, Home Depot, Target, Macy's JCPenney, Pacific Theaters 16-screen, Best Buy, Burlington Coat Factory and Albertson's.

Kosmont has been assisting the City in Phase I of the assignment with market research and evaluation of blended-use redevelopment opportunities. Kosmont collaborated with City and Macerich on a meeting to discuss initial planning concepts with the objective of delivering a high quality reuse plan to enable and support community discussion of reuse priorities, zoning/mixed land use and community benefits.

City desires for Kosmont to continue assisting with project shaping and implementation in Phase II in conjunction with City's goal of a mixed use zoning overlay by mid year 2023.

II. SCOPE OF SERVICES

Approach to Tasks: The prospective assignment and consulting services that Kosmont will provide will be of a relatively limited scope and duration, and advisory in nature. Kosmont will be making recommendations only, which advise the Client and jurisdictions, including its elected officials, appointed officials and staff, which they can accept or reject. None of Kosmont's staff will act in a capacity as an elected official, nor appointed official, nor as staff, nor as serving in a "designated" position.

Task 1: Document Review

Kosmont review updated concept plan(s) to be prepared by owner Macerich with the objective of achieving a high-quality reuse plan to enable and support community feedback.

Task 2: Report and Presentation to Ad Hoc

Kosmont will update and fine tune the previously prepared summary Power Point that included relevant data sources, key findings, and recommendations from market and demographic research. Kosmont will prepare and participate in a presentation including case studies of mall reimagination projects to the City Council Ad Hoc Committee.

Task 3: City / Developer Meeting / Stakeholder Outreach

Kosmont can participate in a follow up collaborative meeting with City and owner Macerich to discuss project progress. Kosmont can work with City to assist with stakeholder / community outreach as appropriate.

Task 4: District Funding

Evaluation of Strategic Considerations for Funding and Financing Tools

Kosmont will coordinate a dedicated meeting with City staff to discuss potential economic development funding and financial tools, including tax increment financing ("TIF") tools such as enhanced infrastructure financing districts ("EIFD"). Based on initial research and discussion with City staff regarding the preferred mechanisms, Kosmont will evaluate key strategic and implementation considerations, including:

- a) Property / land ownership and planned / proposed / potential future development (based on information to be provided or confirmed by the City)
- b) Potential public and private sector partners (e.g., City, County, other affected taxing entities, developers / property owners)
- c) Overlap with former Redevelopment Agency Project Area boundaries and status of redevelopment dissolution (e.g., Finding of Completion from Department of Finance).

Preliminary Funding and Financing Analysis

Kosmont will prepare a preliminary funding and financing analysis, including preliminary tax increment analysis, as appropriate, reflecting potential future development and potential public and private sector partners. The analysis will identify:

- a) Potential assessed value generation from future development in the district
- b) Property tax increment funding capacity at select annual benchmarks and cumulatively over the estimated district lifetime(s)
- c) Initial estimates of potential bonding capacity (to be prepared by Kosmont Financial Services, registered Municipal Advisor)
- d) Complementary economic development tools and funding sources (e.g., grants, Community Facilities District ["CFD"] financing)
- e) As related to potential overlap of proposed district boundaries with former redevelopment agency project areas, analysis of corresponding relevant outstanding enforceable obligations and implications on available revenues.

Governance and Implementation Roadmap

Based on the preferred tool(s) identified by the City based on previous Task 4 findings, Kosmont will evaluate and summarize feasible governance and implementation alternatives, including district governing board composition, voting / approval procedures, district formation milestones, debt issuance procedures, and estimated timing, in order to provide potential public and private sector stakeholders with an illustrative "roadmap" for implementation.

Kosmont will coordinate a meeting with City staff and prepare and present a summary of preliminary funding and financing analysis findings, as well as recent case studies of successful implementation of similar tools in other communities.

Task 5: Fiscal Analysis and Project Shaping

Kosmont can assist City with further analysis including high level fiscal impact of proposed Macerich project. Kosmont will work with City on public private project shaping and assisting with achieving a mutually acceptable concept plan and community benefits.

Task 6: Summary Presentation to City Council

Kosmont will prepare a summary Power Point that will include relevant information and findings from Tasks 1-4 and will be available to make a presentation to City Council as appropriate.

**Kosmont Companies
2022 Public Agency Fee Schedule**

Professional Services

Chairman & CEO	\$395.00/hour
President	\$365.00/hour
Senior Vice President/Senior Advisor	\$325.00/hour
Vice President	\$225.00/hour
Senior Project Analyst	\$195.00/hour
ProjectAnalyst/ProjectResearch	\$165.00/hour
Assistant Project Analyst/Assistant Project Manager	\$125.00/hour
Project Promotion/Graphics/GIS Mapping Services	\$ 95.00/hour
Clerical Support	\$ 70.00/hour

• **Additional Expenses**

In addition to professional services (labor fees):

- 1) An **administrative fee** for in-house copy, fax, phone, postage costs, digital/technological support and related administrative expenses will be charged, which will be computed at four percent (4.0 %) of monthly Kosmont Companies professional service fees incurred; **plus**
- 2) **Out-of-pocket expenditures**, such as travel and mileage, professional printing, and delivery charges for messenger and overnight packages will be charged at cost.
- 3) **Project/Market data sources for support of evaluation and analysis e.g., ESRI, Placer.ai, CoStar/STR, IMPLAN and other based on quoted project cost.**
- 4) If Kosmont retains **Third Party Vendor(s)** for Client (with Client's advance approval), fees and cost will be billed to Client at 1.1X (times) fees and costs.
- 5) Consultant's **attendance or participation at any public meeting**, whether such participation is in person, digital, video and/or telephonic (*e.g., City Council, Planning Commission, Public Agency Board, other*) requested by Client and are beyond those specifically identified in the Scope of Work will be billed at the professional services (hourly) fees as shown on this Attachment A.

• **Charges for Court/Deposition/Expert Witness-Related Appearances**

Court-related (non-preparation) activities, such as court appearances, depositions, mediation, arbitration, dispute resolution and other expert witness activities, will be charged at a court rate of 1.5 times scheduled rates, with a 4-hour minimum.

EXHIBIT B

INSURANCE REQUIREMENTS

Without limiting Consultant's indemnification of the City, and prior to commencement of Services, Consultant shall obtain, provide, and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to the City. If the Consultant maintains higher limits than the minimum limits shown below, the City requires and shall be entitled to coverage for the higher limits maintained by Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

General liability insurance. Consultant shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$1,000,000 per occurrence, \$2,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

Automobile liability insurance. Consultant shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

Consultant shall submit to the City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of the City, its officers, agents, employees, and volunteers.

Umbrella or excess liability insurance. Consultant shall obtain and maintain an umbrella or excess liability insurance policy with limits that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages set forth above, including commercial general liability, automobile liability, and employer's liability. Such policy or policies shall include the following terms and conditions:

- A drop-down feature requiring the policy to respond if any primary insurance that would otherwise have applied proves to be uncollectible in whole or in part for any reason;
- Pay on behalf of wording as opposed to reimbursement;
- Concurrency of effective dates with primary policies;
- Policies shall "follow form" to the underlying primary policies; and
- Insureds under primary policies shall also be insureds under the umbrella or excess policies.

Other provisions or requirements

Proof of insurance. Consultant shall provide certificates of insurance to the City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by the City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with the City at all times during the term of this Agreement. The City reserves the right to require complete, certified copies of all required insurance policies at any time.

Duration of coverage. Consultant shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Services hereunder by Consultant, or Consultant's agents, representatives, employees, subcontractors, or subconsultants.

Primary/noncontributing. Coverage provided by Consultant shall be primary and any insurance or self-insurance procured or maintained by the City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

The City's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, the City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by the City will be promptly reimbursed by Consultant or the City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, the City may immediately terminate this Agreement.

Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

Waiver of subrogation. All insurance coverage maintained or procured pursuant to this Agreement shall be endorsed to waive subrogation against the City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of

recovery against the City, and shall require similar written express waivers and insurance clauses from each of its subcontractors or subconsultants.

Enforcement of Agreement provisions (non estoppel). Consultant acknowledges and agrees that any actual or alleged failure on the part of the City to inform Consultant of non-compliance with any requirement imposes no additional obligations on the City nor does it waive any rights hereunder.

Requirements not limiting. Requirements of specific coverage features or limits contained in this Agreement are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type.

Notice of cancellation. Consultant agrees to oblige its insurance agent or broker and insurers to provide to the City with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

Additional insured status. General liability policies shall provide or be endorsed to provide that the City and its officers, officials, employees, agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to the City and approved of in writing.

Separation of insureds. A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

Pass through clause. Consultant agrees to ensure that its subcontractors or subconsultants, and any other party involved with the Services who is brought onto or involved in the Services by Consultant, provide the same minimum insurance coverage and endorsements required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with Consultants, subcontractors, subconsultants, and others engaged in the Services will be submitted to the City review.

The City's right to revise specifications. The City reserves the right at any time during the term of the Agreement to change the amounts and types of insurance required by

giving Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to Consultant, the City and Consultant may renegotiate Consultant's compensation or come to some other agreement to address the additional cost.

Self-insured retentions. Any self-insured retentions must be declared to and approved by the City. The City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by the City.

Timely notice of claims. Consultant shall give the City prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

Additional insurance. Consultant shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the Services.

D I V I D E R S H E E T

COUNCIL AGENDA

December 13, 2022

TO: The Honorable Mayor and City Council

SUBJECT: Selection of Information Technology Cybersecurity Services Provider

INTRODUCTION

As the world has become more dependent on computers and technology in essentially every aspect of life, threats to technology and confidential information have become more commonplace. Systems worldwide are being bombarded via hackers and malicious software. A recent statistic indicated that global attacks are constantly growing and evolving in sophistication, having increased by 28% in the third quarter of 2022 compared to the same period in 2021.

Local government is not exempt. The frequency and severity of cyber incidents affecting local government agencies is a worrying and upward trend as attacks continually occur and change in their approach. At times, the public sector draws more attention as it lags behind other industries in its cybersecurity proficiencies. Consequently, it is prudent for the City to select a cybersecurity services provider that can proactively help protect the organization from these attacks and assist in responding should an attacker successfully penetrate the system's defenses.

BACKGROUND

Staff recently conducted a search for a qualified provider that offers managed detection and response (MDR) services and is able to assist the City in implementing best practices. Using a comprehensive set of factors, staff evaluated nine submittals received and subsequently narrowed the list to three firms. After doing so, staff selected Alert Logic as the recommended firm.

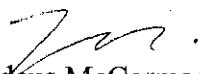
STATEMENT OF FACT

Founded in 2002, Alert Logic is headquartered in Houston, Texas and has business operations, team members, and channel partners located worldwide. Alert Logic scans, monitors and assesses systems around-the-clock to detect threats and risks before they inflict damage to systems. They have a global security operations center that is staffed by over 150 staff members that are experts in security and information technology disciplines. Powered by machine learning and advanced analytics, Alert Logic sifts through enormous amounts of data to comprehensively prevent and detect malicious activity. When needed, they respond to urgent matters within a 15-minute window. Among the proposals received, their cost is reasonable at \$3,000 per month or \$36,000 per year. If authorized, staff anticipates the services being in place by late January 2023.

RECOMMENDATION

It is recommended that City Council approve an agreement with Alert Logic, Inc. to provide cybersecurity services for \$36,000 over a 12-month period, and authorize the City Manager or his designee to enter into an agreement as approved by the City Attorney.

Jose Gomez 
Director of Finance and Administrative Services


Thaddeus McCormack
City Manager

DIVIDER SHEET

Public Hearings

COUNCIL AGENDA

December 13, 2022

TO: The Honorable Mayor and City Council

SUBJECT: Public Hearing and Establishment of Underground Utilities District 14

INTRODUCTION

Cities in California have long relied upon the Utility Rule 20A program to reconstruct power and communication lines from overhead to underground. This program as we know it is ending, and only currently active projects will be able to proceed to construction. The City of Lakewood currently has over \$5M in Rule 20A work credits plus an additional \$3M in work credits via transfer from the County of Los Angeles. As part of the Lakewood Blvd. Corridor Project, the City has planned to remove the overhead utilities and reconstruct them underground, to make space for a protected bike lane and pedestrian walkway. Using the \$8M in work credits for a portion of the undergrounding work will be a vital piece of the funding for this project and will allow the City to use the work credits before they essentially expire. This project was introduced at the regular City Council meeting on October 11, 2022. A City Council Study Session was held on November 8, 2022, and a public hearing was noticed for the Council Meeting scheduled for December 13, 2022, after which the City Council can consider the final establishment of Underground Utility District No. 14.

STATEMENT OF FACT

At the City Council Study Session on November 8, 2022, the Council had the opportunity to address questions directly to a representative of the Southern California Edison Company. The Council then adopted the Resolution of Intent to Establish the District and set the time and place of the required public hearing. During the regularly scheduled Council Meeting on November 8, the Council took action to make a finding that the proposed Underground Utility projects on Lakewood Blvd. are categorically exempt from CEQA.

Conducting the public hearing will be the final step before the City Council can consider the establishment of the proposed Underground Utility District No. 14. All affected property owners and utilities were mailed a notice regarding the public hearing. As of the preparation of this report, no comments or questions have been received from the affected property owners or utilities. The City Council should conduct the public hearing and ask for any comments from the public regarding the proposed Underground Utility District.

The attached resolution proposed for adoption in this report's recommendation will establish Underground Utilities District 14. Once adopted, affected property owners and utilities will be mailed a letter advising of the Council's action along with a copy of the Resolution. Staff will also coordinate with SCE regarding the commencement of design work for the improvements.

Background

Chapter 5 of Article VIII of the Lakewood Municipal Code authorizes the City Council to establish and designate, by resolution, an underground utility district (District) in the City for public necessity, health, safety, or welfare. To construct the Lakewood Boulevard Complete Street Project, both transmission and distribution lines must be undergrounded to allow for the bike and pedestrian paths improvements. The establishment of Underground Utility District 14 will allow for undergrounding of the distribution lines from South Street to the North City Limits. The City also plans to place the transmission utilities on the west side of Lakewood Blvd in underground conduit, which would be constructed through a Rule 20B project as part of the Lakewood Blvd Corridor Project. The design of the underground transmission utilities, to be prepared by SCE, is part of the already allocated funding for the design of the corridor project. Splitting the distribution and transmission utilities into separate projects will allow for the construction work to be done in different phases and funded from different funding sources.

Over the past few years, the civil design was completed utilizing the Metro grant funds, and the City has been accumulating its Rule 20A funds to aggregate enough work credits to move forward with the project. The next step requires Southern California Edison (SCE) to complete its design for the distribution lines to be in the proposed District 14. In September SCE provided an updated estimate for the distribution conversion project in the amount of approximately \$6.6 million to \$7.3 million. Due to the regional benefits of the project, the City approached L.A. County to seek supplemental work credits to assist with the shortfall. Since it is unlikely that design and construction will be completed prior to 2025-26, staff requested \$3 million from L.A. County Supervisor Janice Hahn to supplement the City's available \$5.07 million set-aside funding, to account for escalation and contingency. Supervisor Hahn has expressed her support and the request is scheduled for a Board decision in December or January. If approved, funding for both the design and construction of undergrounding the distribution lines and associated electrical service lines will be paid for by City and County SCE Rule 20A funds.

In addition, Metro still has a fund balance of \$1,395,000.00 earmarked for the design of the transmission lines undergrounding. Staff will work with SCE to begin discussions surrounding the design of the transmission lines as well. This will put the City in a better position to obtain outside funding for the construction of the complete street improvement as well as the more costly undergrounding of the transmission lines.

Under Electric Rule 20A, the California Public Utilities Commission (CPUC) allocates ratepayer-funded work credits to cities to convert overhead power lines and equipment to underground facilities. On June 3, 2021, the CPUC issued a revision to the program entitled "Phase 1 Decision Revising Electric Rule 20 and Enhancing Program Oversight."

The Phase 1 decision revises the Electric Rule 20 program as follows:

- (a) discontinues new work credit allocations to cities for Electric Rule 20A projects,
- (b) clarifies Electric Rule 20A project eligibility criteria and work credit transfer rules,

- (c) disallows trading of work credits between cities, and
- (d) requires SCE to notify cities as to whether they are considered “active” or “inactive.”


Under the decision, work balances for cities considered inactive are to be reallocated back to SCE.


On April 22, 2016, the City of Lakewood entered into an agreement with Metro for the design of the Lakewood Boulevard Complete Street Project. The Memorandum of Understanding (MOU) was for both the civil design of improvement and for the underground design of both the transmission lines and the distribution lines. As such, the City of Lakewood is currently considered “active” with a work credit balance of \$5,074,017. However, to remain “active” the City must continue to show progress on the project and will achieve this objective by establishing Underground Utility District 14 for the distribution lines from South Street to the North City Limits.

RECOMMENDATIONS

Staff recommends that the City Council:

- (1) Conduct the Public Hearing regarding proposed Underground Utilities District No. 14, and
- (2) Adopt proposed resolution which establishes Underground Utilities District 14.

Kelli Pickler 
Director of Public Works


Thaddeus McCormack
City Manager

RESOLUTION 2022-89

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAKEWOOD DETERMINING THAT THE PUBLIC NECESSITY, HEALTH, SAFETY AND WELFARE REQUIRE THE FORMATION OF UNDERGROUND UTILITY DISTRICT IN THAT PORTION OF THE CITY OF LAKEWOOD GENERALLY DESCRIBED AS LAKEWOOD BOULEVARD FROM SOUTH STREET TO THE NORTH CITY BOUNDARY, TO BE KNOWN AS AND HEREBY ESTABLISHED AS UNDERGROUND UTILITY DISTRICT No. 14

THE CITY COUNCIL OF THE CITY OF LAKEWOOD DOES RESOLVE AS FOLLOWS:

WHEREAS, by Resolution No. 2022-77 a public hearing was called for Tuesday, December 13, 2022, at the hour of 7:30 PM in the City Council Chambers at 5000 Clark Avenue, Lakewood, California, to ascertain whether the public necessity, health, safety and welfare require the removal of poles, overhead wires, and associated overhead structures, and the underground installation of wires and facilities for supplying electric, communication, or similar or associated service within that area designated as "Underground Utility District No. 14," generally known as Lakewood Boulevard from South Street to the North City Boundary, shown on the map attached hereto, marked Exhibit "A" and described as follows:

Underground Utilities District No. 14

A variable-width strip of land in the City of Lakewood, County of Los Angeles, State of California. The centerline of said strip is the centerline of Lakewood Boulevard as it now exists. The strip is bound as follows:

Southerly by the northerly boundary line of South Street and northerly by the north city boundary of the City of Lakewood.

The easterly line of said strip shall be located 100 feet easterly of the existing easterly right-of-way line of Lakewood Boulevard and the westerly line of said strip shall be located at the westerly line of Lakewood Boulevard.

WHEREAS, notice of such hearing has been given to all affected property owners as are shown on the last equalized assessment roll, and to all utilities concerned in the matter, and within the time required by law; and

WHEREAS, said hearing has been duly and regularly held, and all persons interested have been given an opportunity to be heard; and

WHEREAS, exempted from the requirements of California Environmental Quality Act are certain projects which the Secretary of Resources has determined to be categorically exempt; and

WHEREAS, included among categorical exemption is the operation, repair, maintenance and minor alteration of existing public utilities used to provide electric power, natural gas, sewage or other public utility service, as well as minor trenching and backfilling where the surface is restored; and

WHEREAS, no environmental impact report or negative declaration is required by the categorical exemption set forth in Title 14, Section 15302 (d) of the California Administrative Code, and the City Council at its meeting on November 8, 2022 made a finding that the improvements to be undertaken in Underground Utilities District No. 14 are categorically exempt;

NOW, THEREFORE, be it further determined and resolved by the City Council of the City of Lakewood as follows:

SECTION 1. That pursuant to Chapter 5 entitled “Underground Utility Districts” of Article VIII of the Lakewood Municipal Code the above-described area is hereby declared an Underground Utility District, and is designated as Underground Utility District No. 14 of the City of Lakewood. Attached hereto marked Exhibit “A”, and incorporated herein by reference, is a map delineating the boundaries of said District.

SECTION 2. The City Council hereby finds and determines that the public health, safety and welfare require the creation of Underground Utility District No. 14, and the removal of overhead utilities and the installation of underground utilities as herein provided, for the following reasons:

- A. The undergrounding to be accomplished will avoid or eliminate an unusually heavy concentration of overhead distribution facilities;
- B. The undergrounding of these facilities will promote the general health, safety and welfare in that said streets wherein such overhead facilities are installed are extensively used by the general public, and carry a heavy volume of pedestrian and vehicular traffic;
- C. Said streets adjoin or pass-through business areas, and an unusual heavy concentration of overhead utilities is generally obnoxious and detrimental to the general welfare;
- D. Funds are available to the public utilities involved for the underground installation of the utilities within public right-of-way and easements. Funds to include all improvements made on private property including conversion or replacement of the private property service panel, as needed.

SECTION 3. The City Council hereby accepts and approves the recommendation of the Public Works Director and the Capital Improvement Committee. In accordance with said report and the evidence received at said hearing, the City Council does declares the District shown in

Exhibit A attached herein to be an underground utility district pursuant to Chapter 5 of Article VIII of the Lakewood Municipal Code and, subject to the provisions of this Resolution, orders the removal of poles, overhead wires and associated structures in the District, and the underground installation in the District of wires and facilities for supplying electric, communication, or similar associated services on Lakewood Boulevard from South Street to the North City Limits.

SECTION 4. The City Clerk shall certify to the adoption of this resolution and the same shall be effective on the date of adoption.

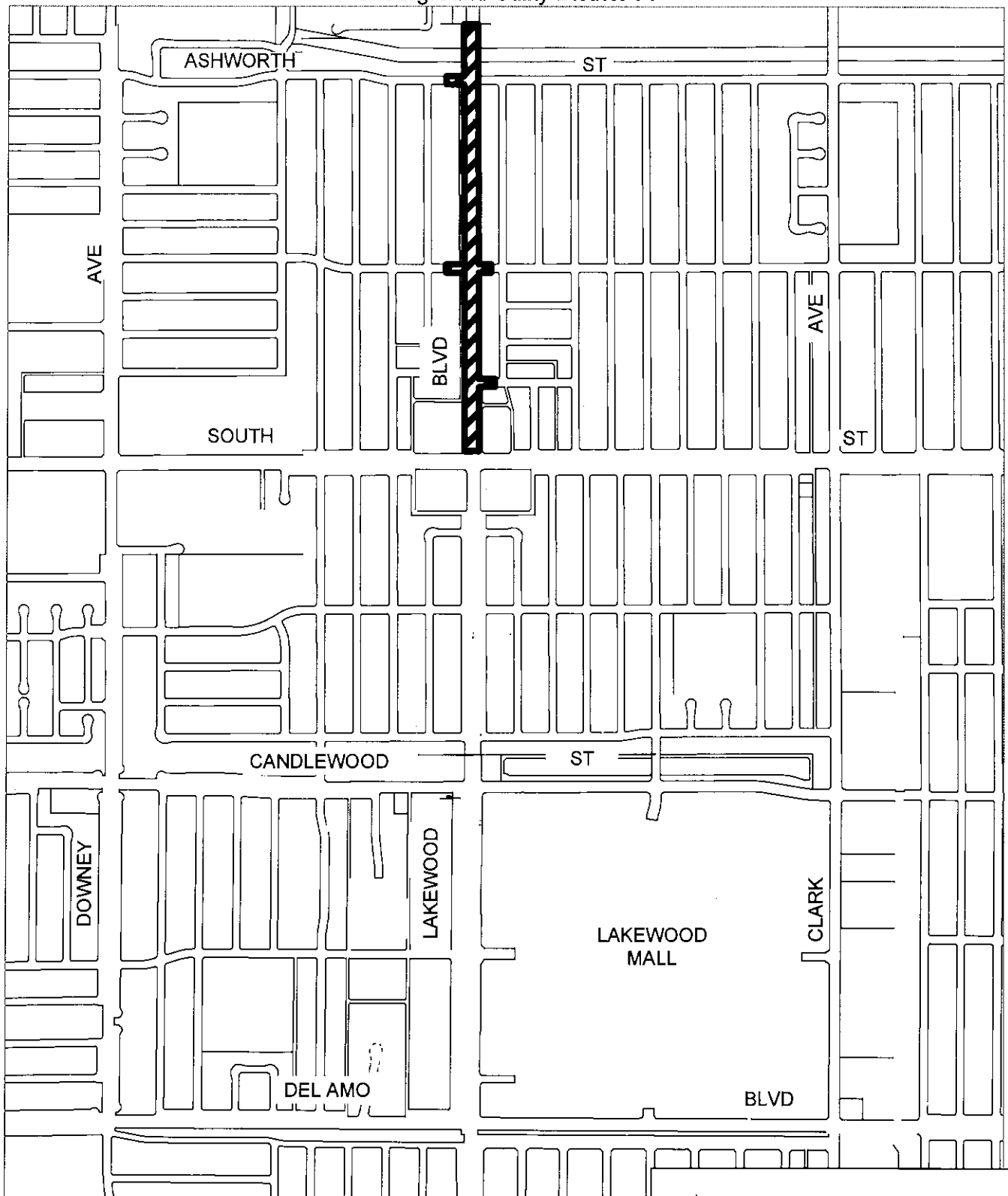
ADOPTED AND APPROVED THIS 13TH DAY OF DECEMBER, 2022.

Mayor

ATTEST:

City Clerk

EXHIBIT A
DISTRIBUTION UNDERGROUND
Underground Utility District 14



LEGEND



LIMITS OF DISTRIBUTION
 UNDERGROUND

PREPARED BY:



WILLDAN
 Engineering

D I V I D E R S H E E T

COUNCIL AGENDA

December 13, 2022

TO: The Honorable Mayor and City Council

SUBJECT: Application for the Permanent Local Housing Allocation Grant

INTRODUCTION

In September 2017, the California Legislature passed Senate Bill (SB) 2 (Building Homes and Jobs Act), which established a \$75 recording fee on real estate documents to increase the supply of affordable housing. To administer the funds, the State created the Permanent Local Housing Allocation (PLHA) program, to be administered by the California Department of Housing and Community Development (HCD). The five-year PLHA program is meant to provide a source of funding for cities and counties to help increase the availability of affordable homes, and to promote projects and programs to meet the local government's unmet share of regional housing needs allocation.

STATEMENT OF FACTS

Under the PLHA, funding is provided through formula grants to entitlement jurisdictions based on the formula prescribed under federal law for the Community Development Block Grant (CDBG) program over a five-year funding period, as well as through a competitive grant program to non-entitlement jurisdictions. The City of Lakewood is an entitlement jurisdiction and is eligible to receive an estimated \$1,625,082 over the five-year funding period. It is important to note that this is only an estimate since annual PLHA amounts are subject to change. This is because funding for the PLHA is generated through a fee on real estate transactions, which may fluctuate from year to year.

Table 1 below shows how much the City of Lakewood is entitled to apply for under PLHA. Since Lakewood did not apply for the 1st or 2nd year, the City may retroactively combine those two years with the third year. If the City does not combine the first two years with the third year then the City will lose those funds.

Table 1: Lakewood's PLHA

Year	Allocation
First Year (2019)	\$270,847
Second Year (2020)	\$420,981
Third Year (2021)	\$463,277
Subtotal:	\$1,155,105
Five-Year Estimate	\$1,625,082

As part of the grant application process, HCD requires that the City Council adopt a resolution authorizing application for, and receipt of, PLHA program grant funds and the execution of HCD's standard agreement.

PLHA Program

Lakewood is an Eligible Applicant under the entitlement formula and is eligible to receive about \$1,625,082 of Permanent Local Housing Allocation (PLHA) grant funds over five years. Five percent (5%) of the total grant amount may be used to cover administrative costs for applying for, and implementing the grant. Of that 5%, the GCCOG receives a 1% assessment. The net funding is \$1,608,832. The programs listed below show how PLHA funds will be used for the specified activity.

Lakewood's PLHA Programs

5% Administration Costs	\$81,254	Covers administrative costs, 1% for GCCOG
Home Accessibility Improvements Program	\$100,000	Assist about 18 households up to 120% AMI
Affordable Housing Fund	\$1,443,828	Use for about 75 housing units up to 80% AMI
Total Amount	\$1,625,082	

Home Accessibility Improvements Program

The City of Lakewood will utilize \$100,000 (about of its annual PLHA allocation to make accessibility modifications to owner-occupied households earning up to 60% of Area Median Income (AMI) or lower. Specifically, financial assistance will be made on a first-come first-serve basis for qualified homeowners seeking to make accessibility modifications in owner-occupied housing. The extent of financial assistance will vary according to the needs of recipients. For example, constructing front and rear ramps access ramps to a house might cost \$5,000 but modification of a bathroom to meet accessibility needs of a resident might cost \$10,000. This program may be used to complement the City's existing residential loan and grant programs. This program will benefit approximately 15 homes per year.

Affordable Housing Fund

The City of Lakewood will utilize approximately 85% of its annual PLHA allocation for the development of affordable housing within the City. The first project subsidized by the Affordable Housing Fund will be a Habitat for Humanity project. This 37-unit multi-site attached townhouse project will be 100% affordable to households earning at or below 80% of Area Median Income. The majority of this new affordable community will be developed on city-owned land (34 of 37 units), while the remaining three units are sited on Habitat-owned land. In addition to contributing the land value, the City will utilize PLHA funds for development costs, such as off-site improvements and roadway dedications. The City will continue to coordinate with other affordable housing developers to help finance other, qualified affordable housing for the City.

Timeline

Upon City Council approval of the proposed Resolution, staff will the Resolution to HCD to supplement its PLHA grant application. PLHA funds will be awarded during the first quarter of 2023.


HCD awards grants on an ongoing basis and will review applications within 30 days and target award of applications within 60 days, with subsequent standard agreements processed within 60 days of award. If awarded, grant funds must be expended no later than December 31, 2023.

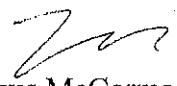
Public Hearing

This staff report was listed and presented under public hearing items on the City Council agenda for December 13, 2022.

STAFF RECOMMENDATION

Staff recommends that the City Council adopt the proposed Resolution authorizing the submittal of a grant application to the State of California Housing and Community Development Department (HCD) for the PLHA grant program, and authorize the City Manager to execute the required application submittal documents and funding agreement.


Abel Avalos
Director of Community Development


Thaddeus McCormack
City Manager

RESOLUTION NO. 2022-90

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
LAKEWOOD AUTHORIZING THE APPLICATION AND
ADOPTING THE PLHA PLAN FOR THE PERMANENT LOCAL
HOUSING ALLOCATION PROGRAM

WHEREAS, the State of California Department of Housing and Community Development (the “Department”) is authorized to provide up to \$335 million under the SB 2 Permanent Local Housing Allocation Program Formula Component from the Building Homes and Jobs Trust Fund for assistance to Cities and Counties (as described in Health and Safety Code section 50470 et seq. (Chapter 364, Statutes of 2017 (SB 2))); and

WHEREAS, the Department issued a Notice of Funding Availability (“NOFA”) dated 8/17/2022 and amended 10/18/22 under the Permanent Local Housing Allocation (PLHA) Program; and

WHEREAS, the City of Lakewood (“Applicant”) is an eligible Local government agency which has applied for program funds to administer one or more eligible activities; and

WHEREAS, the Department may approve funding allocations for PLHA Program, subject to the terms and conditions of the Guidelines, NOFA, Program requirements, the Standard Agreement, and other contracts between the Department and PLHA grant recipients.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LAKEWOOD DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. If Applicant receives a grant of PLHA funds from the Department pursuant to the above referenced PLHA NOFA, it represents and certifies that it will use all such funds in a manner consistent and in compliance with all applicable state and federal statutes, rules, regulations, and laws, including without limitation all rules and laws regarding the PLHA Program, as well as any and all contracts the City may have with the Department.

SECTION 2. Applicant is hereby authorized and directed to receive a PLHA grant, in an amount not to exceed the five-year estimate of the PLHA formula allocations (\$1,625,082), as stated in Appendix C of the current NOFA, in accordance with all applicable rules and laws.

SECTION 3. Applicant hereby agrees to use the PLHA funds for eligible activities as approved by the Department and in accordance with all Program requirements, Guidelines, other rules and laws, as well as in a manner consistent and in compliance with the Standard Agreement and other contracts between Applicant and the Department.

SECTION 4. Pursuant to Section 302(c)(4) of the Guidelines, Applicant’s PLHA Plan for the 2019-2023 Allocations is attached to this resolution, and Applicant hereby adopts this PLHA Plan and certifies compliance with all public notice, public comment, and public hearing requirements in accordance with the Guidelines.

SECTION 5. Pursuant to Applicant's certification in this resolution, the PLHA funds will be expended only for eligible Activities and consistent with all program requirements.

SECTION 6. Applicant certifies that, if funds are used for the acquisition, construction or rehabilitation of for-sale housing projects or units within for-sale housing projects, the grantee shall record a deed restriction against the property that will ensure compliance with one of the requirements stated in Guidelines Section 302(c)(6)(A), (B) and (C).

SECTION 7. Applicant certifies that, if funds are used for the development of an Affordable Rental Housing Development, Applicant shall make PLHA assistance in the form of a low-interest, deferred loan to the Sponsor of the Project, and such loan shall be evidenced through a Promissory Note secured by a Deed of Trust and a Regulatory Agreement shall restrict occupancy and rents in accordance with a Local government-approved underwriting of the Project for a term of at least 55 years.

SECTION 8. Applicant shall be subject to the terms and conditions as specified in the Standard Agreement, the PLHA Program Guidelines and any other applicable SB 2 Guidelines published by the Department.

SECTION 9. The City Manager of the City of Lakewood is authorized to execute the PLHA Program Application, the PLHA Standard Agreement and any subsequent amendments or modifications thereto, as well as any other documents which are related to the program or the PLHA grant awarded to Applicant, as the Department may deem appropriate.

SECTION 10. If any section, subsection, subdivision, paragraph, sentence, clause or phrase in this Resolution, or any part hereof, is held invalid or unconstitutional, such decision shall not affect the validity of the remaining sections or portions of this Resolution. The City Council hereby declares that it would have adopted each section, subsection, subdivision, paragraph, sentence, clause or phrase in this Resolution irrespective of the fact that any one or more sections, subsections, subdivisions, paragraphs, sentences, clauses or phrases may be declared invalid or unconstitutional.

SECTION 11. The City Clerk shall certify to the adoption of this Resolution.

ADOPTED AND APPROVED THIS 13TH DAY OF DECEMBER, 2022.

Mayor

ATTEST:

City Clerk

CERTIFICATE OF THE ATTESTING OFFICER

The undersigned, Jo Mayberry, City Clerk of the City of Lakewood, does hereby attest and certify that the foregoing Resolution is a true, full and correct copy of the Resolution duly adopted at a regular meeting of the City Council of the City of Lakewood held on the 13th day of December, 2022, which was duly convened and held on the date stated thereon and that said document has not been amended, modified, repealed or rescinded since its date of adoption and is in full force and effect as of the date hereof.

ATTEST:

City Clerk

D I V I D E R S H E E T

Reports

COUNCIL AGENDA

December 13, 2022

TO: The Honorable Mayor and Members of the Council

SUBJECT: Annual Comprehensive Financial Report (ACFR) - Year Ended June 30, 2022
and Presentation of the Government Finance Officers Association (GFOA) Award

INTRODUCTION

The Annual Comprehensive Financial Report is a set of City financial statements that complies with Generally Accepted Accounting Principles (GAAP) as established by the Governmental Accounting Standards Board (GASB). It presents a wide variety of information needed for readers to understand the true fiscal picture of a local government's finances.

The City of Lakewood's ACFR is compiled by the Finance & Administrative Services Department staff and audited by an independent public accounting firm (The Pun Group LLP, Certified Public Accountants) whose unmodified opinion (the most favorable that can be obtained) is included within the financial section of the report.

In preparation for the City's annual audit and the development of the ACFR, the City Council Audit Committee convened twice. The meetings, with staff and The Pun Group, took place during the audit and after its completion when the financial statements were available in draft form. The meetings covered a wide array of subjects and materials, including management/auditor roles and responsibilities, audit approach, financial statements, indicators, compliance matters, internal controls, audit results, and upcoming GASB accounting pronouncements.

STATEMENT OF FACT

The City of Lakewood's Fiscal Year 2021-22 ACFR is composed in the standard format of four sections: Introductory, Financial, Supplemental, and Statistical.

- The Introductory Section includes the Transmittal Letter to the City Council from the City Manager and the Director of Finance & Administrative Services, the City's organizational chart and the GFOA Certificate of Achievement for Excellence in Financial Reporting.
- The Financial Section includes the Independent Auditor's Report, staff's Management's Discussion and Analysis that provides a high-level review of the year-over-year changes from the prior year's ACFR, the Basic Financial Statements of the Governmental and Business Type Activities of the City, and the Fund, Proprietary and Fiduciary Financial Statements, followed by the Notes to the Basic Financial Statements.

- The Supplemental Schedules section includes schedules of the City's various special revenue funds (grants), and internal service and fiduciary funds.
- The Statistical Section contains information regarding the financial trends, revenue and debt capacity, demographic and economic data and operational information of the City.

The City of Lakewood has two major fund groups, Governmental and Proprietary (Enterprise) that fall into two types of activities: governmental and business. The City's water utility is the only Enterprise Fund and is presented as a business activity in the financial statements along with the internal service funds that serve as cost centers for all funds and functions of the City.

In the Governmental Funds financial statements, Governmental Funds are broken out into Major Funds and Non-Major Governmental Funds. The City of Lakewood has four major funds, the General Fund, American Rescue Plan Act (ARPA) Fund, Successor Housing Agency Fund and Capital Projects Fund; all remaining Governmental Funds are combined and represented under Non-Major Governmental Funds. The combined fund balance of the City's Governmental Funds (page 31) increased by \$14,261,513 over the prior year; this increase was mainly from the increase in the General Fund category

The Proprietary Fund financial statements primarily represent the City's Water Utility. The Water Utility is treated as an Enterprise Fund and as such has retained earnings rather than a fund balance. Unrestricted retained earnings in the Water Fund increased by \$484,226 (page 37). Retained earnings increases are necessary to fund future-year capital improvements. Projects on the horizon include water main replacements, as well as water treatment and operational upgrades.

GENERAL FUND SUMMARY

The City's General Fund is the City's largest fund, over which the City Council has the greatest discretionary authority, and is extremely valuable in the provision of essential services. It is important to note that the presentation of information in the ACFR is different from that in the City's budget. While a municipal budget is a spending plan for a future time period, an ACFR is a set of financial statements for a prior time period that complies with very regimented accounting reporting requirements as established by GASB. More specifically, the ACFR presents expenditure information without regard to the anticipated use of reserves (i.e., capital improvement projects - CIPs) or departmental expenses. On the revenue side, accounting principles require investments to be adjusted to year-end market value on the City's books each year even though they are held through maturity. The adjustment results in an unrealized "paper" gain or loss that is recorded.

When analyzing the City's General Fund revenues versus expenditures, there was a "surplus" of \$11,505,510 (page 103) at year-end. However, when excluding reserves for Capital Improvement Project (CIP) contingencies, the General Fund realized a \$9,118,709 surplus. This is greater than the amount previously anticipated when developing the budget, but still in line

with the City's long-term financial plan which projects revenues and expenditures out 20 years and has identified a need for surpluses over the next few years to offset expected increases in expenditures over the last 10 years of the 20-year forecast. Accordingly, the additional current-year funds received are needed and will be programmed to address identified and unanticipated fiscal needs over the subsequent years to come.

Of note, part of the financial activity during the year occurred under varying degrees of uncertainty and economic anomalies brought about by the COVID-19 health pandemic. While the greater than anticipated surplus is certainly good news, the underlying fiscal conditions that generated the surplus have been evolving for months as inflation has taken hold and interest rates have risen. Its longer-term impact into subsequent fiscal years remains to be seen. Nevertheless, the following are some of the major reasons for the surplus:

Revenues

Overall, General Fund Revenues, plus the transfer in from other sources, were greater than budgeted by \$1,365,000. The vast majority of this is due to robust economic activity notwithstanding various remaining restrictions from the COVID-19 health pandemic. The positive news was also despite a significant (\$2,529,286) unrealized "paper" loss that was recorded as described earlier in the report. Following is a brief review of the major components of the revenues received by the City as presented on page 103 of the ACFR.

Sales tax revenues exceeded budgeted amounts. Traditional sales tax revenues (also known as Bradley-Burns) were greater than their budgeted amount by \$1,221,157. Locally, any anticipated drop in sales tax revenue did not materialize despite the partial store closures and many operations scaling back during the pandemic. Business categories experienced an increase over the prior year, especially the larger retail establishments that remained open throughout and benefitted from the lack of consumer spending opportunities or hesitation to spend in other areas (i.e., travel, entertainment, personal care, etc.)

Measure L sales tax revenues (the City's local transaction sales tax measure) generated \$361,571 more than anticipated in its second year. As the pandemic continued to limit a number of in-person transactions, online purchases (already on the rise) increased more than anticipated. The passage of Measure L allowed for the City to capture those sales tax revenue dollars that otherwise would not have been allocated locally.

Utility User's Tax (UUT) revenue was higher than budget estimates by \$586,075. This is largely reflective of the increased usage of utilities by residents staying or working from home as well as an increase in utility and commodity prices.

Property tax revenues were higher than expected by \$234,166 when compared to budgeted estimates. The increase is mostly attributed to a steep increase in property values.

Expenditures

The ACFR presents expenditure activities by defined functions that differ from the City's organizational and CIP structure. Overall, General Fund expenditures, plus the transfer out to other sources, were less than budgeted by \$7,658,720. The vast majority of this amount (\$5,161,149) represents funds that have been already budgeted to specific CIPs (typically completed over multiple years), but have not been spent. Much of the \$5,161,149 above was from the Culture and leisure function, with expenditures \$4,631,806 less than anticipated. Since many of the City's budgeted CIPs address park facilities, the year-end "savings" are recognized in the Culture and leisure function within the report.

The remaining portion (\$2,497,571) of savings are due to operational activities. There were significant savings (\$974,161) in labor costs. They are reflective of position vacancies (both full and part-time) throughout the organization as the City experienced the effects of a tight labor market. Additionally, savings resulted from reduced part-time staffing levels as the COVID-19 health pandemic necessitated scaled-back programs and activities. Organizationally, General Fund contractual costs were significantly lower (\$1,306,775) as staff shifted eligible expenditures away from the General Fund and utilized available grant monies. In some instances, as well, budgeted contingency amounts in various accounts were not fully utilized.

Fund Balance

As mentioned previously, General Fund revenues (including transfers in) exceeded expenditures (including capital projects) by \$11,505,510 (without factoring in anticipated use of reserves). In general terms, the City has sound "rainy day" reserves. The fund balance is presented per GASB 54, which includes four components; the following is a brief review of these components as presented on page 26 of the ACFR.

The Nonspendable component includes prepaid items, inventories and loans to the Successor Agency. This component increased by \$228,151 from the prior year. The Successor agency loan receivable is the major element of this component and of the year-over-year change.

The Committed component includes reserves for City obligations, current capital projects and economic uncertainties. This component increased by \$1,846,625 from the prior year. It was primarily due to the increase in funds committed to the economic uncertainties reserves.

The Assigned component includes reserves for budgeted but unallocated capital replacement projects, equipment replacement needs, as well as for major emergencies or catastrophes. Last year, a new item in this component was added as part of the City's long-term fiscal strategy (implemented as part of the Measure L adoption) that would help offset any significant financial burden in the future that would threaten the City's sound fiscal position. Overall, this component increased by \$8,791,358 with \$6.2 million of it from the Measure L long-term reserve.

The Unassigned component, which increased by \$639,376 compared to the last fiscal year, is available to be allocated as needed.

GFOA Financial Reporting Award - Fiscal Year ending June 30, 2021

Recently, the GFOA awarded the Certificate of Achievement for Excellence in Financial Reporting to the City of Lakewood for the FY 2020-21 ACFR. This is the 40th consecutive year that the City has received this prestigious award. In order to be awarded the Certificate of Achievement, the ACFR must satisfy both generally accepted accounting principles and applicable legal requirements, as well as be easily readable and efficiently organized.

Mr. Ken Pun from The Pun Group will present this award to the Mayor and Council.

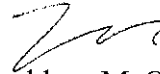
RECOMMENDATION

Staff recommends the City Council:

- Receive and file the City of Lakewood Annual Comprehensive Financial Report (ACFR) for the Fiscal Year ended June 30, 2022.
- Accept the GFOA Certificate of Achievement for Excellence in Financial Reporting award for the Fiscal Year ended June 30, 2021.



Jose Gomez
Director of Finance & Administrative Services

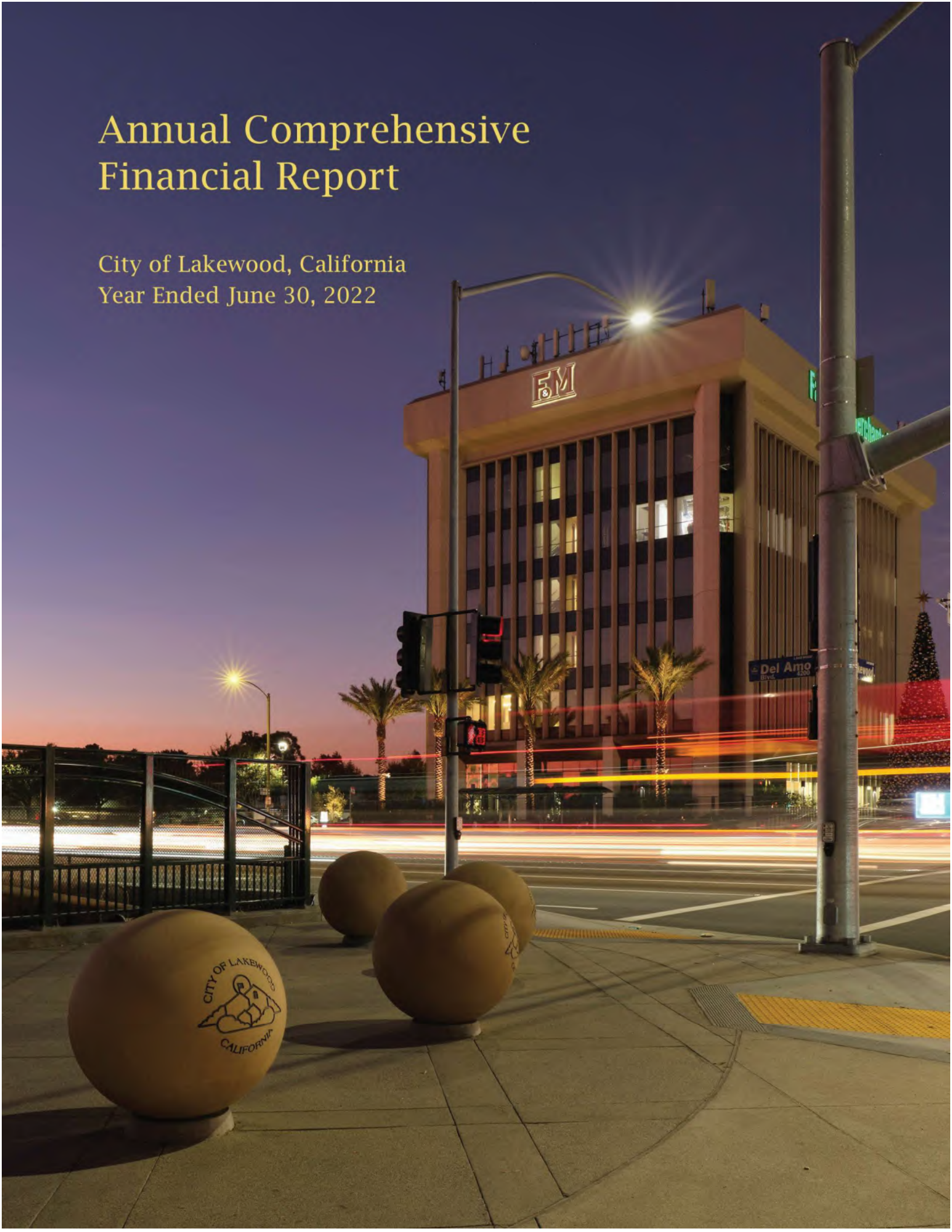


Thaddeus McCormack
City Manager

Attached: City of Lakewood ACFR for the Fiscal Year ended June 30, 2022

Annual Comprehensive Financial Report

City of Lakewood, California
Year Ended June 30, 2022



CITY OF LAKEWOOD, CALIFORNIA

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

**WITH REPORTS ON AUDIT
BY INDEPENDENT
CERTIFIED PUBLIC ACCOUNTANTS**

**FOR THE YEAR ENDED
JUNE 30, 2022**

Prepared by:
Finance and Administrative Services Department

Jose Gomez
Director of Finance and Administrative Services



City of Lakewood
Annual Comprehensive Financial Report
For the Year Ended June 30, 2022
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City of Lakewood
Annual Comprehensive Financial Report
For the Year Ended June 30, 2022
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City of Lakewood
Annual Comprehensive Financial Report
For the Year Ended June 30, 2022
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Ariel Pe
Vice Mayor

Cassandra Chase
Council Member



Steve Croft
Mayor

Todd Rogers
Council Member

Jeff Wood
Council Member

December 13, 2022

The Honorable Mayor and City Council
City of Lakewood
Lakewood, California

TRANSMITTAL LETTER

It is our pleasure to submit for your information and consideration the Annual Comprehensive Financial Report of the City of Lakewood. State law requires that all general-purpose local governments publish within six months of the close of the fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted government auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of the City of Lakewood for the fiscal year ended June 30, 2022.

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

The City of Lakewood's financial statements have been audited by The Pun Group, LLP, a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the City of Lakewood for the fiscal year ended June 30, 2022 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statements presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering unmodified opinions that the City of Lakewood's financial statements for the fiscal year ended June 30, 2022 are 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). The letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Lakewood's MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE GOVERNMENT

The City of Lakewood, incorporated in 1954, is located in Southern Los Angeles County, 20 miles south of the City of Los Angeles. Lakewood enjoys the benefits of the diversified economy of Southern California. The City is primarily a bedroom community providing housing for the Southern California region. The City of Lakewood occupies a land area of 9.5 square miles and serves a population of 82,713 as of the 2020 census.

The City of Lakewood has operated under the council-manager form of government since its incorporation. The City is a "contract city," having been the first in the country to adopt this form of government. John Stanford Todd's contributions to Lakewood and city government are now honored by two John Sanford Todd Memorial Highway signs located near the northern and southern borders of Lakewood along the 605 freeway. Policy-making and legislative authority are vested in a governing council consisting of five members. The governing council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees and hiring both the City Manager and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the government, and for appointing the heads of the various departments. The Council is elected on a non-partisan basis. Council members serve four-year overlapping terms. The mayor is selected by the council from among its members and generally serves in that capacity for a one-year term.

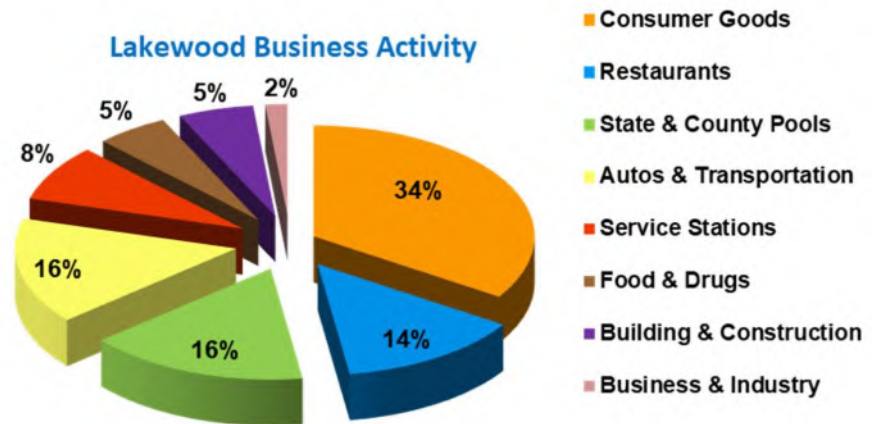
The City of Lakewood provides a full range of services, including police protection, solid waste collection, construction and maintenance of highways, streets and infrastructure, planning and zoning activities, utilities (water), recreational activities, cultural events, housing and general administrative services. As mentioned above, the City of Lakewood is a "contract" city, meaning that some of these services are provided by contract with other agencies (both public and private) and some services are delivered by the City's own employees. Library services, fire protection services, and sewer services are provided by special districts of the County of Los Angeles. The City has excluded the County of Los Angeles, as well as the State of California and various school districts, because they do not meet the established criteria for inclusion in the report.

The City budget serves as the foundation for the City of Lakewood's financial planning and control. All departments of the City are required to submit requests for appropriation to the City Manager for inclusion in the budget that commences July 1st. The City Manager uses these requests, along with a query of City Council priorities, as the starting point for developing a proposed budget. The City Manager then presents a proposed budget to the Council for review prior to June 30. The Council is required to hold a public hearing on the proposed budget and to adopt a final budget by no later than June 30, the close of the City's fiscal year. The appropriated budget is prepared by fund, function (e.g., solid waste collection), and department (e.g., public works). The City Manager may authorize transfers of appropriations within and between departments within funds. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented under the required supplementary information in the financial section of this report. For governmental funds, other than the General Fund, with appropriated annual budgets, this comparison is presented in the supplementary schedules section of this report.

ASSESSING THE CITY'S ECONOMIC CONDITION AND OUTLOOK

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Lakewood operates and serves.

The City of Lakewood is primarily a residential community with only 6% of the City zoned for commercial use. The City is home to one of the largest malls in the United States with about 2.1 million square feet of retail space, which is strategically located in the center of the City. By the end of the 1990's, Lakewood was essentially "built out," leaving very little of the 9.5 square miles of the City available for new development.



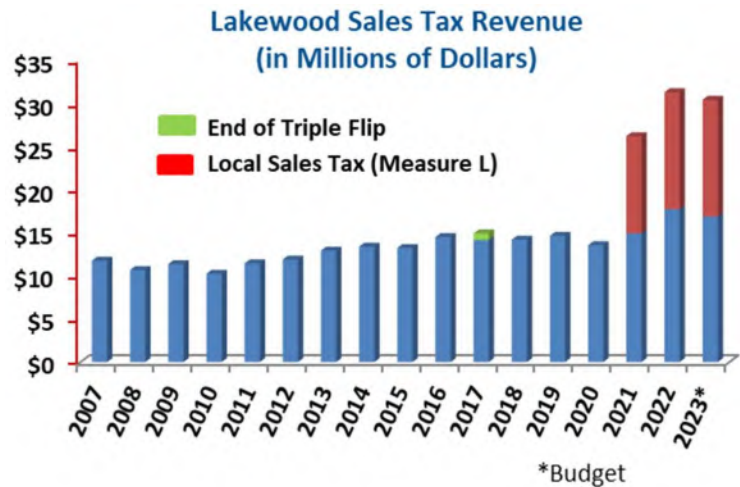
The impact of the COVID-19 pandemic, while subsiding during the year, continued affecting many societal aspects. Restrictions were minimized, but the economic conditions and climate during the fiscal year continued to present a challenge. Locally, in conforming to health mandates, businesses operations were oftentimes reduced. To varying degrees, offices, schools, and churches began to open their doors and/or learned to operate in a remote and virtual environment where every day social interactions were altered. The pandemic's far-reaching effects will be discussed throughout the following pages as its impact on specific areas is examined.

For the City of Lakewood, retail sales is the economic indicator that best heralds the City's financial status. Sales tax revenues account for about 47% of all General Fund revenues. There are over 4,000 businesses (including home occupations) located in Lakewood that helped generate over \$17.5 million in "Bradley-Burns" sales tax revenue for the City in Fiscal Year 2021-22. This amount was supplemented by approximately \$13.6 million in sales tax revenue generated by Measure L (the local 0.75% transaction and use tax). More on this below. The economic base of Lakewood is largely retail with the City's "top twenty-five" retail businesses as a group producing 59% of the City's "Bradley-Burns" sales tax revenues. Undeniably, Lakewood has long benefited from a popular regional shopping center and several smaller commercial plazas. More recently, the City had been experiencing the slowing of sales tax revenue growth. Most of this was stemming from the continued migration of consumers away from traditional brick-and-mortar to online shopping. Restrictions from the COVID-19 pandemic greatly exacerbated this phenomenon starting in March 2020 as many traditional retailers were forced to close their doors and shoppers were reluctant to leave their homes.

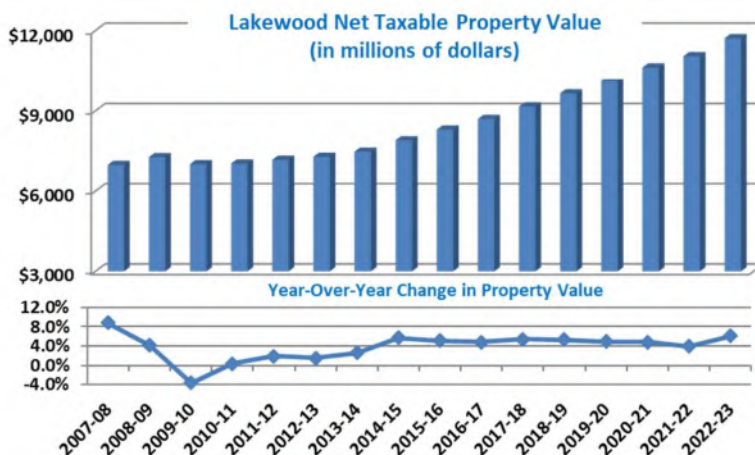
In recent years, state and county pools have provided a greater share of sales tax revenues to the City as online sales have grown and federal tax laws have evolved. This has somewhat offset the loss of brick-and-mortar sales tax revenue to online shopping. Historically, "Bradley-Burns" sales tax collected from online sales had been disbursed to cities through state and county pools based on each city's percent of total brick-and-mortar sales. For Lakewood, this will diminish over time as the percentage of online sales grows in comparison to the City's shrinking brick-and-mortar sales activity. The City's outlook in the collection of sales tax revenue, however, greatly changed in the spring of 2020.

In March 2020, Lakewood voters passed Measure L allowing for a ¾ cent local sales tax measure which was expected to provide over \$10 million in additional funds per year that benefit the Lakewood community. The tax applies to both brick-and-mortar and online sales transactions. Its importance cannot be overstated as the new revenue allows the City to continue providing and maintaining the essential services that help define the quality of life that residents deserve and expect. Its passage was also timely in that it came at the onset of the then unforeseen economic collapse from the COVID-19 pandemic, thus offering a needed buffer for the diminished revenue trends that were anticipated ahead. More importantly, the impact from Measure L will be felt for years to come as it provides the foundation for long-term economic stability, funding for needed community services and programs, as well as helping address the City’s aging facilities and infrastructure.

Despite the tumultuous environment, economic development in the City added a number of retailers in the past year. It allowed for expanded shopping and dining opportunities, as well as adding jobs from over 100 new businesses in Lakewood including home occupation businesses. This built on the more than 5,000 jobs that new businesses brought to Lakewood over the past decade. Among the new businesses opening during the year were Caruso Mazda, Jersey Mike’s, Dave’s Hot Chicken, Stinkin Crawfish, Legend Hot Chicken.



The City is a “low property tax city,” which means the City assessed a small municipal property tax prior to 1978-79 that has been folded into the tax base under Proposition 13. Today, the City relies on a small 5.84% share of the county collections – the fourth lowest in the County.

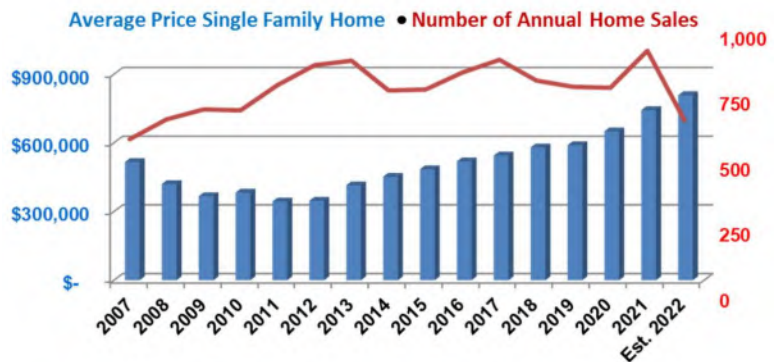


The County Assessor increased property tax assessments by a Consumer Price Index (CPI) of 1.036% from 2020-21 to 2021-22, significantly lower than the 2% maximum allowed by law.

In the last recession, the County Assessor lowered property tax assessments utilizing the 1978 Proposition 8 reduction requirement where the lesser of the adjusted base year value or market value is used for taxation.

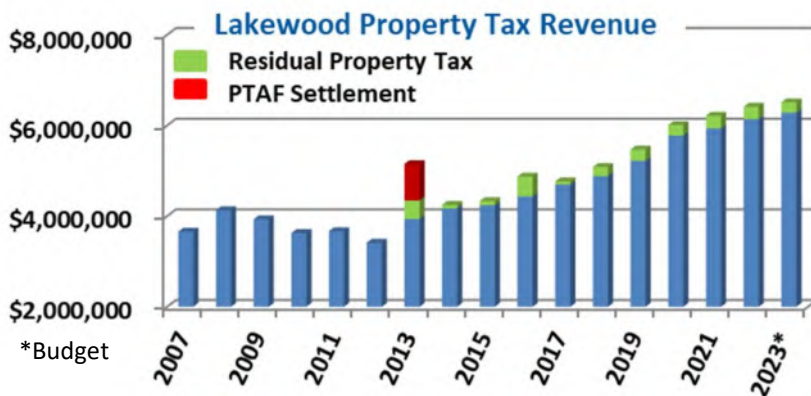
Not surprisingly, the number of Prop 8 reductions has steadily decreased in recent years as property values have risen considerably. More so, about \$37 million in Prop 8 values was restored from prior year value reductions throughout the City. Overall, the top two factors (transfer of ownership and a CPI increase of \$100 million), along with the recapture of Prop 8 valuations largely accounted for the overall taxable value increase of more than \$424 million. As in past years, the main driver of the increase was residential properties at \$359 million, followed by commercial/industrial at approximately \$65 million.

The total assessed value of real property in the City was \$11 billion for Fiscal Year 2021-22, a 4.0% increase from the previous year. The growth was greater than the County's rate of 3.6%. With mortgage interest rates dropping to record lows, real estate values soared with the COVID-19 pandemic having no detrimental impact on assessed values. In calendar year 2022, the sales price for a median single family Lakewood home is \$796,000, an 8% increase from 2021 - establishing a new record high. More recently, significant mortgage interest rate increases have caused a sharp decline in the number of homes sold on a nationwide basis. It is anticipated that the fewest homes will be sold in 2022, since 2007.



In Fiscal Year 2012-13, the City began to receive residual property tax from the dissolution of the Lakewood Redevelopment Agency (LRA). In that year, all property tax increment held by the LRA was shifted to the County and disbursed to local taxing agencies - the City's share of this disbursement was \$404,967. The significantly greater residual disbursement (\$436,749) received in Fiscal Year 2015-16 was primarily the City's share of the \$9.4 million payment made that year to the County by the Successor Agency of the former Lakewood Redevelopment Agency. Annual residual property tax is expected to be approximately \$230,000 in Fiscal Year 2022-23 due to former LRA bonds being fully paid.

In Fiscal Year 2007-08 the City joined in a collective action against Los Angeles County regarding property tax administrative fees. The case was settled in Fiscal Year 2012-13 resulting in a refund to the City of \$804,544 in excess property tax fees. The settlement also resulted in an on-going annual reduction of the property tax administrative fee of about \$150,000.

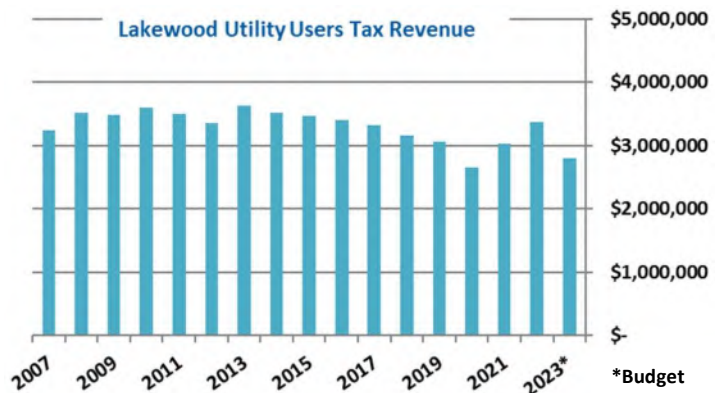


Property tax revenue in Fiscal Year 2021-22 increased by 3.2% over the prior year, exceeded budget expectations by 3.8%, and is expected to have another modest increase in Fiscal Year 2022-23. Overall, property tax revenue accounts for about 10% of General Fund revenues. Since the 2004 passage of Prop 1A, changes in property tax valuation have a greater impact on revenue. Vehicle license

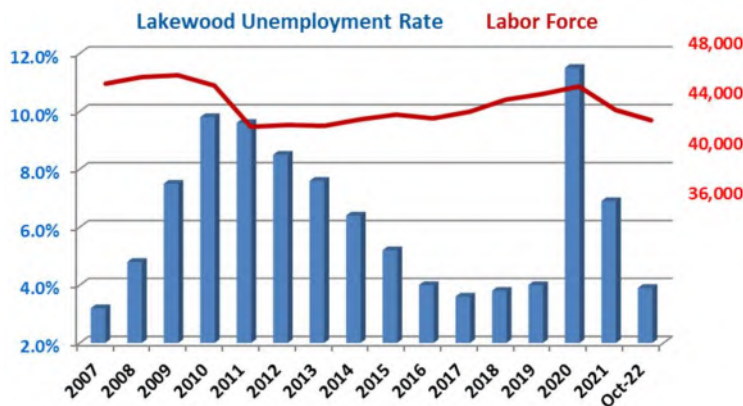
fee revenue growth is tied to property tax growth. Property tax in-lieu of vehicle license fees accounts for an additional 16% of General Fund revenues. The COVID-19 pandemic did not impact either of the above revenues, with most experts forecasting very little long-term effect.

During Fiscal Year 2021-22, over 4,100 construction and remodeling permits were issued, which is the third year in row of increased permits issued and the largest total since Fiscal Year 2015-16. A low interest rate environment, coupled with the construction of accessory dwelling units (ADUs), office/work changes, and focus on home projects seemed to spur building activity during the COVID-19 pandemic restrictions period.

City revenues are also affected by changes in the commodity markets. The City's assessed utility user's tax (UUT) revenue totaled \$3.4 million and represents 5.1% of General Fund revenues. The 3% tax is assessed on communications, electricity, natural gas and water use. Fiscal Year 2021-22 revenues increased over \$326,000 across all four utility areas when compared to the prior year. Along with increased commodity prices, it is likely that utility usage increased as more residents stayed home during the pandemic. The vast majority of the UUT increase was from electricity and gas utilities. While the telecommunications UUT revenue is only about one-third of its 2010 peak year, it had a modest increase from the prior year to \$487,364 in Fiscal Year 2021-22.



In most years, Lakewood's employment rate depends largely on the regional job market. The last two years, however, the COVID-19 pandemic has been the key variable largely responsible for a tremendous swing in the unemployment rate unlike any other in decades. The sweeping effect of the COVID-19 pandemic initiated shut-downs in March 2020 that resulted in steep job losses. As the economy recovered from the pandemic and initiated its recovery, a decline in the size of the workforce drove the unemployment rate downward dramatically to 3.9% as of October 2022.



Major employers located within city limits are Long Beach Unified School District, County of Los Angeles, Lakewood Regional Medical Center, and various retail, automotive and home improvement businesses, as well as the City itself.

The April to April Consumer Price Index (CPI) for the Los Angeles, Riverside and Orange County region, which is the basis for many of the City's contract increases, was 7.9% in 2022. After reaching 40-year highs in late spring, the CPI seems to have risen at a notably slower rate. Partly responsible for this decline are lower energy costs, which are typically more volatile than other prices. It is anticipated that the U.S. Federal Reserve, tasked with setting interest rates, will continue increasing rates in an attempt to lower the CPI to a more reasonable level.



Economic Outlook

Beacon Economics provides market insights and forecasts for communities across the western United States. In their recent analysis Beacon states, “California’s economy is on the brink of achieving a significant milestone: recovering all the jobs it lost during the pandemic-driven downturn. While the jobs lost during the outset of the pandemic have recovered nationally, and in many other states, California has yet to reach this threshold, but should in the coming months.”

More specifically regarding the labor market, Beacon states “In March and April 2020, the state’s economy shed approximately 2.7 million jobs following the outbreak of the COVID-19 virus. With an outstanding deficit of 73,000 jobs, compared to pre-pandemic levels, if the state’s economy adds the same number of positions in August that it added in July (around 83,000), it would move California’s job count above water.

Beacon Economics, in partnership with the HdL Companies writes, “Though a new fiscal year commenced in July, many of the economic challenges seen in early 2022 remain prevalent. Inflation will continue to top historical norms into 2023. Despite a fourth interest rate hike, prices on taxable goods show no signs of lessening. More expensive mortgage rates will slow housing sales and cause weakened demand for appliances, furnishings and other related products. Crude oil prices have dipped from extraordinary peaks allowing consumers to budget in other areas of life. The shift back to experiences and services plays a significant role in the forecasted decelerated growth. Overall, consumer’s confidence in the economy is best described as uncertain.”

LONG-TERM FINANCIAL PLANNING

Long-term financial planning involves the management of the City’s programs and assets. Programs include the services the City provides through its employees and contracts. Assets include cash and investments, as well as the City’s entire infrastructure of streets, street lighting, signals, medians, signage, parks, recreation facilities, water mains, trees sidewalks and bus stops, etc. Long-term debt, pension and post-employment benefits, and the depreciation and deterioration of the above named tangible assets, are also included in the long-term financial plan. The City’s policies provide parameters that reflect the City’s management and fiscal philosophy.

The City’s financial and operating budget policies serve as the guiding principles for the City’s financial management and annual budgetary process. The financial policy is written with the objective to maintain or improve an entity’s financial position, financial management and credit rating. The operating budget policy, along with the City’s purchasing policy, is written with the objective to promote good stewardship in the management of public funds and resources.

The City’s cash and investment policy is written with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints, liquidity needs and cash flow characteristics of the portfolio. Return on investment is of secondary importance compared to safety and liquidity objectives.

The City’s governmental fund balance policy is written with the objective to retain the proper levels of reserves for economic uncertainty (20% of operational costs), unforeseen capital expenditures and repairs, emergency response services, and pension obligations.

The City’s capital financing and debt management policy is written with the objective to set guidelines as to the financing of capital expenditures and long-term capital planning.

The City’s capital improvement program and replacement of assets policy provides guidance as to the objectives capital improvements shall meet. Capital improvement projects typically involve large outlays and cover multiple years. Although capital improvements are considered apart from the operating

budget of the City, the operating budget includes set-aside funding for capital projects. In addition, Lakewood staff is encouraged and readily takes the steps necessary to acquire new, and retain current funding sources. New funding possibilities include various one-time competitive grants and on-going block grants. These grants fund public works projects, park and recreation facilities, and public safety, transportation and housing programs. Following are examples of recent project and programmatic accomplishments:

Street, stormwater and traffic signal improvements:

- Completed construction of dual left-turn lanes in each direction at one of the busiest intersections at Del Amo Blvd. and Lakewood Blvd.
- Completed construction of dual left-turn lanes on Lakewood Blvd at Hardwick Street, eliminating a traffic backup bottleneck.
- Reconstructed 117 ADA curb ramps to bring them up to current standards.
- Removed and Replaced 1.5 miles of curb & gutter and 4.6 miles of sidewalk, enabling for better movement of pedestrians and run-off water throughout City.
- Trimmed approximately 6,300 trees, removed over 100 trees determined to be in poor condition, and replanted 240 trees throughout the City.
- Significant work was completed in the construction of a water recapture system at Mayfair Park. This is the second of two projects funded by CalTrans grants totaling \$26 million. Work at Mayfair Park began in May 2018 and is expected to be completed by the end of 2022. Both systems will reduce pollutants in the local waterways and ocean. They will also provide a source of local recycled water to be used in parks and medians.

Parks and community facilities projects and activities:

- The demolition project at the Lakewood Equestrian Center was completed, with the removal of multiple dilapidated structures.
- Construction commenced at San Martin Park, with improvements including new picnic shelters, a new tot lot playground, and ADA accessible parking improvements.
- Construction commenced at Rynerson Park, with installation of new picnic shelters and ADA accessible parking improvements.
- In partnership with the Conservation Corp of Long Beach, City staff worked to renovate the Rynerson park restroom buildings, including new ADA accessible restroom improvements to the South restrooms, as well as new roofs, electrical, paint, partitions, fixtures, flooring, and security improvements.
- Pool equipment improvements commenced at McCormick pool, with the installation of a new pool heater.
- Completed improvements at Mayfair Park, including the replacement of roofs at the picnic shelters.

Parks, Sports, Human Services and Special Events

- In the absence of a formal Lakewood Youth Sports (LYS) league, individual skills training and conditioning activities were offered in line with the current Public Health guidelines for youth sports.
- Modernized landscaping at Mayfair Park, focusing on planters around the activity building and swim pavilion.
- Delivered and installed 20 tons of sand at the Mayfair Park tot lot and school age playgrounds.
- Completed Phase III Renovation of The Nature Trail
- Initiated the illegal dumping abatement team during the year, averaging approximately 205 completed requests per month.

- In partnership with multiple agencies, completed the installation of 162 high-efficiency rotary nozzles and the replacement of 2,200 linear feet of potable irrigation water lines along Carson Street and with recycled water lines.
- Longtime annual events such as the Civic Center Block Party, the Pan Am Fiesta, and the Lollipop Lane returned after a multi-year hiatus following budgetary and pandemic cancellations.
- The Project Shepherd program continued to serve residents in need, especially those hit hard by the COVID-19 pandemic. Backpacks with school supplies were given to over 300 school-age children, approximately 1,500 Lakewood residents were provided holiday assistance (including grocery store gift cards, boxes of food and bags of toiletry items for both Thanksgiving and December holidays). Toys were distributed to over 650 children. Utility assistance helped 83 families with over \$8,100 in paid utility fees.
- In response to the Race, Equity, Diversity and Inclusion (REDI) Committee's objective to develop a multicultural event in Lakewood, the Fest-of-All event was held at Lakewood Center in October 2021. The event elements included two entertainment stages, a multicultural food court, a family fun zone, a craft village, a children's cultural booth, and concluded with a laser light show. About 6,000 persons attended the inaugural event.
- Lakewood Youth Sports (LYS) returned to its traditional format. There were approximately 2,000 youth who participated throughout the year in a variety of sports including baseball, softball, flag football, volleyball and basketball. Full seasons consisting of practices and competitive games were facilitated at City parks.
- The Lakewood Youth Hall of Fame celebrated its 40th year, returning after a two year break due to the pandemic. Various athletes from local high schools were honored for their athletic and scholastic achievements.

Public Safety Activities:

The Public Safety Department continues to have a more visible profile with focused efforts in the administration of law enforcement and public safety services. Increased efforts have been placed on community engagement and the allocation of department resources. The department's accomplishments include:

- Implementation of Neighborhood Safety Enhancement Plan, to include dedicated Sheriff's Deputy crime suppression unit, utilization of contracted private security to perform overnight residential patrols, purchase of the latest license plate reader cameras to be deployed citywide and radar trailers with variable message signs, implementation of home security camera and catalytic converter anti-theft device rebate programs and catalytic converter engraving events.
- Held the first Community Emergency Response Team training since the beginning of COVID-19 pandemic.
- Introduction of Senior Safety Seminar, dedicated to teaching personal safety and crime prevention tips specific for the senior population. Three seminars are planned for FY2022-23.
- Continued to provide regular opportunities for residents to meet and interact with members of law enforcement through virtual and in-person City events and programs.
- Worked closely with Lakewood Sheriff's Station personnel at all levels to ensure timely and quality law enforcement services for the Lakewood community.
- Continued community outreach and education through the expanded use of social media and other public education platforms. Provided a "behind the scenes" campaign of illegal fireworks enforcement efforts during 4th of July holiday and kicked off a social media series, "Meet the Team Tuesday, introducing and highlighting different members of the Public Safety Department.
- Enhanced Neighborhood Watch Program with increased accessibility for Block Captains and community outreach.

Water system improvements:

- Completed phase one construction of the Well 13A Treatment Plant Project. Phase two construction is expected to be completed by spring 2023, which will include new piping and electrical work. Once completed, the project will provide arsenic treatment for Well 13A.
- Completed Well 28 Equipping project. Well 28 will produce over 2,400 gallons per minute which will increase the City's total pumping capacity and enhance system redundancy to meet peak demand and deliver additional water to neighboring agencies.
- Completed design of Plant 4 Tank 1 and 2 Repairs with tank repair work expected to be completed in spring 2023.
- Completed rehabilitation of Well 15A which included replacement of pump and motor to restore Well 15A pumping performance.
- Continued water distribution system valve exercising program. Water staff identified and replaced inoperable valves in the water system to improve performance.

Commercial Development:

- Timmons Subaru completed the construction of a new \$4 million, 66,705 square-foot car dealership.
- Farmers and Merchants Bank completed a \$1.5 million renovation of their six-story commercial building.
- The City celebrated the grand opening of two new restaurants, Dave's Hot Chicken and Str8Up Tacos.

Residential Programs and Development:

- The City maintained the Home Improvement Loans and Fix Up / Paint Up Programs. The Home Improvement Loan Program provides up to \$18,000 to eligible homeowners for home improvements. The Fix Up / Paint Up Program assists eligible low-income homeowners by providing grants of approximately \$3,000 for exterior repairs. Many of the participants are elderly and disabled residents who cannot cope with property upkeep. In the past year a total of eight loans and six grants were issued.
- A total of 54 new Accessory Dwelling Unit (ADU) permits were issued. ADUs are small units built within an existing residential property, and can either be new construction or a conversion of an existing space, such as a garage.

Public Communication Projects:

- This year, a major element of the City's public communications efforts was the combining of the two main branches of that work (CityTV and the Public Information Office) into a new, unified Communications Department headed by a Director of Communication, formerly the Public Information Officer.
- The new, unified department has resulted in better coordinated efforts and better cross-marketing of all channels of communications. As a result, CityTV videos are now quickly cross-posted into City eMagazines and City social media posts, increasing the viewership of all three channels of communication. For example, the online views of all CityTV products combined grew from approximately 2,000 per month during the previous year to 6,000 per month in the current year.
- The Communications Department stepped up its use of paid "boosts" and advertisements on social media during the year in order to expand the number of views of news articles and to grow the number of ongoing followers of City social media feeds. The followers of the City's Facebook, Twitter and Instagram pages have grown from 9,000 in 2019 to 20,000 in 2022. CityTV's Facebook page has an additional 11,000 followers.

- This year, the department completed a major redesign of the City website, a yearlong process that has resulted in an entirely new website with newer features that are more user-friendly for residents.
- The City continued to provide legendary customer service by receiving and processing over 10,000 service requests through multiple contact methods, including in-person, phone, and mobile apps.
- The City stayed abreast on important legislative issues through efficient advocacy such as housing, public safety, municipal finance, contracting and others that directly affect the quality of life of Lakewood residents.

Redevelopment:

In 2011, California enacted legislation that required the dissolution of all redevelopment agencies. AB x1 26 dissolved redevelopment agencies as of February 1, 2012, and provided for the designation of successor agencies which were tasked with winding down the affairs of the dissolved redevelopment agencies. Under AB x1 26, the dissolution of redevelopment included the determination that all contracts and agreements between the City and the Lakewood Redevelopment Agency were null and void. Subsequently, AB 1484 provided for a small level of funding for housing operations that resumed in Fiscal Year 2013-14 using housing loan payments, and SB 107 in 2015 allowed for the payment of all outstanding loans made by the City to the Agency as recalculated using a four percent rate over the life of the loan. Once the Finding of Completion was issued by the Department of Finance (DOF), additional funds became available to fund the City's housing capital programs through reimbursement of deferred housing transfers to pay for ERAF, SERAF transfers to the State, and other postponements. City Loan debt service payments can resume once the housing deferrals have been fully paid; 20% of the debt service payments will be required to fund housing operations and capital.

Long-term Debt:

Long-term debt is limited to the City's Governmental Activities and the Water Enterprise Fund. More detailed information regarding the City's long-term debt is presented in the notes to the basic financial statements.

The Successor Agency of the former Redevelopment Agency holds debt in the form of City loans. As referenced in the prior section, SB 107 allows for the payment of all outstanding loans made by the City to the Agency as recalculated using a four percent rate over the life of the loan. Loan payments to the City can resume once the housing deferrals have been fully paid; 20 % of the loan payments are required to fund housing operations and capital.

Pension and Other Post Employment Benefit Liabilities:

The City provides three retirement benefit programs. The City takes measures to ensure that the City's retirement benefit plans are financially secure and well-funded. These programs are as follows:

- California Public Employee Retirement System (CalPERS) is a 2% at 55 pension plan for "classic" CalPERS members, and 2% at 62 pension plan for new members as defined by the Public Employees Pension Reform Act (PEPRA), who are employees that have never been a member of CalPERS or who had a break in service of six months or greater. CalPERS currently utilizes a 7.15% discount rate and is 88.7% funded as of June 30, 2021, per the CalPERS GASB 68 Accounting Valuation Report and the market value of assets.
- PARS Retirement Enhancement Plan is a 0.5% at 60 pension plan. The PARS Plan was established in 2004 and is only available to full-time/permanent employees. The PARS Plan was closed to new employees on January 1, 2013 as restricted by the Public Employees Pension Reform Act (PEPRA).

This Plan utilizes a 5.5% discount rate and is 81% funded as of June 30, 2022, based on the assumptions of the GASB 67 and 68 Disclosure Document and the market value of assets.

- The City offers other post-employment benefits (OPEB), a Career Employee Medical Retirement Benefit Plan, to eligible retirees. The plan is constructed to keep costs in check by limiting eligibility and length of benefit. The City provides limited supplemental payment for post-retirement healthcare benefits for full-time/permanent employees who have completed 20 years of service and have reached the age of 55, or who have completed 15 years and reached the age of 60, and who are retiring under CalPERS. The benefit is also limited by the retiree's years of service. This Plan utilizes a 6% discount rate and is 90% funded as of June 30, 2022 based on the assumptions of the latest actuarial and the market value of assets.

More detailed information regarding the City's pensions and other post-employment benefits is presented in the notes to the basic financial statements.

FINANCIAL MANAGEMENT POLICIES AND PRACTICES

GASB Statement No. 87, *Leases*. This statement was issued to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It also establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Implementation of this Statement had a significant effect on the City's financial statements for the fiscal year ended June 30, 2022.

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre–November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this statement. This statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. Implementation of this statement did not have a significant effect on the City's financial statements for the fiscal year ended June 30, 2022.

GASB Statement No. 92, *Omnibus 2020*. The primary objectives of this statement are to enhance comparability in accounting and financial reporting and to improve consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. Implementation of this statement did not have a significant effect on the City's financial statements for the fiscal year ended June 30, 2022.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*. This statement addresses those and other accounting and financial reporting implications that result from the replacement of London Interbank Offered Rate (IBOR). The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2021. All other requirements of this

statement are effective for reporting periods beginning after June 15, 2020. Application of this statement did not have a material effect on the City's financial statements for the fiscal year ending June 30, 2021.

GASB Statement No. 97, Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32. The primary objectives of this statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. Implementation of this statement did not have a significant effect on the City's financial statements for the fiscal year ended June 30, 2022.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Lakewood for its Annual Comprehensive Financial Report (formerly known as the Comprehensive Annual Financial Report) for the fiscal year ended June 30, 2021. This was the 40th consecutive year that Lakewood has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report 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 that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

Preparation of this report was accomplished by the combined efforts of the Finance and Administrative Services Department staff. We appreciate the high level of professionalism and dedication that these staff members bring to the City. The contributions made by Anne Rodriguez, Assistant Director of Finance & Administrative Services and Claire Pierson, Senior Accountant deserve special recognition. We also thank the members of the City Council, especially the Audit Committee, for their interest and support in the development of this report.

Respectfully submitted,



Thaddeus McCormack
City Manager



Jose Gomez
Director of Finance & Admin. Services

CITY COUNCIL

STEVE CROFT
Mayor

ARIEL PE
Vice Mayor

CASSANDRA CHASE
Council Member

TODD ROGERS
Council Member

JEFF WOOD
Council Member

ADMINISTRATION AND DEPARTMENT DIRECTORS

THADDEUS McCORMACK
City Manager

IVY M. TSAI
City Attorney

PAOLO BELTRAN
Deputy City Manager

ABEL AVALOS
Director of Community Development

VALARIE FROST
Director of Recreation and Community Services

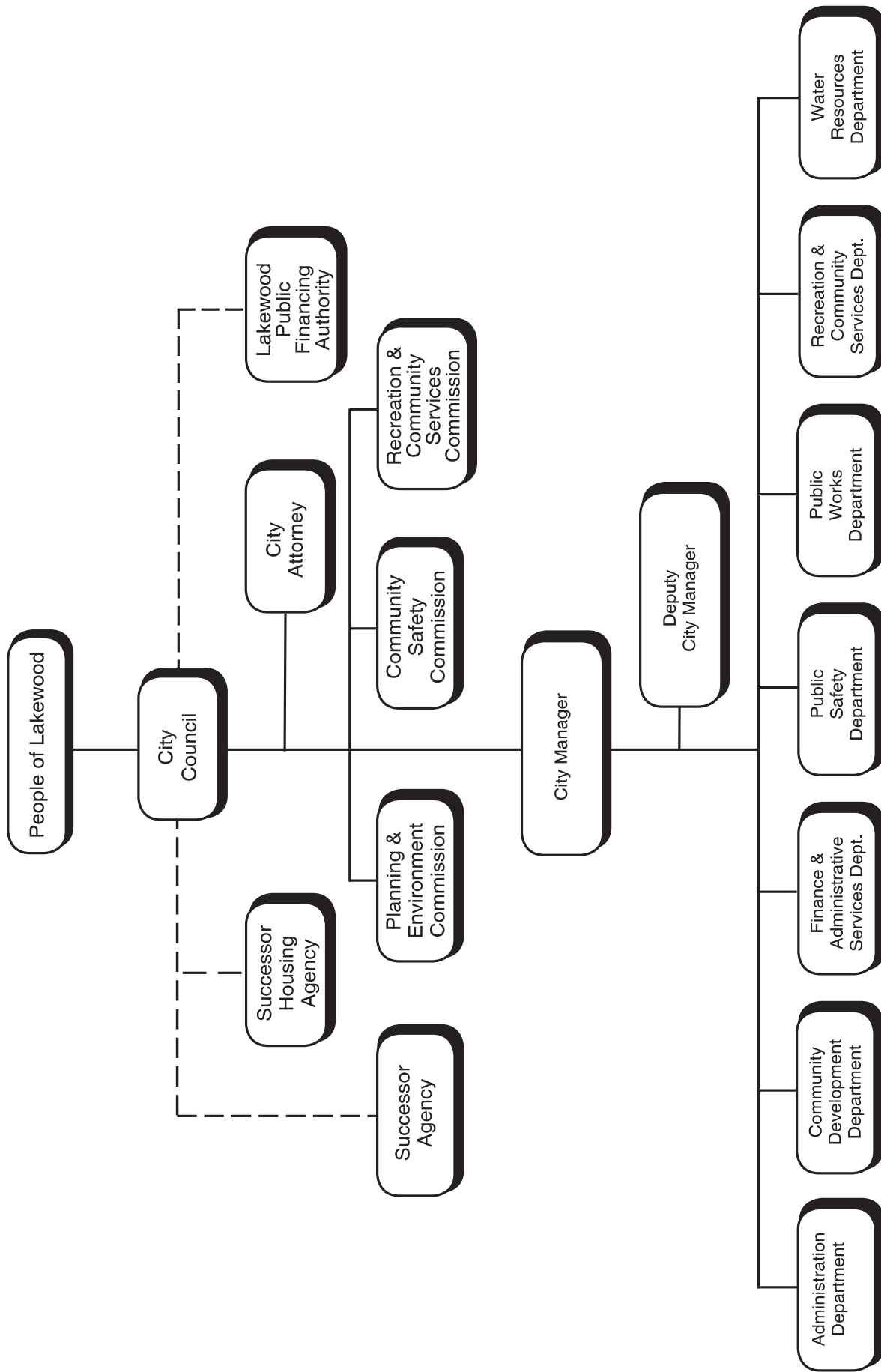
JOSE GOMEZ
Director of Finance and Administrative Services

BILL GRADY
Director of Communications

DEREK NGUYEN
Director of Water Resources

KELLI PICKLER
Director of Public Works

JOSHUA YORDT
Director of Public Safety





Government Finance Officers Association

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in Financial
Reporting

Presented to

**City of Lakewood
California**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

Christopher P. Morill

Executive Director/CEO

**INDEPENDENT AUDITORS' REPORT**www.pungroup.cpa

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

Report on the Audit of the Financial Statements***Opinions***

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Lakewood, California (the "City"), as of and for the year ended June 30, 2022, 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.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter***Change in Accounting Principle - Implementation of GASB 87***

As discussed in Note 2 to the basic financial statements, the City adopted new accounting guidance, Governmental Accounting Standards Board ("GASB") Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Budgetary Comparison Schedule – General Fund, Budgetary Information, the Schedules of Changes in Net Pension Liability and Related Ratios, the Schedules of Contributions – Pensions, the Schedule of Changes in Net Other Postemployment Benefits Liability and Related Ratios, and the Schedule of Contributions – Other Postemployment Benefits as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with 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.

Other Information

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

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

To the Honorable Mayor and the Members of the City Council
of the City of Lakewood
Lakewood, California
Page 4

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2022, 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 City's internal control over financial reporting and compliance.

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

Santa Ana, California
December 5, 2022

City of Lakewood
Management's Discussion and Analysis (Continued)
For The Year Ended June 30, 2022

As management of the City of Lakewood, California, (City) we offer readers of the City of Lakewood's financial statements, this narrative overview and analysis of the financial activities of the City for fiscal year ended June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found in the introductory section of this report, and with the City's financial statements, which follow this discussion.

Financial Highlights

- Net Position: The assets and deferred outflows of resources of the City (*which include the value of streets, sidewalks and other infrastructure*) exceeded liabilities and deferred inflows of resources at June 30, 2022, by \$236,269,814. Of this amount, \$51,943,199 may be used to meet the government's ongoing obligations to citizens and creditors, but is subject to designation for specific City programs.
- Changes in Net Position: The government's total net position increased by \$21,327,860. The governmental activities increased by \$20,827,669 and business-type activities by \$500,191 at the end of fiscal year June 30, 2022.
- Long Term Debt: The City of Lakewood's total debt decreased by \$1,041,184. This was attributable to normal scheduled debt service payments.
- Governmental Funds: As of June 30, 2022, the City's governmental funds reported a combined ending fund balance of \$101,720,605. Approximately 53.9 percent of the ending fund balance, \$54,888,361, is available for spending at the government's discretion as either a committed, assigned, and unassigned fund balance within the guidelines of the funding sources.
- General Fund: At June 30, 2022, committed, assigned and unassigned fund balance of the general fund was \$53,806,723. All but \$2,535,221 of these funds are committed or assigned for specific purposes in accordance with City policies and budgetary guidelines.

Government-wide financial statements.

The *government-wide financial statements* are designed to provide readers with a broad overview of the City overall financial status in a manner similar to a private sector business.

The *statement of net position* presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflow of resources with the difference between the four reported as *net positions*. Over time, increase or decreases in net position may serve as a useful indicator of whether the financial position of the City of Lakewood is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net positions are reported as soon as the underlying event giving rise to the change occurs, *regardless of 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).

City of Lakewood
Management's Discussion and Analysis (Continued)
For The Year Ended June 30, 2022

Both of the government-wide financial statements distinguish functions of the City of Lakewood that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Lakewood include general government, public safety, transportation, community development, health and sanitation, and culture and leisure.

The government-wide financial statements include the City of Lakewood and a component unit the Lakewood Public Financing Authority. Financial information for this component unit is reported within the funds of the City. The Water Utility, although also legally separate, functions for all practical purposes as a department of the City of Lakewood, and therefore has been included as an integral part of the government.

The government-wide financial statements can be found on pages 18 - 21 of this report.

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

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

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

The City of Lakewood maintains twenty four governmental funds comprised of four major and twenty nonmajor funds. Information is presented separately in the governmental fund balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances. Data from the twenty nonmajor governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these other governmental funds is provided in the form of *combining statements* in the supplementary information.

The City of Lakewood adopts a biennial appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with this budget in the required supplementary information. Budgetary comparisons for other funds are provided in the supplementary information of this report.

The governmental fund financial statements can be found on pages 25 - 32 of this report.

City of Lakewood
Management's Discussion and Analysis (Continued)
For The Year Ended June 30, 2022

Proprietary funds. The City of Lakewood maintains two different types of proprietary funds. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The City of Lakewood uses enterprise funds to account for its Water Utility operations. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City of Lakewood's various functions. The City of Lakewood uses internal service funds to account for its central garage and graphics operations. Because all of these services predominately benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water Utility operations. The Internal Service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The proprietary fund financial statements can be found on pages 33 - 39 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City of Lakewood's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The fiduciary fund financial statement can be found on pages 41 - 44 of this report.

Notes to the basic financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 45 - 99 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City of Lakewood's General Fund budgetary comparison schedule, pension and changes in net pension liabilities and related ratio schedules, pension contribution schedules, and other post-employment funding progress schedule. Required supplementary information can be found on pages 101-115 of this report.

The combining statements referred to earlier in connection with other governmental funds, internal service funds and agency funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found on pages 123-157 of this report.

Government-wide Financial Analysis

The government-wide financial statements provide long and short-term information about the City's overall financial condition. The net positions may serve over time as a useful indicator of a government's financial position. In the case of the City of Lakewood, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$236,269,814 at the close of the most recent fiscal year.

City of Lakewood
Management's Discussion and Analysis (Continued)
For The Year Ended June 30, 2022

City of Lakewood Net Position						
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Current and other assets	\$ 124,550,392	\$ 103,229,319	\$ 21,863,878	\$ 20,438,986	\$ 146,414,270	\$ 123,668,305
Capital assets	119,313,536	116,500,000	34,738,228	34,962,052	154,051,764	151,462,052
Total Assets	243,863,928	219,729,319	56,602,106	55,401,038	300,466,034	275,130,357
Deferred Outflow of Resources	8,722,263	6,907,484	936,770	767,499	9,659,033	7,674,983
Long-term liabilities outstanding	22,672,211	36,765,920	8,508,925	10,942,873	31,181,136	47,708,793
Other liabilities	19,146,219	13,468,402	3,867,309	2,879,605	23,013,528	16,348,007
Total Liabilities	41,818,430	50,234,322	12,376,234	13,822,478	54,194,664	64,056,800
Deferred Inflow of Resources	16,963,539	3,425,928	2,697,050	380,658	19,660,589	3,806,586
Net positions:						
Net Investment in Capital Assets	118,073,852	115,207,736	27,686,379	27,173,204	145,760,231	142,380,940
Restricted	38,566,384	36,051,636	-	-	38,566,384	36,051,636
Unrestricted	37,163,986	21,717,181	14,779,213	14,792,197	51,943,199	36,509,378
Total Net Position	\$ 193,804,222	\$ 172,976,553	\$ 42,465,592	\$ 41,965,401	\$ 236,269,814	\$ 214,941,954

By far, the largest portion of the City of Lakewood's net positions, 61.7 percent, reflects its net investment in capital assets (i.e. land, buildings, improvements other than buildings, machinery and equipment, infrastructure, and construction in progress). The City of Lakewood uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Lakewood's investment in its capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Additional portion of the City of Lakewood's net position, 16.3 percent, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$51,943,199 may be used to meet the government's ongoing obligation to citizens and creditors, but is subject to designation for specific City programs per the City's Governmental Fund Balance Policy.

At the end of the current fiscal year, the City of Lakewood is able to report positive balances in all three categories of net positions, both for the government as a whole, as well as for its separate governmental and business-type activities. At year-end, 65.3 percent of the City of Lakewood's business-type activities' net position were invested in capital assets.

City of Lakewood
Management's Discussion and Analysis (Continued)
For The Year Ended June 30, 2022

City of Lakewood Changes in Net Position						
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
Program revenues:						
Charges for services	\$ 11,968,030	\$ 11,237,846	\$ 13,787,798	\$ 13,965,629	\$ 25,755,828	\$ 25,203,475
Operating grants and contributions	13,575,994	13,234,375			13,575,994	13,234,375
Capital grants and contributions	2,957,680	10,424,134			2,957,680	10,424,134
General revenues:						
Sales taxes	31,256,373	26,182,543			31,256,373	26,182,543
Property taxes	16,945,351	15,783,601			16,945,351	15,783,601
Franchise taxes	1,582,709	1,535,167			1,582,709	1,535,167
Business operation taxes	578,867	1,213,169			578,867	1,213,169
Utility user taxes	3,361,075	3,034,416			3,361,075	3,034,416
Other taxes	582,151	541,524			582,151	541,524
Investment income (loss)	(2,028,209)	182,662	(10,565)	135,094	(2,038,774)	317,756
Transfer in	1,795,700	1,795,700	-	-	1,795,700	1,795,700
Total revenues	<u>82,575,721</u>	<u>85,165,137</u>	<u>13,777,233</u>	<u>14,100,723</u>	<u>96,352,954</u>	<u>99,265,860</u>
Expenses:						
General government	9,982,626	11,542,122			9,982,626	11,542,122
Public safety	17,505,002	16,955,188			17,505,002	16,955,188
Transportation	6,503,537	6,520,916			6,503,537	6,520,916
Community development	5,291,189	6,018,023			5,291,189	6,018,023
Health and sanitation	6,083,718	5,705,507			6,083,718	5,705,507
Culture and leisure	13,651,705	14,479,564			13,651,705	14,479,564
Unallocated infrastructure depreciation	2,723,750	2,772,636			2,723,750	2,772,636
Interest and fiscal charges	6,525	25,131			6,525	25,131
Water	-	-	11,481,342	10,534,148	11,481,342	10,534,148
Transfer out	-	-	1,795,700	1,795,700	1,795,700	1,795,700
Total expenses	<u>61,748,052</u>	<u>64,019,087</u>	<u>13,277,042</u>	<u>12,329,848</u>	<u>75,025,094</u>	<u>76,348,935</u>
Changes in net position	<u>20,827,669</u>	<u>21,146,050</u>	<u>500,191</u>	<u>1,770,875</u>	<u>21,327,860</u>	<u>22,916,925</u>
Net position at beginning of year, as restated	<u>172,976,553</u>	<u>151,830,503</u>	<u>41,965,401</u>	<u>40,194,526</u>	<u>214,941,954</u>	<u>192,025,029</u>
Net position at end of year	<u>\$ 193,804,222</u>	<u>\$ 172,976,553</u>	<u>\$ 42,465,592</u>	<u>\$ 41,965,401</u>	<u>\$ 236,269,814</u>	<u>\$ 214,941,954</u>

Additional information on the change in net position can be found on page 20 – 21 of this report.

Governmental activities. Overall, governmental revenues decreased by \$2,589,416 or 3.0 percent and expenditures decreased by \$2,271,035 or 3.5 percent from prior year. Key elements of the change are as follows:

- The Sales and Property tax revenues increased by a combined total of \$6,235,580. Sales tax went up by \$5,078,092. Property taxes went up by \$1,161,750 mainly due to the higher property tax valuation experienced in FY 2021-22 compared to the previous fiscal year.
- Charges for services increased by \$730,184. Charges for services includes building and safety permits, culture and leisure programs and facilities, and rents and concessions. This is attributable to the uptick in the demand to use city's programs and services as the impact of the COVID-19 pandemic subsides.

City of Lakewood
Management's Discussion and Analysis (Continued)
For The Year Ended June 30, 2022

- The increases in revenue were offset by the decrease in Capital grants and contributions by \$7,466,454. The decrease was mainly due to two projects that were majorly funded in FY 2020-21 compared to FY 2021-22. The Mayfair Watercapture project was completed in FY 20-21 and had a funding of \$4,477,247. The Del Amo/Lakewood Bl Intersection Improvement's bulk expense decreased by \$3,554,082 in FY 2021-22 compared to the last fiscal year.
- General Government expense decreased by \$1,559,496. The decrease is mainly due to the GASB 34 conversion that required pension cost totaling \$1,081,311 to be allocated to different functions. The decrease is also due to a one-time COVID-19 grant provided to qualified businesses in FY 2020-21 totaling \$540,000. Furthermore, the City was utilizing the City's fund in FY 2020-21 to purchase COVID-19 related supplies for a total of \$146,435 whereas in FY 2021-22, the City was using the ARPA fund.
- Public safety's expense increased by \$549,814 due the following reasons. It increased by \$335,755 for salary & benefits due to the Crossing Guards being back in full swing in FY 2021-22. An increase of \$90,516 occurred for contracts because a private security company was hired to patrol the streets at night to prevent catalytic converter thefts around the City. The Sheriff's services increased by \$329,656 in FY 2021-22 due to inflation. Lastly, there was a decrease of \$104,567 for non-capital equipment purchase between FY 2020-21 and FY 2021-22.
- Community Development's expense decreased by \$726,834 due to the Media Production division being transferred to the Culture and Leisure section.
- The Infrastructure depreciation expense decreased by \$48,886 due to the normal straight line depreciation schedule.
- The Water Fund transferred \$1,795,700 into the General Fund to defray the Water Fund's use of General Fund's staff, resources, facilities, and infrastructures.
- The City of Lakewood received ARPA funding in FY 2020-21 and the second half in FY 2021-22 for a total of \$11.3 million. Out of that amount, the City has spent \$753,000 thru June 30, 2022. The City has plans to spend the full fund within the deadline of December 31, 2026.

Additional information on activities and change in net position can be found on pages 20 - 21 of this report.

Business-type activities. The business-type activities reflect the City's water system, which includes water operation, water treatment and water production and distribution. An slight decrease in the water sales of \$177,831 was attributed to the overall reduction in demand and consumption of water due to statewide drought conservation efforts. For the year ended June 30, 2022, the City's business-type activities' change in net position was \$500,191, a decrease of 71.8 percent compared to last year. During the year, the water fixed and consumption rates were adjusted to help defray increases in cost of pumping and distributing water and administration of the utility and infrastructure improvements. Major improvements on the horizon include \$1.1 million for Water Main Construction project, \$1.1 million for Plant 4 Upgrade project, \$546,000 for Plant 13 Tanks Upgrade project, \$530,000 for Plant 22 Booster Upgrade project and \$464,000 for Reservoir 22 Rehabilitation project.

Financial Analysis of the Government's Funds

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

City of Lakewood
Management's Discussion and Analysis (Continued)
For The Year Ended June 30, 2022

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

As of the end of the fiscal year, the City of Lakewood's governmental funds reported combined ending fund balances of \$101,720,605, an increase of \$14,261,513 in comparison with the prior year. As noted in the Governmental Activities section, the increase was primarily due to the newly implemented local tax measure that added much needed boost to the city's revenue. The increase was also attributed to the advance funding of some operating grant revenue in relation to the COVID-19 pandemic, as well as the reimbursement to the city of the hot spot capital project. Of the City's governmental funds ending fund balances, \$54,888,361 or 53.9 percent constitute committed, assigned and unassigned fund balance, which is available for spending at the government's discretion within the guidelines of the funding sources. The remainder of fund balance, \$46,832,244, is either nonspendable or restricted for purposes imposed by creditors, grantors, contributors, laws or regulations of other governments or through enabling legislation.

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

Unrestricted net position of the Water Enterprise at the end of the year amounted to \$15,381,347 a slight decrease of \$28,949 from the prior year. These funds will be used to fund water operations and planned capital improvements. Other factors concerning the finance of this fund have already been addressed in the discussion of the City of Lakewood's business-type activities.

General Fund Financial Highlights

The General Fund is the chief operating fund of the City of Lakewood. At the end of the current fiscal year, committed, assigned and unassigned fund balance of the general fund was \$53,806,723, while total fund balance was \$64,368,818. The general fund's ending fund balance increased by \$11,505,510 in comparison with the prior year. As a measure of the General Fund's liquidity, it may be useful to compare only the committed, assigned and unassigned fund balance to total fund expenditures. Committed, assigned and unassigned fund balance represents 91.94 percent of the total general fund expenditures, most of which is committed or assigned to meet the City's long-term obligations.

Overall, General Fund revenues (including other financing sources) increased year-over-year by \$4,999,770. Tax-related revenue increased by \$5,736,472. Current service charges and Other revenue increased by \$609,931 and \$1,029,891, respectively, and was off-set by the decrease in Intergovernmental revenues by \$804,640 and Investment income, rents, and concession by \$1,867,116. Overall expenditures (including other financing uses) increased by \$3,605,381. Public Safety increased by \$1,064,687 due to reasons mentioned above in the Governmental Activities section. Culture and Leisure increased by \$1,710,379 due to increase in salary and benefits, uptick in programs expenditures in relation to increase in program enrollments, and bringing back of signature civic events such as the Block Party and Tree Lighting, as well as the creation of a new event Fest-Of-All.

General Fund Budgetary Highlights

For the fiscal year ended June 30, 2022, the General Fund's final amended expenditure budget increased over the original budget by \$6,825,478 and actual expenditures were \$7,690,336 lower than the final amended budget. These can be briefly summarized as follows:

City of Lakewood
Management's Discussion and Analysis (Continued)
For The Year Ended June 30, 2022

- Capital projects that either started in FY 2021-22 or rolled over from previous fiscal years were not completed by the end of FY 2021-22. There were multi-year projects that rolled from FY 2021-22 into FY 2022-23 for a total of \$4,631,806. Some of these projects are as follows: San Martin Park Improvement project for \$1.2 million, the HVAC replacement in multiple locations for \$679,000, the electrical panel and feeder replacement for \$608,000 and Rynerson Park Improvements for \$506,000.
- The City experienced an overall increase of \$2,564,207 in operating expenditures. This is attributed and a sign of the city's transition to providing operations and services to normal levels pre-pandemic.

Capital Asset and Debt Administration

Capital assets. The City of Lakewood's net investment in capital assets for its governmental and business-type activities as of June 30, 2022, amounts to \$154,051,764 an increase of \$2,424,361 or 1.6 percent of total capital assets over prior year. This investment in capital assets includes land, buildings, improvements, machinery and equipment, park facilities, roads, highways, and bridges.

City of Lakewood							
Capital Assets (Net of depreciation)							
	Governmental Activities		Business-type Activities		Total		
	2022	2021*	2022	2021	2022	2021*	
Land	\$ 17,041,023	\$ 17,041,023	\$ 100,000	\$ 100,000	\$ 17,141,023	\$ 17,141,023	
Water rights	-	-	1,834,586	1,834,586	1,834,586	1,834,586	
Construction in progress	43,089,201	36,716,255	3,499,642	2,315,068	46,588,843	39,031,323	
Infrastructure	35,603,550	38,268,761	-	-	35,603,550	38,268,761	
Structures and improvements	22,284,164	23,355,337	15,641,756	16,824,700	37,925,920	40,180,037	
Equipment	1,138,591	1,118,624	13,662,244	13,887,698	14,800,835	15,006,322	
Lease assets	157,007	165,351	-	-	157,007	165,351	
Total	\$ 119,313,536	\$ 116,665,351	\$ 34,738,228	\$ 34,962,052	\$ 154,051,764	\$ 151,627,403	

*re-stated due to GASB 87 implementation

Additional information on the City of Lakewood's capital assets can be found in Note 9 to the basic financial statements.

Long-term debt. At the end of the current fiscal year, the City of Lakewood's total long-term debt outstanding decreased by \$1,041,184 totaling \$7,420,122. This was attributable to normal scheduled debt service payments.

City of Lakewood						
Summary of Outstanding Debt						
	Governmental Activities		Business-type Activities		Total	
	2022	2021*	2022	2021*	2022	2021*
Loan Payable	-	47,139	271,127	535,538	271,127	582,677
Loan Payable-MELPA			6,688,530	7,253,310	6,688,530	7,253,310
ADA Financing Program	309,075	459,968	-	-	309,075	459,968
Lease Payable	151,390	165,351	-	-	151,390	165,351
Total	\$ 460,465	\$ 672,458	\$ 6,959,657	\$ 7,788,848	\$ 7,420,122	\$ 8,461,306

*re-stated due to GASB 87 implementation

Additional information on the City of Lakewood's long-term debt can be found in Note 10 to the basic financial statements.

City of Lakewood
Management's Discussion and Analysis (Continued)
For The Year Ended June 30, 2022

Economic Factors and Next Year's Budgets and Rates

The City prudently anticipates and conservatively budgets for General Fund revenues to gradually increase as the economy transitions and recovers from the effects of the COVID-19 pandemic. The City's sales tax revenues have shown a slow but continuous increase and the local sales and use tax (Measure L) has provided a cushion from the diminished revenue from other revenue sources. The passage provided a timely and much-needed stabilizing effect for the city. Other anticipated increase includes a slight increase in property tax revenues, a very conservative growth in current service charges, and gradual recovery in building permits as the impact of COVID-19 subsides. Interest earnings are expected to remain below historical levels, and gas tax and fines are both expected to remain flat through 2025.

The City's general fund operational expenditures are also expected to increase annually over the next five years; in Fiscal Year 2021-22 General Fund expenditures increased by 6.6 percent. Employee services costs increased by 6.9 percent in Fiscal Year 2021-22 over that of the prior year. The City is a contract-city where 40.1 percent of the cost of operations is employee service-related. In Fiscal Year 2021-22 contract services made up 44.8 percent of the City's General Fund operational costs. The April to April Consumer Price Index (CPI) for the Los Angeles, Riverside, and Orange County region, which is the basis for many of the City's contract increases, was 7.9 percent in 2022. Overall, General Fund contract services increased by 2.6 percent in Fiscal Year 2021-22. The City's water, refuse and building and safety fees also include the local CPI as a factor in determining rate increases.

The City weathered the Great Recession, the prolonged sluggish multi-year recovery, and now trying to withstand the lasting effects of the COVID-19 pandemic by adhering to its philosophy to stay focused on what is truly important – the core functions of operating a city – resulting in a healthy community for residents and business. By keeping this focus, the City has built a large capital base that includes the entire inventory of City assets: streets, sidewalks, water system, trees, parks, community facilities and goodwill. The City's goodwill, cultivated through recreation, community services, public safety and economic development programs, creates the neighborly sense of community we all enjoy. Further detail regarding the impact of other factors on the City's budget and finances can be read in the Transmittal Letter.

Requests for Information

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance and Administrative Services, City of Lakewood, Post Office Box 220, Lakewood, CA 90712.



BASIC FINANCIAL STATEMENTS



GOVERNMENT-WIDE FINANCIAL STATEMENTS

City of Lakewood
Statement of Net Position
June 30, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current assets:			
Cash and investments	\$ 89,947,449	\$ 18,481,140	\$ 108,428,589
Receivables:			
Accounts	9,831,916	1,732,903	11,564,819
Accrued revenue	-	1,104,829	1,104,829
Leases receivables	386,631	44,490	431,121
Internal balances	602,134	(602,134)	-
Prepaid items	19,781	-	19,781
Inventories	176,292	84,513	260,805
Total current assets	100,964,203	20,845,741	121,809,944
Noncurrent assets:			
Restricted cash and investments:			
Cash in escrow	577,569	-	577,569
Held by City	-	33,063	33,063
Notes receivable	2,370,230	-	2,370,230
Leases receivable	1,292,650	985,074	2,277,724
Receivable from Successor Agency	16,385,438	-	16,385,438
Land held for resale	2,960,302	-	2,960,302
Capital assets:			
Nondepreciable	60,130,224	5,434,228	65,564,452
Depreciable, net	59,183,312	29,304,000	88,487,312
Total capital assets	119,313,536	34,738,228	154,051,764
Total noncurrent assets	142,899,725	35,756,365	178,656,090
Total assets	243,863,928	56,602,106	300,466,034
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources related to pensions	6,071,061	674,563	6,745,624
Deferred outflows of resources related to OPEB	2,651,202	262,207	2,913,409
Total deferred outflows of resources	8,722,263	936,770	9,659,033

City of Lakewood
Statement of Net Position (Continued)
June 30, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Current liabilities:			
Accounts payable	6,002,015	2,529,599	8,531,614
Retention payable	779,219	92,192	871,411
Accrued liabilities	542,493	42,808	585,301
Accrued interest payable	2,112	14,254	16,366
Unearned revenues	10,688,490	233,676	10,922,166
Long-term liabilities - due within one year	1,131,890	954,780	2,086,670
Total current liabilities	19,146,219	3,867,309	23,013,528
Noncurrent liabilities:			
Liabilities payable from restricted assets:			
Customer deposits	958,112	33,063	991,175
Long-term liabilities - due in more than one year	1,189,873	6,208,138	7,398,011
Aggregate net pension liability	19,480,422	2,164,491	21,644,913
Net OPEB liability	1,043,804	103,233	1,147,037
Total noncurrent liabilities	22,672,211	8,508,925	31,181,136
Total liabilities	41,818,430	12,376,234	54,194,664
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources related to pensions	13,202,122	1,466,903	14,669,025
Deferred inflows of resources related to OPEB	2,088,995	206,604	2,295,599
Deferred inflows of resources related to leases	1,672,422	1,023,543	2,695,965
Total deferred inflows of resources	16,963,539	2,697,050	19,660,589
NET POSITION			
Net investment in capital assets	118,073,852	27,686,379	145,760,231
Restricted for:			
Transportation	23,124,781	-	23,124,781
Public safety	23,417	-	23,417
Community development	13,150,306	-	13,150,306
Health and sanitation	301,719	-	301,719
Culture and leisure	1,966,161	-	1,966,161
Unrestricted	37,163,986	14,779,213	51,943,199
Total net position	\$ 193,804,222	\$ 42,465,592	\$ 236,269,814

City of Lakewood
Statement of Activities
For the Year Ended June 30, 2022

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General government	\$ 9,982,626	\$ 1,450,370	\$ 2,021,246	\$ -
Public safety	17,505,002	838,925	1,110,789	-
Transportation	6,503,537	-	10,234,861	2,394,011
Community development	5,291,189	1,962,283	97,585	90,546
Health and sanitation	6,083,718	6,483,492	23,797	-
Culture and leisure	13,651,705	1,232,960	87,716	473,123
Unallocated infrastructure depreciation	2,723,750	-	-	-
Interest and fiscal charges	6,525	-	-	-
Total governmental activities	61,748,052	11,968,030	13,575,994	2,957,680
Business-type Activities:				
Water	11,481,342	13,787,798	-	-
Total business-type activities	11,481,342	13,787,798	-	-
Total primary government	\$ 73,229,394	\$ 25,755,828	\$ 13,575,994	\$ 2,957,680

City of Lakewood
Statement of Activities (Continued)
For the Year Ended June 30, 2022

Functions/Programs	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-Type Activities	Total
Governmental Activities:			
General government	\$ (6,511,010)	\$ -	\$ (6,511,010)
Public safety	(15,555,288)	-	(15,555,288)
Transportation	6,125,335	-	6,125,335
Community development	(3,140,775)	-	(3,140,775)
Health and sanitation	423,571	-	423,571
Culture and leisure	(11,857,906)	-	(11,857,906)
Unallocated infrastructure depreciation	(2,723,750)	-	(2,723,750)
Interest and fiscal charges	(6,525)	-	(6,525)
Total governmental activities	(33,246,348)	-	(33,246,348)
Business-type Activities:			
Water	-	2,306,456	2,306,456
Total business-type activities	-	2,306,456	2,306,456
Total primary government	(33,246,348)	2,306,456	(30,939,892)
General revenues:			
Taxes:			
Sales taxes - Bradley Burns	31,256,373	-	31,256,373
Property taxes	16,945,351	-	16,945,351
Franchise taxes	1,582,709	-	1,582,709
Business operation taxes	578,867	-	578,867
Utility user taxes	3,361,075	-	3,361,075
Other taxes	582,151	-	582,151
Total taxes	54,306,526	-	54,306,526
Investment income (loss)	(2,028,209)	(10,565)	(2,038,774)
Transfers	1,795,700	(1,795,700)	-
Total general revenues	54,074,017	(1,806,265)	52,267,752
Changes in net position	20,827,669	500,191	21,327,860
Net position - beginning of year	172,976,553	41,965,401	214,941,954
Net position - end of year	\$ 193,804,222	\$ 42,465,592	\$ 236,269,814



FUND FINANCIAL STATEMENTS



GOVERNMENTAL FUND FINANCIAL STATEMENTS

City of Lakewood
Balance Sheet
Governmental Funds
June 30, 2022

	Major Funds			
	General Fund	American Rescue Plan Act Special Revenue Fund	Housing Admin and Program Capital Projects Fund	Lakewood Capital Improvements Capital Projects Fund
ASSETS				
Cash and investments	\$ 50,984,986	\$ 10,520,205	\$ 1,821,853	\$ 2,488,755
Restricted cash and investments:				
Cash in escrow	577,569	-	-	-
Accounts receivable	7,873,239	-	-	564,243
Prepaid items	19,781	-	-	-
Inventories	57,408	-	-	-
Due from other funds	1,095,641	-	-	-
Receivable from Successor Agency	10,484,906	-	5,900,532	-
Notes receivable	-	-	1,857,676	-
Leases receivable	1,679,281	-	-	-
Land held for resale	-	-	2,960,302	-
Total assets	\$ 72,772,811	\$ 10,520,205	\$ 12,540,363	\$ 3,052,998
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities:				
Accounts payable	\$ 3,816,925	\$ 105,305	\$ 88,453	\$ 1,123,920
Accrued liabilities	531,699	-	-	-
Retention payable	627,661	-	-	59,595
Deposit payable	957,203	-	909	-
Due to other funds	-	-	-	-
Unearned revenue	148,412	10,414,900	-	-
Total liabilities	6,081,900	10,520,205	89,362	1,183,515
Deferred inflows of resources:				
Unavailable revenue	649,671	-	-	423,986
Deferred inflows of resources related to leases	1,672,422	-	-	-
Total deferred inflows of resources	2,322,093	-	-	423,986
Fund balances:				
Nonspendable				
Prepaid items	19,781	-	-	-
Inventories	57,408	-	-	-
Receivables from Successor Agency	10,484,906	-	-	-
Restricted				
Public safety	-	-	-	-
Transportation projects and street maintenance	-	-	-	-
Community development	-	-	12,451,001	-
Health and sanitation	-	-	-	-
Culture and leisure	-	-	-	-
Committed				
Self insurance	4,000,000	-	-	-
Pension and personnel obligations	6,566,205	-	-	-
Capital projects	4,604,740	-	-	1,445,497
Refuse stabilization	1,964,966	-	-	-
Economic uncertainties	13,777,605	-	-	-
Assigned				
Infrastructure replacement	3,000,000	-	-	-
Measure L CIP reserve	3,886,801	-	-	-
Equipment replacement	1,111,026	-	-	-
Contract emergency services	2,160,159	-	-	-
Measure L long-term reserve	10,200,000	-	-	-
Unassigned (deficit)	2,535,221	-	-	-
Total fund balances	64,368,818	-	12,451,001	1,445,497
Total liabilities, deferred inflows of resources, and fund balances	\$ 72,772,811	\$ 10,520,205	\$ 12,540,363	\$ 3,052,998

See accompanying Notes to the Basic Financial Statements.

City of Lakewood
Balance Sheet (Continued)
Governmental Funds
June 30, 2022

	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS		
Cash and investments	\$ 24,131,650	\$ 89,947,449
Restricted cash and investments:		
Cash in escrow	-	577,569
Accounts receivable	1,394,434	9,831,916
Prepaid items	-	19,781
Inventories	-	57,408
Due from other funds	-	1,095,641
Receivable from Successor Agency	-	16,385,438
Notes receivable	512,554	2,370,230
Leases receivable	-	1,679,281
Land held for resale	-	2,960,302
Total assets	\$ 26,038,638	\$ 124,925,015
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
Liabilities:		
Accounts payable	\$ 843,815	\$ 5,978,418
Accrued liabilities	-	531,699
Retention payable	91,963	779,219
Deposit payable	-	958,112
Due to other funds	1,095,641	1,095,641
Unearned revenue	125,178	10,688,490
Total liabilities	2,156,597	20,031,579
Deferred inflows of resources:		
Unavailable revenue	426,752	1,500,409
Deferred inflows of resources related to leases	-	1,672,422
Total deferred inflows of resources	426,752	3,172,831
Fund balances:		
Nonspendable		
Prepaid items	-	19,781
Inventories	-	57,408
Receivables from Successor Agency	-	10,484,906
Restricted		
Public safety	23,417	23,417
Transportation projects and street maintenance	20,914,486	20,914,486
Community development	384,367	12,835,368
Health and sanitation	301,719	301,719
Culture and leisure	2,195,159	2,195,159
Committed		
Self insurance	-	4,000,000
Pension and personnel obligations	-	6,566,205
Capital projects	-	6,050,237
Refuse stabilization	-	1,964,966
Economic uncertainties	-	13,777,605
Assigned		
Infrastructure Uncertainties	-	3,000,000
Capital Improvement Contingency	-	3,886,801
Equipment replacement	-	1,111,026
Contract emergency services	-	2,160,159
Long-term obligations	-	10,200,000
Unassigned (deficit)	(363,859)	2,171,362
Total fund balances	23,455,289	101,720,605
Total liabilities, deferred inflows of resources, and fund balances	\$ 26,038,638	\$ 124,925,015

See accompanying Notes to the Basic Financial Statements.



City of Lakewood
Reconciliation of the Governmental Funds Balance Sheet
to the Government-Wide Statement of Net Position
June 30, 2022

Total Fund Balances - Total Governmental Funds \$ 101,720,605

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	\$	60,130,224
Depreciable assets		59,183,312

Less: Amount reported in Internal Service Fund

Depreciable assets		(116,449)	119,197,087
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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 with an offset to unavailable revenues in the funds.

1,500,409

Internal service funds are used by the City to charge the cost of materials and supplies, maintenance and repair of vehicles and equipment and printing services provided to the various departments of the City. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position. Internal Service funds net position, net of the deficit in the amount of \$602,134 reported in Business-type activities.

803,076

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:

Long-term debt		(460,465)	
Interest payable		(2,112)	
Compensated absences		(1,861,298)	

Pensions:

Deferred outflows of resources related to pensions		6,071,061	
Aggregate net pension liabilities		(19,480,422)	
Deferred inflows of resources related to pensions		(13,202,122)	

Other postemployment benefits:

Deferred outflows of resources related to OPEB		2,651,202	
Net OPEB liabilities		(1,043,804)	
Deferred inflows of resources related to OPEB		(2,088,995)	

Net position of governmental activities		\$ 193,804,222	
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City of Lakewood
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2022

	Major Funds			
	General Fund	American Rescue Plan Act Special Revenue Fund	Housing Admin and Program Capital Projects Fund	Lakewood Capital Improvements Capital Projects Fund
REVENUES:				
Taxes	\$ 43,827,648	\$ -	\$ -	\$ -
Licenses and permits	1,454,144	-	-	-
Fines and forfeitures	743,167	-	-	-
Investment income (loss), rents, and concessions	(1,255,156)	-	76,525	-
Intergovernmental revenues	10,756,568	753,486	-	1,108,659
Current service charges	8,686,921	-	-	-
Other	1,928,284	-	144,100	-
Total revenues	66,141,576	753,486	220,625	1,108,659
EXPENDITURES:				
Current:				
General government	10,744,286	161,204	-	-
Public safety	17,448,602	21,413	-	-
Transportation	3,134,384	-	-	-
Community development	5,124,425	42,515	165,275	-
Health and sanitation	6,038,031	-	-	-
Culture and leisure	14,043,593	55,558	-	-
Capital outlay:				
General government	1,598	358,390	-	-
Public safety	14,400	-	-	-
Transportation	1,197	-	-	2,103,028
Community development	-	30,960	-	-
Culture and leisure	1,711,622	69,490	-	-
Debt service:				
Principal retirement	243,609	-	-	-
Interest payment	16,757	-	-	-
Total expenditures	58,522,504	739,530	165,275	2,103,028
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	7,619,072	13,956	55,350	(994,369)
OTHER FINANCING SOURCES (USES):				
Transfers in	3,854,822	-	-	-
Transfers out	-	-	(200,000)	(449)
Proceeds from lease issuance	31,616	-	-	-
Total other financing sources (uses)	3,886,438	-	(200,000)	(449)
NET CHANGES IN FUND BALANCES	11,505,510	13,956	(144,650)	(994,818)
FUND BALANCES:				
Beginning of year,	52,863,308	(13,956)	12,595,651	2,440,315
End of year	\$ 64,368,818	\$ -	\$ 12,451,001	\$ 1,445,497

(Continued)

City of Lakewood
Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Governmental Funds
For the Year Ended June 30, 2022

	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES:		
Taxes	\$ 3,709,738	\$ 47,537,386
Licenses and permits	686	1,454,830
Fines and forfeitures	-	743,167
Investment income (loss), rents, and concessions	(26,181)	(1,204,812)
Intergovernmental revenues	8,824,407	21,443,120
Current service charges	-	8,686,921
Other	589,226	2,661,610
Total revenues	<u>13,097,876</u>	<u>81,322,222</u>
EXPENDITURES:		
Current:		
General government	34,939	10,940,429
Public safety	270,937	17,740,952
Transportation	4,021,044	7,155,428
Community development	251,771	5,583,986
Health and sanitation	61,036	6,099,067
Culture and leisure	150,622	14,249,773
Capital outlay:		
General government	143,300	503,288
Public safety	-	14,400
Transportation	1,764,210	3,868,435
Community development	174,243	205,203
Culture and leisure	485,586	2,266,698
Debt service:		
Principal retirement	-	243,609
Interest payment	-	16,757
Total expenditures	<u>7,357,688</u>	<u>68,888,025</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>5,740,188</u>	<u>12,434,197</u>
OTHER FINANCING SOURCES (USES):		
Transfers in	-	3,854,822
Transfers out	(1,858,673)	(2,059,122)
Proceeds from lease issuance	-	31,616
Total other financing sources (uses)	<u>(1,858,673)</u>	<u>1,827,316</u>
NET CHANGES IN FUND BALANCES	3,881,515	14,261,513
FUND BALANCES:		
Beginning of year,	19,573,774	87,459,092
End of year	<u>\$ 23,455,289</u>	<u>\$ 101,720,605</u>

(Concluded)

City of Lakewood
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, 2022

Net changes in fund balances - total governmental funds: \$ 14,261,513

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, \$81,364 reported in Internal Service Funds	\$ 6,858,024	
Depreciation and amortization expense, net of \$31,690 reported in Internal Service Funds	<u>(4,259,513)</u>	2,598,511

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. This is the amount of the net change in these accrued revenue amounts during the current period.	(542,201)
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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:

Issuance of lease payable	(31,616)
Lease, loan and ADA financing payment	243,609
Interest	10,232
Change in compensated absences	169,738
Pension expense of CalPERS Plan, net of pension contribution made after measurement date in the amount of \$3,694,665	3,675,451
Pension expense of PARS Plan, net of pension contribution made during the measurement period in the amount of \$832,656	288,481
OPEB expense, net of OPEB contribution made during the measurement period in the amount of \$533,260	38,284

Internal service funds are used by management to charge the costs of certain activities, such as fleet repair and maintenance, central stores and printing services to individual funds. The net revenue (expense) of these internal service funds are reported as governmental activities (net of \$15,965 allocated to business-type activities).	<u>115,667</u>
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Change in net position of governmental activities	<u><u>\$ 20,827,669</u></u>
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PROPRIETARY FUND FINANCIAL STATEMENTS

City of Lakewood
Statement of Net Position
Proprietary Funds
June 30, 2022

	Business-Type Activities - Water Enterprise Fund	Governmental Activities - Internal Service Funds
ASSETS		
Current assets:		
Cash and investments	\$ 18,481,140	\$ -
Restricted cash and investments:		
Customer deposits	33,063	-
Accounts receivable	1,732,903	-
Accrued revenue	1,104,829	-
Inventories	84,513	118,884
Leases receivable	44,490	-
Total current assets	21,480,938	118,884
Noncurrent assets:		
Leases receivable	985,074	-
Capital assets:		
Capital assets, not being depreciated:		
Land	100,000	-
Water rights	1,834,586	-
Construction in progress	3,499,642	-
Capital assets, being depreciated:		
Source of supply	6,878,096	-
Pumping plant	996,284	-
Water treatment	4,852,172	-
Transmission/distribution	34,548,038	-
General plant	5,884,600	-
Equipment	15,587,209	1,387,500
Less: accumulated depreciation	(39,442,399)	(1,271,051)
Total capital assets	34,738,228	116,449
Total noncurrent assets	35,723,302	116,449
Total assets	57,204,240	235,333
DEFERRED OUTFLOWS OF RESOURCES:		
Deferred outflows of resources related to pensions	674,563	-
Deferred outflows of resources related to OPEB	262,207	-
Total deferred outflows of resources	936,770	-

(Continued)

City of Lakewood
Statement of Net Position (Continued)
Proprietary Funds
June 30, 2022

	Business-Type Activities - Water Enterprise Fund	Governmental Activities - Internal Service Funds
LIABILITIES		
Current liabilities:		
Accounts payable	\$ 2,529,599	\$ 23,597
Retention payable	92,192	-
Accrued liabilities	42,808	10,794
Accrued interest payable	14,254	-
Customer deposit	33,063	-
Unearned revenues	233,676	-
Compensated absences, due within one year	101,630	-
Lease payable, due within one year	853,150	-
Total current liabilities	<u>3,900,372</u>	<u>34,391</u>
Noncurrent liabilities:		
Compensated absences, due in more than one year	101,631	-
Lease payable, due in more than one year	6,106,507	-
Aggregate net pension liability	2,164,491	-
Net OPEB liability	103,233	-
Total noncurrent liabilities	<u>8,475,862</u>	<u>-</u>
Total liabilities	<u>12,376,234</u>	<u>34,391</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows of resources related to pensions	1,466,903	-
Deferred inflows of resources related to OPEB	206,604	-
Deferred inflows of resources related to leases	1,023,543	-
Total deferred inflows of resources	<u>2,697,050</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	27,686,379	116,449
Unrestricted	15,381,347	84,493
Total net position	<u>43,067,726</u>	<u>\$ 200,942</u>
Adjustment to reflect the consolidation of internal service fund activities to the water enterprise fund	<u>(602,134)</u>	
Net position of business-type activities	<u>\$ 42,465,592</u>	

(Concluded)



City of Lakewood
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2022

	Business-Type Activities- Water Enterprise Fund	Governmental Activities - Internal Service Funds
OPERATING REVENUES:		
Metered water sales	\$ 11,830,358	\$ -
Reclaimed water sales	511,741	-
Fire protection	191,489	-
Service initiation and restoration charges	40,725	-
Billing to departments	-	1,488,161
Other revenues	1,213,485	-
Total operating revenues	<u>13,787,798</u>	<u>1,488,161</u>
OPERATING EXPENSES:		
Operations:		
Supply, transmission and distribution	7,906,623	-
Customer service	183,387	-
Administration	1,195,294	-
Operating expenses	-	1,324,839
Depreciation	1,984,743	31,690
Total operating expenses	<u>11,270,047</u>	<u>1,356,529</u>
OPERATING INCOME	<u>2,517,751</u>	<u>131,632</u>
NONOPERATING REVENUES (EXPENSES):		
Investment income	(10,565)	-
Interest expense	(227,260)	-
Total nonoperating revenues (expenses)	<u>(237,825)</u>	<u>-</u>
NET INCOME BEFORE TRANSFERS	2,279,926	131,632
TRANSFERS:		
Transfers out	(1,795,700)	-
Total Transfers	<u>(1,795,700)</u>	<u>-</u>
CHANGES IN NET POSITION	484,226	131,632
NET POSITION:		
Beginning of the year	42,583,500	69,310
End of the year	<u>\$ 43,067,726</u>	<u>\$ 200,942</u>
Changes in net position - Business-type activities	\$ 484,226	
Adjustment to reflect the consolidation of the internal service fund activities related to the Water Enterprise Fund	15,965	
Changes in net position of business-type activities	<u>\$ 500,191</u>	

City of Lakewood
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2022

	Business-Type Activities- Water Enterprise Fund	Governmental Activities - Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	\$ 14,162,178	\$ -
Receipts from interfund services provided	-	1,488,161
Payments to suppliers	(6,106,938)	(1,418,726)
Payments to employees	(2,813,525)	-
Net cash provided by operating activities	5,241,715	69,435
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES:		
Transfers in/(out)	(1,795,700)	-
Due to/(from) other funds	523	-
Net cash (used in) noncapital financing activities	(1,795,177)	-
CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES:		
Acquisition of capital assets	(1,690,263)	(81,364)
Principal paid on leases and loan	(829,191)	-
Interest paid on revenue bonds	(228,960)	-
Net cash (used in) capital and related financing activities	(2,748,414)	(81,364)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Investment income (loss)	(10,565)	-
Net cash (used in) investing activities	(10,565)	-
Net increase (decrease) in cash and cash equivalents	687,559	(11,929)
CASH AND CASH EQUIVALENTS:		
Beginning of year	17,826,644	11,929
End of year	\$ 18,514,203	\$ -
CASH AND CASH EQUIVALENTS:		
Cash and investments	\$ 18,481,140	\$ -
Customer deposit	33,063	-
Total cash and cash equivalents	\$ 18,514,203	\$ -

(Continued)

City of Lakewood
Statement of Cash Flows (Continued)
Proprietary Funds
For the Year Ended June 30, 2022

	Business-Type Activities- Water Enterprise Fund	Governmental Activities - Internal Service Fund
RECONCILIATION OF OPERATING INCOME TO		
NET CASH PROVIDED BY OPERATING ACTIVITIES:		
Operating income	\$ 2,517,751	\$ 131,632
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	1,984,743	31,690
Changes in assets, deferred outflows of resources, liabilities, and deferred inflows of resources:		
(Increase) decrease in accounts receivable	33,114	-
(Increase) decrease in accrued revenue	240,465	-
(Increase) decrease in prepaids	25,667	-
(Increase) decrease in inventories	8,427	(44,490)
(Increase) decrease in lease receivable	45,151	-
(Increase) decrease in deferred outflows of resources related to pensions	14,396	-
Increase (decrease) in accounts payable	893,964	(20,470)
Increase (decrease) in accrued liabilities	(87,028)	(28,927)
Increase (decrease) in customer deposits	(126,854)	-
Increase (decrease) in unearned revenues	233,676	-
Increase (decrease) in compensated absences	(25,619)	-
Increase (decrease) in net pension liability	(1,674,639)	-
Increase (decrease) in net OPEB liability	(83,176)	-
Increase (decrease) in deferred inflows of resources related to pensions	1,219,807	-
Increase (decrease) in deferred inflows of resources related to OPEB	73,042	-
Increase (decrease) in deferred inflows of resources related to leases	(51,172)	-
Total adjustments	<u>2,723,964</u>	<u>(62,197)</u>
Net cash provided by operating activities	<u><u>\$ 5,241,715</u></u>	<u><u>\$ 69,435</u></u>

(Concluded)



FIDUCIARY FUND FINANCIAL STATEMENTS



City of Lakewood
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2022

	Successor Agency to the City of Lakewood Redevelopment Agency Private Purpose Trust Fund	Water Fiduciary Custodial Fund
ASSETS:		
Cash and investments	\$ 1,357,007	\$ -
Total assets	<u>1,357,007</u>	<u>-</u>
LIABILITIES:		
Accounts payable	-	-
Unearned revenues	-	-
Due to the City of Lakewood	16,385,438	-
Total liabilities	<u>16,385,438</u>	<u>-</u>
NET POSITION (DEFICIT):		
Restricted for:		
Held in trust	(15,028,431)	-
Total net position (deficit)	<u>\$ (15,028,431)</u>	<u>\$ -</u>

City of Lakewood
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2022

	Successor Agency to the City of Lakewood Redevelopment Agency Private Purpose Trust Fund	Water Fiduciary Custodial Fund
ADDITIONS:		
Redevelopment property tax trust fund	\$ 1,287,559	\$ -
Investment loss	(382,030)	-
Collections	-	170,974
Total additions	<u>905,529</u>	<u>170,974</u>
DEDUCTIONS:		
Legal expenses	-	170,974
Overhead	759,787	-
Total deductions	<u>759,787</u>	<u>170,974</u>
CHANGE IN NET POSITION	145,742	-
NET POSITION (DEFICIT):		
Beginning of year	(15,174,173)	-
End of year	<u><u>\$ (15,028,431)</u></u>	<u><u>\$ -</u></u>

NOTES TO THE BASIC FINANCIAL STATEMENTS



City of Lakewood
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For the Year Ended June 30, 2022

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City of Lakewood
Notes to the Basic Financial Statements
For the Year Ended June 30, 2022

Note 1 – Reporting Entity

The reporting entity, "City of Lakewood", includes the accounts of the City and the Lakewood Public Financing Authority ("Financing Authority").

The City of Lakewood was incorporated April 16, 1954, under the general laws of the State of California and enjoys all the rights and privileges pertaining to "General Law" cities.

The Lakewood Public Financing Authority was created on December 12, 1995, by a Joint Exercise of Powers Agreement between the City and the former Redevelopment Agency pursuant to the State of California Joint Exercise of Powers Act. The primary purpose of the Financing Authority is assisting in the financing and refinancing of certain public programs and projects of the City or the Agency.

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 if there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the primary government. A primary government may also be 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.

Blended Component Unit

Management determined that the following component unit should be blended based on the criteria above:

Although the following is legally separate from the City, it has been "blended" as though it is part of the City because the component unit's governing body is substantially the same as the City's and there is a financial benefit or burden relationship between the City and the component unit; management of the City has operational responsibilities for the component unit; and/or the component unit provides services entirely, or almost entirely, to the City or otherwise exclusively, or almost exclusively, benefits the City, even though it does not provide services directly to it.

The Finance Authority

- The members of the City Council also act as the governing body of the Financing Authority.
- The Financing Authority is managed by employees of the City. No allocation of the City's salary and overhead expenses are made to the Financing Authority.
- The City and the Financing Authority are financially interdependent. The Financing Authority arranges financing issues for the City. The City pays the debt service on the Financing Authority's financing issues.

No individual financial statements are prepared for the Financing Authority.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 2 – Summary of Significant Accounting Policies

A. Basis of Presentation

Financial statement presentation follows the recommendations promulgated by the Governmental Accounting Standards Board (“GASB”) commonly referred to as accounting principles generally accepted in the United States of America (“U.S. GAAP”). GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting standards.

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

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

Government-Wide Financial Statements

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

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

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

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

Certain eliminations have been made in regards to interfund activities, payables and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities and Changes in Net Position, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated. The following interfund activities have been eliminated:

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

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 2 – Summary of Significant Accounting Policies (Continued)

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

Government Fund Financial Statements

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

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

Revenues are recognized as soon as they are both "measurable" and "available". Revenues are considered to be available when they are collectible within the current period as soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The primary revenue sources, which have been treated as susceptible to accrual by the City, are property taxes, sales tax, intergovernmental revenues 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:

The **General Fund** is used to account for all revenues and activities financed by the City, except those required to be accounted for in another fund.

The **American Rescue Plan Act Special Revenue Fund** is used to account for revenues and activities for American Rescue Plan Act funding which was provided to fund additional relief for individuals and businesses affected by the coronavirus pandemic.

The **Housing Admin and Program Capital Projects Fund** is used to account for the low-and moderate-income housing activities that were transferred to the City upon dissolution of the former Redevelopment Agency.

The **Lakewood Capital Improvements Capital Projects Fund** is used to account for the receipt and disbursement of monies used for the construction of major capital facilities which generally require more than one budgetary cycle to complete. These projects are funded by the General Fund, Gas Tax Special Revenue Fund, and federal and state grants.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 2 – Summary of Significant Accounting Policies (Continued)

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

Proprietary Fund Financial Statements

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

A separate column representing internal service funds is also presented in these statements. However, internal service balances and activities have been combined with the governmental activities in the Government-Wide Financial Statements. The City's internal service funds include two individual funds which provide services directly to other City funds. These areas of service include Central Garage and Print Shop.

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

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

The City reports the following major proprietary fund:

The **Water Enterprise Fund** is used to account for the construction, operation, and maintenance of the City water system.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position and a Statement of Changes in Fiduciary Net Position. The City's fiduciary funds represent agency funds and private purpose trust funds. Both custodial funds and the private purpose trust funds are accounted for on the full accrual basis of accounting.

The City reports the following fiduciary funds:

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

The **Water Custodial Fund** accounts for resources held by the City in custodian capacity for legal proceedings against water JPA with other cities. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. The fund was closed during the year ended June 30, 2022.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 2 – Summary of Significant Accounting Policies (Continued)

C. Cash, Cash Equivalents, and Investments

The City pools its available cash for investment purposes. The City considers pooled cash and investment amounts, with original maturities of three months or less, to be cash equivalents.

Highly liquid market investments with maturities of one year or less at time of purchase are stated at amortized cost. All other investments are stated at fair value. Market value is used as fair value for those securities for which market quotations are readily available. The City reported its investments at fair value and the unrealized loss on investments amounted to \$(2,529,285) for the fiscal year ended June 30, 2022.

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

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

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

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

D. Restricted Cash in Escrow

Cash and investments in escrow are restricted for capital projects retention payments.

E. Fair Value Measurement

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

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 2 – Summary of Significant Accounting Policies (Continued)

F. Receivables

Receivables include such items as taxes, intergovernmental revenues, 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.

G. Inventories

Inventories consist primarily of recreation equipment, maintenance and repair supplies, fuel, and office supplies for the governmental activities. Inventories consist primarily of water pipe, valves, and fittings for the Water Enterprise Fund. Inventories are valued at cost on a weighted average basis.

H. Prepaid Items

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

I. Interfund Transactions

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

J. Land Held for Resale

Land held for resale is recorded at the lower of acquisition cost or net realizable value in the Housing Admin and Program Capital Projects Fund.

K. Leases

Lessee

The City has a policy to recognize a lease liability and a right-to-use asset (lease asset) in the financial statements with an initial, individual value of \$5,000 or more with a lease term greater than one year. Variable payments based on future performance or usage of the underlying assets are not included in the measurement of the lease liability.

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

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 2 – Summary of Significant Accounting Policies (Continued)

K. Leases (Continued)

Lessee (Continued)

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

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

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

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

Lessor

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

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

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

- The City uses the average of the LAIF rate and the incremental borrowing rate (IBR) provided by our financial institution at July 1, 2021 for existing leases or the current rate at the time a new lease is executed.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 2 – Summary of Significant Accounting Policies (Continued)

K. Leases (Continued)

Lessor (Continued)

- The lease term includes the noncancelable period of the lease plus any option periods that are likely to be exercised.
- Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

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

L. Capital Assets

Capital assets, which include land, site improvements, buildings and improvements, equipment and infrastructure assets are reported in the applicable governmental or business-type activities in the accompanying government-wide statement of net position. The City defines infrastructure as the basic physical assets that allow the City to function. The assets include roads, bridges, streetlights, traffic signals and sewer lines. Each major infrastructure system can be divided into subsystems. For example, the street system can be subdivided into pavement, curbs and gutters, sidewalks, medians, streetlights, landscaping and land. These subsystems were not delineated in the basic financial statements. The appropriate operating department maintains information regarding the subsystems.

Capital assets are valued at historical cost or estimated historical cost if actual historical cost was not available. Donated capital assets are valued at their estimated acquisition value on the date donated. City policy has set the capitalization threshold for reporting capital assets at \$5,000 for non-infrastructure assets and \$25,000 for infrastructure assets.

Depreciation is recorded on a straight-line basis over estimated useful lives of the assets as follows:

Buildings	50 years
Building improvements	30 years
Water and sewer lines	50 years
Roads	30 years
Vehicles	7 years
Office equipment	7 years
Computer equipment/software	5 years
Other equipment	7 years

For all infrastructure systems, the City has elected to use the basic approach for infrastructure reporting.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 2 – Summary of Significant Accounting Policies (Continued)

M. Compensated Absences

It is the City's policy to permit employees to accumulate earned but unused vacation and sick leave (compensated absences). All vacation pay and eligible sick leave pay is accrued when incurred in the government-wide and proprietary fund financial statements. Compensated absences are reported in governmental funds only if they matured (i.e. unused reimbursable leave still outstanding following an employee's termination from employment). Typically, the General Fund has been used to liquidate the liability for compensated absences.

Unpaid compensated absences of proprietary funds are recorded as a liability in those funds as the vested benefits to the employees accrue.

N. Pensions

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

The following timeframes are used for pension reporting:

CalPERS

Valuation Date	June 30, 2020
Measurement Date	June 30, 2021
Measurement Period	July 1, 2020 to June 30, 2021

PARS

Valuation Date	July 1, 2021
Measurement Date	June 30, 2022
Measurement Period	July 1, 2021 to June 30, 2022

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 sources 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.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 2 – Summary of Significant Accounting Policies (Continued)

O. Other Postemployment Benefits (“OPEB”) Plan

For the purpose of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the City’s OPEB Plan and additions to/deductions from the OPEB Plan’s fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the OPEB Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments, which are reported at amortized cost.

The following timeframes are reported OPEB reporting:

Valuation Date	July 1, 2021
Measurement Date	June 30, 2022
Measurement Period	July 1, 2021 to June 30, 2022

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. The first amortized amounts are recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The amortization period differs depending on the sources of gain or loss. The difference between projected and actual earnings is amortized on a straight-line basis over five years. All other amounts 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.

P. Long-Term Debt

Government-Wide Financial Statements

Long-term debt and other financial obligations are reported as liabilities in the appropriate funds.

Bond premiums and discounts, as well as gains and losses on refunding, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable premium or discount. Issuance costs are expensed in the year of issuance.

Fund Financial Statements

The fund financial statements do not present long-term debt but are shown in the Reconciliation of the Governmental Funds Balance Sheet to the Government-Wide Statement of Net Position.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 2 – Summary of Significant Accounting Policies (Continued)

Q. Claims and Judgments

When it is probable that a claim liability has been incurred at year-end and the amount of the loss can be reasonably estimated, the City records the estimated loss, net of any insurance coverage under its self-insurance program. Small dollar claims and judgments are recorded as expenditures when paid.

The City's self-insurance program is administered through California Joint Powers Insurance Authority (the "Authority"), which is described in Note 14 to the financial statements. The Authority is a public entity risk pool. Claims losses recorded in the Authority include both current claims and incurred but not reported claims (IBNR). Deposits to the Authority are recorded by the City as insurance expenditures in the General Fund when paid. These deposits are subject to retrospective adjustment. Favorable claims experience in prior years results in a refund of deposits from the Authority and such refunds, if any, are recorded as prepaid items in the General Fund since they will be used to offset future deposit requirements. Adverse claims experience in prior years results in the payment of additional deposits and such deposits, if any, are recorded as insurance expenditures when incurred.

R. 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 a consumption of net assets that applies to future periods.

Deferred Inflows of Resources represent an acquisition of net assets that applies to future periods.

S. Net Position

In governmental-wide and proprietary fund financial statements, net positions are categorized as follows:

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of those assets and retention payable.

Restricted – This component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

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

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

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 2 – Summary of Significant Accounting Policies (Continued)

T. Fund Balances

In governmental fund financial statements, fund balances are categorized as follows:

Nonspendable – Items that cannot be spent because they are not in spendable form, such as prepaid items, inventories, and loans receivable, items that are legally or contractually required to be maintained intact, such as principal of an endowment or revolving loan funds.

Restricted – Restricted fund balances encompass the portion of net fund resources subject to externally enforceable legal restrictions. This includes externally imposed restrictions by creditors, such as through debt covenants, grantors, contributors, laws or regulations of other governments, as well as restrictions imposed by law through constitutional provisions or enabling legislation. The use of proceeds from Housing Admin and Program Capital projects notes receivable is restricted; therefore, it is reported in the restricted fund balance classification.

Committed – Committed fund balances encompass the portion of net fund resources, the use of which is constrained by limitations that the government imposes upon itself at its highest level of decision making, normally the governing body, and that remain binding unless removed in the same manner. The City Council is considered the highest authority for the City. Adoption of a resolution by the City Council is required to commit resources or to rescind the commitment. The amount for economic uncertainties is computed as 20% of the General Fund's annual operating expenditures. Economic uncertainties are held to offset major or unexpected reductions in revenue. Reduction in revenue equal to or greater than 10% would trigger the use of these funds to support core city services.

Assigned – Assigned fund balances encompass the portion of net fund resources reflecting the government's intended use of resources. Assignment of resources can be done by the highest level of decision making or by a committee or official designated for that purpose. The City Council has by resolution authorized the City Manager to assign fund balance. The City Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriation in the subsequent year's appropriated budget.

Unassigned – This amount is for any portion of the fund balances that do not fall into one of the above categories. The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, it is not appropriate to report a positive unassigned fund balance amount. However, in governmental fund other than General Fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the City's policy is to apply restricted fund balance first. Further, when the components of unrestricted fund balance can be used for the same purpose, the City uses the unrestricted resources in the following order: committed, assigned, and unassigned. The description of each fund balance category is listed in the City's adopted Governmental Fund Balance Policy.

U. Property Taxes

Property taxes are levied on March 1 and are payable in two installments: November 1 and February 1 of each year. Property taxes become delinquent on December 10 and April 10, for the first and second installments, respectively. The lien date is January 1. The County of Los Angeles, California (County) bills and collects property taxes and remits them to the City according to a payment schedule established by the County.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 2 – Summary of Significant Accounting Policies (Continued)

U. Property Taxes (Continued)

The County is permitted by State law to levy taxes at 1% of full market value (at time of purchase) and can increase the property tax rate no more than 2% per year or the current CPI, whichever is less. The City receives a share of this basic tax levy proportionate to what it received during the years 1980-1981.

Property tax revenue is recognized in the fiscal year for which the taxes have been levied, provided the taxes are received within 60 days after the end of the fiscal year. Property taxes received after this date are not considered available as a resource that can be used to finance the current year operations of the City and, therefore, are not recorded as revenue until collected.

No allowance for doubtful accounts was considered necessary.

V. Use of Estimates

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

W. Implementation of New GASB Pronouncements

GASB Statement No. 87 – In June 2017, GASB issued Statement No. 87, *Leases* (GASB Statement No. 87), to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It also establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Implementation of this Statement had a significant effect on the City's financial statements for the fiscal year ended June 30, 2022.

GASB Statement No. 89 – In June 2018, GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. Such interest cost includes all interest that previously was accounted for in accordance with the requirements of paragraphs 5–22 of Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements, which are superseded by this Statement. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. Implementation of this Statement did not have a significant effect on the City's financial statements for the fiscal year ended June 30, 2022.

GASB Statement No. 92 – In January 2020, GASB issued Statement No. 92, *Omnibus 2020*. The primary objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. Implementation of this Statement did not have a significant effect on the City's financial statements for the fiscal year ended June 30, 2022.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 2 – Summary of Significant Accounting Policies (Continued)

W. Implementation of New GASB Pronouncements (Continued)

GASB Statement No. 93 – In March 2020, GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. Some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR)—most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. Implementation of this Statement did not have a significant effect on the City's financial statements for the fiscal year ended June 30, 2022.

GASB Statement No. 97 – In June 2020, GASB issued Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32*. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. Implementation of this Statement did not have a significant effect on the City's financial statements for the fiscal year ended June 30, 2022.

Note 3 – Cash and Investments

At June 30, 2022, cash and cash investments 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	\$ 108,428,589	\$ 1,357,007	\$ 109,785,596
Restricted assets:			
Cash in escrow	577,569	-	577,569
Cash and investments	33,063	-	33,063
Total cash and investments	\$ 109,039,221	\$ 1,357,007	\$ 110,396,228

At June 30, 2022, cash and investments consisted of the following:

Deposits with financial institution	\$ 5,297,463
Petty cash	2,700
Investments	105,096,065
Total cash and investments	\$ 110,396,228

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 3 – Cash and Investments (Continued)

A. Demand Deposits

The carrying amount of the City's cash deposits were \$5,297,463 at June 30, 2022. Bank balances before reconciling items were \$5,848,572 at that date, the total amount of which was insured or collateralized with securities held by the pledging financial institutions in the City's name as discussed below.

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

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

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

Authorized Investment Type	Maximum Maturity	Maximum Percentage Allowed	Maximum Investments in One Issuer
United States Treasury Bills, Bonds and Notes	5 Years	None	None
United States Government Sponsored Enterprise Securities	5 Years	None	None
Municipal Obligations	5 Years	None	None
Negotiable Certificates of Deposit	5 Years	30%	None
Placement Service Deposits	N/A	30%	None
Money Market Funds	N/A	20%	10%
Government Pools	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Los Angeles County Pooled Fund	N/A	None	None
Commercial paper	270 days	25%	None
Corporate Notes	5 Years	30%	None
Supranationals	5 Years	30%	None
Asset-Backed Securities	5 Years	20%	None

N/A - Not Applicable

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 3 – Cash and Investments (Continued)

C. Investments Authorized by Debt Agreement

Investments of debt proceeds held by bond trustee are governed by provisions of the debt agreements, rather than the general provisions of the California Government Code or the City's investment policy. Investments authorized for funds held by bond trustee include, United States Treasury Obligations, United States Government Sponsored Agency Securities, Certificates of Deposits, Commercial Paper, Local Agency Bonds, Banker's Acceptance, Money Market Mutual Funds, Investment Agreements, Repurchase Agreements, Local Agency Investment Fund of the State of California and any other investments permitted in writing by bond insurer. There were no limitations on the maximum amount that can be invested in one issuer, maximum percentage allowed or the maximum maturity of an investment.

D. Risk Disclosures

Disclosures Relating to Interest Rate Risk

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

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

Investment Type	Remaining Maturity (In Months)					Total
	12 Months or Less	13-24 Months	25-36 Months	37-48 Months	49-60 Months	
Local Agency Investment Fund	\$ 64,950,269	\$ -	\$ -	\$ -	\$ -	\$ 64,950,269
United States treasury notes	725,876	6,514,763	2,500,738	4,728,974	3,944,960	18,415,311
United States government-sponsored agency securities	-	802,536	1,927,922	537,750	-	3,268,208
Municipal bonds	-	668,880	867,269	381,614	105,366	2,023,129
Supra-national agency notes	660,521	539,745	363,833	-	-	1,564,099
CAMP cash reserve portfolio	2,417,588	-	-	-	-	2,417,588
Corporate medium-term notes	805,435	3,372,665	4,732,584	1,332,705	2,214,072	12,457,461
Total	\$ 69,559,689	\$ 11,898,589	\$ 10,392,346	\$ 6,981,043	\$ 6,264,398	\$ 105,096,065

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 3 – Cash and Investments (Continued)

D. Risk Disclosures (Continued)

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the City's investment policy, or debt agreements, and the actual rating, by Standard and Poor's, as of June 30, 2022 for each investment type:

Investment Type	Fair Value as of June 30, 2022	Minimum Legal Rating	AAA	AA	A	Not Rated
Local Agency Investment Fund	\$ 64,950,269	N/A	\$ -	\$ -	\$ -	\$ 64,950,269
United States treasury notes	18,415,311	N/A	-	18,415,311	-	-
United States government-sponsored agency securities	3,268,208	N/A	-	3,268,208	-	-
Municipal bonds	2,023,129	AA	670,522	1,352,607	-	-
Supra-national agency notes	1,564,099	AA	1,564,099	-	-	-
CAMP cash reserve portfolio	2,417,588	A	2,417,588	-	-	-
Corporate medium-term notes	12,457,461	A or A-*	2,806,300	1,313,759	8,337,402	-
Total	\$ 105,096,065		\$ 7,458,509	\$ 24,349,885	\$ 8,337,402	\$ 64,950,269

N/A - Not Applicable

*Purchases are limited to securities rated in a rating category of "A" for long-term or "A-" for short term.

Disclosures Relating to 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.

No investments in any one issuer represents 5% or more of total City's investments at June 30, 2022.

Disclosures Relating to Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counter party, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All securities, with the exception of LAIF and other pooled investments, are held by a third-party custodian.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 3 – Cash and Investments (Continued)

E. Fair Value Measurement Disclosure

At June 30, 2022, investments are reported at fair value. The following table presents the fair value measurement of investments on a recurring basis and the levels within GASB 72 fair value hierarchy in which the fair value measurements fall at June 30, 2022:

Investment Type	Measurement Input			Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Uncategorized	
Local Agency Investment Fund	\$ -	\$ -	\$ 64,950,269	\$ 64,950,269
United States treasury notes	18,415,311	-	-	18,415,311
United States government-sponsored agency securities	-	3,268,208 ⁽¹⁾	-	3,268,208
Municipal bonds	-	2,023,129 ⁽¹⁾	-	2,023,129
Supra-national agency notes	-	1,564,099 ⁽¹⁾	-	1,564,099
CAMP cash reserve portfolio	-	-	2,417,588	2,417,588
Corporate medium-term notes	-	12,457,461 ⁽¹⁾	-	12,457,461
Total	\$ 18,415,311	\$ 19,312,897	\$ 67,367,857	\$ 105,096,065

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

F. Investment in Local Agency Investment Fund (LAIF)

The City is a participant in LAIF which is regulated by California Government Code Section 16429 under the oversight of the Treasurer of the State of California. The City's investments in LAIF at June 30, 2022 included a portion of pool funds invested in Structure 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, the bulk of which are mortgage-backed securities, entitle their purchasers to receive a share of the cash flows from pool of assets such as principal and interest repayments from a pool of mortgages (such as Collateralized Mortgage Obligations) or credit card receivables.

As of June 30, 2022, the City had \$64,950,269 invested in LAIF, which had invested 1.88% of the pool investment funds in Structured Notes and Asset-Back Securities. LAIF determines fair value on its investment portfolio based on market quotations for those securities where market quotations are readily available and based on amortized cost or best estimate for those securities where market value is not readily available. LAIF is reported at amortized cost, which approximates fair value.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 3 – Cash and Investments (Continued)

G. Investment in California Asset Management Program

The City is a voluntary participant in the California Asset Management Program (“CAMP”), a California joint powers authority established in 1989 by the treasurers and finance directors of several California local agencies. CAMP offers its shareholders a California Asset Management Trust (“Trust”) Cash Reserve Portfolio, a short-term money market portfolio. The Trust's activities are directed by a board of trustees, all of whom are employees of California public agencies which are participants in the Trust. The Trust's investments are limited to investments permitted by subdivisions (a) to (o), inclusive, of Section 53601 of the California Government Code. The City's investment in the CAMP cash reserve portfolio is reported at amounts based upon the City's pro-rata share of the portfolio's amortized cost (which approximates fair value) as provided by CAMP. The balance available for withdrawal is based on the accounting records maintained by CAMP, which are recorded on an amortized cost basis.

Note 4 – Notes Receivable

At June 30, 2022, notes receivable consisted of the following:

	Government-Wide Financial Statements
	<u>Governmental Activities</u>
Home Improvement Loan Program	\$ 2,370,230
Total notes receivable	<u><u>\$ 2,370,230</u></u>

The former Redevelopment Agency made deferred loans to senior citizens, the physically handicapped, and low- and moderate-income residents which are not repaid until the title to the property changes. In Fiscal year 1996-97, the former Redevelopment Agency began to use Redevelopment Agency low and moderate housing 20% set-aside funds to provide housing rehabilitation loans to eligible applicants. The rehabilitation loans were made from the former Redevelopment Agency's low and moderate housing 20% set-aside funds. The loans were transferred to the Housing Admin and Program Capital Projects Fund on February 1, 2012, the effective date of the former Redevelopment Agency dissolution, since the City had accepted the role of being the Successor Housing Agency. The balance of these loans totaled \$1,857,676 at June 30, 2022.

The City makes deferred loans to senior citizens, the physically handicapped, and low- and moderate-income residents which are not repaid until the title to the property changes. Through fiscal year 1997-98 and 2012-13, the City also used Housing and Community Development Block Grant (CDBG) funds to provide these loans. The rehabilitation loans made from CDBG funds and all HUD cash held for rehabilitation loans are reflected in the Housing Rehabilitation Agency Fund. Since the Department of Housing and Urban Development has a claim to any funds remaining when the program is terminated, these funds are reported as "Due to HUD" in the Agency Fund. The principal balance outstanding at June 30, 2022 was \$512,554.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 5 – Leases Receivable and Lease-Related Deferred Inflows of Resources

The City leases various types of property including land and buildings. Leases receivable consist of agreements with other entities for the “right-to-use” the underlying assets at various locations owned by the City. The remaining terms of the agreements range from 2 to 36 years. The interest rates used calculated the net present value of the lease receivable ranged from 1% to 1.5%.

For the fiscal year ended June 30, 2022, the City recognized \$426,097 in lease revenue and \$12,881 in interest revenue, and the outstanding net present value of the lease receivable amount is \$2,708,845.

A. Governmental Activities

A summary of changes in lease receivable for the governmental activities for the year ended June 30, 2022 is as follows:

Balance July 1, 2021 (as restated)	Addition	Reductions	Balance June 30, 2022	Amounts due within one year	Amounts due in more than one year
\$ 2,060,227	\$ -	\$ (380,946)	\$ 1,679,281	\$ 386,631	\$ 1,292,650

At June 30, 2022, the required payments for these leases, including interest, are:

	NPV leases receivables	Interest	Total lease payments
2023	\$ 386,631	\$ 15,027	\$ 401,658
2024	291,885	11,336	303,221
2025	151,614	9,297	160,911
2026	130,531	7,895	138,426
2027	131,842	6,584	138,426
2028-2032	586,778	13,068	599,846
Total	<u>\$1,679,281</u>	<u>\$ 63,207</u>	<u>\$1,742,488</u>

At June 30, 2022, the amounts reported as deferred inflows of resources related to leases will be recognized as lease revenue as follows:

Year Ending June 30,	Amount
2023	\$ 387,806
2024	298,315
2025	150,909
2026	130,191
2027	130,191
2028-2032	<u>575,010</u>
Total	<u>\$ 1,672,422</u>

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 5 – Leases Receivable and Lease-Related Deferred Inflows of Resources (Continued)

B. Business-Type Activities

A summary of changes in lease receivable for the business-type activities for the year ended June 30, 2022 is as follows:

Balance July 1, 2021 (as restated)	Addition	Reductions	Balance June 30, 2022	Amounts due within one year	Amounts due in more than one year
\$ 1,074,715	\$ -	\$ (45,151)	\$ 1,029,564	\$ 44,490	\$ 985,074

At June 30, 2022, the required payments for these leases, including interest, are:

	NPV leases receivables	Interest	Total lease payments
2023	\$ 44,490	\$ 15,139	\$ 59,629
2024	45,123	14,506	59,629
2025	45,843	13,786	59,629
2026	46,536	13,093	59,629
2027	47,239	12,390	59,629
2028-2032	247,056	51,089	298,145
2033-2037	129,801	36,117	165,918
2038-2042	89,912	28,504	118,416
2043-2047	96,913	21,503	118,416
2048-2052	104,453	13,962	118,415
2053-2057	112,597	5,819	118,416
2058	19,601	160	19,761
Total	<u>\$1,029,564</u>	<u>\$ 226,068</u>	<u>\$1,255,632</u>

At June 30, 2022, the amounts reported as deferred inflows of resources related to leases will be recognized as lease revenue as follows:

Year Ending June 30,	Amount
2023	\$ 51,175
2024	51,175.00
2025	51,175.00
2026	51,175.00
2027	51,175.00
2028-2032	255,875.00
2033-2037	132,486.00
2038-2042	91,034.00
2043-2047	91,034.00
2048-2052	91,034.00
2053-2057	91,034.00
2058	15,171.00
Total	<u>\$ 1,023,543</u>

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 6 – Interfund Transactions

A. Due From and To Other Funds

At June 30, 2022, the City has the following due from and to other funds:

		Due To Other Funds
		Nonmajor Governmental Funds
Due From Other Funds		
Governmental Funds:		
General Fund		\$ 1,095,641

These interfund balances represent routine short-term cash flow assistance.

B. Transfers In and Out

During the year ended June 30, 2022, the City had the following transfers in and transfers out:

		Transfers In
		Governmental Funds
Transfers Out		General Fund
Governmental Funds:		
Capital Projects Fund	\$ 200,000	
Lakewood Capital Improvements		
Capital Projects Fund	449	
Nonmajor Governmental Funds	1,858,673	
Enterprise Fund:		
Water	1,795,700	
	\$ 3,854,822	

Transfers provided funding for capital projects, capital acquisitions, and debt service.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 7 – Land Held for Resale

At June 30, 2022, land held for resale consisted of the following:

Location/Address	Amount	Use of Property
20529 Pioneer Boulevard	\$ 129,557	Vacant. Future affordable housing development site
20525 Pioneer Boulevard	375,445	Vacant. Future affordable housing development site
11643 207th St	413,650	Affordable Housing
11647 207th St	413,650	Affordable Housing
11644 206th St	526,000	Affordable Housing
20920 Roseton Ave	257,000	Affordable Housing
11649 207th St	320,000	Affordable Housing
11610 207th St	262,500	Vacant Land
11618 207th St	262,500	Vacant Land
Total	\$ 2,960,302	

Note 8 – Receivable from Successor Agency

At June 30, 2022, the receivables from Successor Agency are as follows:

	General Fund	Housing Admin and Program Capital Projects Fund	Total
Inter-Agency Loan	\$ 10,484,906	\$ 2,621,228	\$ 13,106,134
10-Year Interfund Loan		90,491	90,491
5-Year Loan	-	2,103,503	2,103,503
Housing Set-Aside Fund	-	1,085,310	1,085,310
	\$ 10,484,906	\$ 5,900,532	\$ 16,385,438

Upon dissolution of former Lakewood Redevelopment Agency, the amount due by the former Lakewood Redevelopment Agency to the City was \$30,950,525. Under AB 1X26, the Successor Agency was only able to list as enforceable obligation the amount of the *initial* City Loan for the plan area, which was \$382,000. This obligation is payable in 10 annual payments of \$38,200. During the year ended June 30, 2022, the *initial* City Loan was paid off. Subsequent legislation, AB1484, allowed interest for the City loans to be recalculated at the LAIF rate over the life of the loan. The outstanding interest on the City loan using the LAIF interest rate calculation is \$2,612,099, of which, 80% are allocated to General Fund and 20% are allocated to the City's Housing Admin & Program Capital Projects Fund. Due to the Due Diligence Review called for under AB 1X26, the City reduced the amount receivable to the amount allowable, which resulted in the Successor Agency recognizing an extraordinary gain of \$27,956,419 in the statement of changes in fiduciary net position. Pursuant Health and Safety (HSC) Section 34179.7, the Oversight Board approves the Successor Agency's Finding of Completion on December 10, 2016; therefore, the City's General Fund loaned to the Successor Agency an additional \$9,400,000 to make its payment under Protest for Department of Finance Determination of Other Funds and Accounts Due Diligence Review. Pursuant to HSC Section 34191.6 (2), the Last and Final Recognized Obligation Payment Schedule shall include an interest rate of 4 percent. The City performed interest rate adjustment based on four percent interest rate and reallocated to General Fund and the City's Housing Admin & Program Capital Projects Fund.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 8 – Receivable from Successor Agency (Continued)

At June 30, 2022, the total principal and interest due to the City General Fund and Housing Admin & Program Capital Projects Fund were in the amount of \$10,484,906 and \$2,621,228, respectively.

On April 14, 2005, the Agency Board approved a 10-year interfund loan from the Capital Projects Fund to the Debt Service Fund to provide partial funding for the required payment to the County of Los Angeles' Educational Revenue Augmentation Fund for the year ended June 30, 2005. No interest accrues on this loan and annual installments of \$22,623 commenced May 10, 2006. The loan balance at June 30, 2022 was \$90,491. The loan was transferred to the Successor Agency and the asset side was transferred to the Housing Admin & Program Capital Projects Fund as of the date of the dissolution of the Agency in accordance with Assembly Bill 1X26.

On February 9, 2011, the Agency Board approved a 5-year loan from the Capital Projects Fund to the Debt Service Fund to provide funding for the required payment to the County of Los Angeles' Supplemental Educational Revenue Augmentation Fund. On January 25, 2012, the Agency Board approved a second 5-year loan from the Capital Projects Fund to the Debt Service Fund for similar purposes. No interest accrues on these loans and the loans must be repaid on or before June 30, 2015 and 2016, respectively. The total loan balance at June 30, 2022 was \$2,103,503. The liability side of this loan was transferred to the Successor Agency and the asset side was transferred to the Housing Admin & Program Capital Projects Fund as of the date of the dissolution of the Agency in accordance with Assembly Bill 1X26.

California Health and Safety Code Section 33334.6 requires that Redevelopment Agencies set aside 20% of the annual tax increment proceeds for the benefit of low- and moderate-income housing. However, an Agency may defer the set-aside of 20% if it determines that the tax increment required to be deposited is necessary for the orderly and timely completion of programs approved by the Agency prior to January 1, 1986. The Agency made such a determination to defer the deposit of \$1,383,310 of tax increment into the Housing Set-Aside Fund. The Agency has adopted a plan for repayment of this Housing Set-Aside Fund deficit. The Agency did not make a payment towards this deficit since the year ended June 30, 2015, as this deficit was not considered an enforceable obligation under Assembly Bill 1X26, the deficit total remains at \$1,085,310; however, under subsequent legislation, AB1484, this deficit is now considered an enforceable obligation and payments from the Successor Agency are allowed to commence in fiscal year 2013-14 to the City's Housing Admin & Program Capital Projects Fund.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 9 – Capital Assets

A. Governmental Activities

A summary of changes in capital assets of the governmental activities for the year ended June 30, 2022 is as follows:

	Balance July 1, 2021 (As Restated)	Additions	Deletions	Reclassification	Balance June 30, 2022
Capital assets, not being depreciated:					
Land	\$ 17,041,023	\$ -	\$ -	\$ -	\$ 17,041,023
Construction in progress	36,716,255	6,469,485	-	(96,539)	43,089,201
Total capital assets, not being depreciated	53,757,278	6,469,485	-	(96,539)	60,130,224
Capital assets, being depreciated:					
Structures and improvements	51,425,631	-	-	38,000	51,463,631
Equipment	9,030,084	438,287	(51,170)	-	9,417,201
Infrastructure	155,589,146	-	-	58,539	155,647,685
Total capital assets, being depreciated	216,044,861	438,287	(51,170)	96,539	216,528,517
Less accumulated depreciation for:					
Structures and improvements	(28,070,294)	(1,109,173)	-	-	(29,179,467)
Equipment	(7,911,460)	(418,320)	51,170	-	(8,278,610)
Infrastructure	(117,320,385)	(2,723,750)	-	-	(120,044,135)
Total accumulated depreciation	(153,302,139)	(4,251,243)	51,170	-	(157,502,212)
Lease assets:					
Infrastructure	165,351	31,616	-	-	196,967
Total lease assets	165,351	31,616	-	-	196,967
Less accumulated amortization for:					
Infrastructure	-	(39,960)	-	-	(39,960)
Total accumulated amortization	-	(39,960)	-	-	(39,960)
Total capital assets, lease assets, being depreciated, net	62,908,073	(3,821,300)	-	96,539	59,183,312
Governmental activities capital assets, net	\$ 116,665,351	\$ 2,648,185	\$ -	\$ -	\$ 119,313,536

Depreciation and amortization expenses were charged to City functions/programs as follows:

General government	\$ 194,475
Public safety	56,787
Transportation	90,683
Community development	113,571
Culture and leisure	1,040,287
Unallocated depreciation for infrastructure	2,723,750
Internal service funds depreciation charged to programs	31,690
Lease assets amortization	39,960
Total depreciation/amortization expense - governmental activities	\$ 4,291,203

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 9 – Capital Assets (Continued)

B. Business-Type Activities

A summary of changes in capital assets of the business-type activities for the year ended June 30, 2022 is as follows:

	Balance July 1, 2021	Additions	Deletions	Reclassification	Balance June 30, 2022
Capital assets, not being depreciated:					
Land	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
Water rights	1,834,586	-	-	-	1,834,586
Construction in progress	2,315,068	1,536,813	-	(352,239)	3,499,642
Total capital assets, not being depreciated	4,249,654	1,536,813	-	(352,239)	5,434,228
Capital assets, being depreciated:					
Source of supply	6,789,257	88,839	-	-	6,878,096
Pumping plant	996,284	-	-	-	996,284
Water treatment	4,852,172	-	-	-	4,852,172
Transmission/distribution	34,548,038	-	-	-	34,548,038
General plant and equipment	20,984,303	135,267	-	352,239	21,471,809
Total capital assets, being depreciated	68,170,054	224,106	-	352,239	68,746,399
Less accumulated depreciation for:					
Source of supply	(3,697,655)	(148,013)	-	-	(3,845,668)
Pumping plant	(643,175)	(22,475)	-	-	(665,650)
Water treatment	(3,727,716)	(228,571)	-	-	(3,956,287)
Transmission/distribution	(21,939,396)	(895,199)	-	-	(22,834,595)
General plant and equipment	(7,449,714)	(690,485)	-	-	(8,140,199)
Total accumulated depreciation	(37,457,656)	(1,984,743)	-	-	(39,442,399)
Total capital assets, being depreciated, net	30,712,398	(1,760,637)	-	352,239	29,304,000
Business-type activities capital assets, net	\$ 34,962,052	\$ (223,824)	\$ -	\$ -	\$ 34,738,228

Depreciation expense was charged to the Water Enterprise Fund in the amount of \$1,984,743 for the year ended June 30, 2022.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 10 – Long-Term Liabilities

A. Governmental Activities

A summary of changes in long-term liabilities for governmental activities for the year ended June 30, 2022 is as follows:

	Balance July 1, 2021 (As Restated)	Additions	Deletions	Balance June 30, 2022	Due within One Year	Due in More Than One Year
Governmental Activities:						
Direct Borrowing:						
Loan payable	\$ 47,139	\$ -	\$ (47,139)	\$ -	\$ -	\$ -
ADA financing program	459,968	-	(150,893)	309,075	154,952	154,123
Lease payable	165,351	31,616	(45,577)	151,390	46,289	105,101
Compensated absences	2,031,036	783,758	(953,496)	1,861,298	930,649	930,649
Total governmental activities	\$ 2,703,494	\$ 815,374	\$ (1,197,105)	\$ 2,321,763	\$ 1,131,890	\$ 1,189,873

Loan Payable

The City has a lease agreement for the acquisition of a helicopter. Total equipment acquired through finance purchase amounted to \$278,121. The lease was paid off during the year ended June 30, 2022.

The asset acquired through finance purchase is as follows:

	Governmental Activities
Assets	
Equipment	\$ 278,121
Less: accumulated depreciation	(258,255)
Total	<u>\$ 19,866</u>

ADA Financing Program

In April 2019, the City entered into a lease financing agreement with the California Joint Powers Insurance Authority (the "CJPIA"). Pursuant to the agreement, CJPIA leased the City \$750,000 for its participation in the ADA Financing Program which involves a lease and lease-back of certain real property and improvements thereon owned by the City with a value that is not less than the amount of funds to be advanced by CJPIA to the City to finance costs of the ADA Improvements under the ADA Financing Program. The lease is unsecured and bear an interest of 2.69% per annum. The term of the lease is five years from the initial lease disbursement date which occurred on April 1, 2019. Principal payments are due annually commencing five years from the date of the initial lease disbursement in an amount.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 10 – Long-Term Liabilities (Continued)

A. Governmental Activities (Continued)

ADA Financing Program (Continued)

The debt service requirements to maturity are as follows:

Year Ending June 30	Principal	Interest	Total
2023	\$ 154,952	\$ 8,449	\$ 163,401
2024	154,123	4,278	158,401
Total	<u>\$ 309,075</u>	<u>\$ 12,727</u>	<u>\$ 321,802</u>

Lease Payable

The City has entered leases for the right of way leases. The terms of the agreements are 60 months. The calculated interest rate used was 1% at June 30, 2022, the outstanding balance of the leases is \$151,390.

Principal and interest payments to maturity at June 30, 2022 are as follows:

Year Ending June 30,	Principal	Interest	Total
2023	\$ 46,289	\$ 3,661	\$ 49,950
2024	48,186	1,051	49,237
2025	50,143	571	50,714
2026	6,772	68	6,840
Total	<u>\$ 151,390</u>	<u>\$ 5,351</u>	<u>\$ 156,741</u>

Compensated Absences

There is no fixed payment schedule for earned but unpaid compensated absences.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 10 – Long-Term Liabilities (Continued)

A. Business-Type Activities

Summary of changes in long-term liabilities for business-type activities for the year ended June 30, 2022 is as follows:

	Balance July 1, 2021	Additions	Deletions	Balance June 30, 2022	Due within One Year	Due in More Than One Year
Business-type Activities:						
Direct Borrowing:						
2015 Photovoltaic system lease and sublease agreements	\$ 535,538	\$ -	\$ (264,411)	\$ 271,127	\$ 271,127	\$ -
2017 Master equipment lease/ purchase agreement	7,253,310	-	(564,780)	6,688,530	582,023	6,106,507
Compensated absences	228,880	96,734	(122,353)	203,261	101,630	101,631
Total business-type activities	\$ 8,017,728	\$ 96,734	\$ (951,544)	\$ 7,162,918	\$ 954,780	\$ 6,208,138

2015 Photovoltaic System Lease and Sublease Agreements

On May 25, 2015, the City entered into the \$1,990,000 Photovoltaic System Lease and Sublease Agreements with CLP Holdings Inc. to refund the 2008 Water Revenue Bonds. The current refunding resulted in an economic gain in the amount of \$194,632 and saving in debt service payments in the amount of \$520,579. The current refunding resulted in no deferred gains or losses as the bond proceeds were sufficient to cover repayment of 2008 Water Revenue Bonds, the interest due, and issuance cost in the 2015 Photovoltaic System Lease and Sublease Agreements.

Principal payments on the capital lease are due annually each April 1, commencing April 1, 2011. The bonds were sold through a negotiated sale and bears interest at a rate of 2.54%. Interest payments are payable semi-annually on April 1 and October 1.

The future annual required lease payments at June 30, 2022, are as follows:

Year Ending June 30	Principal	Interest	Total
2023	\$ 271,127	\$ 6,887	\$ 278,014

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 10 – Long-Term Liabilities (Continued)

B. Business-Type Activities (Continued)

2017 Master Equipment Lease/Purchase Agreement

On May 23, 2017, the City entered the \$8,965,667 Master Lease/Purchase Agreement with Fathom Water Management, Inc. for the City's water operation and replacement of water meter throughout out the City. The contract rate for the lease is 3.030% and the taxable rate is 4.7456%.

Principal and interest payments on the capital lease are due annually each June 13 and December 13, commencing June 13, 2018.

The future annual required lease payments at June 30, 2022, are as follows:

Year Ending June 30	Principal	Interest	Total
2023	\$ 582,023	\$ 198,286	\$ 780,309
2024	599,791	198,286	798,077
2025	618,103	162,207	780,310
2026	636,973	143,336	780,309
2027	656,420	123,890	780,310
2028-2032	3,595,220	306,326	3,901,546
Total	<u>\$ 6,688,530</u>	<u>\$ 1,132,331</u>	<u>\$ 7,820,861</u>

Note 11 – Defined Contribution Plan

The City provides a tax qualified retirement savings plan under Section 401(a) of the Internal Revenue Code to classic employees hired before December 31, 2012. The plan is a defined contribution plan and benefits depend solely on amounts contributed to the plan and investment earnings. The plan is administered by the Public Agency Retirement System ("PARS") and the City Council has the authority for establishing and amending the plan provisions. There were 84 employees covered by the plan for the year ended June 30, 2022. Employer lump sum contributions are based on an employee's tier of eligibility. Depending on the limits and requirements of the eligible tier, the City will contribute certain amounts equivalent to an employee's eligible unused accrued vacation time, compensatory time, floating holidays, sick leave and administrative leave. Employee contributions are mandatory and are also based on an employee's tier of eligibility. The amount of the mandatory employee contribution will depend on the limits and requirements of the tier which take into consideration an employee's longevity, merit adjustments and prescribed plan percentages. For the year ended June 30, 2022, there were 72 employees covered by the plan and the employer contributions totaled \$102,877.

The City also provides a tax qualified retirement savings plan under Section 401(a) of the Internal Revenue Code to all full-time employees. This plan is administered by VOYA. Employer contributions are for pay-offs for administrative leave, compensation pay, gatekeeper pay, and sick leave. Bonus pay (if any) will be contributed into the plan as well. Longevity pay are contributed into the plan based on the employees' tier and year of service with the City. The last contribution is the vacation conversion which is the amount of vacation above the employees' maximum hours. For the year ended June 30, 2022, there were 162 employees covered by the plan and the employer contributions totaled \$384,131.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 12 – Defined Benefit Pension Plan

Summary of changes in deferred outflows of resources related to pension, net pension liabilities, and deferred inflows of resources related to pension for both governmental activities and business-type activities for the year ended June 30, 2022 are as follows:

Governmental Activities	Governmental Activities	Business-Type Activities	Total
Deferred outflows of resources:			
Pension contribution after measurement date:			
CalPERS	\$ 3,964,665	\$ 440,518	\$ 4,405,183
Change in assumptions:			
PARS	122,335	13,593	135,928
Difference between expected and actual experience			
CalPERS	639,004	71,001	710,005
Difference in projected and actual earnings on pension investments:			
PARS	1,345,057	149,451	1,494,508
Total deferred outflows of resources	\$ 6,071,061	\$ 674,563	\$ 6,745,624
Net pension liabilities:			
CalPERS	\$ 15,460,573	\$ 1,717,841	\$ 17,178,414
PARS	4,019,849	446,650	4,466,499
Total net pension liabilities	\$ 19,480,422	\$ 2,164,491	\$ 21,644,913
Deferred inflows of resources:			
Difference between expected and actual experience			
CalPERS	\$ 595,615	\$ 66,180	\$ 661,795
PARS	1,299,765	144,418	1,444,183
Difference in projected and actual earnings on pension investments:			
CalPERS	11,306,742	1,256,305	12,563,047
Total deferred inflows of resources	\$ 13,202,122	\$ 1,466,903	\$ 14,669,025
Pension Expense:			
CalPERS	\$ 289,214	\$ 32,135	\$ 321,349
PARS	544,175	60,464	604,639
Total pension expense	\$ 833,389	\$ 92,599	\$ 925,988

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 12 – Defined Benefit Pension Plan (Continued)

A. CalPERS Plan

General Information about the Pension Plan

Plan Description

The City contributes to the California Public Employees' Retirement System ("CalPERS"), an agent multiple-employer public employee defined benefit pension plan. CalPERS acts as a common investment and administrative agent for participating public entities within the State of California. Benefit provisions and all other requirements are established by state statute and City ordinance. A full description of the pension plan regarding number of employees covered, benefit provisions, assumptions (for funding, but not accounting purposes), and membership information are listed in the Annual Actuarial Valuation Report. This report and CalPERS' audited financial statements are publicly available reports that can be obtained at CalPERS' website under Forms and Publications.

Benefit Provided

CalPERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. A classic CalPERS member becomes eligible for service retirement upon attainment of age 55 with at least 5 years of credited service. During the year ended June 30, 2013, the California's Public Employees' Pension Reform Act ("PEPRA") went into effect. Employees hired after January 1, 2013 who are new to the CalPERS system are part of the PEPRA plan. PEPRA members become eligible for service retirement upon attainment of age 62 with at least 5 years of service. The service retirement benefit is a monthly allowance equal to the product of the benefit factor, years of service, and final compensation. The final compensation is the highest 36 or 12 consecutive months' full-time equivalent monthly pay. Retirement benefits for classic employees are calculated as 2% of the average final 12 months compensation. Retirement benefit for PEPRA employees are calculated as 2% of the average final 36 months compensation.

Participant is eligible for non-industrial disability retirement if becomes disabled and has at least 5 years of credited service. There is no special age requirement. The standard non-industrial disability retirement benefit is a monthly allowance equal to 1.8 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. The employee must be actively employed with the City to be eligible for this benefit. An employee's survivor who is eligible for any other pre-retirement death benefit may choose to receive that death benefit instead of this basic death benefit. The basic death benefit is a lump sum in the amount of the employee's accumulated contributions, where interest is 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 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 Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 12 – Defined Benefit Pension Plan (Continued)

A. CalPERS Plan (Continued)

General Information about the Pension Plan (Continued)

Employees Covered by Benefit Terms

At June 30, 2020, the valuation date, the following employees were covered by the benefit terms:

Active employees	264
Transferred and terminated employees	379
Retired employees and beneficiaries	279
Total	922

Contributions

Section 20814(c) of the California Public Employees' Retirement Law ("PERL") requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS' annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. For the reporting period ended June 30, 2022, the classic active employee contribution rates was 7% of annual pay, the PEPRA active employee contribution rate was 6.75% of annual pay, and the required employer contribution rates were 8.97% of the annual payroll.

Net Pension Liability

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The June 30, 2020 valuation was rolled forward to determine the June 30, 2021 total pension liability, 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 ¹	Derived using CalPERS' Membership Data for all Funds.
Post Retirement Benefit Increase	The lesser of contract COLA or 2.50% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.50% thereafter

¹ 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 Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 12 – Defined Benefit Pension Plan (Continued)

A. CalPERS Plan (Continued)

Net Pension Liability (Continued)

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 follows:

Asset Class ¹	Assumed Asset Allocation	Real Return Years 1 - 10 ²	Real Return Years 11+ ³
Global Equity	50.00%	4.80%	5.98%
Fixed Income	28.00%	1.00%	2.62%
Inflation Assets	-	0.77%	1.81%
Private Equity	8.00%	6.30%	7.23%
Real Assets	13.00%	3.75%	4.93%
Liquidity	1.00%	-	-0.92%
	<u>100.00%</u>		

¹ In the CalPERS' Basic Financial Statements, 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.

² An expected inflation of 2.00% used

³ An expected inflation of 2.92% used

Discount Return

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 Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 12 – Defined Benefit Pension Plan (Continued)

A. CalPERS Plan (Continued)

Subsequent Events

On July 12, 2021, CalPERS reported a preliminary 21.3% net return on investments for fiscal year 2020-21. Based on the thresholds specified in CalPERS Funding Risk Mitigation policy, the excess return of 14.3% prescribes a reduction in investment volatility that corresponds to a reduction in the discount rate used for funding purposes of 0.20%, from 7.00% to 6.80%. Since CalPERS was in the final stages of the four-year Asset Liability Management (ALM) cycle, the board elected to defer any changes to the asset allocation until the ALM process concluded, and the board could make its final decision on the asset allocation in November 2021.

On November 17, 2021, the board adopted a new strategic asset allocation. The new asset allocation along with the new capital market assumptions, economic assumptions and administrative expense assumption support a discount rate of 6.90% (net of investment expense but without a reduction for administrative expense) for financial reporting purposes. This includes a reduction in the price inflation assumption from 2.50% to 2.30% as recommended in the November 2021 CalPERS Experience Study and Review of Actuarial Assumptions. This study also recommended modifications to retirement rates, termination rates, mortality rates and rates of salary increases that were adopted by the board. These new assumptions will be reflected in the GASB 68 accounting valuation reports for the June 30, 2022, measurement date.

Amortization of Deferred Outflows and Deferred Inflows of Resources

Under GASB 68, gains and losses related to changes in total pension liability and fiduciary net position are recognized in pension expense systematically over time.

The first amortized amounts are recognized in pension expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to pensions and are to be recognized in future pension expense.

The amortization period differs depending on the source of the gain or loss. Five year straight-line amortization is used for net difference between projected and actual earnings on pension plan investments and straight-line amortization over the expected average remaining service lifetime (“EARS”) of all members that are provided with benefits (active, inactive, and retired) as of the beginning of the measurement period is used for all other amounts.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 12 – Defined Benefit Pension Plan (Continued)

A. CalPERS Plan (Continued)

Changes in the Net Pension Liability

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

	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
	(a)	(b)	(c) = (a) - (b)
Balance at June 30, 2020 (Valuation Date)	\$ 148,476,038	\$ 112,984,385	\$ 35,491,653
Changes Recognized for the Measurement Period:			
Service Cost	2,546,101	-	2,546,101
Interest on the total pension liability	10,347,723	-	10,347,723
Difference between expected and actual experience	(949,532)	-	(949,532)
Contributions from the employer	-	3,879,340	(3,879,340)
Contributions from employees	-	1,183,929	(1,183,929)
Net investment income	-	25,307,127	(25,307,127)
Benefit payments, including refunds of employee contributions	(8,152,296)	(8,152,296)	-
Administrative expense		(112,865)	112,865
Net changes during July 1, 2020 to June 30, 2021	3,791,996	22,105,235	(18,313,239)
Balance at June 30, 2021 (Measurement Date)	\$ 152,268,034	\$ 135,089,620	\$ 17,178,414

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

The following presents the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 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:

Plan's Net Pension Liability/(Asset)		
Discount Rate - 1%	Current Discount	Discount Rate + 1%
(6.15%)	Rate (7.15%)	(8.15%)
\$ 36,292,399	\$ 17,178,414	\$ 1,303,044

Pension Plan Fiduciary Net Position

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

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

For the measurement period ended June 30, 2021, the City incurred a pension expense of \$321,349.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 12 – Defined Benefit Pension Plan (Continued)

A. CalPERS Plan (Continued)

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

As of measurement date of June 30, 2021, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred outflows of Resources	Deferred inflows of Resources
Contribution made after the measurement date	\$ 4,405,183	\$ -
Difference between expected and actual experience	710,005	(661,795)
Net difference between projected and actual earning on pension plan investments	-	(12,563,047)
Total	<u>\$ 5,115,188</u>	<u>\$ (13,224,842)</u>

The amounts above are net of outflows and inflows recognized in the 2020-2021 measurement period expense.

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 plan for the measurement period ending June 30, 2021 is 3.3 years, which was obtained by dividing the total service years of 3,021 (the sum of remaining service lifetimes of the active employees) by 922 (the total number of participants: active, inactive, and retired). Inactive employees and retirees have remaining service lifetimes equal to 0. Total future service is based on the members’ probability of decrementing due to an event other than receiving a cash refund.

The \$4,405,183 reported as deferred outflows of resources related to pension resulting from the City’s contributions subsequent to the measurement date during the year ended June 30, 2022 will be recognized as a reduction of the net pension liability in the year ending June 30, 2023. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in future pension expense as follows:

Year Ending June 30	Deferred Outflows/(Inflows) of Resources Miscellaneous Plan
2023	\$ (2,839,342)
2024	(3,109,087)
2025	(3,094,152)
2026	(3,472,256)
2027	-
Thereafter	-
Total	<u>\$ (12,514,837)</u>

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 12 – Defined Benefit Pension Plan (Continued)

B. Retirement Enhancement Plan

General Information about the Pension Plan

Plan Description

The City provides a 401(a) defined benefit retirement enhancement plan under the terms of a Memorandum of Understanding (MOU) between the City and its employees. The Plan is part of an agent multiple employer plan administered by the Public Agency Retirement Service (PARS). A separate audited GAAP-basis post-employment benefit plan report is not available for this Plan. Due to PEPPRA legislation the Plan is closed to employees hired by the City after December 31, 2012.

Benefit Provided

The benefit is equal to 0.5% of final average compensation for all future years of City service (on or after July 1, 2005) and for 75% of past years of City service (before July 1, 2005). Eligibility for an immediate benefit is defined as reaching age 60, completing two years of full-time continuous Lakewood service, and retiring concurrently from both the City and CalPERS after leaving City employment on or after July 1, 2006. Employees terminating from the City with two years of service and concurrent retirement with CalPERS but prior to age 60 may choose to receive either a deferred retirement benefit to begin at age 60 or a refund of their employee contributions with 3% interest compounded annually. All other terminating employees will receive a refund of their employee contributions with 3% interest.

Final average compensation is equal to the highest year of compensation with the City, including CalPERS employer paid member contributions (salary plus 3.75%), subject to IRC 401(a)(17) limitations. Salary includes longevity pay.

There is no disability benefit or death benefit under this plan.

The normal form of benefit is a life-only annuity. In lieu of a life-only annuity, a participant may elect an actuarial equivalent optional form of payment. The optional form is a joint and survivor annuity.

Any benefit in payment status will increase by 2% per annum on each participant's anniversary date of retirement.

Employees Covered by Benefit Terms

At July 1, 2021, the valuation date, the following employees were covered by the benefit terms:

Active employees	85
Terminated employees	26
Retired employees and beneficiaries	83
Total	<u>194</u>

Contributions

Employees contribute 3.00% of compensation of which the City picks-up 0.13%. The employer contributed \$925,173 during the year ended June 30, 2022.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 12 – Defined Benefit Pension Plan (Continued)

B. Retirement Enhancement Plan (Continued)

Net Pension Liability

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The June 30, 2021 valuation was rolled forward to determine the June 30, 2022 total pension liability, based on the following actuarial methods and assumptions:

Actuarial Cost Method	Entry Age Normal
Actuarial Assumptions:	
Investment Return	5.50%
Inflation	2.50%
Payroll Growth	2.75%
Cost of Living Adjustment	2.00% compounded annually
Withdrawal/Disability	Consistent with the Non-Industrial Rates used to value the CalPERS Miscellaneous Public Agency Pension Plans after June 30, 2017.
Mortality	Pre-retirement: Consistent with the Non-Industrial rates used to value the CalPERS Miscellaneous Public Agency Pension Plans after June 30, 2017. Post-retirement: Consistent with the Non-Industrial rates used to value the CalPERS Miscellaneous Public Agency Pension Plans after June 30, 2017.
Retirement	Ranges from 3.65% to 100% at age 75+.
Maximum Benefits and Salary	Salary used in the calculation of final average compensation is subject to the limitations of IRC 401(a)(17). The limit is assumed to increase 2.50% per annum.
Form of payment	Single Life Annuity

Change of Assumptions

There were no changes in actuarial assumptions and methods July 1, 2019 valuation to July 1, 2021 valuation.

Discount Rate

The discount rate used to measure the total pension liability was 5.50 percent. The long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 12 – Defined Benefit Pension Plan (Continued)

B. Retirement Enhancement Plan (Continued)

Net Pension Liability (Continued)

Long - Term Expected Rate of Return

The assumption for the long-term expected rate of return was selected by the City. Below is a projector of the 30-year average return derived by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation on the Plan's current asset allocation.

The table below reflects long-term expected real return adjusted for inflation by asset classes:

Asset Class	Index	Allocation	Long-Term Expected Arithmetic Real Rate of Return	Long-Term Expected Geometric Real Rate of Return
US Cash	BAML 3-Mon Tbill	5.30%	0.21%	0.20%
US Core Fixed Income	Bloomberg Barclays Aggregate	46.95%	1.95%	1.84%
US Equity Market	Russell 3000	38.13%	5.70%	4.10%
Foreign Developed Equity	MSCI EAFE NR	4.76%	6.99%	5.25%
Emerging Market Equities	MSCI EM NR	3.07%	9.44%	5.97%
US REITs	FTSE NAREIT Equity REIT	1.79%	6.27%	4.11%
		<u>100.00%</u>		
Assumed Inflation - Mean			2.35%	2.35%
Assumed Inflation - Standard Deviation			1.25%	1.25%
Portfolio Real Mean Return			3.83%	3.43%
Portfolio Nominal Mean Return			6.19%	5.87%
Portfolio Standard Deviation				8.31%
Long-Term Expected Rate of Return				5.50%

Changes in Net Pension Liability

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

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability/(Asset) (c) = (a) - (b)
Balance at June 30, 2021	\$ 24,067,614	\$ 21,167,961	\$ 2,899,653
Changes Recognized for the Measurement Period:			
Service cost	364,553	-	364,553
Interest on the total pension liability	1,319,474	-	1,319,474
Effect of economic/demographic gains or losses	(1,804,110)	-	(1,804,110)
Effect of assumptions changes or inputs	-	-	-
Benefit payments	(895,425)	(895,425)	-
Employer contributions	-	925,173	(925,173)
Member contributions	-	221,400	(221,400)
Net investment income	-	(2,755,385)	2,755,385
Administrative expense	-	(78,117)	78,117
Net changes during July 1, 2021 to June 30, 2022	(1,015,508)	(2,582,354)	1,566,846
Balance at June 30, 2022 (Measurement Date)	\$ 23,052,106	\$ 18,585,607	\$ 4,466,499

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 12 – Defined Benefit Pension Plan (Continued)

B. Retirement Enhancement Plan (Continued)

Changes in Net Pension Liability (Continued)

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

The following presents the net pension liability of the Plan as of the measurement date, calculated using the discount rate of 5.50%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (4.50%) or 1 percentage-point higher (6.50%) than the current rate:

	1% Decrease (4.50%)	Discount Rate (5.50%)	1% Increase (6.50%)
Plan's Net Pension Liability	\$ 7,514,051	\$ 4,466,499	\$ 1,922,068

Pension Plan Fiduciary Net Position

Detailed information about the plan's fiduciary net position is available upon request.

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

For the measurement period ended June 30, 2022, the City incurred a pension expense of \$604,639.

As of measurement date of June 30, 2022, the City has deferred outflows and deferred inflows of resources related to pensions as follows:

	Deferred outflows of Resources	Deferred inflows of Resources
Difference between expected and actual experience	\$ -	\$ (1,444,183)
Changes of assumptions	135,928	-
Net difference between projected and actual earning on pension plan investments	1,494,508	-
Total	\$ 1,630,436	\$ (1,444,183)

The amounts above are net of outflows and inflows recognized in the 2021-2022 measurement period expense.

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

Year Ending June 30	Deferred Outflows/(Inflows) of Resources
2023	\$ (102,104)
2024	(179,246)
2025	(231,349)
2026	698,952
2027	-
Thereafter	-
Total	\$ 186,253

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 13 – Other Postemployment Benefits (“OPEB”)

At June 30, 2022, net OPEB liability and related deferred inflows of resources are as follows:

Governmental Activities	Governmental Activities	Business-Type Activities	Total
Deferred outflows of resources:			
Change in assumptions	\$ 504,058	\$ 49,852	\$ 553,910
Difference between expected and actual experience	292,433	28,922	321,355
Net difference between projected and actual earnings on OPEB plan investment	1,854,711	183,433	2,038,144
Total deferred outflows of resources	\$ 2,651,202	\$ 262,207	\$ 2,913,409
Net OPEB liabilities:	\$ 1,043,804	\$ 103,233	\$ 1,147,037
Deferred inflows of resources:			
Difference between expected and actual experience	1,183,674	117,067	1,300,741
Net difference between projected and actual earnings on OPEB plan investment	905,321	89,537	994,858
Total deferred inflows of resources	\$ 2,088,995	\$ 206,604	\$ 2,295,599
OPEB Expense (Credit)	\$ 494,976	\$ 48,954	\$ 543,930

Plan Description

Plan Administration

The City sponsors healthcare coverage under the California Public Employees Medical and Hospital Care Act ("PEMHCA"), commonly referred to as PERS Health. PEMHCA provides health insurance through a variety of Health Maintenance Organization (HMO) and Preferred Provider Organization (PPO) options.

Benefit Provided

The City offers PEMHCA coverage to its retirees. The City makes the required statutory PEMHCA contribution (\$149 and \$143 per month in calendar year 2022 and 2021, respectively). Furthermore, the City will make additional contributions towards certain eligible retirees' premiums for a given number of months after retirement equal to the employees' months of service with the City before retirement. This program is known as the "Career Employees Medical Retirement Benefit", and is also available to non-PEMHCA retirees in the form of quarterly reimbursements upon proper verification of authorized healthcare costs.

In order to be eligible for the Career Medical Benefit, retirees must have satisfied either of the following age and service requirements:

- (1) Later of age 55 and 20 years of service which are immediately prior to retirement with the City of Lakewood as a regular full-time employee; or
- (2) Later of age 60 and 15 years of service, at least 10 years of which are immediately prior to retirement with the City of Lakewood as a regular full-time employee.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 13 – Other Postemployment Benefits (“OPEB”) (Continued)

Plan Description (Continued)

Benefit Provided (Continued)

For eligible individuals who retired prior to July 1, 2006, the grandfathered maximum City contribution is \$434 per month until age 65 (now obsolete) and \$347 per month beginning at age 65. For those retiring between July 1, 2007 and January 1, 2013, the 2019 limits are \$504 and \$306. For those retiring between January 1, 2014 and January 1, 2015, the 2019 limits are \$564 and \$306. For those retiring between January 1, 2015 and January 1, 2016, the 2019 pre-65 limit is \$542 per month. For those retiring between January 1, 2016 and January 1, 2017, the 2019 pre-65 limit is \$555 per month. For those retiring between January 1, 2017 and January 1, 2018, the 2019 pre-65 limit is \$574 per month. For those retiring between January 1, 2018 and January 1, 2019, the 2019 pre-65 limit is \$643. For retirements during 2019, the limits are \$619 and \$324, respectively (the retiree-only premiums under PEMHCA for Kaiser - Los Angeles Area).

Beginning January 1, 2013, benefits in pay status are indexed (increased) by the lesser of 2% per year or the increase in the Kaiser PEMHCA premium for the Los Angeles Area. Retirees who retire prior to age 65 have as a base year for post-65 payments the PEMHCA Kaiser Senior Advantage premium for the year in which they reach age 65 (rather than the year of retirement).

Dental, vision, spousal and dependent child coverage may be provided if the retiree pays the required additional premium(s) over and above the applicable City maximum contribution. In addition, the City pays a 0.27%-of-premium administrative fee to PEMHCA for each retiree.

Employees Covered by Benefit Terms

At July 1, 2021, the date of the latest actuarial valuation, membership in the plan consisted of the following:

Inactive plan members or beneficiaries currently receiving benefit payments	89
Active plan members	178
Total	<u>267</u>

Contributions

The City’s required contribution is based on projected pay-as-you-go financing requirements. The City has an irrevocable OPEB trust with the Public Agency Retirement Services (PARS). Contributions to the benefits paid outside of trust and implicit benefits paid were \$443,610 and \$148,738, respectively.

Net OPEB Liability

The City’s net OPEB liability was measured as of June 30, 2022 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of July 1, 2021. Standard actuarial update procedures were used to project/discount from valuation to measurement dates.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 13 – Other Postemployment Benefits (“OPEB”) (Continued)

Net OPEB Liability (Continued)

Actuarial Assumptions

The total OPEB liability in the July 1, 2021 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation rate	2.50%
Salary increases	3.00%
Discount rate	6.00%
Investment rate of return	6.00%, net of OPEB plan investment expense
Healthcare cost trend rate	5.20 percent for 2022 through 2034; 5.00 percent for 2035 through 2049; 4.50 percent for 2050 through 2064; 4.00 percent for 2065 and later years

Mortality rates were based on the most recent CalPERS experience study. The actuarial assumptions used in the July 1, 2021 valuation were based on an actuarial experience study and a review of plan experience during the period July 1, 2019 to June 30, 2021.

Discount Rate

GASB 75 requires the use of a discount rate that considers the availability of the OPEB plan’s fiduciary net position associated with the OPEB of current active and inactive employees and the investment horizon of those resources.

OPEB plans with irrevocable trust accounts can utilize a discount rate equal to the long-term expected rate of return to the extent that the OPEB plan’s fiduciary net position is projected to be sufficient to make projected benefit payments and the OPEB plan assets are expected to be invested using a strategy to achieve that return.

To determine if the OPEB plan assets are sufficient, a calculation of the projected fiduciary net position and the amount of projected benefit payments is compared in each period. When OPEB plan assets are determined to not be sufficient, a blended rate is calculated.

For OPEB plans that do not have irrevocable trust accounts, GASB 75 requires a discount rate equal to the yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

The City has an irrevocable trust account for prefunding OPEB liabilities. Plan assets are expected to be sufficient. The discount rate used to measure the total OPEB liability is equal to the long-term expected rate of return.

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

Asset Class	Assumed Asset Allocation	Real Rate of Return
Board U.S. Equity	50.00%	4.40%
U.S. Fixed	50.00%	1.50%

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 13 – Other Postemployment Benefits (“OPEB”) (Continued)

Net OPEB Liability (Continued)

Investment Rate of Return

The City’s policy regarding the allocation of the plan’s invested assets is established and may be amended by City management. The current investment selection is the PARS Moderate HighMark PLUS. The dual goals of the Moderate Strategy are growth of principal and income. The asset allocation ranges for this objective are listed below:

Asset Class	Stated Range
Cash	0 - 20%
Fixed Income	40% - 60%
Equity	40% - 60%

For the year ended on the measurement date, the annual money-weighted rate of return on investments, net of investment expense, was -12.95 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts invested.

Change in the Net OPEB Liability

	Total OPEB Liability (a)	Increase (Decrease) Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (c) = (a) - (b)
Balance at July 1, 2021	\$ 12,501,003	\$ 12,473,585	\$ 27,418
Changes Recognized for the Measurement Period:			
Service cost	395,666	-	395,666
Interest on the total OPEB liability	693,385	-	693,385
Changes of benefit terms	-	-	-
Changes of assumptions	401,856	-	401,856
Difference between expected and actual experience	(1,450,251)	-	(1,450,251)
Contributions from the employer	-	592,348	(592,348)
Contributions from employees	-	-	-
Net investment income	-	(1,607,601)	1,607,601
Benefit payments, including refunds of employee contributions	(592,348)	(592,348)	-
Administrative expense	-	(63,710)	63,710
Net Changes during July 1, 2021 to June 30, 2022	(551,692)	(1,671,311)	1,119,619
Balance at June 30, 2022 (Measurement Date)	\$ 11,949,311	\$ 10,802,274	\$ 1,147,037

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 13 – Other Postemployment Benefits (“OPEB”) (Continued)

Change in the Net OPEB Liability (Continued)

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

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

Plan's Net OPEB Liability/(Asset)		
Discount Rate - 1% (5.00%)	Current Discount Rate (6.00%)	Discount Rate + 1% (7.00%)
\$ 2,733,455	\$ 1,147,037	\$ (180,570)

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

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

Plan's Net OPEB Liability/(Asset)		
Healthcare Cost		
1% Decrease (4.20% current, 3.00% ultimate)	Trend Rates (5.80% current, 5.00% ultimate)	Trend Rate + 1% (6.20 current, 5.00% ultimate)
\$ (174,874)	\$ 1,147,037	\$ 2,747,475

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

For the year ended June 30, 2022, the City' recognized OPEB expense of \$543,930. At June 30, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred outflows of Resources	Deferred inflows of Resources
Changes of assumptions	\$ 553,910	\$ -
Difference between expected and actual experience	321,355	(1,300,741)
Net difference between projected and actual earnings on pension plan investments	2,038,144	(994,858)
Total	\$ 2,913,409	\$ (2,295,599)

The difference between projected OPEB plan investment earnings and actual earnings is amortized over a five-year period. The remaining gains and losses are amortized over the expected average service life.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 13 – Other Postemployment Benefits (“OPEB”) (Continued)

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

Amounts reported as deferred inflows of resources related to OPEB will be recognized as future OPEB expense as follows:

Year Ending June 30	Deferred Outflows/(Inflows) of Resources OPEB Plan
2023	\$ 206,215
2024	215,546
2025	164,365
2026	492,871
2027	(61,284)
Thereafter	(399,903)
Total	\$ 617,810

Note 14 – Deferred Compensation Plan

The City has made available to its employees two deferred compensation plans, whereby employees authorize the City to withhold funds from salary to be invested in the Voya Financial RetireFlex-MF Deferred Compensation Plan. Funds may be withdrawn by participants upon termination of employment or retirement. The City makes no contributions under the plans. The City withholds employee contributions from employee's payroll checks and transmits these monies to the plan providers on a bi-weekly basis. The City makes distributions from the plans based solely upon authorizations from the plan administrator.

Pursuant to changes in Internal Revenue Code (“IRC”) Section 457 on November 26, 1997, the City formally established a plan-level trust in which all assets and income of the 457 plan were placed. The assets, all property and rights purchased with such amount, and all income attributable to such amounts, property, or rights are held in trust for the exclusive benefit of the participants and their beneficiaries. These assets are no longer the property of the City and, as such, are no longer subject to the claims of the City's general creditors. As a result, the assets of the 457 plan are no longer reflected in the financial statements. The City had minimal involvement in the administration of the 457 plan and, therefore, lacks the fiduciary accountability that would have required the 457 plan to be recorded.

Plan assets are held in trust for the exclusive benefit of the participants and their beneficiaries; and therefore, are not included in the accompanying financial statements.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 15 – Liabilities, Property, and Workers’ Compensation Protection

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

The City of Lakewood, California is a member of the California Joint Powers Insurance Authority (“Authority”). The Authority is composed of 124 California public entities and is organized under a joint powers agreement pursuant to California Government Code §6500 et seq. The purpose of the Authority is to arrange and administer programs for the pooling of self-insured losses, to purchase excess insurance or reinsurance, and to arrange for group purchased insurance for property and other lines of coverage. The California JPIA began covering claims of its members in 1978. Each member government has an elected official as its representative on the Board of Directors. The Board operates through a nine-member Executive Committee.

B. Primary Self-Insurance Programs of the Authority

Each member pays an annual contribution at the beginning of the coverage period. A retrospective adjustment is then conducted annually thereafter, for coverage years 2012-13 and prior. Coverage years 2013-14 and forward are not subject to routine annual retrospective adjustment. The total funding requirement for primary self-insurance programs is based on an actuarial analysis. Costs are allocated to individual agencies based on payroll and claims history, relative to other members of the risk-sharing pool.

Primary Liability Program

Claims are pooled separately between police and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$100,000 for each occurrence and is evaluated as a percentage of the pool’s total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$100,000 to \$500,000 for each occurrence and is evaluated as a percentage of the pool’s total incurred costs within the second layer. (4) Incurred costs from \$500,000 to \$50 million, are distributed based on the outcome of cost allocation within the first and second loss layers.

The overall coverage limit for each member, including all layers of coverage, is \$50 million per occurrence. Subsidence losses also have a \$50 million per occurrence limit. The coverage structure is composed of a combination of pooled self-insurance, reinsurance, and excess insurance. Additional information concerning the coverage structure is available on the Authority’s website: <https://cjpia.org/coverage/risk-sharing-pools/>.

Primary Workers’ Compensation Program

Claims are pooled separately between public safety (police and fire) and general government exposures. (1) The payroll of each member is evaluated relative to the payroll of other members. A variable credibility factor is determined for each member, which establishes the weight applied to payroll and the weight applied to losses within the formula. (2) The first layer of losses includes incurred costs up to \$75,000 for each occurrence and is evaluated as a percentage of the pool’s total incurred costs within the first layer. (3) The second layer of losses includes incurred costs from \$75,000 to \$200,000 for each occurrence and is evaluated as a percentage of the pool’s total incurred costs within the second layer. (4) Incurred costs from \$200,000 to statutory limits are distributed based on the outcome of cost allocation within the first and second loss layers.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 15 – Liabilities, Property, and Workers’ Compensation Protection (Continued)

B. Self-Insurance Programs of the Insurance Authority (Continued)

Primary Workers' Compensation Program (Continued)

For 2021-22 the Authority’s pooled retention is \$1 million per occurrence, with reinsurance to statutory limits under California Workers’ Compensation Law. Employer’s Liability losses are pooled among members to \$1 million. Coverage from \$1 million to \$5 million is purchased through reinsurance policies, and Employer’s Liability losses from \$5 million to \$10 million are pooled among members.

C. Purchased Insurance

Pollution Legal Liability Insurance

The City of Lakewood participates in the pollution legal liability insurance program which is available through the Authority. The policy covers sudden and gradual pollution of scheduled property, streets, and storm drains owned by the City of Lakewood. Coverage is on a claims-made basis. There is a \$250,000 deductible. The Authority has an aggregate limit of \$20 million.

Property Insurance

The City of Lakewood participates in the all-risk property protection program of the Authority. This insurance protection is underwritten by several insurance companies. City of Lakewood property is currently insured according to a schedule of covered property submitted by the City of Lakewood to the Authority. City of Lakewood property currently has all-risk property insurance protection in the amount of \$97,937,818. There is a \$10,000 deductible per occurrence except for non-emergency vehicle insurance which has a \$2,500 deductible.

Crime Insurance

The City of Lakewood purchases crime insurance coverage in the amount of \$3,000,000 with a \$2,500 deductible. The fidelity coverage is provided through the Authority.

Contract with Los Angeles County Sheriff’s Department

The City contracts for policing services through the Los Angeles County Sheriff’s Department. As part of the agreement for services, the City is required to pay an additional 4% premium over the contract price to the Sheriff’s Department for liability insurance. The term of this agreement is from July 1, 2019 through June 30, 2024 and agreement may be renewed or extended for successive years. The total premium paid during the fiscal year ended June 30, 2022 was \$1,116,377.

D. Adequacy of Protection

During the past three fiscal years, none of the above programs of protection experienced settlements or judgments that exceeded pooled or insured coverage. There were also no significant reductions in pooled or insured liability coverage in 2021-22.

Complete financial statements for the Authority may be obtained at their administrative office located at 8081 Moody Street, La Palma, California 90623.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 16 – Commitments and Contingencies

A. Lawsuits

Numerous claims and suits have been filed against the City in the normal course of business. Based upon information received from the City Attorney and the self-insurance administrator, the estimated liability under such claims would be adequately covered by self-insurance designations and insurance coverage.

B. Lighting Maintenance Contract with City Light and Power Lakewood, Inc.

In November 1997, the City entered into a lighting maintenance contract with City Light and Power Lakewood, Inc. The contract requires the City to pay a basic annual rent of \$544,250, with a portion of the basic rent adjusted annually using the current consumer price index. During the year ended June 30, 2022, the City paid \$61,128 per month for the maintenance contract. The contract expires in April 2023.

C. Agreement for Allocation of Tax Increment Revenue

On June 13, 1989, the former Lakewood Redevelopment Agency (the “Agency”) entered into an agreement for the allocation of tax increment revenue generated from Project Area No. 2. As part of the agreement, the Agency is required to reimburse the Consolidated Fire Protection District of Los Angeles County 17.26% of tax increment revenues and Los Angeles County 54.59% of tax increment revenue. The Los Angeles County portion may be deferred in any year under certain terms of the agreement until total tax increment of the Agency reaches a cumulative total of \$60,000,000. After the total reaches \$60,000,000, the Agency is required to reimburse Los Angeles County 100% of tax increment revenue (net of the allocation to the Consolidated Fire Protection District of Los Angeles County) until the deferred sums have been repaid. Interest on any deferral amounts was prepaid in a lump sum of \$842,000 in fiscal year 1990-91. At June 30, 2022, the Agency's outstanding deferral balance is \$756,943.

Note 17 – Individual Fund Disclosures

Funds with a deficit fund balance/net position at June 30, 2022, are as follows:

Governmental Funds:

Prop A Recreation Special Revenue Fund	\$ (57,242)
LEAP Grant Special Revenue Fund	(111,239)
SB2 Housing Grant Special Revenue Fund	(21,343)
San Martin Park Improvement Special Revenue Fund	(174,035)

Fiduciary Fund:

Successor Agency Private Purpose Trust Fund	(15,028,431)
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Proprietary Funds:

Print Shop Internal Service Fund	(4,325)
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The Governmental Funds' deficits are primarily the result of unavailability revenue at June 30, 2022 and will be eliminated upon receipts of the grant reimbursements in the following fiscal year. The Successor Agency deficit is due to the Advance from the City and will be recovered by future by Recognized Obligation Payment Schedule. The Print Shop Internal Service Fund is due to the liability which will be paid in the subsequent fiscal year.

City of Lakewood
Notes to the Basic Financial Statements (Continued)
For the Year Ended June 30, 2022

Note 18 – Net Investment in Capital Assets

The following is the calculation of net investment in capital assets at June 30, 2022:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Capital assets, net of accumulated depreciation	\$ 119,313,536	\$ 34,738,228
Less: outstanding principal on capital related debts	(460,465)	(6,959,657)
Less: retention payable	(779,219)	(92,192)
Net investment in capital assets	<u>\$ 118,073,852</u>	<u>\$ 27,686,379</u>

Note 19 – Agreement with Paramount Petroleum

In 1992 the City and Paramount Petroleum Corporation entered into an agreement that allowed Paramount Petroleum to maintain their existing petroleum storage facility (tank farm) on a 4.24-acre site located at 2920 56th Way in Lakewood. The tank farm consists of two 55,000-barrel storage tanks and two 5,000 barrel water tanks and a petroleum pumping station. The agreement established a 15-year amortization period after which time the tanks were to be removed from the site.

Because of changes in the oil industry and the nature of development surrounding the tank farm, Ordinance No. 2005-14 amended the provisions of the Lakewood Municipal Code 9392.B.1 (g) allowing Paramount Petroleum to operate an additional 10 years, ending in January 2017. The agreement also allowed for automatic two-year extensions, with the current extension valid through December 2022.



**REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)**



City of Lakewood
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule - General Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Taxes	\$ 36,229,000	\$ 41,211,700	\$ 43,827,648	\$ 2,615,948
Licenses and permits	1,148,098	1,284,300	1,454,144	169,844
Fines and forfeitures	781,100	765,600	743,167	(22,433)
Investment income, rents and concession	1,168,795	562,773	(1,255,156)	(1,817,929)
Intergovernmental revenues	10,483,000	10,509,100	10,756,568	247,468
Current service charges	8,311,841	8,283,559	8,686,921	403,362
Other	1,067,700	1,905,000	1,928,284	23,284
Total revenues	59,189,534	64,522,032	66,141,576	1,619,544
EXPENDITURES:				
Current:				
General government	11,395,111	11,373,044	10,744,286	628,758
Public safety	17,544,041	17,883,001	17,448,602	434,399
Transportation	3,317,781	3,343,236	3,134,384	208,852
Community development	5,498,304	5,578,513	5,124,425	454,088
Health and sanitation	6,167,613	6,303,621	6,038,031	265,590
Culture and leisure	14,930,815	14,616,113	14,043,593	572,520
Capital outlay:				
General government	7,000	39,729	1,598	38,131
Public safety	-	157,650	14,400	143,250
Transportation	2,500	360,550	1,197	359,353
Culture and leisure	310,241	6,343,428	1,711,622	4,631,806
Debt service:				
Principal retirement	197,199	197,198	243,609	(46,411)
Interest and fiscal charges	16,757	16,757	16,757	-
Total expenditures	59,387,362	66,212,840	58,522,504	7,690,336
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(197,828)	(1,690,808)	7,619,072	9,309,880
OTHER FINANCING SOURCES (USES):				
Transfers in	3,918,988	4,109,366	3,854,822	(254,544)
Issuance of long-term debt	-	-	31,616	31,616
Total other financing sources (use)	3,918,988	4,109,366	3,886,438	(222,928)
NET CHANGES IN FUND BALANCE	\$ 3,721,160	\$ 2,418,558	11,505,510	\$ 9,086,952
FUND BALANCE:				
Beginning of Year			52,863,308	
End of Year			<u>\$ 64,368,818</u>	

City of Lakewood
Required Supplementary Information (Unaudited)
Budgetary Comparison Schedule - American Rescue Plan Act Special Revenue Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Intergovernmental revenues	\$ -	\$ 1,643,571	\$ 753,486	\$ (890,085)
Total revenues	<u>-</u>	<u>1,643,571</u>	<u>753,486</u>	<u>(890,085)</u>
EXPENDITURES:				
Current:				
General government	-	256,305	161,204	95,101
Public safety	-	39,375	21,413	17,962
Transportation	-	-	-	-
Community development	-	44,417	42,515	1,902
Health and sanitation	-	-	-	-
Culture and leisure	-	55,955	55,558	397
Capital outlay:				
General government	-	1,000,660	358,390	642,270
Transportation	-	-	-	-
Community development	-	36,200	30,960	5,240
Culture and leisure	-	70,000	69,490	510
Total expenditures	<u>-</u>	<u>1,502,912</u>	<u>739,530</u>	<u>763,382</u>
NET CHANGES IN FUND BALANCE	<u>\$ -</u>	<u>\$ 140,659</u>	13,956	<u>\$ (126,703)</u>
FUND BALANCE:				
Beginning of Year			(13,956)	
End of Year			<u>\$ -</u>	

City of Lakewood
Required Supplementary Information (Unaudited)
Notes to the Budgetary Comparison Schedule
For the Year Ended June 30, 2022

Budget and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the financial statements:

1. The annual budget adopted by the City Council provides for the general operation of the City. It includes proposed expenditures and the means of financing them.
2. The City Council approves total budgeted appropriations and any amendments to appropriations throughout the year. This "appropriated budget" covers substantially all City expenditures, with the exception of debt service on bond issues and capital improvement projects, which expenditures constitute legally-authorized "non-appropriated budget". There were no significant non-budgeted financial activities. Actual expenditures may not exceed budgeted appropriations at the fund level. The City Manager is authorized to make transfers of budget appropriations between classifications and activities within a fund.
3. Formal budgetary integration is employed as a management control device. Commitments for materials and services, such as purchase orders and contracts, are recorded during the year as encumbrances to assist in controlling expenditures. Appropriations, which are encumbered at year end, are added to the following year's budgeted appropriations. However, encumbrances at year end are reported as assigned fund balance.
4. Budgets for the General and Special Revenue Funds are adopted on a basis substantially consistent with accounting principles generally accepted in the United States of America. Accordingly, actual revenues and expenditures can be compared with related budgeted amounts without any significant reconciling items. No budgetary comparison is presented for the American Rescue Plan Act Special Revenue Fund since no budget was adopted for this fund. No budgetary comparisons are presented for Proprietary Funds as the City is not legally required to adopt a budget for these types of funds.
5. Capital project budgets are long term in nature and, accordingly, no budgetary comparisons are reflected in the accompanying financial statements.
6. Under Article XIII B of the California Constitution (the Gann Spending Limitation Initiative), the City is restricted as to the amount of annual appropriations from the proceeds of taxes, and if proceeds of taxes exceed allowed appropriations, the excess must either be refunded to the State Controller, returned to the taxpayers through revised tax rates or revised fee schedules, or an excess in one year may be offset against a deficit in the following year. For the fiscal year ended June 30, 2021, based on calculations by City Management, proceeds of taxes did not exceed related appropriations. Further, Section 5 of Article XIII B allows the City to designate a portion of fund balance for general contingencies, to be used in future years without limitation. In fiscal year 2010, the City Council passed a resolution setting aside all unappropriated fund balances in the General Fund as contingency funds.

City of Lakewood
Required Supplementary Information (Unaudited)
Schedule of Changes in Net Pension Liability and Related Ratios
For the Year Ended June 30, 2022

Last Ten Fiscal Years

California Public Employees' Retirement System Defined Benefit Plan

Measurement period	2013-14	2014-15	2015-16	2016-17
Total pension liability				
Service cost	\$ 2,144,455	\$ 2,028,208	\$ 2,109,082	\$ 2,355,437
Interest	8,019,215	8,236,636	8,472,508	8,766,071
Changes of benefit terms	-	-	-	-
Changes of assumptions	-	(1,943,097)	-	7,049,669
Differences between expected and actual experience	-	(2,731,071)	(2,102,094)	(581,254)
Benefit payments, including refunds of employee contributions	(4,389,897)	(4,981,710)	(5,258,099)	(5,386,901)
Net change in total pension liability	5,773,773	608,966	3,221,397	12,203,022
Total pension liability - beginning	108,045,583	113,819,356	114,428,322	117,649,719
Total pension liability - ending (a)	\$ 113,819,356	\$ 114,428,322	\$ 117,649,719	\$ 129,852,741
Pension fiduciary net position				
Net plan to plan resource movement	\$ -	\$ -	\$ -	\$ -
Contributions - employer	1,873,372	1,871,751	2,717,060	2,344,596
Contributions - employee	1,012,408	939,852	1,051,966	1,098,583
Net investment income	14,100,175	2,111,030	554,532	10,269,191
Benefit payments, including refunds of employee contributions	(4,389,897)	(4,981,710)	(5,258,099)	(5,386,901)
Administrative expense	-	(105,557)	(57,099)	(136,863)
Other Miscellaneous Income/(Expense) ²	-	-	-	-
Net change in plan fiduciary net position	12,596,058	(164,634)	(991,640)	8,188,606
Plan fiduciary net position - beginning	81,258,902	93,854,960	93,690,326	92,698,686
Plan fiduciary net position - ending (b)³	\$ 93,854,960	\$ 93,690,326	\$ 92,698,686	\$ 100,887,292
Plan net pension liability - ending (a) - (b)	\$ 19,964,396	\$ 20,737,996	\$ 24,951,033	\$ 28,965,449
Plan fiduciary net position as a percentage of the total pension liability	82.46%	81.88%	78.79%	77.69%
Covered payroll⁴	\$ 15,265,197	\$ 15,213,079	\$ 16,033,770	\$ 16,036,475
Plan net pension liability as a percentage of covered payroll	130.78%	136.32%	155.62%	180.62%

¹ Historical information is presented only for measurement periods after GASB 68 implementation in 2013-14. Additional years of information will be displayed as it becomes available.

² During Fiscal Year 2017-18, as a result of Governmental Accounting Standards Board Statement (GASB) No. 75, Accounting and Financial Reporting for Postemployment Benefit Plans Other than Pensions (GASB 75), CalPERS reported its proportionate share of activity related to postemployment benefits for participation in the State of California's agent OPEB plan. Accordingly, CalPERS recorded a one-time expense as a result of the adoption of GASB 75. Additionally, CalPERS employees participate in various State of California agent pension plans and during Fiscal Year 2017-18, CalPERS recorded a correction to previously reported financial statements to properly reflect its proportionate share of activity related to pensions in accordance with GASB Statement No. 68, Accounting and Financial Reporting for Pensions (GASB 68).

³ Includes any beginning of year adjustment.

⁴ Includes one year's payroll growth using 2.75 percent payroll growth assumption for fiscal years ended June 30, 2018-19; 3.00 percent payroll growth assumption for fiscal years ended June 30, 2014-2017.

Notes to Schedule:

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

Changes of Assumptions: None in 2019, 2020 or 2021. In 2018, demographic assumptions and inflation rate were changed in accordance to the CalPERS Experience Study and Review of 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 Lakewood
Required Supplementary Information (Unaudited)
Schedule of Changes in Net Pension Liability and Related Ratios (Continued)
For the Year Ended June 30, 2022

Last Ten Fiscal Years

California Public Employees' Retirement System Defined Benefit Plan

Measurement period	2017-18	2018-19	2019-20	2020-21 ¹
Total pension liability				
Service cost	\$ 2,527,432	\$ 2,573,466	\$ 2,616,888	\$ 2,546,101
Interest	9,163,433	9,686,135	10,069,685	10,347,723
Changes of benefit terms	-	-	-	-
Changes of assumptions	(603,969)	-	-	-
Differences between expected and actual experience	738,883	2,203,972	335,690	(949,532)
Benefit payments, including refunds of employee contributions	(6,182,947)	(7,031,685)	(7,473,686)	(8,152,296)
Net change in total pension liability	5,642,832	7,431,888	5,548,577	3,791,996
Total pension liability - beginning	129,852,741	135,495,573	142,927,461	148,476,038
Total pension liability - ending (a)	\$ 135,495,573	\$ 142,927,461	\$ 148,476,038	\$ 152,268,034
Pension fiduciary net position				
Net plan to plan resource movement	\$ (248)	\$ -	\$ -	\$ -
Contributions - employer	2,573,441	2,938,083	3,476,806	3,879,340
Contributions - employee	1,161,949	1,045,867	1,304,659	1,183,929
Net investment income	8,596,094	6,920,916	5,455,014	25,307,127
Benefit payments, including refunds of employee contributions	(6,182,947)	(7,031,685)	(7,473,686)	(8,152,296)
Administrative expense	(157,210)	(76,058)	(155,605)	(112,865)
Other Miscellaneous Income/(Expense) ²	(298,545)	248	-	-
Net change in plan fiduciary net position	5,692,534	3,797,371	2,607,188	22,105,235
Plan fiduciary net position - beginning	100,887,292	106,579,826	110,377,197	112,984,385
Plan fiduciary net position - ending (b)³	\$ 106,579,826	\$ 110,377,197	\$ 112,984,385	\$ 135,089,620
Plan net pension liability - ending (a) - (b)	\$ 28,915,747	\$ 32,550,264	\$ 35,491,653	\$ 17,178,414
Plan fiduciary net position as a percentage of the total pension liability	78.66%	77.23%	76.10%	88.72%
Covered payroll⁴	\$ 16,673,912	\$ 16,911,782	\$ 17,025,948	\$ 16,695,742
Plan net pension liability as a percentage of covered payroll	173.42%	192.47%	208.46%	102.89%

City of Lakewood
Required Supplementary Information (Unaudited)
Schedule of Changes in Net Pension Liability and Related Ratios (Continued)
For the Year Ended June 30, 2022

Last Ten Fiscal Years

Public Agency Retirement System Defined Benefit Plan

Measurement period	2014-15	2015-16	2016-17	2017-18
Total pension liability				
Service cost	\$ 501,866	\$ 522,429	\$ 538,102	\$ 447,262
Interest	972,653	898,895	1,102,003	1,161,853
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	-	(345,830)	-	(127,926)
Changes of assumptions	-	2,749,085	-	1,311,695
Benefit payments, including refunds of employee contributions	(398,794)	(417,601)	(493,769)	(611,458)
Net change in total pension liability	1,075,725	3,406,978	1,146,336	2,181,426
Total pension liability - beginning	13,589,197	14,664,922	18,071,900	19,218,236
Total pension liability - ending (a)	\$ 14,664,922	\$ 18,071,900	\$ 19,218,236	\$ 21,399,662
Pension fiduciary net position				
Contributions - employer	\$ 3,884,844	\$ 54,800	\$ 597,130	\$ 568,494
Contributions - employee	293,815	281,187	272,183	243,461
Net investment income, net of investment expenses	212,179	(8,365)	1,290,294	878,414
Benefit payments, including refunds of employee contributions	(398,794)	(417,601)	(493,769)	(611,458)
Administrative expenses	(19,517)	(25,243)	(23,483)	(32,057)
Net change in plan fiduciary net position	3,972,527	(115,222)	1,642,355	1,046,854
Plan fiduciary net position - beginning	8,796,523	12,769,050	12,653,828	14,296,183
Plan fiduciary net position - ending (b)	\$ 12,769,050	\$ 12,653,828	\$ 14,296,183	\$ 15,343,037
Plan net pension liability - ending (a) - (b)	\$ 1,895,872	\$ 5,418,072	\$ 4,922,053	\$ 6,056,625
Plan fiduciary net position as a percentage of the total pension liability	87.07%	70.02%	74.39%	71.70%
Covered payroll	\$ 10,819,843	\$ 11,643,566	\$ 11,992,873	\$ 9,975,323
Net pension liability as a percentage of covered payroll	17.52%	46.53%	41.04%	60.72%

¹ Historical information is presented only for measurement periods after GASB 68 implementation in 2013-14. Additional years of information will be displayed as it becomes available.

City of Lakewood
Required Supplementary Information (Unaudited)
Schedule of Changes in Net Pension Liability and Related Ratios (Continued)
For the Year Ended June 30, 2022

Last Ten Fiscal Years

Public Agency Retirement System Defined Benefit Plan

Measurement period	2018-19	2019-20	2020-21	2021-22 ¹
Total pension liability				
Service cost	\$ 513,290	\$ 410,916	\$ 422,216	\$ 364,553
Interest	1,184,779	1,231,314	1,275,638	1,319,474
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	-	(134,572)	-	(1,804,110)
Changes of assumptions	-	55,742	-	-
Benefit payments, including refunds of employee contributions	(753,088)	(746,009)	(792,274)	(895,425)
Net change in total pension liability	944,981	817,391	905,580	(1,015,508)
Total pension liability - beginning	21,399,662	22,344,643	23,162,034	24,067,614
Total pension liability - ending (a)	<u>\$ 22,344,643</u>	<u>\$ 23,162,034</u>	<u>\$ 24,067,614</u>	<u>\$ 23,052,106</u>
Pension fiduciary net position				
Contributions - employer	\$ 644,970	\$ 708,372	\$ 828,452	\$ 925,173
Contributions - employee	224,569	221,930	214,864	221,400
Net investment income, net of investment expenses	954,443	575,483	3,871,904	(2,755,385)
Benefit payments, including refunds of employee contributions	(753,088)	(746,009)	(792,274)	(895,425)
Administrative expenses	(25,249)	(30,561)	(72,882)	(78,117)
Net change in plan fiduciary net position	1,045,645	729,215	4,050,064	(2,582,354)
Plan fiduciary net position - beginning	15,343,037	16,388,682	17,117,897	21,167,961
Plan fiduciary net position - ending (b)	<u>\$ 16,388,682</u>	<u>\$ 17,117,897</u>	<u>\$ 21,167,961</u>	<u>\$ 18,585,607</u>
Plan net pension liability - ending (a) - (b)	<u>\$ 5,955,961</u>	<u>\$ 6,044,137</u>	<u>\$ 2,899,653</u>	<u>\$ 4,466,499</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>73.35%</u>	<u>73.90%</u>	<u>87.95%</u>	<u>80.62%</u>
Covered payroll	<u>\$ 8,214,154</u>	<u>\$ 8,440,043</u>	<u>\$ 7,789,532</u>	<u>\$ 7,789,532</u>
Net pension liability as a percentage of covered payroll	<u>72.51%</u>	<u>71.61%</u>	<u>37.22%</u>	<u>57.34%</u>

City of Lakewood
Required Supplementary Information (Unaudited)
Schedule of Contributions - Pensions
For the Year Ended June 30, 2022

Last Ten Fiscal Years

California Public Employees' Retirement System Defined Benefit Plan

	2013-14 ¹	2014-15	2015-16	2016-17	2017-18
Actuarially determined contribution	\$ 1,873,372	\$ 1,871,751	\$ 2,136,551	\$ 2,344,596	\$ 2,573,441
Contributions in relation to the actuarially determined contribution ²	(1,873,372)	(1,871,751)	(2,717,060)	(2,344,596)	(2,573,441)
Contribution deficiency (excess)	\$ -	\$ -	\$ (580,509)	\$ -	\$ -
Covered payroll ³	\$ 15,265,197	\$ 15,213,079	\$ 16,033,770	\$ 16,036,475	\$ 16,673,112
Contributions as a percentage of covered payroll ³	12.27%	12.30%	16.95%	14.62%	15.43%

¹ Historical information is presented only for measurement periods after GASB 68 implementation in 2013-14. Additional years of information will be displayed as it becomes available.

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

³ Includes one year's payroll growth using 2.75% payroll growth assumption for fiscal years ended June 30, 2018-21; 3.00% payroll growth assumption for fiscal years ended June 30, 2014-17.

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for Fiscal Year 2019-20 were derived from the June 30, 2017 funding valuation report.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level percentage of payroll
Asset valuation method	Fair Value of Assets.
Inflation	2.625%
Salary increases	Varies by entry age and service
Payroll Growth	2.750%
Investment rate of return	7.25% Net of pension plan investment and administrative expenses; includes Inflation.
Retirement age	The probabilities of retirement are based on the 2014 CalPERS Experience study for the period from 1997 to 2015.
Mortality	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.

City of Lakewood
Required Supplementary Information (Unaudited)
Schedule of Contributions - Pensions (Continued)
For the Year Ended June 30, 2022

Last Ten Fiscal Years

California Public Employees' Retirement System Defined Benefit Plan

	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
Actuarially determined contribution	\$ 2,938,083	\$ 3,476,806	\$ 3,879,340	\$ 4,405,183
Contributions in relation to the actuarially determined contribution ²	<u>(2,938,083)</u>	<u>(3,476,806)</u>	<u>(3,879,340)</u>	<u>(4,405,183)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll ³	\$ 16,911,782	\$ 17,025,948	\$ 16,695,742	\$ 17,154,875
Contributions as a percentage of covered payroll ³	17.37%	20.42%	23.24%	25.68%

City of Lakewood
Required Supplementary Information (Unaudited)
Schedule of Contributions - Pensions (Continued)
For the Year Ended June 30, 2022

Last Ten Fiscal Years

Public Agency Retirement System Defined Benefit Plan

	2013-14 ¹	2014-15	2015-16	2016-17	2017-18
Actuarially determined contribution	\$ 799,971	\$ 871,044	\$ 874,736	\$ 594,125	\$ 493,923
Contributions in relation to the actuarially determined contribution	(723,539)	(3,884,844)	(54,800)	(54,800)	(568,494)
Contribution deficiency (excess)	<u>\$ 76,432</u>	<u>\$ (3,013,800)</u>	<u>\$ 819,936</u>	<u>\$ 539,325</u>	<u>\$ (74,571)</u>
Covered payroll	\$ 13,496,727	\$ 10,819,843	\$ 11,643,566	\$ 11,992,873	\$ 9,975,323
Contributions as a percentage of covered payroll	5.36%	35.90%	0.47%	0.46%	5.70%

¹ Historical information is presented only for measurement periods for which GASB 68 is applicable. Additional years' information will be displayed as it becomes available.

Notes to Schedule:

Valuation date: July 1, 2019

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar, Closed
Remaining amortization period	17 Years
Inflation	2.50%
Payroll growth	2.75%
Investment rate of return	5.50%
Salary increases	Consistent with the rates used to value the CalPERS Miscellaneous Public Agency pension plans (Entry Age 20). Annual increase from 11.3% to 3.6% at 22+ year of service.
Cost of Living Adjustment	2.00%
Withdraw/Disability	Consistent with the Non-Industrial Rates used to value the CalPERS Miscellaneous Public Agency Pension Plans after June 30, 2017.
Mortality	Pre-retirement: Consistent with the Non-Industrial rates used to value the CalPERS Miscellaneous Public Agency Pension Plans after June 30, 2017. Post-retirement: Consistent with the Non-Industrial rates used to value the CalPERS Miscellaneous Public Agency Pension Plans after June 30, 2017.
Retirement age	Rates are based on CalPERS rates for 20 years of service retirement for Miscellaneous Public Agency "2.5% at 55" Pension Plans, with increased rates of 30% at ages 60 and 62 and 50% at age 65. Rates are one-half the CalPERS rates for ages 55-59 for the deferred retirement benefit. Ranges from 3.65% at age 55 to 100% at age 75+.
Maximum Benefits and Salary	Salary used in the calculation of final average compensation is subject to the limitations of IRC 401(a)(17). The limit is assumed to increase 2.50% per annum.
Form of Payment	Single Life Annuity

City of Lakewood
Required Supplementary Information (Unaudited)
Schedule of Contributions - Pensions (Continued)
For the Year Ended June 30, 2022

Last Ten Fiscal Years

Public Agency Retirement System Defined Benefit Plan

	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>
Actuarially determined contribution	\$ 814,859	\$ 660,417	\$ 816,996	\$ 754,027
Contributions in relation to the actuarially determined contribution	<u>(644,970)</u>	<u>(708,372)</u>	<u>(828,452)</u>	<u>(925,173)</u>
Contribution deficiency (excess)	<u>\$ 169,889</u>	<u>\$ (47,955)</u>	<u>\$ (11,456)</u>	<u>\$ (171,146)</u>
Covered payroll	\$ 8,214,154	\$ 8,440,043	\$ 7,789,532	\$ 8,003,744
Contributions as a percentage of covered payroll	7.85%	8.39%	10.64%	11.56%

City of Lakewood
Required Supplementary Information (Unaudited)
Schedule of Changes in Net Other Postemployment Benefits Liability and Related Ratios
For the Year Ended June 30, 2022

Last Ten Fiscal Years

Other Postemployment Benefits Plan

Measurement period	2017-18 ¹	2018-19	2019-20	2020-21	2021-22
Total OPEB liability					
Service cost	\$ 320,972	\$ 330,601	\$ 299,960	\$ 308,959	\$ 395,666
Interest	573,684	599,131	693,671	722,666	693,385
Changes of benefit terms	-	-	-	-	-
Differences between expected and actual experience	-	-	540,463	-	(1,450,251)
Changes of assumptions	-	-	325,404	-	401,856
Benefit payments, including refunds of employee contributions	(417,410)	(525,242)	(514,369)	(524,546)	(592,348)
Net change in total OPEB liability	477,246	404,490	1,345,129	507,079	(551,692)
Total OPEB liability - beginning	9,767,059	10,244,305	10,648,795	11,993,924	12,501,003
Total OPEB liability - ending (a)	\$ 10,244,305	\$ 10,648,795	\$ 11,993,924	\$ 12,501,003	\$ 11,949,311
Plan fiduciary net position					
Contributions - employer	\$ 417,410	\$ 525,242	\$ 514,369	\$ 524,546	\$ 592,348
Net investment income	575,333	652,234	390,793	2,315,064	(1,607,601)
Benefit payments, including refunds of employee contributions	(417,410)	(525,242)	(514,369)	(524,546)	(592,348)
Administrative expense	(48,048)	(48,909)	(53,841)	(59,444)	(63,710)
Net change in plan fiduciary net position	527,285	603,325	336,952	2,255,620	(1,671,311)
Plan fiduciary net position - beginning	8,750,403	9,277,688	9,881,013	10,217,965	12,473,585
Plan fiduciary net position - ending (b)	\$ 9,277,688	\$ 9,881,013	\$ 10,217,965	\$ 12,473,585	\$ 10,802,274
Plan net OPEB liability - ending (a) - (b)	\$ 966,617	\$ 767,782	\$ 1,775,959	\$ 27,418	\$ 1,147,037
Plan fiduciary net position as a percentage of the total OPEB liability	90.56%	92.79%	85.19%	99.78%	90.40%
Covered payroll	\$ 12,097,503	\$ 13,157,503	\$ 12,916,288	\$ 14,121,769	\$ 13,948,556
Plan net OPEB liability as a percentage of covered payroll	7.99%	5.84%	13.75%	0.19%	8.22%

¹ Historical information is presented only for measurement periods after GASB 75 implementation in 2017-18. Additional years of information will be displayed as it becomes available.

City of Lakewood
Required Supplementary Information (Unaudited)
Schedule of Contributions - Other Postemployment Benefits
For the Year Ended June 30, 2022

Last Ten Fiscal Years

Other Postemployment Benefits Plan

Fiscal year	2017-18 ¹	2018-19	2019-20	2020-21	2021-22
Actuarially determined contribution	\$ 373,794	\$ 385,009	\$ 402,839	\$ 414,924	\$ 364,789
Contributions in relation to the actuarially determined contribution	(417,410)	(525,242)	(514,369)	(524,546)	(592,348)
Contribution deficiency (excess)	<u>\$ (43,616)</u>	<u>\$ (140,233)</u>	<u>\$ (111,530)</u>	<u>\$ (109,622)</u>	<u>\$ (227,559)</u>
Covered payroll	\$ 12,097,503	\$ 13,157,503	\$ 12,916,288	\$ 14,121,769	\$ 13,948,556
Contributions as a percentage of covered payroll	3.45%	3.99%	3.98%	3.71%	4.25%

¹ Historical information is presented only for measurement periods for which GASB 75 is applicable. Additional years' information will be displayed as it becomes available.

Notes to Schedule:

Valuation date	July 1, 2021
Reporting period	July 1, 2021 to June 30, 2022
Measurement period	July 1, 2021 to June 30, 2022
Actuarial cost method	Entry age
Amortization method	Level percentage of payroll, closed
Amortization period	30 years
Asset valuation method	Market value
Inflation	2.50%
Healthcare cost trend rates	5.20 percent for 2022 through 2034; 5.00 percent for 2035 through 2049; 4.50 percent for 2050 through 2064; 4.00 percent for 2065 and later years
Salary increases	3.00%
Investment rate of return	6.00 %, net of OPEB plan investment expense
Healthcare cost trend rate	4.00 percent for age 55 to 57; 7.00 percent for age 58; 9.00 percent for age 59; 15.00 percent for age 60; 20.00 percent for age 61; 25.00 percent for age 62; 30.00 percent for age 63; 40.00 percent for age 64; 100.00 percent for age 65
Mortality	CalPERS Public Agency Miscellaneous Mortality, with fully generational mortality improvement using 80% of MP-2020 (most recent CalPERS Experience Study).



SUPPLEMENTARY INFORMATION



City of Lakewood
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Housing Admin and Program Capital Projects Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Investment income	\$ 5,300	\$ 150	\$ 76,525	\$ 76,375
Other income	180,000	180,000	144,100	(35,900)
Total revenues	<u>185,300</u>	<u>180,150</u>	<u>220,625</u>	<u>40,475</u>
EXPENDITURES:				
Current:				
Community development	208,000	209,800	165,275	44,525
Total expenditures	<u>208,000</u>	<u>209,800</u>	<u>165,275</u>	<u>44,525</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(22,700)</u>	<u>(29,650)</u>	<u>55,350</u>	<u>(4,050)</u>
OTHER FINANCING USES:				
Transfers out	(200,000)	(200,000)	(200,000)	-
Total other financing uses	<u>(200,000)</u>	<u>(200,000)</u>	<u>(200,000)</u>	<u>-</u>
NET CHANGES IN FUND BALANCES	<u>\$ (222,700)</u>	<u>\$ (229,650)</u>	<u>(144,650)</u>	<u>\$ (4,050)</u>
FUND BALANCE:				
Beginning of year			12,595,651	
End of year			<u>\$ 12,451,001</u>	

City of Lakewood
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Lakewood Capital Improvements Capital Projects Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Intergovernmental revenues	\$ 3,329,000	\$ 3,349,031	\$ 1,108,659	\$ (2,240,372)
Total revenues	<u>3,329,000</u>	<u>3,349,031</u>	<u>1,108,659</u>	<u>(2,240,372)</u>
EXPENDITURES:				
Capital outlay:				
Transportation	-	4,631,482	2,103,028	2,528,454
Total expenditures	<u>-</u>	<u>4,631,482</u>	<u>2,103,028</u>	<u>2,528,454</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>3,329,000</u>	<u>(1,282,451)</u>	<u>(994,369)</u>	<u>288,082</u>
OTHER FINANCING USES:				
Transfers out	-	(450)	(449)	1
Total other financing uses	<u>-</u>	<u>(450)</u>	<u>(449)</u>	<u>1</u>
NET CHANGES IN FUND BALANCES	<u>\$ 3,329,000</u>	<u>\$ (1,282,901)</u>	<u>(994,818)</u>	<u>\$ 288,083</u>
FUND BALANCE (DEFICIT):				
Beginning of year			2,440,315	
End of year			<u>\$ 1,445,497</u>	

NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds:

Special Revenue Funds are used to account for taxes and other revenues set aside in accordance with the law or administrative regulations for a specific purpose.

AB 2766 Fund - To account for motor vehicle registration fees authorized by Assembly Bill 2766. These funds are to be used solely to reduce air pollution from mobile sources.

Beverage Container Recycle Grant Fund - To account for the Department of Resources Recycling and Recovery (CalRecycle) beverage container recycling program to reach and maintain an eighty percent recycling rate for all California refund value beverage containers - aluminum, glass, plastic and bi-metal.

Community Development Block Grant ("CDBG") Fund - To account for funds received from the U.S. Department of Housing and Urban Development for use in community development projects.

JAG Grant Fund - To account for receipts and expenditures of federal grants to support a broad range of activities to prevent and control crime and to improve the criminal justice systems.

LA County Measure M Fund - To account for Los Angeles County special 1/2 cent sales tax approved pursuant to SB767 which was approved by the METRO Board of Directors on June 23, 2016 and approved by the voters of Los Angeles County on November 8, 2016. These funds may be used to improve transportation and transit service and ease traffic congestion consistent with the Measure M Ordinance #16-01.

Measure R Fund - To account for Los Angeles County special 1/2 cent transportation sales tax which became effectively July 1, 2009. These funds may be used only for certain transportation purposes.

Measure W Fund - To account for funding from Los Angeles County Flood Control District to increase stormwater and urban runoff capture and reduce stormwater and urban runoff pollution.

Park Dedication Fund - To account for business taxes collected on the construction of dwelling units. These funds are used only for park and recreation land and facilities.

Prop A Recreation Fund - To account for expenditures and reimbursements of park maintenance and servicing of Prop A funded projects.

Prop A Transit Fund - To account for Los Angeles County special 1/2 cent transportation sales tax which became effective July 1, 1982. These funds may be used only for certain transportation purposes.

Prop C Transportation Fund - To account for Los Angeles County additional special 1/2 cent transportation sales tax which became effective July 1, 1992. These funds may be only used for certain transportation purposes.

Road Maintenance and Rehab Account 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.

NONMAJOR GOVERNMENTAL FUNDS

Nonmajor Special Revenue Funds (Continued):

Sewer Reconstruction Fund - To account for charges collected on construction permits to be used for the reconstruction of sanitary sewers.

State COPS Grant Fund - To account for state funding under the Citizens Option for Public Safety program to supplement City's current funding for front-line law enforcement services.

State Gasoline Tax Fund - To account for state gasoline taxes received by the City. These funds are restricted for street maintenance, right-of-way acquisition, and street construction.

TDA Article Grant Fund - To account for proceeds received from LACMTA under the Transportation Development Act for use on pedestrians, bikeways and handicapped accessibility projects.

Used Oil Grant Fund - To account for funding received from California Integrated Waste Management for permanent and sustainable used oil recycling programs.

Local Early Action Planning (LEAP) Grant Fund - To account for LEAP grant fund to assist the preparation and adoption of planning documents, and process improvements that accelerate housing production and facilitate compliance to implement the sixth-cycle Regional Housing Needs Assessment.

SB2 Housing Grant Fund - To account for the Building Homes and Jobs Act funds to be used for updating planning documents and zoning ordinances in order to streamline and encouraging housing production, and to fund HCD to provide technical assistance in updating planning documents.

CA Natural Resources Agency Grant Fund – To account for the San Martin Park Improvement Project for a new Tot Lot Playground and two new picnic shelters.

City of Lakewood
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2022

	Special Revenue Funds				
	Beverage Container Recycle		CDBG	JAG Grant	LA County Measure M
	AB 2766	Grant			
ASSETS					
Cash and investments	\$ 376,670	\$ 130,310	\$ 212,531	\$ -	\$ 5,012,660
Accounts receivables	26,383	-	48,489	19,680	-
Notes receivable	-	-	512,554	-	-
Total assets	\$ 403,053	\$ 130,310	\$ 773,574	\$ 19,680	\$ 5,012,660
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ 848	\$ 7,702	\$ -	\$ 340,695
Retention payable	-	-	-	-	21,500
Due to other funds	-	-	381,505	19,680	-
Unearned revenue	-	-	-	-	-
Total liabilities	-	848	389,207	19,680	362,195
Deferred Inflows of Resources:					
Unavailable revenues	26,383	-	-	-	-
Total deferred inflows of resources	26,383	-	-	-	-
Fund Balances (Deficit):					
Restricted for:					
Public safety	-	-	-	-	-
Transportation	376,670	-	-	-	4,650,465
Community development	-	-	384,367	-	-
Health and sanitation	-	129,462	-	-	-
Culture and leisure	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-
Total fund balances (deficit)	376,670	129,462	384,367	-	4,650,465
Total liabilities, deferred inflows of resources and fund balances	\$ 403,053	\$ 130,310	\$ 773,574	\$ 19,680	\$ 5,012,660

(Continued)

City of Lakewood
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2022

	Special Revenue Funds				
	Measure R	Measure W	Park Dedication	Prop A Recreation	Prop A Transit
ASSETS					
Cash and investments	\$ 4,523,800	\$ 2,077,691	\$ 139,381	\$ -	\$ 1,550,122
Accounts receivables	-	-	-	118,504	-
Notes receivable	-	-	-	-	-
Total assets	\$ 4,523,800	\$ 2,077,691	\$ 139,381	\$ 118,504	\$ 1,550,122
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 361,000	\$ 21,913	\$ -	\$ -	\$ 5,207
Retention payable	40,500	-	-	-	-
Due to other funds	-	-	-	57,242	-
Unearned revenue	-	-	-	-	-
Total liabilities	401,500	21,913	-	57,242	5,207
Deferred Inflows of Resources:					
Unavailable revenues	-	-	-	118,504	-
Total deferred inflows of resources	-	-	-	118,504	-
Fund Balances (Deficit):					
Restricted for:					
Public safety	-	-	-	-	-
Transportation	4,122,300	-	-	-	1,544,915
Community development	-	-	-	-	-
Health and sanitation	-	-	-	-	-
Culture and leisure	-	2,055,778	139,381	-	-
Unassigned (deficit)	-	-	-	(57,242)	-
Total fund balances (deficit)	4,122,300	2,055,778	139,381	(57,242)	1,544,915
Total liabilities, deferred inflows of resources and fund balances	\$ 4,523,800	\$ 2,077,691	\$ 139,381	\$ 118,504	\$ 1,550,122

(Continued)

City of Lakewood
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2022

	Special Revenue Funds				
	Prop C Transportation	Road Maintenance and Rehab Account	Sewer Reconstruction	State COPS Grant	State Gasoline Tax
ASSETS					
Cash and investments	\$ 4,460,669	\$ 5,326,987	\$ 172,612	\$ 61,794	\$ 44,021
Accounts receivables	-	286,465	-	-	152,413
Notes receivable	-	-	-	-	-
Total assets	\$ 4,460,669	\$ 5,613,452	\$ 172,612	\$ 61,794	\$ 196,434
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 7,494	\$ 25,425	\$ 26,160	\$ 38,377	\$ -
Retention payable	17,500	-	-	-	-
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	24,994	25,425	26,160	38,377	-
Deferred Inflows of Resources:					
Unavailable revenues	-	-	-	-	-
Total deferred inflows of resources	-	-	-	-	-
Fund Balances (Deficit):					
Restricted for:					
Public safety	-	-	-	23,417	-
Transportation	4,435,675	5,588,027	-	-	196,434
Community development	-	-	-	-	-
Health and sanitation	-	-	146,452	-	-
Culture and leisure	-	-	-	-	-
Unassigned (deficit)	-	-	-	-	-
Total fund balances (deficit)	4,435,675	5,588,027	146,452	23,417	196,434
Total liabilities, deferred inflows of resources and fund balances	\$ 4,460,669	\$ 5,613,452	\$ 172,612	\$ 61,794	\$ 196,434

(Continued)

City of Lakewood
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2022

	Special Revenue Funds				
	TDA Article Grant	Used Oil Grant	LEAP Grant	SB2 Housing Grant	CA Natural Resources Agency Grant
ASSETS					
Cash and investments	\$ -	\$ 42,402	\$ -	\$ -	\$ -
Accounts receivables	58,539	-	210,838	-	473,123
Notes receivable	-	-	-	-	-
Total assets	\$ 58,539	\$ 42,402	\$ 210,838	\$ -	\$ 473,123
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ -	\$ 5,499	\$ 3,495	\$ -	\$ -
Retention payable	-	-	-	-	12,463
Due to other funds	58,539	-	84,209	21,343	473,123
Unearned revenue	-	11,098	114,080	-	-
Total liabilities	58,539	16,597	201,784	21,343	485,586
Deferred Inflows of Resources:					
Unavailable revenues	-	-	120,293	-	161,572
Total deferred inflows of resources	-	-	120,293	-	161,572
Fund Balances (Deficit):					
Restricted for:					
Public safety	-	-	-	-	-
Transportation	-	-	-	-	-
Community development	-	-	-	-	-
Health and sanitation	-	25,805	-	-	-
Culture and leisure	-	-	-	-	-
Unassigned (deficit)	-	-	(111,239)	(21,343)	(174,035)
Total fund balances (deficit)	-	25,805	(111,239)	(21,343)	(174,035)
Total liabilities, deferred inflows of resources and fund balances	\$ 58,539	\$ 42,402	\$ 210,838	\$ -	\$ 473,123

City of Lakewood
Combining Balance Sheet (Continued)
Nonmajor Governmental Funds
June 30, 2022

	<u>Total</u>
ASSETS	
Cash and investments	\$ 24,131,650
Accounts receivables	1,394,434
Notes receivable	512,554
Total assets	<u><u>\$ 26,038,638</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	
Liabilities:	
Accounts payable	\$ 843,815
Retention payable	91,963
Due to other funds	1,095,641
Unearned revenue	125,178
Total liabilities	<u>2,156,597</u>
Deferred Inflows of Resources:	
Unavailable revenues	426,752
Total deferred inflows of resources	<u>426,752</u>
Fund Balances (Deficit):	
Restricted for:	
Public safety	23,417
Transportation	20,914,486
Community development	384,367
Health and sanitation	301,719
Culture and leisure	2,195,159
Unassigned (deficit)	(363,859)
Total fund balances (deficit)	<u>23,455,289</u>
Total liabilities, deferred inflows of resources and fund balances	<u><u>\$ 26,038,638</u></u>

(Concluded)

City of Lakewood
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Special Revenue Funds				
	AB2766	Beverage Container Recycle Grant	CDBG	JAG Grants	LA County Measure M
REVENUES:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Investment income (loss), rents and concession	69	(13)	4,585	-	(4,919)
Intergovernmental revenues	75,196	20,119	275,080	19,680	1,420,557
Other	4,250	-	538,589	-	-
Total revenues	79,515	20,106	818,254	19,680	1,415,638
EXPENDITURES:					
Current:					
General government	-	-	4,798	-	-
Public safety	-	-	-	19,680	-
Transportation	10,000	-	-	-	149,620
Community development	-	-	236,566	-	-
Health and sanitation	-	57,346	-	-	-
Culture and leisure	-	-	90,987	-	-
Capital outlay:					
General government	143,300	-	-	-	-
Transportation	-	-	-	-	430,000
Community development	-	-	35,555	-	-
Culture and leisure	-	-	-	-	-
Total expenditures	153,300	57,346	367,906	19,680	579,620
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(73,785)	(37,240)	450,348	-	836,018
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-
NET CHANGES IN FUND BALANCES	(73,785)	(37,240)	450,348	-	836,018
FUND BALANCES (DEFICIT):					
Beginning of year	450,455	166,702	(65,981)	-	3,814,447
End of year	<u>\$ 376,670</u>	<u>\$ 129,462</u>	<u>\$ 384,367</u>	<u>\$ -</u>	<u>\$ 4,650,465</u>

(Continued)

City of Lakewood
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

Special Revenue Funds

	Measure R	Measure W	Park Dedication	Prop A Recreation	Prop A Transit
REVENUES:					
Taxes	\$ -	\$ -	\$ 17,490	\$ -	\$ 2,018,196
Licenses and permits	-	-	-	-	-
Investment income (loss), rents and concession	(2,502)	(7,704)	-	-	(2,919)
Intergovernmental revenues	1,255,336	1,550,195	-	38,440	-
Other	-	-	-	-	46,387
Total revenues	1,252,834	1,542,491	17,490	38,440	2,061,664
EXPENDITURES:					
Current:					
General government	-	-	-	-	30,141
Public safety	-	-	-	-	-
Transportation	250,205	517,275	-	-	2,172,557
Community development	-	-	-	-	6,608
Health and sanitation	-	-	-	-	-
Culture and leisure	-	23,886	-	35,749	-
Capital outlay:					
General government	-	-	-	-	-
Transportation	843,189	-	-	-	-
Community development	-	-	-	-	-
Culture and leisure	-	-	-	-	-
Total expenditures	1,093,394	541,161	-	35,749	2,209,306
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	159,440	1,001,330	17,490	2,691	(147,642)
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	(29,955)	-
Total other financing sources (uses)	-	-	-	(29,955)	-
NET CHANGES IN FUND BALANCES	159,440	1,001,330	17,490	(27,264)	(147,642)
FUND BALANCES (DEFICIT):					
Beginning of year	3,962,860	1,054,448	121,891	(29,978)	1,692,557
End of year	\$ 4,122,300	\$ 2,055,778	\$ 139,381	\$ (57,242)	\$ 1,544,915

(Continued)

City of Lakewood
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Special Revenue Funds				
	Prop C Transportation	Road Maintenance and Rehab Account	Sewer Reconstruction	State COPS Grants	State Gasoline Tax
REVENUES:					
Taxes	\$ 1,674,052	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	686	-	-
Investment income (loss), rents and concession	(2,966)	(4,965)	-	195	(5,042)
Intergovernmental revenues	-	1,626,764	-	197,293	1,881,422
Other	-	-	-	-	-
Total revenues	1,671,086	1,621,799	686	197,488	1,876,380
EXPENDITURES:					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	251,257	-
Transportation	683,387	238,000	-	-	-
Community development	-	-	-	-	-
Health and sanitation	-	-	-	-	-
Culture and leisure	-	-	-	-	-
Capital outlay:					
General government	-	-	-	-	-
Transportation	350,000	82,482	-	-	-
Community development	-	-	26,160	-	-
Culture and leisure	-	-	-	-	-
Total expenditures	1,033,387	320,482	26,160	251,257	-
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	637,699	1,301,317	(25,474)	(53,769)	1,876,380
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	(1,828,718)
Total other financing sources (uses)	-	-	-	-	(1,828,718)
NET CHANGES IN FUND BALANCES	637,699	1,301,317	(25,474)	(53,769)	47,662
FUND BALANCES (DEFICIT):					
Beginning of year	3,797,976	4,286,710	171,926	77,186	148,772
End of year	\$ 4,435,675	\$ 5,588,027	\$ 146,452	\$ 23,417	\$ 196,434

(Continued)

City of Lakewood
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Special Revenue Funds				
	TDA Article Grant	Used Oil Grant	LEAP Grant	SB2 Housing Grant	CA Natural Resources Agency Grant
REVENUES:					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and permits	-	-	-	-	-
Investment income (loss), rents and concession	-	-	-	-	-
Intergovernmental revenues	58,539	3,690	90,545	-	311,551
Other	-	-	-	-	-
Total revenues	<u>58,539</u>	<u>3,690</u>	<u>90,545</u>	<u>-</u>	<u>311,551</u>
EXPENDITURES:					
Current:					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Transportation	-	-	-	-	-
Community development	-	-	-	8,597	-
Health and sanitation	-	3,690	-	-	-
Culture and leisure	-	-	-	-	-
Capital outlay:					
General government	-	-	-	-	-
Transportation	58,539	-	-	-	-
Community development	-	-	111,238	1,290	-
Culture and leisure	-	-	-	-	485,586
Total expenditures	<u>58,539</u>	<u>3,690</u>	<u>111,238</u>	<u>9,887</u>	<u>485,586</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>-</u>	<u>-</u>	<u>(20,693)</u>	<u>(9,887)</u>	<u>(174,035)</u>
OTHER FINANCING SOURCES (USES):					
Transfers in	-	-	-	-	-
Transfers out	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGES IN FUND BALANCES	<u>-</u>	<u>-</u>	<u>(20,693)</u>	<u>(9,887)</u>	<u>(174,035)</u>
FUND BALANCES (DEFICIT):					
Beginning of year	-	25,805	(90,546)	(11,456)	-
End of year	<u>\$ -</u>	<u>\$ 25,805</u>	<u>\$ (111,239)</u>	<u>\$ (21,343)</u>	<u>\$ (174,035)</u>

City of Lakewood
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Continued)
Nonmajor Governmental Funds
For the Year Ended June 30, 2022

	Total
REVENUES:	
Taxes	\$ 3,709,738
Licenses and permits	686
Investment income (loss), rents and concession	(26,181)
Intergovernmental revenues	8,824,407
Other	589,226
Total revenues	<u>13,097,876</u>
EXPENDITURES:	
Current:	
General government	34,939
Public safety	270,937
Transportation	4,021,044
Community development	251,771
Health and sanitation	61,036
Culture and leisure	150,622
Capital outlay:	
General government	143,300
Transportation	1,764,210
Community development	174,243
Culture and leisure	485,586
Total expenditures	<u>7,357,688</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>5,740,188</u>
OTHER FINANCING SOURCES (USES):	
Transfers in	-
Transfers out	(1,858,673)
Total other financing sources (uses)	<u>(1,858,673)</u>
NET CHANGES IN FUND BALANCES	3,881,515
FUND BALANCES (DEFICIT):	
Beginning of year	<u>19,573,774</u>
End of year	<u><u>\$ 23,455,289</u></u>

(Concluded)

City of Lakewood
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
AB2766 Special Revenue Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Investment income	\$ 5,000	\$ 3,000	\$ 69	\$ (2,931)
Intergovernmental revenues	100,000	100,000	75,196	(24,804)
Other	-	1,000	4,250	3,250
Total revenues	<u>105,000</u>	<u>104,000</u>	<u>79,515</u>	<u>(24,485)</u>
EXPENDITURES:				
Current:				
Transportation	10,000	10,000	10,000	-
Capital outlay:				
General government	<u>36,000</u>	<u>180,500</u>	<u>143,300</u>	<u>37,200</u>
Total expenditures	<u>46,000</u>	<u>190,500</u>	<u>153,300</u>	<u>37,200</u>
NET CHANGES IN FUND BALANCE	<u>\$ 59,000</u>	<u>\$ (86,500)</u>	<u>(73,785)</u>	<u>\$ 12,715</u>
FUND BALANCE:				
Beginning of year			<u>450,455</u>	
End of year			<u>\$ 376,670</u>	

City of Lakewood
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Beverage Container Recycle Grant Special Revenue Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Investment income	\$ 3,000	\$ 1,500	\$ (13)	\$ (1,513)
Intergovernmental revenues	17,041	17,041	20,119	3,078
Total revenues	<u>20,041</u>	<u>18,541</u>	<u>20,106</u>	<u>1,565</u>
EXPENDITURES:				
Current:				
Health and sanitation	20,341	45,765	57,346	(11,581)
Total expenditures	<u>20,341</u>	<u>45,765</u>	<u>57,346</u>	<u>(11,581)</u>
NET CHANGES IN FUND BALANCE	<u>\$ (300)</u>	<u>\$ (27,224)</u>	<u>(37,240)</u>	<u>\$ (10,016)</u>
FUND BALANCE:				
Beginning of year			166,702	
End of year			<u>\$ 129,462</u>	

City of Lakewood
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Community Development Block Grant Special Revenue Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Investment income	\$ 5,000	\$ 5,000	\$ 4,585	\$ (415)
Intergovernmental revenues	1,036,444	1,035,108	275,080	(760,028)
Other	-	-	538,589	538,589
Total revenues	<u>1,041,444</u>	<u>1,040,108</u>	<u>818,254</u>	<u>(221,854)</u>
EXPENDITURES:				
Current:				
General government	6,913	6,607	4,798	1,809
Community development	267,984	264,838	236,566	28,272
Culture and leisure	116,857	133,421	90,987	42,434
Capital outlay:				
Community development	1,770	1,155,029	35,555	1,119,474
Total expenditures	<u>393,524</u>	<u>1,559,895</u>	<u>367,906</u>	<u>1,191,989</u>
NET CHANGES IN FUND BALANCE	<u>\$ 647,920</u>	<u>\$ (519,787)</u>	450,348	<u>\$ 970,135</u>
FUND BALANCE (DEFICIT):				
Beginning of year			(65,981)	
End of year			<u>\$ 384,367</u>	

City of Lakewood
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
JAG Grant Special Revenue Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Intergovernmental revenues	\$ -	\$ 19,680	\$ 19,680	\$ -
Total revenues	<u>-</u>	<u>19,680</u>	<u>19,680</u>	<u>-</u>
EXPENDITURES:				
Current:				
Public safety	1,542	21,831	19,680	2,151
Total expenditures	<u>1,542</u>	<u>21,831</u>	<u>19,680</u>	<u>2,151</u>
NET CHANGES IN FUND BALANCE	<u>\$ (1,542)</u>	<u>\$ (2,151)</u>	-	<u>\$ 2,151</u>
FUND BALANCE:				
Beginning of year			-	
End of year			<u>\$ -</u>	

City of Lakewood
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
LA County Measure M Special Revenue Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Investment income	\$ 30,000	\$ 30,000	\$ (4,919)	\$ (34,919)
Intergovernmental revenues	1,137,901	1,137,901	1,420,557	282,656
Total revenues	<u>1,167,901</u>	<u>1,167,901</u>	<u>1,415,638</u>	<u>247,737</u>
EXPENDITURES:				
Current:				
Transportation	200,000	200,000	149,620	50,380
Capital outlay:				
Transportation	-	900,000	430,000	470,000
Total expenditures	<u>200,000</u>	<u>1,100,000</u>	<u>579,620</u>	<u>520,380</u>
NET CHANGES IN FUND BALANCE	<u>\$ 967,901</u>	<u>\$ 67,901</u>	836,018	<u>\$ 768,117</u>
FUND BALANCE:				
Beginning of year			<u>3,814,447</u>	
End of year			<u>\$ 4,650,465</u>	

City of Lakewood
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Measure R Special Revenue Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Investment income	\$ 60,000	\$ 30,000	\$ (2,502)	\$ (32,502)
Intergovernmental revenues	1,004,030	1,004,030	1,255,336	251,306
Total revenues	<u>1,064,030</u>	<u>1,034,030</u>	<u>1,252,834</u>	<u>218,804</u>
EXPENDITURES:				
Current:				
Transportation	348,745	328,621	250,205	78,416
Capital outlay:				
Transportation	-	1,239,826	843,189	396,637
Total expenditures	<u>348,745</u>	<u>1,568,447</u>	<u>1,093,394</u>	<u>475,053</u>
NET CHANGES IN FUND BALANCE	<u>\$ 715,285</u>	<u>\$ (534,417)</u>	159,440	<u>\$ 693,857</u>
FUND BALANCE:				
Beginning of year			<u>3,962,860</u>	
End of year			<u>\$ 4,122,300</u>	

City of Lakewood
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Measure W Special Revenue Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Investment income	\$ -	\$ 5,000	\$ (7,704)	\$ (12,704)
Intergovernmental revenues	800,000	1,098,745	1,550,195	451,450
Total revenues	<u>800,000</u>	<u>1,103,745</u>	<u>1,542,491</u>	<u>438,746</u>
EXPENDITURES:				
Current:				
Transportation	363,853	522,915	517,275	5,640
Culture and leisure	33,693	24,489	23,886	603
Total expenditures	<u>397,546</u>	<u>547,404</u>	<u>541,161</u>	<u>6,243</u>
NET CHANGES IN FUND BALANCES	<u>\$ 402,454</u>	<u>\$ 556,341</u>	1,001,330	<u>\$ 444,989</u>
FUND BALANCE:				
Beginning of year			<u>1,054,448</u>	
End of year			<u>\$ 2,055,778</u>	

City of Lakewood
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Park Dedication Special Revenue Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Taxes	\$ 6,500	\$ 13,200	\$ 17,490	\$ 4,290
Total revenues	<u>6,500</u>	<u>13,200</u>	<u>17,490</u>	<u>4,290</u>
NET CHANGES IN FUND BALANCE	<u>\$ 6,500</u>	<u>\$ 13,200</u>	17,490	<u>\$ 4,290</u>
FUND BALANCE:				
Beginning of year			121,891	
End of year			<u>\$ 139,381</u>	

City of Lakewood
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Prop A Recreation Special Revenue Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Intergovernmental revenues	\$ 29,200	\$ 38,440	\$ 38,440	\$ -
Total revenues	<u>29,200</u>	<u>38,440</u>	<u>38,440</u>	<u>-</u>
EXPENDITURES:				
Current:				
Culture and leisure	<u>35,543</u>	<u>34,619</u>	<u>35,749</u>	<u>(1,130)</u>
Total expenditures	<u>35,543</u>	<u>34,619</u>	<u>35,749</u>	<u>(1,130)</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(6,343)</u>	<u>3,821</u>	<u>2,691</u>	<u>(1,130)</u>
OTHER FINANCING USES:				
Transfers out	<u>-</u>	<u>(29,955)</u>	<u>(29,955)</u>	<u>-</u>
Total other financing uses	<u>-</u>	<u>(29,955)</u>	<u>(29,955)</u>	<u>-</u>
NET CHANGES IN FUND BALANCE	<u>\$ (6,343)</u>	<u>\$ (26,134)</u>	<u>(27,264)</u>	<u>\$ (1,130)</u>
FUND BALANCE:				
Beginning of year			<u>(29,978)</u>	
End of year			<u>\$ (57,242)</u>	

City of Lakewood
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Prop A Transit Special Revenue Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Taxes	\$ 1,613,923	\$ 1,613,923	\$ 2,018,196	\$ 404,273
Investment income	20,000	6,000	(2,919)	(8,919)
Other	-	46,387	46,387	-
Total revenues	<u>1,633,923</u>	<u>1,666,310</u>	<u>2,061,664</u>	<u>395,354</u>
EXPENDITURES:				
Current:				
General government	28,778	28,895	30,141	(1,246)
Transportation	1,288,076	2,213,088	2,172,557	40,531
Community development	44,662	29,950	6,608	23,342
Total expenditures	<u>1,361,516</u>	<u>2,271,933</u>	<u>2,209,306</u>	<u>62,627</u>
NET CHANGES IN FUND BALANCE	<u>\$ 272,407</u>	<u>\$ (605,623)</u>	<u>(147,642)</u>	<u>\$ 457,981</u>
FUND BALANCE:				
Beginning of year			<u>1,692,557</u>	
End of year			<u>\$ 1,544,915</u>	

City of Lakewood
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Prop C Transportation Special Revenue Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Taxes	\$ 1,338,707	\$ 1,338,707	\$ 1,674,052	\$ 335,345
Investment income	45,000	25,000	(2,966)	(27,966)
Total revenues	<u>1,383,707</u>	<u>1,363,707</u>	<u>1,671,086</u>	<u>307,379</u>
EXPENDITURES:				
Current:				
Transportation	814,417	771,640	683,387	88,253
Capital outlay:				
Transportation	-	1,100,000	350,000	750,000
Total expenditures	<u>814,417</u>	<u>1,871,640</u>	<u>1,033,387</u>	<u>838,253</u>
NET CHANGES IN FUND BALANCE	<u>\$ 569,290</u>	<u>\$ (507,933)</u>	637,699	<u>\$ 1,145,632</u>
FUND BALANCE:				
Beginning of year			<u>3,797,976</u>	
End of year			<u>\$ 4,435,675</u>	

City of Lakewood
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Road Maintenance and Rehab Account Special Revenue Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Investment income	\$ 30,000	\$ 30,000	\$ (4,965)	\$ (34,965)
Intergovernmental revenues	1,537,746	1,661,515	1,626,764	(34,751)
Total revenues	<u>1,567,746</u>	<u>1,691,515</u>	<u>1,621,799</u>	<u>(69,716)</u>
EXPENDITURES:				
Current:				
Transportation	238,000	238,000	238,000	-
Capital outlay:				
Transportation	-	2,159,276	82,482	2,076,794
Total expenditures	<u>238,000</u>	<u>2,397,276</u>	<u>320,482</u>	<u>2,076,794</u>
NET CHANGES IN FUND BALANCE	<u>\$ 1,329,746</u>	<u>\$ (705,761)</u>	1,301,317	<u>\$ 2,007,078</u>
FUND BALANCE:				
Beginning of year			<u>4,286,710</u>	
End of year			<u>\$ 5,588,027</u>	

City of Lakewood
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Sewer Reconstruction Special Revenue Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
License and permits	\$ 3,000	\$ 3,000	\$ 686	\$ (2,314)
Total revenues	<u>3,000</u>	<u>3,000</u>	<u>686</u>	<u>(2,314)</u>
EXPENDITURES:				
Capital outlay:				
Community development	-	61,300	26,160	35,140
Total expenditures	<u>-</u>	<u>61,300</u>	<u>26,160</u>	<u>35,140</u>
NET CHANGES IN FUND BALANCE	<u>\$ 3,000</u>	<u>\$ (58,300)</u>	(25,474)	<u>\$ 32,826</u>
FUND BALANCE:				
Beginning of year			171,926	
End of year			<u>\$ 146,452</u>	

City of Lakewood
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
State COPS Grant Special Revenue Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Investment income	\$ 4,500	\$ 700	\$ 195	\$ (505)
Intergovernmental revenues	175,000	200,000	197,293	(2,707)
Total revenues	<u>179,500</u>	<u>200,700</u>	<u>197,488</u>	<u>(3,212)</u>
EXPENDITURES:				
Current:				
Public safety	<u>368,110</u>	<u>254,232</u>	<u>251,257</u>	<u>2,975</u>
Total expenditures	<u>368,110</u>	<u>254,232</u>	<u>251,257</u>	<u>2,975</u>
NET CHANGES IN FUND BALANCE	<u>\$ (188,610)</u>	<u>\$ (53,532)</u>	(53,769)	<u>\$ (237)</u>
FUND BALANCE:				
Beginning of year			<u>77,186</u>	
End of year			<u>\$ 23,417</u>	

City of Lakewood
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
State Gasoline Tax Special Revenue Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Investment income	\$ 12,000	\$ 6,000	\$ (5,042)	\$ (11,042)
Intergovernmental revenues	1,911,288	2,077,211	1,881,422	(195,789)
Total revenues	<u>1,923,288</u>	<u>2,083,211</u>	<u>1,876,380</u>	<u>(206,831)</u>
OTHER FINANCING USES:				
Transfers out	(1,923,288)	(2,083,211)	(1,828,718)	254,493
Total other financing uses	<u>(1,923,288)</u>	<u>(2,083,211)</u>	<u>(1,828,718)</u>	<u>254,493</u>
NET CHANGES IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	47,662	<u>\$ 47,662</u>
FUND BALANCE:				
Beginning of year			<u>148,772</u>	
End of year			<u>\$ 196,434</u>	

City of Lakewood
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
TDA Article Grant Special Revenue Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Intergovernmental revenues	\$ 58,539	\$ 58,539	\$ 58,539	\$ -
Total revenues	<u>58,539</u>	<u>58,539</u>	<u>58,539</u>	<u>-</u>
EXPENDITURES:				
Capital outlay:				
Transportation	<u>62,945</u>	<u>58,539</u>	<u>58,539</u>	<u>-</u>
Total expenditures	<u>62,945</u>	<u>58,539</u>	<u>58,539</u>	<u>-</u>
NET CHANGES IN FUND BALANCE	<u>\$ (4,406)</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
FUND BALANCE:				
Beginning of year			<u>-</u>	
End of year			<u>\$ -</u>	

City of Lakewood
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Used Oil Grant Special Revenue Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Intergovernmental revenues	\$ 9,310	\$ 9,310	\$ 3,690	\$ (5,620)
Total revenues	<u>9,310</u>	<u>9,310</u>	<u>3,690</u>	<u>(5,620)</u>
EXPENDITURES:				
Current:				
Health and sanitation	9,310	9,310	3,690	5,620
Total expenditures	<u>9,310</u>	<u>9,310</u>	<u>3,690</u>	<u>5,620</u>
NET CHANGES IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
FUND BALANCE:				
Beginning of year			<u>25,805</u>	
End of year			<u>\$ 25,805</u>	

City of Lakewood
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
LEAP Grant Special Revenue Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Intergovernmental revenues	\$ 300,000	\$ 67,000	\$ 90,545	\$ 23,545
Total revenues	<u>300,000</u>	<u>67,000</u>	<u>90,545</u>	<u>23,545</u>
EXPENDITURES:				
Capital outlay:				
Community development	250,000	209,455	111,238	98,217
Total expenditures	<u>250,000</u>	<u>209,455</u>	<u>111,238</u>	<u>98,217</u>
NET CHANGES IN FUND BALANCE	<u>\$ 50,000</u>	<u>\$ (142,455)</u>	(20,693)	<u>\$ 121,762</u>
FUND BALANCE:				
Beginning of year			(90,546)	
End of year			<u>\$ (111,239)</u>	

City of Lakewood
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
SB2 Housing Grant Special Revenue Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Intergovernmental revenues	\$ 310,000	\$ 310,000	\$ -	\$ (310,000)
Total revenues	<u>310,000</u>	<u>310,000</u>	<u>-</u>	<u>(310,000)</u>
EXPENDITURES:				
Current:				
Community development	3,100	3,100	8,597	(5,497)
Capital outlay:				
Community development	-	285,445	1,290	284,155
Total expenditures	<u>3,100</u>	<u>288,545</u>	<u>9,887</u>	<u>278,658</u>
NET CHANGES IN FUND BALANCE	<u>\$ 306,900</u>	<u>\$ 21,455</u>	<u>(9,887)</u>	<u>\$ (31,342)</u>
FUND BALANCE:				
Beginning of year			(11,456)	
End of year			<u>\$ (21,343)</u>	

City of Lakewood
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
CA Natural Resources Agency Grant Special Revenue Fund
For the Year Ended June 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget
REVENUES:				
Intergovernmental revenues	\$ 490,000	\$ 490,000	\$ 311,551	\$ (178,449)
Total revenues	<u>490,000</u>	<u>490,000</u>	<u>311,551</u>	<u>(178,449)</u>
EXPENDITURES:				
Capital outlay:				
Culture and leisure	-	490,000	485,586	4,414
Total expenditures	<u>-</u>	<u>490,000</u>	<u>485,586</u>	<u>4,414</u>
NET CHANGES IN FUND BALANCE	<u>\$ 490,000</u>	<u>\$ -</u>	(174,035)	<u>\$ (174,035)</u>
FUND BALANCE:				
Beginning of year			-	
End of year			<u>\$ (174,035)</u>	

Internal Service Funds

Central Garage - To account for maintenance and repair of vehicle and equipment used by various departments of the City. Costs are billed to the various departments as the work is completed.

Print Shop Fund - To account for the printing services provided to the various departments of the City. Costs of materials, supplies and services are billed as the work is completed.



City of Lakewood
Combining Statement of Net Position
Internal Service Funds
June 30, 2022

	Central Garage	Print Shop	Total
ASSETS			
Current Assets:			
Cash and investments	\$ -	\$ -	\$ -
Inventories	110,876	8,008	118,884
Total current assets	<u>110,876</u>	<u>8,008</u>	<u>118,884</u>
Noncurrent assets:			
Capital assets:			
Capital assets, being depreciated:			
Equipment	1,387,500	-	1,387,500
Less: accumulated depreciation	<u>(1,271,051)</u>	<u>-</u>	<u>(1,271,051)</u>
Total capital assets, net	<u>116,449</u>	<u>-</u>	<u>116,449</u>
Total noncurrent assets	<u>116,449</u>	<u>-</u>	<u>116,449</u>
Total assets	<u>227,325</u>	<u>8,008</u>	<u>235,333</u>
LIABILITIES			
Current liabilities:			
Accounts payable	14,864	8,733	23,597
Accrued liabilities	<u>7,194</u>	<u>3,600</u>	<u>10,794</u>
Total current liabilities	<u>22,058</u>	<u>12,333</u>	<u>34,391</u>
Total liabilities	<u>22,058</u>	<u>12,333</u>	<u>34,391</u>
NET POSITION			
Investment in capital assets	116,449	-	116,449
Unrestricted (deficit)	<u>88,818</u>	<u>(4,325)</u>	<u>84,493</u>
Total net position	<u>\$ 205,267</u>	<u>\$ (4,325)</u>	<u>\$ 200,942</u>

City of Lakewood
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2022

	Central Garage	Print Shop	Total
OPERATING REVENUES:			
Billing to departments	\$ 1,206,463	\$ 281,698	\$ 1,488,161
Total operating revenues	<u>1,206,463</u>	<u>281,698</u>	<u>1,488,161</u>
OPERATING EXPENSES:			
Operating expenses	1,046,014	278,825	1,324,839
Depreciation	31,690	-	31,690
Total operating expenses	<u>1,077,704</u>	<u>278,825</u>	<u>1,356,529</u>
OPERATING INCOME (LOSS)	<u>128,759</u>	<u>2,873</u>	<u>131,632</u>
CHANGE IN NET POSITION	128,759	2,873	131,632
NET POSITION:			
Beginning of the year	76,508	(7,198)	69,310
End of the year	<u>\$ 205,267</u>	<u>\$ (4,325)</u>	<u>\$ 200,942</u>

City of Lakewood
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2022

	Central Garage	Print Shop	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from interfund services provided	\$ 1,206,463	\$ 281,698	\$ 1,488,161
Payments to suppliers for goods and services	(1,125,099)	(293,627)	(1,418,726)
Net cash provided by operating activities	<u>81,364</u>	<u>(11,929)</u>	<u>69,435</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition of capital assets	<u>(81,364)</u>	<u>-</u>	<u>(81,364)</u>
Net cash (used in) capital and related financing activities	<u>(81,364)</u>	<u>-</u>	<u>(81,364)</u>
Changes in cash and cash equivalents	-	(11,929)	(11,929)
CASH AND CASH EQUIVALENTS:			
Beginning of year	-	11,929	11,929
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:			
Operating income	\$ 128,759	\$ 2,873	\$ 131,632
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:			
Depreciation	31,690	-	31,690
Change in assets and liabilities:			
(Increase) decrease in inventories	(37,490)	(7,000)	(44,490)
Increase (decrease) in accounts payable	(22,566)	2,096	(20,470)
Increase (decrease) in accrued liabilities	(19,029)	(9,898)	(28,927)
Total adjustment	<u>(47,395)</u>	<u>(14,802)</u>	<u>(62,197)</u>
Net cash provided by operating activities	<u>\$ 81,364</u>	<u>\$ (11,929)</u>	<u>\$ 69,435</u>



STATISTICAL SECTION



City of Lakewood
Description of Statistical Section Contents
June 30, 2022

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

Contents:	Pages
Financial Trends - These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	162-171
Revenue Capacity - These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	172-181
Debt Capacity - These schedules present information to help the reader assess the affordability of the City's current level of outstanding debt and the City's ability to issue additional debt in the future.	182-189
Demographic and Economic Information - These schedules offer demographics and economic indicators to help the reader understand the environment within which the City's financial activities take place.	190
Operating Information - These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report related to the services the City provides and activities it performs.	191-195

City of Lakewood
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2013	2014*	2015	2016	2017**
Government activities:					
Net investment in capital assets	\$ 90,407,845	\$ 89,075,037	\$ 88,511,175	\$ 90,100,125	\$ 94,918,550
Restricted	12,213,220	3,994,605	15,464,118	10,805,986	15,160,381
Unrestricted	52,582,291	39,712,067	26,918,679	31,932,235	25,186,231
Total governmental activities net position	<u>\$ 155,203,356</u>	<u>\$ 132,781,709</u>	<u>\$ 130,893,972</u>	<u>\$ 132,838,346</u>	<u>\$ 135,265,162</u>
Business-type activities:					
Net investment in capital assets	\$ 24,816,486	\$ 24,587,382	\$ 27,408,545	\$ 28,527,530	\$ 27,587,388
Restricted	-	-	-	-	-
Unrestricted	8,568,199	7,988,528	6,004,051	6,287,737	9,848,943
Total business-type activities net position	<u>\$ 33,384,685</u>	<u>\$ 32,575,910</u>	<u>\$ 33,412,596</u>	<u>\$ 34,815,267</u>	<u>\$ 37,436,331</u>
Primary government:					
Net investment in capital assets	\$ 115,224,331	\$ 113,662,419	\$ 115,919,720	\$ 118,627,655	\$ 122,505,938
Restricted	12,213,220	3,994,605	15,464,118	10,805,986	15,160,381
Unrestricted	61,150,490	47,700,595	32,922,730	38,219,972	35,035,174
Total primary government net position	<u>\$ 188,588,041</u>	<u>\$ 165,357,619</u>	<u>\$ 164,306,568</u>	<u>\$ 167,653,613</u>	<u>\$ 172,701,493</u>

* 2014 unrestricted net positions are restated as result of implementation of GASB Statements No. 68 and 71.

** 2017 unrestricted net positions are restated as result of implementation of GASB Statement No. 75.

City of Lakewood
Net Position by Component (Continued)
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2018	2019	2020	2021	2022
Government activities:					
Net investment in capital assets	\$ 100,416,548	\$ 108,108,047	\$ 111,479,193	\$ 115,207,736	\$ 118,073,852
Restricted	21,751,112	24,069,839	27,088,588	36,051,636	38,566,384
Unrestricted	17,346,009	16,446,872	13,077,407	21,717,181	37,163,986
Total governmental activities net position	<u>\$ 139,513,669</u>	<u>\$ 148,624,758</u>	<u>\$ 151,645,188</u>	<u>\$ 172,976,553</u>	<u>\$ 193,804,222</u>
Business-type activities:					
Net investment in capital assets	\$ 26,543,189	\$ 26,327,391	\$ 27,211,808	\$ 27,173,204	\$ 27,686,379
Restricted	-	-	-	-	-
Unrestricted	11,954,770	13,057,126	12,982,718	14,792,197	14,779,213
Total business-type activities net position	<u>\$ 38,497,959</u>	<u>\$ 39,384,517</u>	<u>\$ 40,194,526</u>	<u>\$ 41,965,401</u>	<u>\$ 42,465,592</u>
Primary government:					
Net investment in capital assets	\$ 126,959,737	\$ 134,435,438	\$ 138,691,001	\$ 142,380,940	\$ 145,760,231
Restricted	21,751,112	24,069,839	27,088,588	36,051,636	38,566,384
Unrestricted	29,300,779	29,503,998	26,060,125	36,509,378	51,943,199
Total primary government net position	<u>\$ 178,011,628</u>	<u>\$ 188,009,275</u>	<u>\$ 191,839,714</u>	<u>\$ 214,941,954</u>	<u>\$ 236,269,814</u>

City of Lakewood
Changes in Net Position - Expenses and Program Revenues
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2013	2014	2015	2016	2017
Expenses:					
Governmental Activities:					
General government	\$ 7,527,025	\$ 7,412,703	\$ 10,354,630	\$ 7,187,053	\$ 7,618,899
Public Safety	12,450,911	12,983,054	13,525,219	14,271,008	14,266,703
Transportation	6,137,250	4,587,061	4,772,202	4,740,336	4,915,779
Community development	4,548,531	4,967,510	4,622,036	4,759,414	5,216,400
Health and sanitation	4,692,717	4,925,697	4,888,091	4,901,125	5,066,047
Culture and leisure	10,205,926	11,386,411	12,090,213	11,770,595	12,757,229
Unallocated infrastructure depreciation	2,606,851	2,676,442	2,695,986	2,721,461	2,732,259
Interest on long-term debt	-	-	-	15,143	14,308
Total governmental activities expenses	48,169,211	48,938,878	52,948,377	50,366,135	52,587,624
Business-type activities:					
Water	9,358,616	9,990,086	9,554,985	9,628,369	9,316,642
Total primary government expenses	\$ 57,527,827	\$ 58,928,964	\$ 62,503,362	\$ 59,994,504	\$ 61,904,266
Program revenues:					
Governmental activities:					
Charges for services:					
General government	\$ 1,500,664	\$ 1,753,540	\$ 1,679,199	\$ 1,790,751	\$ 1,961,794
Public safety	827,333	863,286	866,028	912,841	828,408
Community development	887,126	1,199,667	1,647,432	1,754,359	1,687,297
Health and sanitation	4,965,890	5,111,702	5,242,204	5,309,601	5,430,005
Culture and leisure	1,522,022	1,562,310	1,577,319	1,543,688	1,591,984
Operating grants and contributions	3,553,814	4,810,026	4,176,696	3,585,692	6,100,046
Capital grants and contributions	1,538,183	866,959	1,726,390	3,365,208	8,542,663
Total governmental activities program revenues	14,795,032	16,167,490	16,915,268	18,262,140	26,142,197
Business-type activities:					
Charges for services:					
Water	10,573,733	11,711,839	10,311,109	10,930,852	10,873,311
Total primary government program revenues	\$ 25,368,765	\$ 27,879,329	\$ 27,226,377	\$ 29,192,992	\$ 37,015,508
Net revenues (expenses):					
Governmental activities	\$ (33,374,179)	\$ (32,771,388)	\$ (36,033,109)	\$ (32,103,995)	\$ (26,445,427)
Business-type activities	1,215,117	1,721,753	756,124	1,302,483	1,556,669
Total net revenues (expenses)	\$ (32,159,062)	\$ (31,049,635)	\$ (35,276,985)	\$ (30,801,512)	\$ (24,888,758)

City of Lakewood
Changes in Net Position - Expenses and Program Revenues (Continued)
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2018	2019	2020	2021	2022
Expenses:					
Governmental Activities:					
General government	\$ 8,414,207	\$ 8,623,397	\$ 9,633,988	\$ 11,542,121	\$ 9,982,626
Public Safety	14,934,025	15,587,612	15,847,990	16,955,187	17,505,002
Transportation	5,319,350	5,618,743	6,191,543	6,551,094	6,503,537
Community development	5,602,768	5,755,708	5,965,959	6,018,023	5,291,189
Health and sanitation	5,173,751	5,440,069	5,488,139	5,705,506	6,083,718
Culture and leisure	13,919,102	14,023,325	14,317,749	14,449,389	13,651,705
Unallocated infrastructure depreciation	2,680,800	2,610,286	2,472,242	2,772,636	2,723,750
Interest on long-term debt	12,246	10,065	24,865	25,131	6,525
Total governmental activities expenses	56,056,249	57,669,205	59,942,475	64,019,087	61,748,052
Business-type activities:					
Water	12,124,940	12,722,577	12,340,848	10,534,148	11,481,342
Total primary government expenses	\$ 68,181,189	\$ 70,391,782	\$ 72,283,323	\$ 74,553,235	\$ 73,229,394
Program revenues:					
Governmental activities:					
Charges for services:					
General government	\$ 1,701,064	\$ 1,842,865	\$ 1,723,330	\$ 1,549,999	\$ 1,450,370
Public safety	799,898	824,844	739,734	721,881	838,925
Community development	1,644,380	1,831,695	1,647,529	1,890,846	1,962,283
Health and sanitation	5,493,200	5,736,770	6,017,870	6,332,537	6,483,492
Culture and leisure	1,505,685	1,627,965	1,050,990	578,668	1,232,960
Operating grants and contributions	8,633,736	9,751,629	8,862,665	13,234,375	13,575,994
Capital grants and contributions	6,315,712	8,315,163	6,378,745	10,424,134	2,957,680
Total governmental activities program revenues	26,093,675	29,930,931	26,420,863	34,732,440	28,501,704
Business-type activities:					
Charges for services:					
Water	13,003,840	13,354,770	12,869,000	13,965,629	13,787,798
Total primary government program revenues	\$ 39,097,515	\$ 43,285,701	\$ 39,289,863	\$ 48,698,069	\$ 42,289,502
Net revenues (expenses):					
Governmental activities	\$ (29,962,574)	\$ (27,738,274)	\$ (33,521,612)	\$ (29,286,647)	\$ (33,246,348)
Business-type activities	878,900	632,193	528,152	3,431,481	2,306,456
Total net revenues (expenses)	\$ (29,083,674)	\$ (27,106,081)	\$ (32,993,460)	\$ (25,855,166)	\$ (30,939,892)

City of Lakewood
Changes in Net Position - Expenses and Program Revenues (Continued)
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2013	2014	2015	2016	2017
General revenues and other changes in net position:					
Governmental activities:					
Taxes:					
Sales taxes	\$ 15,461,092	\$ 15,792,115	\$ 15,890,678	\$ 15,961,352	\$ 14,133,828
Property taxes	12,030,119	11,310,210	11,831,561	12,747,876	13,039,739
Franchise taxes	1,607,535	1,697,405	1,757,264	1,699,343	1,430,601
Business operation taxes	508,100	542,110	565,441	1,016,140	674,880
Utility user taxes	3,626,639	3,520,414	3,464,047	3,398,962	3,314,095
Other taxes	308,522	322,834	372,276	378,213	442,393
Unrestricted, motor vehicle in lieu	42,894	35,499	-	-	-
Grants and contributions not restricted to specific programs	893,110	-	-	-	-
Gain on sale of property	108,469	-	-	-	114,000
Transfers in					
Investment income (loss)	137,346	377,099	264,105	482,676	459,477
Total governmental activities	<u>34,723,826</u>	<u>33,597,686</u>	<u>34,145,372</u>	<u>35,684,562</u>	<u>33,609,013</u>
Business-type activities:					
Gain on sale of capital assets	-	-	-	-	1,035,021
Transfers out					
Investment income	59,279	60,664	80,562	100,188	131,040
Total business-type activities	<u>59,279</u>	<u>60,664</u>	<u>80,562</u>	<u>100,188</u>	<u>1,166,061</u>
Total primary government	<u>\$ 34,783,105</u>	<u>\$ 33,658,350</u>	<u>\$ 34,225,934</u>	<u>\$ 35,784,750</u>	<u>\$ 34,775,074</u>
Changes in net position, before special and extraordinary item					
Governmental activities	\$ 1,349,647	\$ 808,298	\$ 1,373,984	\$ (348,547)	\$ 1,505,018
Business-type activities	1,274,396	1,782,417	1,802,315	856,312	2,468,544
Special item	-	-	-	(1,636,193)	-
Extraordinary item	(31,453,996)	-	-	-	-
Changes in net position					
Governmental activities	\$ (30,104,349)	\$ 808,298	\$ 1,373,984	\$ (1,984,740)	\$ 1,505,018
Business-type activities	1,274,396	1,782,417	1,802,315	856,312	2,468,544
Total primary government	<u>\$ (28,829,953)</u>	<u>\$ 2,590,715</u>	<u>\$ 3,176,299</u>	<u>\$ (1,128,428)</u>	<u>\$ 3,973,562</u>

City of Lakewood
Changes in Net Position - Expenses and Program Revenues (Continued)
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year				
	2018	2019	2020	2021	2022
General revenues and other changes in net position:					
Governmental activities:					
Taxes:					
Sales taxes	\$ 14,303,519	\$ 14,635,987	\$ 13,555,147	\$ 26,182,543	\$ 31,256,373
Property taxes	13,795,722	14,637,510	15,657,307	16,600,433	16,945,351
Franchise taxes	1,598,487	1,543,020	1,519,485	1,535,167	1,582,709
Business operation taxes	650,728	651,364	462,677	560,252	578,867
Utility user taxes	3,163,738	3,061,021	2,650,026	3,034,416	3,361,075
Other taxes	424,144	409,432	469,328	541,524	582,151
Unrestricted, motor vehicle in lieu	-	-	-	-	-
Grants and contributions not restricted to specific programs	-	-	-	-	-
Gain on sale of property	-	77,715	-	-	-
Transfers in				1,795,700	1,795,700
Investment income (loss)	274,743	1,833,314	2,228,072	182,662	(2,028,209)
Total governmental activities	<u>34,211,081</u>	<u>36,849,363</u>	<u>36,542,042</u>	<u>50,432,697</u>	<u>54,074,017</u>
Business-type activities:					
Gain on sale of capital assets	-	-	-	-	-
Transfers out				(1,795,700)	(1,795,700)
Investment income	182,728	254,365	281,857	135,094	(10,565)
Total business-type activities	<u>182,728</u>	<u>254,365</u>	<u>281,857</u>	<u>(1,660,606)</u>	<u>(1,806,265)</u>
Total primary government	<u>\$ 34,393,809</u>	<u>\$ 37,103,728</u>	<u>\$ 36,823,899</u>	<u>\$ 48,772,091</u>	<u>\$ 52,267,752</u>
Changes in net position, before special and extraordinary item					
Governmental activities	\$ 7,765,654	\$ 6,886,789	\$ 8,803,768	\$ 16,911,085	\$ 20,827,669
Business-type activities	1,739,397	1,133,265	914,050	(1,132,454)	500,191
Special item	-	-	-	-	-
Extraordinary item	-	-	-	-	-
Changes in net position					
Governmental activities	\$ 7,765,654	\$ 6,886,789	\$ 8,803,768	\$ 16,911,085	\$ 20,827,669
Business-type activities	1,739,397	1,133,265	914,050	(1,132,454)	500,191
Total primary government	<u>\$ 9,505,051</u>	<u>\$ 8,020,054</u>	<u>\$ 9,717,818</u>	<u>\$ 15,778,631</u>	<u>\$ 21,327,860</u>

City of Lakewood
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	2013	2014	2015	2016	2017
General fund:					
Nonspendable	\$ 4,173,679	\$ 2,670,747	\$ 3,334,102	\$ 9,007,179	\$ 9,242,133
Restricted	-	-	-	-	-
Committed	29,066,342	32,456,408	28,993,127	22,470,125	24,641,778
Assigned	8,589,044	8,738,457	8,784,875	9,060,489	7,941,985
Unassigned	3,796,234	3,640,285	4,737,497	2,545,033	1,388,222
Total general fund	<u>\$ 45,625,299</u>	<u>\$ 47,505,897</u>	<u>\$ 45,849,601</u>	<u>\$ 43,082,826</u>	<u>\$ 43,214,118</u>
All other governmental funds:					
Nonspendable	\$ 8,536,583	\$ 8,537,919	\$ 10,614,864	\$ 7,216,652	\$ 7,293,057
Restricted	3,679,754	4,256,020	4,807,418	10,304,699	11,811,420
Unassigned	<u>(626,208)</u>	<u>(1,408,079)</u>	<u>(834,768)</u>	<u>(657,720)</u>	<u>(3,223,534)</u>
Total all other governmental funds	<u>\$ 11,590,129</u>	<u>\$ 11,385,860</u>	<u>\$ 14,587,514</u>	<u>\$ 16,863,631</u>	<u>\$ 15,880,943</u>

City of Lakewood
Fund Balances of Governmental Funds (Continued)
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	2018	2019	2020	2021	2022
General fund:					
Nonspendable	\$ 9,614,693	\$ 9,887,493	\$ 10,088,435	\$ 10,333,944	\$ 10,562,095
Restricted	-	617,122	62,478	-	-
Committed	25,016,682	24,952,465	26,389,437	27,296,545	30,913,516
Assigned	4,573,815	4,941,360	4,905,102	4,905,102	20,357,986
Unassigned	1,721,244	2,182,964	1,306,735	10,327,717	2,535,221
Total general fund	<u>\$ 40,926,434</u>	<u>\$ 42,581,404</u>	<u>\$ 42,752,187</u>	<u>\$ 52,863,308</u>	<u>\$ 64,368,818</u>
All other governmental funds:					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	21,385,895	23,637,463	27,025,084	32,367,386	37,715,646
Unassigned	(2,000,042)	(2,813,850)	(2,942,067)	2,228,398	(363,859)
Total all other governmental funds	<u>\$ 19,385,853</u>	<u>\$ 20,823,613</u>	<u>\$ 24,083,017</u>	<u>\$ 34,595,784</u>	<u>\$ 37,351,787</u>

City of Lakewood
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	2013	2014	2015	2016	2017
Revenues:					
Taxes	\$ 26,411,985	\$ 26,076,260	\$ 26,285,474	\$ 28,512,153	\$ 27,428,381
Licenses and permits	882,983	860,267	1,236,029	1,305,394	1,271,711
Fines and forfeitures	782,011	794,905	800,988	792,042	726,158
Investment income, rents and concessions	1,015,685	1,229,344	1,348,984	1,579,999	1,628,636
From other agencies	11,734,813	11,732,076	12,262,584	13,040,289	16,801,522
Current service charges	8,416,888	7,354,833	7,603,770	7,820,247	7,676,870
Other	250,038	1,209,438	3,883,093	1,319,267	1,332,492
Total revenues	<u>49,494,403</u>	<u>49,257,123</u>	<u>53,420,922</u>	<u>54,369,391</u>	<u>56,865,770</u>
Expenditures:					
Current:					
General government	7,080,629	7,198,445	10,121,711	7,469,038	7,598,738
Public safety	12,374,488	12,622,353	13,279,510	14,035,382	13,957,135
Transportation	6,108,720	4,454,458	4,529,295	4,848,633	4,794,659
Community Development	4,358,375	4,822,302	4,550,855	4,877,917	5,266,588
Health and sanitation	4,690,837	4,789,347	4,884,931	4,908,103	5,064,902
Culture and leisure	9,440,235	11,057,389	11,029,303	11,356,886	11,845,756
Capital outlay:					
General government	4,054	-	43,032	60,392	71,163
Public safety	543,434	-	-	894,527	-
Transportation	3,061,913	1,412,843	605,487	2,474,885	7,838,438
Community Development	-	-	55,238	85,996	30,256
Culture and leisure	1,653,418	1,194,657	2,776,202	2,443,762	1,313,659
Debt service:					
Owner participation agreement payments	-	-	-	-	-
Principal retirement	-	-	-	31,313	35,564
Interest and fiscal charges	-	-	-	15,143	14,308
Total expenditures	<u>49,316,103</u>	<u>47,551,794</u>	<u>51,875,564</u>	<u>53,501,977</u>	<u>57,831,166</u>
Excess of revenues over (under) expenditures	<u>178,300</u>	<u>1,705,329</u>	<u>1,545,358</u>	<u>867,414</u>	<u>(965,396)</u>
Other financing sources (uses):					
Issuance of lease payable	-	-	-	278,121	-
Transfers in	2,457,077	2,597,281	2,107,215	1,771,504	1,564,966
Transfers out	(2,457,077)	(2,597,281)	(2,107,215)	(1,771,504)	(1,564,966)
Sale of capital assets	511,875	-	-	-	114,000
Proceeds from lease issuance	-	-	-	-	-
Total other financing sources (uses)	<u>511,875</u>	<u>-</u>	<u>-</u>	<u>278,121</u>	<u>114,000</u>
SPECIAL ITEMS:					
Transfer to HACoLA	-	-	-	-	-
Gain(loss) on interest adjustment on the loans to the Successor Agency	-	-	-	(1,636,193)	-
Net change in fund balances, before extraordinary items	<u>690,175</u>	<u>1,705,329</u>	<u>1,545,358</u>	<u>(490,658)</u>	<u>(851,396)</u>
EXTRAORDINARY ITEM:					
Gain (loss) on dissolution of Redevelopment Agency	(17,199,128)	-	-	-	-
Net change in fund balances	<u>\$ (16,508,953)</u>	<u>\$ 1,705,329</u>	<u>\$ 1,545,358</u>	<u>\$ (490,658)</u>	<u>\$ (851,396)</u>
Debt service as a percentage of noncapital expenditures	0.00%	0.00%	0.00%	0.10%	0.10%

City of Lakewood
Changes in Fund Balances of Governmental Funds (Continued)
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year				
	2018	2019	2020	2021	2022
Revenues:					
Taxes	\$ 27,840,342	\$ 28,653,388	\$ 27,684,978	\$ 41,098,863	\$ 47,537,386
Licenses and permits	1,213,898	1,356,208	1,311,229	1,451,338	1,454,830
Fines and forfeitures	803,671	877,832	734,643	748,656	743,167
Investment income, rents and concessions	1,549,043	3,172,061	3,392,410	924,009	(1,204,812)
From other agencies	21,529,691	22,305,483	21,703,390	31,019,031	21,443,120
Current service charges	7,727,896	8,102,123	7,789,524	8,076,990	8,686,921
Other	1,296,960	1,369,123	1,066,017	1,096,083	2,661,610
Total revenues	61,961,501	65,836,218	63,682,191	84,414,970	81,322,222
Expenditures:					
Current:					
General government	7,775,703	7,928,367	8,241,505	10,841,466	10,940,429
Public safety	14,643,744	15,297,771	15,583,762	16,673,133	17,740,952
Transportation	4,938,424	4,994,979	5,279,004	6,008,396	7,155,428
Community Development	5,448,344	5,576,834	5,544,163	5,772,175	5,583,986
Health and sanitation	5,173,879	5,406,156	5,477,528	5,706,406	6,099,067
Culture and leisure	12,296,334	12,275,314	11,886,225	12,511,815	14,249,773
Capital outlay:					
General government	125,383	201,076	-	146,425	503,288
Public safety	-	-	-	103,239	14,400
Transportation	6,122,168	9,821,988	7,137,458	6,675,851	3,868,435
Community Development	7,116	24,532	7,414	22,048	205,203
Culture and leisure	4,163,308	1,994,314	881,672	1,097,870	2,266,698
Debt service:					
Owner participation agreement payments	-	-	-	-	-
Principal retirement	37,626	39,807	185,206	191,498	243,609
Interest and fiscal charges	12,246	10,065	28,067	21,775	16,757
Total expenditures	60,744,275	63,571,203	60,252,004	65,772,097	68,888,025
Excess of revenues over (under) expenditures	1,217,226	2,265,015	3,430,187	18,642,873	12,434,197
Other financing sources (uses):					
Issuance of lease payable	-	750,000	-	-	-
Transfers in	1,808,209	1,571,741	2,213,002	3,593,665	3,854,822
Transfers out	(1,808,209)	(1,571,741)	(2,213,002)	(1,797,965)	(2,059,122)
Sale of capital assets	-	77,715	-	-	-
Proceeds from lease issuance	-	-	-	-	31,616
Total other financing sources (uses)	-	827,715	-	1,795,700	1,827,316
SPECIAL ITEMS:					
Transfer to HAcOLA	-	-	-	-	-
Gain(loss) on interest adjustment on the loans to the Successor Agency	-	-	-	-	-
Net change in fund balances, before extraordinary items	1,217,226	3,092,730	3,430,187	20,438,573	14,261,513
EXTRAORDINARY ITEM:					
Gain (loss) on dissolution of Redevelopment Agency	-	-	-	-	-
Net change in fund balances	\$ 1,217,226	\$ 3,092,730	\$ 3,430,187	\$ 20,438,573	\$ 14,261,513
Debt service as a percentage of noncapital expenditures	0.10%	0.10%	0.41%	0.37%	0.42%

City of Lakewood
Major Tax Revenue By Sources
Last Ten Fiscal Years

Fiscal Year Ended June 30	Sales Taxes	Property Taxes	Franchise Taxes	Business Operation Taxes	Utility User Taxes	Other Taxes	Total
2013	\$ 15,461,092	\$ 12,030,119	\$ 1,607,535	\$ 508,100	\$ 3,626,639	\$ 308,522	\$ 33,542,007
2014	15,792,115	11,310,210	1,697,405	542,110	3,520,414	322,834	33,185,088
2015	15,890,678	11,831,561	1,757,264	565,441	3,464,047	372,276	33,881,267
2016	15,961,352	12,747,876	1,699,343	1,016,140	3,398,962	378,213	35,201,886
2017	14,133,828	13,039,739	1,430,601	674,880	3,314,095	442,393	33,035,536
2018	14,303,519	13,795,722	1,598,487	650,728	3,163,738	424,144	33,936,338
2019	14,635,987	14,637,510	1,543,020	662,914	3,061,021	409,432	34,949,884
2020	13,555,147	15,657,307	1,519,485	462,677	2,650,026	469,328	34,313,970
2021	26,182,543	15,783,601	1,535,167	1,213,169	3,034,416	541,524	48,290,420
2022	31,256,373	16,945,351	1,582,709	578,867	3,361,075	582,151	54,306,526

City of Lakewood
Top 25 Sales Tax Producers
Current Year and Nine Fiscal Years Ago

2022		2013	
Business Name	Business Category	Business Name	Business Category
Arco	Service Stations	Arco AM PM	Service Stations
Arco	Service Stations	Arco AM PM	Service Stations
Best Buy	Electronics/Appliance Stores	Best Buy	Electronics/Appliance Stores
Caruso Ford	New Motor Vehicle Dealers	Caruso Ford	New Motor Vehicle Dealers
Chevron	Service Stations	Costco	Discount Dept Stores
Costco	Discount Dept Stores	CVS Pharmacy	Drug Stores
Ganahl Lumber	Building Materials	Del Amo Mobil	Service Stations
Harbor Chevrolet Harbor Hyundai	New Motor Vehicle Dealers	Foot Locker	Shoe Stores
Harbor Hyundai	New Motor Vehicle Dealers	Forever 21	Women's Apparel
Hobby Lobby	Specialty Stores	Gamefly	Specialty Stores
Home Depot	Building Materials	Harbor Chevrolet Harbor Hyundai	New Motor Vehicle Dealers
Home Goods	Home Furnishings	Home Depot	Building Materials
JC Penney	Department Stores	JC Penney	Department Stores
Kohls	Department Stores	Kohls	Department Stores
Macys	Department Stores	Lakewood Arco	Service Stations
Macy's	Department Stores	Lakewood Chevron	Service Stations
Marshalls	Family Apparel	Macys	Department Stores
McDonalds	Quick-Service Restaurants	McDonalds	Quick-Service Restaurants
Raising Cane's	Quick-Service Restaurants	Nordstrom Rack	Department Stores
Target	Discount Dept Stores	Rapid Gas	Service Stations
Timmons Subaru	New Motor Vehicle Dealers	Target	Discount Dept Stores
United Oil	Service Stations	Vans	Shoe Stores
Vons	Grocery Stores	Vons	Grocery Stores
Vons Fuel	Service Stations	Vons Fuel	Service Stations
Walmart Supercenter	Discount Dept Stores	Walmart Supercenter	Discount Dept Stores

Source: HDL

Note: Firms Listed Alphabetically

Period: July 2021 Thru June 2022

City of Lakewood
Taxables Sales by Category
Last Ten Calendar Years
(in thousands of dollars)

	Fiscal Years				
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Apparel Stores	\$ 91,821	\$ 94,682	\$ 100,090	\$ 104,262	\$ 108,777
General Merchandise	322,971	329,626	339,237	335,292	326,877
Food Stores	41,353	44,442	46,198	47,494	47,845
Eating and Drinking Places	157,219	167,347	176,455	189,057	197,497
Building Materials	58,739	63,714	66,480	67,557	73,781
Auto Dealers and Supplies	114,821	100,940	113,843	133,160	154,323
Service Stations	134,787	128,494	123,183	100,673	86,673
Other Retail Stores	177,164	178,010	185,630	190,440	191,145
All Other Outlets	157,199	174,803	188,879	192,439	209,133
	<u>\$ 1,256,074</u>	<u>\$ 1,282,058</u>	<u>\$ 1,339,995</u>	<u>\$ 1,360,374</u>	<u>\$ 1,396,051</u>

Source: HDL

City of Lakewood
Taxables Sales by Category (Continued)
Last Ten Calendar Years
(in thousands of dollars)

	Fiscal Years				
	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Apparel Stores	\$ 107,971	\$ 111,925	\$ 111,451	\$ 69,217	\$ 120,346
General Merchandise	332,043	319,083	324,131	285,728	346,224
Food Stores	46,073	46,429	47,825	54,744	53,932
Eating and Drinking Places	204,971	208,381	215,395	166,013	206,461
Building Materials	78,690	91,179	75,681	79,150	79,143
Auto Dealers and Supplies	161,696	130,424	129,173	128,152	176,857
Service Stations	93,554	107,480	102,185	67,688	98,487
Other Retail Stores	195,787	196,820	194,360	162,233	209,987
All Other Outlets	<u>220,039</u>	<u>221,375</u>	<u>244,317</u>	<u>313,924</u>	<u>335,951</u>
	<u>\$ 1,440,824</u>	<u>\$ 1,433,096</u>	<u>\$ 1,444,518</u>	<u>\$ 1,326,849</u>	<u>\$ 1,627,388</u>

Source: HDL

City of Lakewood
City Sales Tax Rates
Last Ten Fiscal Years
(Rate at June 30th of Fiscal Year)

	Fiscal Years									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
City Sales Tax rate	9.000%	9.000%	9.000%	9.000%	8.750%	9.500%	9.500%	9.500%	10.250%	10.250%

City of Lakewood
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands of dollars)

Fiscal Year Ended June 30	Secured	Nonunitary	Unsecured	Taxable Assessed Value	Total Direct Tax Rate
2013	7,132,189	258	149,168	7,281,615	0.186%
2014	7,335,693	258	138,341	7,474,292	0.061%
2015	7,750,838	258	148,398	7,899,494	0.061%
2016	8,155,338	258	142,831	8,298,427	0.060%
2017	8,561,782	258	136,052	8,698,092	0.060%
2018	9,028,557	225	136,546	9,165,328	0.060%
2019	9,513,618	225	141,465	9,655,308	0.060%
2020	9,983,645	226	145,044	10,128,915	0.060%
2021	10,474,857	226	143,457	10,618,540	0.060%
2022	10,913,386	1	129,486	11,042,873	0.060%

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

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

	Fiscal Years									
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
City Direct Rates:										
City basic rate	\$ 0.1855	\$ 0.0607	\$ 0.0606	\$ 0.0604	\$ 0.0603	\$ 0.0602	\$ 0.0602	\$ 0.0601	\$ 0.0600	\$ 0.0600
Overlapping Rates:										
Los Angeles County	-	-	-	-	-	-	-	-	-	-
School Districts	0.3200	0.3074	0.3716	0.3101	0.4015	0.5274	0.5233	0.6309	0.5320	0.5346
Sanitation and Water	-	-	-	-	-	-	-	-	-	-
Water Districts	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035	0.0035
Other	<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>	<u>1.0000</u>
Total Direct Rate	<u>\$ 1.5090</u>	<u>\$ 1.3681</u>	<u>\$ 1.4357</u>	<u>\$ 1.3706</u>	<u>\$ 1.4619</u>	<u>\$ 1.5876</u>	<u>\$ 1.5870</u>	<u>\$ 1.6944</u>	<u>\$ 1.5955</u>	<u>\$ 1.5981</u>

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

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

	2021		2012	
	Taxable Assessed Value	Percent of Total City Taxable Assessed Value	Taxable Assessed Value	Percent of Total City Taxable Assessed Value
<u>Taxpayer</u>				
Macerich Lakewood LLC	\$ 393,544,104	3.56%	\$ 298,161,469	4.09%
B9 MF 12350 DEL AMO LLC	139,450,169	1.26%	N/A	N/A
Lakewood Manor Apartments LLC	98,118,363	0.89%	\$ 83,414,574	1.15%
Lakewood Regional Medical Center	62,688,344	0.57%	\$ 55,589,973	0.76%
IRIS19 LP	60,391,234	0.55%	N/A	N/A
Lakewood Marketplace LLC	42,566,403	0.39%	\$ 36,448,941	0.50%
May Company Department Stores	37,205,125	0.34%	\$ 32,996,544	0.45%
Douglas Park Associates IV LLC	36,800,000	0.33%	N/A	N/A
Carwood Center LLC	35,130,937	0.32%	N/A	N/A
The 5800 Apartment Homes LLC	33,807,342	0.31%	N/A	N/A
Total	<u>\$ 939,702,021</u>	<u>8.51%</u>	<u>\$ 506,611,501</u>	<u>7.0%</u>

Note: The amounts shown above include assessed value data for both the City and the Redevelopment Agency.



City of Lakewood
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year		Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2013	\$	4,024,637	\$ 3,811,325	94.70%	\$ 213,311	\$ 4,024,636	100.00%
2014		4,109,676	4,017,643	97.76%	92,033	4,109,676	100.00%
2015		4,251,103	4,158,507	97.82%	92,596	4,251,103	100.00%
2016		4,553,569	4,452,399	97.78%	101,169	4,553,568	100.00%
2017		4,613,693	4,456,610	96.60%	157,083	4,613,693	100.00%
2018		4,960,161	4,808,236	96.94%	151,925	4,960,161	100.00%
2019		5,235,071	5,104,779	97.51%	130,292	5,235,071	100.00%
2020		5,406,685	5,286,360	97.77%	120,325	5,406,685	100.00%
2021		5,716,914	5,557,978	97.22%	158,936	5,716,914	100.00%
2022		5,943,809	5,615,340	94.47%	328,469	5,943,809	100.00%

City of Lakewood
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Governmental Activities				
Fiscal Year Ended June 30	General Obligation Bonds	Tax Allocation Bonds	Lease Payable	Total Governmental Activities
2013	-	-	-	-
2014	-	-	-	-
2015	-	-	-	-
2016	-	-	246,808	246,808
2017	-	-	211,244	211,244
2018	-	-	173,617	173,617
2019	-	-	883,811	883,811
2020	-	-	698,605	698,605
2021	-	-	507,107	507,107
2022	-	-	460,465	460,465

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

City of Lakewood
Ratios of Outstanding Debt by Type (Continued)
Last Ten Fiscal Years

Business-type Activities						
Water Revenue Bonds	Loan Payable to Water Replacement District	Lease Payable	Total Business-type Activities	Total Primary Government	Percentage of Personal Income ¹	Debt Per Capita ¹
4,038,895	1,382,361	-	5,421,256	5,421,256	0.23%	67
3,385,206	1,184,881	-	4,570,087	4,570,087	0.19%	56
2,456,517	987,401	-	3,443,918	3,443,918	0.15%	42
-	789,921	1,762,532	2,552,453	2,799,261	0.12%	36
-	592,441	10,494,954	11,087,395	11,298,639	0.47%	143
-	394,961	10,139,347	10,534,308	10,707,925	0.43%	132
-	197,480	9,378,045	9,575,525	10,459,336	0.41%	129
-	-	8,594,758	8,594,758	9,293,363	0.34%	116
-	-	7,788,848	7,788,848	8,295,955	0.29%	103
-	-	6,959,657	6,959,657	7,420,122	0.26%	92

¹ These ratios are calculated using personal income and population for the prior calendar year.



City of Lakewood

Direct and Overlapping Debt

As of June 30, 2022

Total Assessed Valuation		\$9,677,136,511	
	Percentage Applicable ¹	Outstanding Debt 06/30/22	Estimated Share of Overlapping Debt
Overlapping Debt:			
Metropolitan Water District	0.668%	\$ 9,835,780	\$ 65,721
Cerritos Community College District 2004 Series 2012E	7.250%	30,896,885	2,226,183
Cerritos Community College District 2012 Series 2014A	7.250%	73,900,000	5,324,644
Cerritos Community College District 2014 Ref Bonds Series A	7.205%	72,380,000	5,215,124
Cerritos Community College District 2014 Ref Bonds Series E	7.205%	5,255,000	378,633
Cerritos Community College District 2012 Series 2018E	7.205%	52,770,000	3,802,185
Cerritos Community College District 2012 Series 2019C	7.205%	93,325,000	6,724,254
Cerritos Community College District 2020 Series REF BDS	7.205%	51,350,000	3,699,871
Cerritos Community College District 2012 Series 2021E	7.205%	75,000,000	5,403,901
Compton Community College District 2002 Series 2012C	2.660%	6,382,720	169,770
Compton Community College District 2012 Refunding Bond:	2.660%	2,095,000	55,724
Compton Community College District 2002 Series 2013E	2.660%	149,624	3,980
Compton Community College District 2014 REF	2.660%	5,770,000	153,473
Compton Community College District 2015 REF BONDS	2.660%	5,300,000	140,972
Compton Community College District 2014 Series A	2.660%	16,035,000	426,506
Compton Community College District 2002 Series 2018E	2.660%	10,145,677	269,859
Compton Community College District 2020 REF BD SerA	2.660%	79,945,000	2,126,411
Long Beach Community College District DS 2002 Series D 2007	8.449%	7,000,081	591,452
Long Beach Community College District 2008 Series 2009E	8.449%	15,096,105	1,275,503
Long Beach Community College District Ref 02 12 Series A	8.449%	67,033,695	5,663,825
Long Beach Community College District DS Ref Bonds 2014 Series C	8.449%	7,055,000	596,093
Long Beach Community College District DS Ref Bonds 2015 Series F	8.449%	16,735,000	1,413,977
Long Beach Community College District DS 2016 Series E	8.449%	40,590,000	3,429,539
Long Beach Community College District DS Ref 2017 Series C	8.449%	73,310,000	6,194,124
Long Beach Community College District DS 2016 Series C	8.449%	99,090,000	8,372,334
Long Beach Community College District DS Ref Bonds 19 S F	8.449%	64,535,000	5,452,705
Long Beach Community College District DS Ref Bonds 21 S F	8.449%	231,845,000	19,589,097
ABC Unified School District 2003 Ref Bond Series A	10.266%	170,000	17,453
ABC Unified School District DS 1997 Series B	10.266%	21,102,080	2,166,406
ABC Unified School District DS 2018 Series A	10.266%	49,310,000	5,062,321
Bellflower Unified School District, District 2012 Series A	28.070%	34,190,000	9,596,963
Bellflower Unified School District, District 2012 Series E	28.070%	40,995,000	11,507,092
Long Beach Unified School District DS 2008 Refunding Bonds	8.448%	15,650,606	1,322,097
Long Beach Unified School District DS 2008 Series A	8.448%	660,000	55,754
Long Beach Unified School District DS 2009 Ref Bonds Series B	8.448%	6,420,000	542,334
Long Beach Unified School District DS 2010 Ref Bonds Series A	8.448%	22,475,000	1,898,592
Long Beach Unified School District DS 2008 SR B-1 QSCB	8.448%	65,800,000	5,558,504
Long Beach Unified School District DS 2011 Refunding Bond:	8.448%	7,725,686	652,633
Long Beach Unified School District DS 2012 Refunding Bond:	8.448%	79,675,000	6,730,605
Long Beach Unified School District DS 2008 Series C	8.448%	34,010,000	2,873,020
Long Beach Unified School District DS 2008 Series D	8.448%	159,330,000	13,459,521
Long Beach Unified School District DS 2016 Refunding Bond:	8.448%	89,998,410	7,602,683
Long Beach Unified School District DS 2008 Series E	8.448%	97,980,000	8,276,934
Long Beach Unified School District DS 2016 Series A	8.448%	358,865,000	30,315,390
Long Beach Unified School District DS 2008 Series F Meas K	8.448%	142,120,000	12,005,693
Long Beach Unified School District DS 2016 Series B Meas E	8.448%	273,665,000	23,118,056
Paramount Unified School District 2006 Series 2011 Bonds	9.465%	21,700,770	2,053,904
Paramount Unified School District Ref Bond Series 2015	9.465%	22,560,000	2,135,227
Paramount Unified School District DS 1998 Series A	9.465%	5,878,314	556,362
Paramount Unified School District 2016 Series 2017A	9.465%	18,515,000	1,752,382
Paramount Unified School District 2016 Series 2018B	9.465%	26,631,089	2,520,542
Paramount Unified School District 2016 Series 2020C	9.465%	46,395,000	4,391,129
Paramount Unified School District Ref Bond Series 2020	9.465%	66,756,012	6,318,229
Total overlapping debt		\$ 2,921,403,534	\$ 251,255,686
City Direct Debt:			
Lease payable	100.000%	460,465	460,465
Total Direct and Overlapping Debt			\$ 251,716,151

¹ For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the city's boundaries and dividing it by each unit's total taxable assessed value.

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Statistical. This process recognizes that, when considering the city's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident—and therefore responsible for repaying the debt—of each overlapping government

City of Lakewood
Legal Debt Margin Information
Last Ten Fiscal Years

	Fiscal Years				
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Assessed valuation (In thousands)	\$ 7,281,614	\$ 7,474,292	\$ 7,899,494	\$ 8,298,427	\$ 8,698,092
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit (In thousands)	1,092,242	1,121,144	1,184,924	1,244,764	1,304,714
Total net debt applicable to the limit:					
General obligation bonds (In thousands)	-	-	-	-	-
Legal debt margin (In thousands)	<u>\$ 1,092,242</u>	<u>\$ 1,121,144</u>	<u>\$ 1,184,924</u>	<u>\$ 1,244,764</u>	<u>\$ 1,304,714</u>
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%

Note: Section 43605 of the Government Code of the State of California limits the amount of indebtedness for public improvements to 15% of the assessed valuation of all real and personal property of the City.

The City of Lakewood has no general bonded indebtedness.

City of Lakewood
Legal Debt Margin Information (Continued)
Last Ten Fiscal Years

	Fiscal Years				
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Assessed valuation (In thousands)	\$ 9,165,328	\$ 9,655,309	\$ 10,128,915	\$ 10,618,540	\$ 11,042,873
Debt limit percentage	15%	15%	15%	15%	15%
Debt limit (In thousands)	1,374,799	1,448,296	1,448,296	1,592,781	1,656,431
Total net debt applicable to the limit:					
General obligation bonds (In thousands)	-	-	-	-	-
Legal debt margin (In thousands)	<u>\$ 1,374,799</u>	<u>\$ 1,448,296</u>	<u>\$ 1,448,296</u>	<u>\$ 1,592,781</u>	<u>\$ 1,656,431</u>
Total debt applicable to the limit as a percentage of debt limit	0.0%	0.0%	0.0%	0.0%	0.0%

Note: Section 43605 of the Government Code of the State of California limits the amount of indebtedness for public improvements to 15% of the assessed valuation of all real and personal property of the City.

The City of Lakewood has no general bonded indebtedness.

City of Lakewood
Pledged-Revenue Coverage
Last Ten Fiscal Years
(In thousands)

Fiscal Year Ended June 30	Water Revenue Bonds					Coverage
	Water Revenue	Less: Operating Expenses	Net Available Revenue	Debt Service		
				Principal	Interest	
2013	10,574	7,696	2,878	620	196	3.53
2014	11,712	6,927	4,785	645	172	5.86
2015	10,311	7,826	2,485	670	148	3.04
2016	10,931	7,849	3,082	687	67	4.09
2017	10,873	7,280	3,593	233	45	12.92
2018	13,004	9,589	3,415	233	38	12.60
2019	13,355	10,473	2,882	245	32	10.40
2020	12,869	10,112	2,757	251	27	9.92
2021	13,965	8,313	5,652	257	20	20.40
2022	13,787	9,286	4,501	271	7	16.19

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

City of Lakewood
Pledged-Revenue Coverage (Continued)
Last Ten Fiscal Years
(In thousands)

Fiscal Year Ended June 30	Tax Allocation Bonds				Coverage
	Tax Increment	Debt Service			
		Principal	Interest		
2013	1,418	1,085	333	1.00	
2014	1,436	1,155	281	1.00	
2015	1,435	1,210	225	1.00	
2016	1,430	1,265	165	1.00	
2017	1,432	1,330	102	1.00	
2018	1,425	1,390	35	1.00	
2019	-	-	-	-	
2020	-	-	-	-	
2021	-	-	-	-	
2022	-	-	-	-	

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

City of Lakewood
Demographic and Economic Statistics
Last Ten Calendar Years

Calendar Year	Population (1)	Personal Income (thousands of dollars) (2)	Per Capita Personal Income (2)	Unemployment Rate (3)
2012	80,781	2,386,755	29,546	7.1%
2013	81,224	2,388,960	29,412	4.9%
2014	81,261	2,363,232	29,082	6.4%
2015	78,471	2,426,233	30,918	5.2%
2016	79,272	2,406,040	30,351	4.0%
2017	81,179	2,490,791	30,682	3.3%
2018	81,352	2,579,207	31,704	4.4%
2019	79,919	2,743,438	34,327	4.1%
2020	80,218	2,836,725	35,362	12.2%
2021	80,876	2,909,229	35,971	8.3%

City of Lakewood
Full-Time City Employees by Function
Last Ten Fiscal Years

<u>Division</u>	<u>Fiscal Years</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>	<u>2021</u>	<u>2022</u>
City Administration	32	31	30	30	30	29	29	29	13	13
Communications									12	11
City Clerk	2	2	2	2	2	2	2	2	2	2
Administrative Services	21	21	20	21	21	20	20	20	23	22
Community Development	15	15	14	14	14	14	14	13	14	14
Public Safety									7	7
Public Works	31	31	31	32	32	32	32	32	33	30
Recreation and Community Services	59	60	62	62	62	61	61	58	59	58
Water Resources	<u>19</u>	<u>19</u>	<u>19</u>	<u>19</u>	<u>19</u>	<u>17</u>	<u>17</u>	<u>17</u>	<u>17</u>	<u>15</u>
Total	<u>179</u>	<u>179</u>	<u>178</u>	<u>180</u>	<u>180</u>	<u>175</u>	<u>175</u>	<u>171</u>	<u>180</u>	<u>172</u>

Note: Communications and Public Safety are new departments in FY 20/21. They split from the Administration department.

City of Lakewood
Operating Indicators by Function
Last Ten Fiscal Years

	Fiscal Years				
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Public works:					
Street resurfacing (miles)	6	1	-	1	-
Recreation and community services:					
Number of recreation classes	1,786	1,812	1,615	1,931	1,711
Number of facility rentals	7,320	7,473	8,259	7,919	5,838
Water					
New connections	24	11	6	2	7
Number of consumers	20,453	20,469	20,489	20,481	20,180
Average daily consumption (thousands of gallons)	7,330	7,549	6,857	5,887	6,262
Community development					
Number of building permits issued *	2,915	3,107	3,457	4,408	4,051

*Includes both residential and commercial permits.

City of Lakewood
Operating Indicators by Function (Continued)
Last Ten Fiscal Years

	Fiscal Years				
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Public works:					
Street resurfacing (miles)	-	3	-	0.4	9.4
Recreation and community services:					
Number of recreation classes	1,924	1,888	1,355	3,608	1,365
Number of facility rentals	1,577**	1,715**	1,446**	539***	1,356
Water					
New connections	4	9	7	8	14
Number of consumers	20,196	20,148	20,255	20,159	20,123
Average daily consumption (thousands of gallons)	6,050	5,954	6,014	5,988	5,986
Community development					
Number of building permits issued *	3,986	3,765	3,396	3,960	4,111

*Includes both residential and commercial permits.

**In November 2016 the RCS Department initiated a transition from CLASS facility booking software to the ActiveNet online system. For the duration of 2017 to date, inclusive of the 2017/18 fiscal year, the ActiveNet system has represented blocks of facility reservations for multiple dates as one event. The CLASS system previously represented a block of facility reservations for multiple dates as many events- i.e. one date equals one event. This is the reason for the significant decline in faculty rentals from FY 2017 to FY 2018.

*** Went significantly down due to COVID-19 pandemic.

City of Lakewood
Capital Assets Statistics by Function
Last Ten Fiscal Years

	Fiscal Years				
	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Public works:					
Streets (miles)	196	196	196	196	196
Streetlights	6,654	6,654	6,654	6,654	6,654
Recreation and community services:					
Number of recreation facilities	13	13	13	13	13
Acreage of facilities	189.0	189.0	189.0	189.0	189.0
Number of pools	2	2	2	2	2
Water					
Water mains (miles)	195.00	195.00	195.00	195.00	195.00
Wastewater					
Sewers (miles)	167.00	167.00	167.00	167.00	167.00

City of Lakewood
Capital Assets Statistics by Function (Continued)
Last Ten Fiscal Years

	Fiscal Years				
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Public works:					
Streets (miles)	196	196	196	196	196
Streetlights	6,654	6,654	6,654	6,654	6,654
Recreation and community services:					
Number of recreation facilities	13	13	13	13	13
Acreage of facilities	189.0	189.0	189.0	189.0	189.0
Number of pools	2	2	2	2	2
Water					
Water mains (miles)	195.00	195.00	195.00	195.00	195.00
Wastewater					
Sewers (miles)	167.00	167.00	167.00	167.00	167.00



D I V I D E R S H E E T

COUNCIL AGENDA

December 13, 2022

TO: The Honorable Mayor and City Council

SUBJECT: Rehab Steel Water Tanks 1 & 2 – PW Project 22-06

INTRODUCTION

In October 2022, the City advertised for bids for a project to rehabilitate two steel water storage tanks located at the Arbor Water Yard. No bids were received. Public Contract Code 20166 states in part “If no bids are received, the legislative body may have the project done without further complying with this chapter.”

STATEMENT OF FACT

The City contracted with Harper and Associates, an engineering firm that specializes in steel storage tanks, to examine the two water storage tanks with respect to any rehabilitation work necessary to extend the serviceable life of the tanks. Harper subsequently recommended and designed the tank renovation work that this proposed project will accomplish.

Each tank is 18 feet high with a diameter of 120 feet with a capacity of 1.5 million gallons. The inside and outside of the tank’s coating were evaluated and recommendations were made for areas to be re-coated which will include the removal of existing coating, spot priming, and re-coating to current AWWA standards. In addition, corroded nuts and bolts will also be replaced; a new interior ladder will be installed; exterior downspouts will be replaced; and a cathodic protection system will be installed. The tanks were last recoated in 2005 and the re-coating is expected to have an anticipated life of approximately twenty years.

SUMMARY

After advertising the project in October, a mandatory pre-bid meeting was held at the Arbor Water Yard. Seven firms sent representatives which made them eligible to bid the project. At bid time, four firms were plan holders, however, no bids were submitted.


Staff has since contacted two firms that are capable of doing this project and asked for a quote using the same bid items as in the original specifications. Advanced Industrial Services, Inc. of Los Alamitos submitted the lowest quote in an amount of \$278,100. The other quote was \$387,788. The engineer’s original estimate was \$260,000.


City Staff will do construction management for the project with assistance by an inspector from Harper and Associates to provide technical expertise. Harper and Associates has provided a proposal in an amount of \$43,200 to provide construction assistance and quality control inspection. Construction is anticipated to begin in February and be completed in May, 2023.

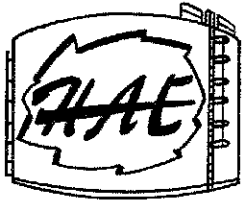
RECOMMENDATIONS

That the City Council:

1. Authorize the Mayor to sign a contract with Advanced Industrial Services, Inc. of Los Alamitos in a form approved by the City Attorney for "Rehab Steel Water Tanks 1 & 2- PW Project 22-06" in an amount of \$278,100.
2. Authorize staff to approve Harper and Associates proposal in an amount of \$43,200 to provide construction assistance and inspection for "Rehab Steel Water Tanks 1 & 2- PW Project 22-06."
3. Appropriate \$400,000 from the Water Reserve Fund for "Rehab Steel Water Tanks 1 & 2- PW Project 22-06."
4. Authorize staff to approve a cumulative total of change orders as needed not to exceed \$50,000.
5. Adopt the plans, specifications and working details for "Rehab Steel Water 1 & 2 PW Project 22-06."


Derek Nguyen, Ph.D., P.E.
Director of Water Resources


Thaddeus McCormack
City Manager



HARPER & ASSOCIATES ENGINEERING, INC.

CONSULTING ENGINEERS

1240 E. Ontario Ave., Ste. 102-312 Corona, CA 92881-8671
Phone (951) 372-9196 Fax (951) 372-9198
www.harpereng.com

PROPOSAL TO

CITY OF LAKEWOOD

FOR

ENGINEERING CONSULTING SERVICES FOR CONSTRUCTION ASSISTANCE AND

QUALITY CONTROL INSPECTION FOR A WATER STORAGE TANKS

I. PROJECT DESCRIPTION

- A. The two water storage tanks are located on a City-owned site in Lakewood, California and are designated as the Tanks No. 1 and Tanks No. 2 at Plant 4.
- B. SCOPE OF WORK – CONSTRUCTION ASSISTANCE
 - 1. Assist City in conducting Pre-Construction Conference to enable all relevant parties to comprehend scope of project, implementation of specification and City requirements.
 - a. Prepare minutes of Pre-Construction Conference covering all aspects of contractor's questions and clarifications of project and present to all parties
 - 2. Assist City in review and approval of Contractor submittals and project procedures. Rejected submittals would be supplemented with an explanation of the reason for rejection and requirements for re-submittal.
 - 3. Prepare change orders as needed. The modifications communicated by change order would be fully documented with written descriptions of the work required.
 - 4. Provide general inspection services as needed for structural modifications to the tanks.
 - 5. Review all contractor invoices, inspection reports, inspector estimates of percent completion and make recommendations to the City for payment of contractor as appropriate.
 - 6. Assist City in final acceptance of project upon completion of all work by Contractor.

C. SCOPE OF WORK – QUALITY CONTROL INSPECTION

1. DAILY INSPECTION ACTIVITY REPORTS

- a. Reports shall identify daily start and stop times, size of contractor's crew, equipment used, visitors to jobsite, climatic conditions throughout the day, quantity of materials used, work accomplished, periods of Contractor down time and cause, inspection procedures used and results, verification and recording of surface preparation, coating material "batch numbers" mixing, thinning, application and thickness. All entries shall be dated and timed.

2. SURFACE PREPARATION INSPECTION - Physical inspection of blast cleaned surfaces to verify compliance to specification, removal of dust, etc.

- a. Weather conditions will be verified by use of a sling psychrometer to determine suitability of climatic conditions prior to and during all blast cleaning operations.
- b. Surface will be observed throughout cleaning operations to determine compliance with specifications.
 - (1) Preliminary Cleaning: Surface will be inspected to verify removal of grease, oil, chemicals etc. after completion of solvent cleaning of surface.
 - (2) Abrasive Blast Cleaning
 - (a) Inspect blasted surfaces at the end of each day's shift to determine compliance with specification. At completion of blast cleaning each shift, areas not meeting specification will be reblasted and tests again performed. This cycle will be repeated until surfaces are accepted for coating application.
 - (b) Upon completion of above inspection, dust and other surface contaminants will be removed as specified and surfaces visually and physically inspected for compliance to specification.

3. PRIME COAT INSPECTION - After approval of surface preparation, ongoing inspection monitors weather condition, Contractor's application equipment and its operation, mixing of primer and physical inspection of prime coat application, including spray techniques, cleanliness of surface, thickness, etc.

- a. Weather conditions will be verified by use of a sling psychrometer to determine suitability of climatic conditions prior to and during all application operations.
- b. Contractor's equipment is constantly monitored to determine operation will not contribute to any degradation of application (oil, moisture, etc.)

- c. Coating materials are inspected for compliance to specification and all mixing/thinning operations are monitored.
 - d. Surfaces are re-inspected to verify no dust or other contaminants are on surface and remedial cleaning performed as required.
 - e. After approval of surface, application is carefully monitored to verify coatings are evenly applied at proper thickness and with no overspray to interfere with adhesion.
4. FINISH COAT(S) INSPECTION - After approval of prime coat application, ongoing inspection monitors weather condition, Contractor's application equipment and its operation, mixing of primer and physical inspection of prime coat application, including spray techniques, cleanliness of surface thickness, etc.
- a. Procedures outlined in 3. above are repeated during application of additional coats, including careful examination of areas where cleaning penetrated coating film to verify edges of film have not lifted, curled, etc. Where defects exists, additional cleaning will be performed to bring area into compliance with specification and area will be recoated as required.
5. FINAL INSPECTION - Requires input at conclusion of finish coatings to ensure application and dry film thickness are in complete conformance to specification.
- a. DRY FILM THICKNESS TESTING:
 - (1) The coating is tested to determine it has sufficiently dried to eliminate indentation of the probe into the coating, which subtracts mils from the correct reading. If the coating does deform, the testing will be postponed until the coating is firm enough to prevent deformation by the gauge.
 - (2) Dry film thickness measurements will be taken on 3' centers until it is determined deficient readings warrant more tests to truly indicate the thickness of the area. Testing will be performed as deemed necessary to accurately determine the thickness, regardless of what the Contractor may say. If widespread deficiencies are found, the Contractor will be advised to determine if they prefer to proceed with testing after additional material has been applied.
 - (3) After completion of the testing and after the Contractor has recoated all of the deficient areas, tests on the recoated areas will be repeated until the minimum dry film thickness is obtained.

II. SCHEDULE

- A. Inspection would be completed upon a mutually agreed schedule after execution of an agreement and receipt of Notice to Proceed.

III. CITY RESPONSIBILITIES

- A. The City shall provide the following items, personnel and/or services to be utilized in connection with this work.
 - 1. The City shall make available to the Consultant reasonable and timely staff input for purposes of conference discussion, reviewing submissions from the Consultant, providing information and/or suggestions relating to the work in a manner such that the Consultant may meet the project completion schedule.
 - 2. City will provide payment on monthly progress estimates to the Consultant based upon work accomplished during the previous month or portion thereof.

IV. WORK PRODUCT

- A. The City designee shall at all times have access to the work product of the Consultant while it is under preparation or in progress. Upon completion of the project, all drawings, documents, and notes shall become property of the City, including all sketches and correspondence.

V. DESIGNATED REPRESENTATIVES

- A. Project shall be under direct control of Ms. Krista Harper, P.E. It is understood the City's representative will be Mr. Derwin Dy, who will provide the interface between the City's Staff and Consultant.

VI. COST ESTIMATE

- A. Based on previously noted Scope of Work CONSTRUCTION ASSISTANCE would not exceed \$7,200.
- B. Based on previously noted Scope of Work – QUALITY CONTROL INSPECTION estimated costs for performing services are \$36,000, based on project duration of (25) working days per tank for interior coating and exterior painting repairs.
 - 1. Inspection costs are based on an hourly rate of \$90.00 per hour. The estimate is based on Inspector working 8 hours per day, 5 days per week, Monday through Friday. A 4-hour minimum will be charged for the inspector being on site.
 - 2. If the Contractor accomplishes the work in less time the above cost will be reduced. Should the Contractor fail to achieve the schedule, project's completion would be extended accordingly, resulting in additional inspection time and costs.
- C. Additional meetings and work as directed by City = Hourly basis or negotiated fee.

VII. INSURANCE COVERAGES

- A. Consultant will provide and maintain in full force and effect, while operating under an agreement with City, a comprehensive liability insurance policy which shall include bodily injury, and property damage coverage of \$4,000,000 combined single limit, automobile liability insurance with limits of \$2,000,000, worker's compensation

insurance with limits of coverage as prescribed by law, and an Errors and Omissions professional liability policy with a minimum limit of coverage of \$2,000,000. Noted insurance Coverages are currently in force with Consultant.

VIII. INDEMNITY

- A. City shall hold Harper & Associates Engineering, Inc., harmless from any and all liability to perform beyond the exact confines of the services offered in this proposal.

IX. ACCEPTANCE OF PROPOSAL

- A. The cost estimate, terms and conditions of this proposal are valid for sixty days from receipt of proposal. Acceptance shall be deemed valid upon receipt by Harper & Associates Engineering, Inc. of the original proposal executed by the Engineer's authorized representative within noted time frame. Acceptance will be in whatever form is routinely used by City.

X. CONFIDENTIALITY OF PROPOSAL

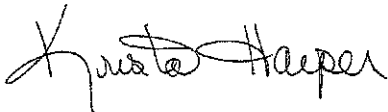
- A. The content of this proposal and any conversations with Consultant regarding this proposal are considered to be confidential and are not for publication, discussion or knowledge of any person or persons who are not employees of City.

XI. TERMINATION OF AGREEMENT

- A. City may terminate this agreement at any time prior to the completion of the services to be furnished by Harper & Associates Engineering, Inc., by giving a written notice of termination to Harper & Associates Engineering, Inc. in which event City shall only pay Harper & Associates Engineering, Inc. as provided herein for work done prior to receipt of such notice of termination, plus the necessary and reasonable cost of termination (not to exceed \$500.00).
- B. In the event City terminates this agreement, Harper & Associates Engineering, Inc. shall furnish City a copy of all work effort and product in process to the date of termination.

Respectfully submitted,

HARPER & ASSOCIATES ENGINEERING, INC.



Krista Harper, P.E.
Vice President, Engineering

DIVIDER SHEET

COUNCIL AGENDA

December 13, 2022

TO: Honorable Mayor and City Council

SUBJECT: Approval of Water Rights Lease to City of Compton

INTRODUCTION

The Central Basin Groundwater Judgment allows parties owning groundwater rights to lease excess annual extraction rights to other parties. The City of Compton is seeking to enter into agreement with the City of Lakewood to lease 1,500 acre-feet of water rights for the next three FY 22/23, FY 23/24 and FY 24/25.

STATEMENT OF FACT

The City of Lakewood owns 9,432 acre-feet of Allowed Pumping Allocation (APA) of extraction rights in the Central Basin. The Central Basin Groundwater Judgment limits water purveyors to the extraction of adjudicated rights and currently up to 60 percent of the extraction rights not exercised can be carried. Any excess unused rights not leased will be considered lost.

The City holds water rights about equal to historical production prior to previous cycles of droughts. However, over the years, with continued cycles of drought, water conservation efforts, increased public awareness and improvements in technologies have resulted in lower water demands in the City. Current water conservation mandate requires that the City further reduce its water use by 15% compare to 2020, which will likely result in over 3,400 acre-feet of unused water rights for FY 22-23 and potentially future years. Due to this potential excess, staff has been diligently at work seeking long-term lease partners to alleviate concerns over surplus water rights.

Previously, on August 9, 2022, the City Council approved a water rights lease agreement with the Golden State Water Company for 1,840 acre-feet totaling \$303,600 for FY 21/22. On September 27, 2022, the City Council approved a water rights lease agreement with the City of Cerritos for 700 acre-feet for a total cost of \$115,500 for each FY 23/24, FY 24/25 and FY 25/26. The City of Cerritos also has an existing lease agreement with Lakewood to lease 750 acre-feet for FY 22/23 totaling \$123,750.


As part of the continuing effort to seek long-term lease partners to alleviate surplus water rights, staff has been in discussion with the City of Compton to enter into an agreement for a lease of 1,500 acre-feet of water extraction rights proposed for FY 22/23, FY 23/24 and FY 24/25 for a total cost of \$742,500.

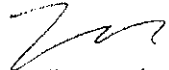
The proposed agreement will help Lakewood further maximize its annual water extraction rights, reduce the risk of accumulated unused rights and generate additional revenues to offset operating expenses for the Water Enterprise Fund. Revenues received from this agreement will enable the Water Enterprise Fund to maintain a vigorous Capital Improvement Program and keep water rates as low as possible for Lakewood customers.

RECOMMENDATION

Staff recommends that the City Council:

1. Approve the water right license and lease agreement in a form approved by the City Attorney with City of Compton for 1,500 acre-feet of water extraction rights for FY 22/23, FY 23/24 and FY 24/25 for a total cost of \$742,500.
2. Authorize the Mayor to sign the agreement with City of Compton on behalf of the City.


Derek Nguyen, Ph.D., P.E.
Director of Water Resources


Thaddeus McCormack
City Manager

WATER RIGHT LICENSE AND AGREEMENT

For a valuable consideration, The City of Lakewood, California ("Licensor") hereby grants the City of Compton, California ("Licensee"): A License to extract water rights from Licensor's rights under the Judgment dated October 11, 1965, and entered in Los Angeles Superior Court Case No. 786,656 entitled "Central and West Basin Water Replenishment District vs. Charles E. Adams, et al." (the "Judgment") during each of the following periods (the "License"):

- 1,500 acre-feet for Fiscal Year 2022-2023 (from July 1, 2022 – June 30, 2023)
- 1,500 acre-feet for Fiscal Year 2023-2024 (from July 1, 2023 – June 30, 2024)
- 1,500 acre-feet for Fiscal Year 2024-2025 (from July 1, 2024 – June 30, 2025)

The License is granted subject to the following conditions:

1. Licensee shall exercise said right and extract the same on behalf of Licensor during the periods above specified, and put the same to beneficial use, and Licensee shall not by the exercise hereunder of said right acquire any right to extract water independent of the rights of Licensor.
2. Licensee shall pay assessments levied on the pumping of said groundwater by the Water Replenishment District of Southern California (the "District").
3. Licensee shall notify the District and the Watermaster that said pumping was done pursuant to the License and shall provide the Watermaster with a copy hereof.
4. Licensee shall note in any recording of water production for the period of agreement that said pumping was done pursuant to the License.
5. Licensee's Allowed Pumping Allocation shall be increased by the amount hereby leased when computing carryover or allowable over-extraction as provided by Part III, Subpart A and B in the Judgment.
6. Licensee shall pay to Licensor \$165 per acre-foot for water extraction rights granted under the License. Final amount of Payments to the Licensor shall total \$247,500 per FY 22/23, FY 23/24, and FY 24/25. Payments shall be made bi-annually as follows:
 - FY 22/23 – due January 31, 2023 & June 15, 2023
 - FY 23/24 – due December 15, 2023 & June 15, 2024
 - FY 24/25 – due December 15, 2024 & June 15, 2025

Any notice given or made in connection with this Agreement shall be in writing and delivered as follows:

To City of Lakewood: Director of Water Resources
City of Lakewood – Water Resources Dept.
5812 Arbor Road
Lakewood, CA 90713

To City of Compton: Water General Manager
City of Compton – Water Department
205 S. Willowbrook Avenue
Compton, CA 90220

7. Licensors warrants that it has Allowed Pumping Allocation for each period, and that it has not pumped and will not pump or permit or license any other person to pump any part of said 1,500 acre-feet for each FY 22/23, FY 23/24 and FY 24/25.
8. This Agreement shall be effective upon execution by the parties and shall continue in effect through FY 24/25, subject to termination at any time by either party in the event of any material breach of any of the provisions contained herein.

Licensors: CITY OF LAKEWOOD

Licensee: CITY OF COMPTON

CITY OF LAKEWOOD

STEVE CROFT - Mayor

APPROVED AS TO FORM:

ATTEST:

City Attorney

JO MAYBERRY - City Clerk

Dated: December 13, 2022

CITY OF COMPTON

THOMAS THOMAS – City Manager

APPROVED AS TO FORM:

ATTEST:

ERIC PERRODIN - City Attorney

ALITA GODWIN - City Clerk

Dated: December 20, 2022

DIVIDER SHEET

COUNCIL AGENDA

December 13, 2022

TO: Honorable Mayor and City Council

SUBJECT: Presentation by Californians Against Retail and Residential Theft Coalition

INTRODUCTION

Over the past several years, various public safety policy and legislative changes have been enacted that have incentivized and reduced accountability of criminal activity. Lakewood is not immune to the consequences of these changes, however, we do not idly standby. Lakewood is a city that looks for ways to find resolutions to problems, working in partnership with likeminded cities and organizations to ensure the best quality of life for our residents.

STATEMENT OF FACTS


Californians Against Retail and Residential Theft, or CARRT, is a broad-based coalition of business districts, residential associations, chambers of commerce and other stakeholders, that was founded earlier this year for the purpose of raising awareness regarding increasing crime, particularly the brazen thefts that have become all too common place, to effect positive change to make communities safer and reduce crime. To that end, the coalition is looking to work with local leaders and cities, like Lakewood, to educate state representatives about the real problems of crime faced at the local level and provide real world solutions that can work to the benefit of everyone.

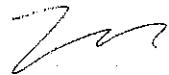
CARRT approached Lakewood asking the city to join the coalition given the city's innovative efforts to tackle crime, for example, the Neighborhood Safety Enhancement Plan approved by City Council earlier this year. Joining CARRT would provide Lakewood an opportunity to be a leader amongst cities and drive the conversation in collaboration with others that share our values for a safe community and to effect positive change on a statewide level. Additionally, we would have an opportunity share our innovative public safety measures and learn what others have successfully done. Lakewood would be the first city to join CARRT. There is no cost for Lakewood to join the coalition.

Representatives from CARRT provided a presentation about the coalition to the Public Safety Committee on November 1. The Committee found the coalition's efforts to be promising in raising awareness of increased crime with the goal to find solutions to the problem. The Committee recommended the presentation be made to the City Council and that the City Council approve joining Californians Against Retail and Residential Theft.

RECOMMENDATION

Staff recommends the City Council approve joining the coalition Californians Against Retail and Residential Theft.


Joshua Yordt
Director of Public Safety


Thaddeus McCormack
City Manager

DIVIDER SHEET

COUNCIL AGENDA

December 13, 2022

TO: Honorable Mayor and City Council

SUBJECT: Neighborhood Safety Enhancement Plan Update

INTRODUCTION

On March 22, 2022, City Council approved the Neighborhood Safety Enhancement Plan, a comprehensive package of public safety measures to deter criminal activity and improve the safety and security of Lakewood. Elements of the plan included Deputy Sheriff overtime, private security patrols, crime fighting equipment, and rebate incentives for residents.

STATEMENT OF FACT

Following are updates and staff recommendations regarding certain elements of the Neighborhood Safety Enhancement Plan.

Deputy Sheriff Overtime

A 2-Deputy crime suppression unit has been deployed since April 3, focused on deterring burglaries, auto and catalytic converter thefts, and working closely with the Special Assignment Team and gang detectives regarding nuisance properties and gang activity. Their schedule has been flexible, primarily during late afternoon and evening hours on varying days of the week to address crime trends.

During the past 8-month deployment, the crime suppression unit has made a total of 146 arrests, 51 for felonies and 95 for misdemeanors. Eight of the arrests were of documented gang members and 11 were for drug related offenses. Eleven firearms were recovered. A total of 61 traffic citations were issued.

Additionally, overtime shifts for a 2-Deputy saturation patrol enforcement unit has been deployed periodically in the late night hours of 10pm – 2am focused on street racing activity, traffic safety concerns and gang related vandalism and activity.

The saturation patrols have resulted in a total of seven arrests and 37 citations issued for various traffic and equipment violations. Two stolen vehicles have been recovered and four vehicles impounded. As a special note, in October, the patrol unit successfully thwarted what would have been major intersection takeover by a large group of vehicles that were gathering at Palo Verde and Candlewood.

In light of the current moratorium on contract cities adding Deputy Sheriff units to their contract deployment, the use of overtime is a good alternative to address crime trends and focus of specific issues in the community. The overtime deployments allow the city and Lakewood

Sheriff's Station to direct resources in a strategic manner to have the greatest impact on crime and quality of life issues.

Staff recommends to continue deploying the crime suppression and saturation patrol units on an overtime basis through June 2023. A budget allocation of \$545,000 would be necessary to cover overtime expenses for the entire fiscal year.

Private Security Patrol

Private security patrols started on April 24, with four unarmed security guards performing vehicle patrols 10pm-630am, 7 days a week. The guards were each assigned a patrol beat to conduct grid pattern/zig-zag patrols in all residential neighborhoods and adjacent commercial areas. The intent of the initial deployment was to address crime trends and provide a sense of safety and security.

In September, staff conducted a review of crime stats for the 17 weeks prior to versus the 17 weeks of patrol service. The stats revealed Part I and II crime increased 9.5%, and catalytic converter thefts slightly increased by 1.5% while neighboring cities experienced increases of 75-111% during the same period. While crime trends showed increases, feedback from community has been positive, indicating an increased sense of safety and security.

Council approved extending the private security contract from October 11 through December 31, 2023 on an adjusted deployment of three guards nightly with a more strategic, targeted focus on parks, commercial shopping centers and areas with an uptick of crime.

Since October 11, security guards have reported the following:

- Regular contact with homeless individuals congregating at commercial shopping centers, sleeping against store fronts or in vehicles. Services are offer services, but typically refused, and the person is advised and asked to leave due to trespassing. Areas that have had high incidence of homeless are now having fewer such instances.
- On a few occasions, guards have observed vehicles driving or people riding bicycles or walking through neighborhoods acting suspiciously, possibly looking to commit crime. Upon the guards making their presence known, the vehicle or person quickly leaves the area.
- Guards have encountered many people loitering at parks after hours. Contact is made to advise of park hours and informed they need to leave. No issues or problems reported.
- A fire was observed inside Rynerson Park. The Fire Department was called via 9-1-1 and the guard opened the driveway gate of the park for fire department personnel and escorted them to the location of the fire, which was near a shelter structure. The fire

was a small pile of branches and shrubbery. No damage was reported to the park facility.

- On two occasions, came upon a wheelchair bound homeless individual requesting medical assistance. The guard called for EMS response and the individual was transported to an area hospital.
- Graffiti, illegal dumping and other items seen during patrols are routinely reported to the city via Lakewood Connect App generating service request for appropriate staff follow-up.
- On several occasions, guards have assisted LASD with traffic control at traffic collisions, termination of a pursuit and during a traffic stop investigation.

Staff recommends extending the private security patrol contract from January 1 through June 30, 2023, utilizing the current deployment model. A budget allocation of \$180,000 would be necessary for the remainder of the fiscal year.

Citywide Automated License Plate Reader Cameras

Twelve Automated License Plate Reader (ALPR) cameras have been purchased to expand the city's network of ALPR throughout the city. These new cameras are the latest technology in ALPR and are a self-contained small format platform that utilizes cellular connectivity and solar power for ease and versatility of installation. Ten of the cameras will be installed on major thoroughfares in the city and two will be installed on radar trailers.

Staff and Sheriff's representatives have identified installation locations along major streets near the city's boundaries focused on vehicle traffic coming into the city.

Delivery of the cameras has been delayed due to supply chain issues. The current expected ship date for the cameras is within the next six weeks. Upon delivery of the cameras, Sheriff's Department staff will configure the cameras to the department's existing ALPR system and coordinate installation with staff.

Radar Trailers

Public Safety Staff have completed training related to proper and safe trailer hitching, driving and deployment of the radar trailers. Staff are still in the process of learning and becoming familiar with the radar and message board systems. Deployment of the trailer is anticipated to begin January 2023.

Home Security and Catalytic Converter Rebate Program

On April 18, the home security camera and catalytic converter theft prevention rebate programs were launched.

The home security camera program provides residents an opportunity to receive a \$50 rebate for the purchase of a security camera at \$100 or more, for up to two rebates. A total of 245 home security camera rebates have been issued, equaling \$12,250. This means there 245 new cameras installed throughout Lakewood's neighborhoods.

The catalytic converter theft prevention program provides residents an opportunity to receive a rebate of \$25 for engraving their vehicle's catalytic converter or \$50 for installing an anti-theft device on their catalytic converter. Five rebates for installation of an anti-theft device have been issued, equaling \$250. No applications for catalytic converter engraving have been received.


Funding for rebates is still available and staff are continuing to process applications as they come in.

On December 6, the Public Safety Committee received an update on the Neighborhood Safety Enhancement Plan. The Committee recommended staff present the update report to City Council and that City Council approve extending the Sheriff's crime suppression and saturation patrol on an overtime basis and extend the private security patrols January 1 through June 30, 2023, and approve the requisite budget appropriations.

RECOMMENDATION

Staff recommends the City Council:

1. Approve extending deployment of Sheriff's crime suppression and saturation patrol units on an overtime basis January 1 through June 30, 2023, and authorize an appropriation of \$545,000 of General Fund funds in the FY2022-2023 budget.
2. Approve extending the agreement for private security patrols with Southwest Patrol, Inc. from January 1 through June 30, 2023, authorize the City Manager to sign the agreement as approved by the City Attorney, and authorize an appropriation of \$180,000 of General Fund funds in the FY2022-2023 budget.


Joshua Yordt
Director of Public Safety


Thaddeus McCormack
City Manager



Security Agreement Number: 29232

This agreement is made and effective as of January 1, 2023, by and between Southwest Patrol, Inc., 1800 E Lambert Road #155, Brea, California 92821 (the "*COMPANY*") and City of Lakewood, 5050 Clark Avenue, Lakewood, California 90712 (the "*CUSTOMER*"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. This agreement shall commence on the effective date and expire June 30, 2023, and may be extended by written agreement between *CUSTOMER* and *COMPANY*.

2. During the terms of the contract, the *COMPANY* agrees to furnish the following services:

(3) Unarmed uniform security officers with a marked patrol vehicle (*COMPANY* and *CUSTOMER* logo) will be working seven days a week Monday – Sunday starting at 10:00pm and ending 6:30am patrolling designated areas throughout Lakewood residential neighborhoods and shopping centers to deter criminal activity. Officers will be taking a 30 minute nonpaid lunch, client will be billed for an eight (8) hour shift. Stand By Time may be applied when the Officers have to stay on patrol or a designated location longer than the scheduled shift when requested by *CUSTOMER*. Any changes to services must be done in writing via email with a twenty-four (24) hour advance notice. Officers will be properly equipped, uniformed, and appropriately attired.

3. *COMPANY* shall be responsible, for the direct supervision of the officers furnished through its designated representatives at the premises to which this contract relates and such representatives, will in turn, be available at all reasonable times to consult with the designated representatives of the *CUSTOMER* with respect to security services rendered there under. The *COMPANY* will pay all wages, expenses, federal, social security taxes, unemployment taxes, and any similar taxes. The *COMPANY* will, upon reasonable notice and request of the *CUSTOMER*, remove any guard from *CUSTOMER'S* premises any time it desires and for any reason whatsoever.

4. The *CUSTOMER* agrees to pay *COMPANY* by check once invoice is received and within our payment schedule (net-30). *COMPANY* will add on a 5% late fee on each billing cycle until payment is received in full if payment becomes denied. *CUSTOMER* agrees to pay reasonable attorney and other fees, which may be incurred by *COMPANY* if collection action is needed under this contract.

5. If there is enacted any law regulation, ruling or other such mandate, by an authority having jurisdiction of the subject matter which alters the hours of service, rates of pay, working conditions, or costs of performing the security service herein provided of, *CUSTOMER* agrees that this contract will be subject to renegotiations to take into account these increased costs. All rates are subject to change according to any and all increased costs, with a thirty (30) day notice given to *CUSTOMER*.

6. Cancellation of this contract must be in writing with twenty-four (24) notice for the early discontinuation of services requested by *CUSTOMER or COMPANY*.

7. Indemnification and defense

A. Indemnity.

To the fullest extent permitted by law, *COMPANY* shall indemnify and hold harmless the *CUSTOMER* and any and all of its officials, officers, employees, agents, and/or volunteers ("Indemnified Parties") from and against any and all losses, liabilities, damages, costs and expenses, including attorney's fees and costs, caused in whole or in part by the acts, errors, or omissions of *COMPANY*, its officers, agents, employees, subcontractors, or subconsultants (or any agency or individual that *COMPANY* shall bear the legal liability thereof) in the performance of Services under this Agreement.

B. Duty to Defend.

In the event the *CUSTOMER*, its officials, officers, employees, agents, and/or volunteers are made a party to any claim, action, lawsuit, or other adversarial proceeding ("Action") arising from the performance of the Services under this Agreement, whether or not *COMPANY* is named in such Action, and upon demand by the City, *COMPANY* shall defend the *CUSTOMER* at *COMPANY'S* sole cost, or at the *CUSTOMER'S* option, to reimburse the *CUSTOMER* for its costs of defense, including reasonable attorney's fees and costs incurred in the defense.

- C. Payment by the *CUSTOMER* for Services is not a condition precedent to enforcement of this section. *COMPANY'S* duty to defend, indemnify, and hold harmless the *CUSTOMER* shall not extend to the *CUSTOMER'S* sole or active negligence. In the event of any dispute between *COMPANY* and the *CUSTOMER* as to whether liability arises from the sole or active negligence of the *CUSTOMER* or its officials, officers, employees, agents, and/or volunteers, *COMPANY* will be obligated to pay for the *CUSTOMER'S* defense until such time as a final judgment has been entered adjudicating the *CUSTOMER* as solely or actively negligent. *COMPANY* will not be entitled in the absence of such a determination to any reimbursement of defense costs including, but not limited to, attorney's fees, expert fees and costs of litigation.

8. *COMPANY* shall maintain prior to the beginning of and for the duration of this Agreement maintain insurance coverage as specified in Exhibit B attached hereto and made a part of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date.

City of Lakewood:

Southwest Patrol, Inc.:

Thaddeus McCormack. City Manager

Authorized Representative

EXHIBIT A

Rate Schedule

- Unarmed Officer \$ 41.00 Per Hour/Per Officer
- Patrol Services \$ N/A Per Visit /Per Day/ Per Location
- Stand By time \$ 57.00 Per Hour
- Response Service \$ N/A Per Month/Response Call
- Holiday Pay 1.5 X the Per Hour rate (Christmas Eve, Christmas Day, Thanksgiving Day, New Years Eve, New Year's Day, Easter, Memorial Day, Labor Day, and 4th of July)

EXHIBIT B

INSURANCE REQUIREMENTS

Without limiting Consultant's indemnification of the City, and prior to commencement of Services, Consultant shall obtain, provide, and maintain at its own expense during the term of this Agreement, policies of insurance of the type and amounts described below and in a form satisfactory to the City. If the Consultant maintains higher limits than the minimum limits shown below, the City requires and shall be entitled to coverage for the higher limits maintained by Consultant. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

General liability insurance. Consultant shall maintain commercial general liability insurance with coverage at least as broad as Insurance Services Office form CG 00 01, in an amount not less than \$3,000,000 per occurrence, \$5,000,000 general aggregate, for bodily injury, personal injury, and property damage. The policy must include contractual liability that has not been amended. Any endorsement restricting standard ISO "insured contract" language will not be accepted.

Automobile liability insurance. Consultant shall maintain automobile insurance at least as broad as Insurance Services Office form CA 00 01 covering bodily injury and property damage for all activities of the Consultant arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles, in an amount not less than \$1,000,000 combined single limit for each accident.

Workers' compensation insurance. Consultant shall maintain Workers' Compensation Insurance (Statutory Limits) and Employer's Liability Insurance (with limits of at least \$1,000,000).

Professional Liability (errors & omissions) insurance. Consultant shall maintain professional liability insurance that covers the Services to be performed in connection with this agreement, in the minimum amount of \$3,000,000 per claim and in the aggregate. Any policy inception date, continuity date, or retroactive date must be before the effective date of this agreement and consultant agrees to maintain continuous coverage through a period no less than three (3) years after completion of the services required by this agreement.

Umbrella or excess liability insurance. Consultant shall obtain and maintain an umbrella or excess liability insurance policy with limits that will provide bodily injury, personal injury and property damage liability coverage at least as broad as the primary coverages set forth above, including commercial general liability, automobile liability, and employer's liability. Such policy or policies shall include the following terms and conditions:

- A drop-down feature requiring the policy to respond if any primary insurance that would otherwise have applied proves to be uncollectible in whole or in part for any reason;
- Pay on behalf of wording as opposed to reimbursement;
- Concurrence of effective dates with primary policies;
- Policies shall "follow form" to the underlying primary policies; and
- Insureds under primary policies shall also be insureds under the umbrella or excess policies.

Other provisions or requirements

Proof of insurance. Consultant shall provide certificates of insurance to the City as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by the City's Risk Manager prior to commencement of performance. Current certification of insurance shall be kept on file with the City at all times during the term of this Agreement. The City reserves the right to require complete, certified copies of all required insurance policies at any time.

Duration of coverage. Consultant shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Services hereunder by Consultant, or Consultant's agents, representatives, employees, subcontractors, or subconsultants.

Primary/noncontributing. Coverage provided by Consultant shall be primary and any insurance or self-insurance procured or maintained by the City shall not be required to contribute with it. The limits of insurance required herein may be satisfied by a combination of primary and umbrella or excess insurance. Any umbrella or excess insurance shall contain or be endorsed to contain a provision that such coverage shall also apply on a primary and non-contributory basis for the benefit of the City before the City's own insurance or self-insurance shall be called upon to protect it as a named insured.

The City's rights of enforcement. In the event any policy of insurance required under this Agreement does not comply with these specifications or is canceled and not replaced, the City has the right but not the duty to obtain the insurance it deems necessary and any premium paid by the City will be promptly reimbursed by Consultant or the City will withhold amounts sufficient to pay premium from Consultant payments. In the alternative, the City may immediately terminate this Agreement.

Acceptable insurers. All insurance policies shall be issued by an insurance company currently authorized by the Insurance Commissioner to transact business of insurance or is on the List of Approved Surplus Line Insurers in the State of California, with an assigned policyholders' Rating of A- (or higher) and Financial Size Category Class VII (or larger) in accordance with the latest edition of Best's Key Rating Guide, unless otherwise approved by the City's Risk Manager.

Waiver of subrogation. All insurance coverage maintained or procured pursuant to this Agreement shall be endorsed to waive subrogation against the City, its elected or appointed officers, agents, officials, employees and volunteers or shall specifically allow Consultant or others providing insurance evidence in compliance with these specifications to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against the City, and shall require similar written express waivers and insurance clauses from each of its subcontractors or subconsultants.

Enforcement of Agreement provisions (non estoppel). Consultant acknowledges and agrees that any actual or alleged failure on the part of the City to inform Consultant of non-compliance with any requirement imposes no additional obligations on the City nor does it waive any rights hereunder.

Requirements not limiting. Requirements of specific coverage features or limits contained in this Agreement are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as

it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type.

Notice of cancellation. Consultant agrees to oblige its insurance agent or broker and insurers to provide to the City with a thirty (30) day notice of cancellation (except for nonpayment for which a ten (10) day notice is required) or nonrenewal of coverage for each required coverage.

Additional insured status. General liability policies shall provide or be endorsed to provide that the City and its officers, officials, employees, agents, and volunteers shall be additional insureds under such policies. This provision shall also apply to any excess/umbrella liability policies.

Prohibition of undisclosed coverage limitations. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to the City and approved of in writing.

Separation of insureds. A severability of interests provision must apply for all additional insureds ensuring that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the insurer's limits of liability. The policy(ies) shall not contain any cross-liability exclusions.

Pass through clause. Consultant agrees to ensure that its subcontractors or subconsultants, and any other party involved with the Services who is brought onto or involved in the Services by Consultant, provide the same minimum insurance coverage and endorsements required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with Consultants, subcontractors, subconsultants, and others engaged in the Services will be submitted to the City review.

The City's right to revise specifications. The City reserves the right at any time during the term of the Agreement to change the amounts and types of insurance required by giving Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to Consultant, the City and Consultant may renegotiate Consultant's compensation or come to some other agreement to address the additional cost.

Self-insured retentions. Any self-insured retentions must be declared to and approved by the City. The City reserves the right to require that self-insured retentions be eliminated, lowered, or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by the City.

Timely notice of claims. Consultant shall give the City prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

Additional insurance. Consultant shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgment may be necessary for its proper protection and prosecution of the Services.

DIVIDER SHEET

*Successor
Agency*

CITY OF LAKEWOOD SUCCESSOR AGENCY - PROJECT AREAS
FUND SUMMARY 11/23/2022

In accordance with section 2521 of the Lakewood Municipal Code, presented herewith is a summary of obligations to be paid by the City of Lakewood. Each of the following demands has been audited by the Director of Finance and Administrative Services and approved by the City Manager.

2902	ENFORCEABLE OBLIGATIONS	1,000.00
		<hr/>
		1,000.00

Council Approval

Date

City Manager

Attest

City Clerk

Director of Finance and Administrative Services

**CITY OF LAKEWOOD SUCCESSOR AGENCY - PROJECT AREAS
SUMMARY CHECK REGISTER**

CHECK DATE	VENDOR NAME	CHECK AMOUNT
11/23/2022	LOS ANGELES CO	1,000.00
	Totals:	1,000.00

D I V I D E R S H E E T

SUCCESSOR AGENCY AGENDA

December 13, 2022

TO: The Honorable Successor Agency to the former Redevelopment Agency to the City of Lakewood

SUBJECT: Recognized Obligation Payment Schedule (ROPS) for July 1, 2023 through June 30, 2024 – ROPS 23-24 and Administrative Budget FY 2023-24.

INTRODUCTION

The Successor Agency is required to submit an annual ROPS pursuant to California Health and Safety Code Section 34177(o)(1) to the county auditor controller and Department of Finance (DOF) no later than February 1st, with an annual amendment process as stated in Section 34177(o)(1)(E).

STATEMENT OF FACT

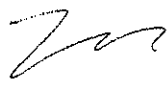
The ROPS 23-24 includes the following updates:

- As adopted by Oversight Board Resolution No. OB-2016-3 and as allowed by H&S Section 34191.4(b), the loan agreements between the redevelopment agency and the low and moderate income housing fund are available for repayment starting in FY 19-20. This includes the Educational Revenue Augmentation Fund (ERAF) loan outstanding in the amount of \$90,492, the Supplemental Educational Revenue Augmentation Fund (SERAF) loans totaling \$1,441,567, and the \$1,085,310 deferred housing funds. Repayment is subject to the calculation set forth by H&S Section 34191.4(b)(3)(A). Repayment of housing loans has priority over repayment of any other loans to the city.
- Per H&S Code 34191.4(b) upon issue of finding of completion by the DOF and approval of the oversight board, loan agreements entered into between the redevelopment agency and the city shall be deemed to be enforceable and shall be recalculated at three percent. Twenty percent of repayment is to be set-aside for The Housing Successor Agency. Loans will be re-assessed at four percent after DOF approval of the Last and Final ROPS.
- Per DOF's letter dated December 17, 2015, they approved the unfunded pension obligations but asked that the liabilities calculation be based on the fixed amount from 2012 and not the one updated in 2013, as originally requested by the Agency. CalPERS recalculates liabilities annually to reflect new factors. The Agency's stance is that although the Successor Agency ceased to exist in January 2012, the liabilities continue to charge therefore the calculation should be updated accordingly.

RECOMMENDATION

It is recommended that the City Council approve the Recognized Obligations Payment Schedule for July 1, 2023 Through June 30, 2024 – ROPS 23-24 and the Administrative Budget for FY 2023-24.

Jose Gomez 
Director of Finance & Administrative Services


Thaddeus McCormack
City Manager

Recognized Obligation Payment Schedule (ROPS 23-24) - Summary
Filed for the July 1, 2023 through June 30, 2024 Period

Successor Agency: Lakewood

County: Los Angeles

Current Period Requested Funding for Enforceable Obligations (ROPS Detail)	23-24A Total (July - December)	23-24B Total (January - June)	ROPS 23-24 Total
A Enforceable Obligations Funded as Follows (B+C+D)	\$ -	\$ -	\$ -
B Bond Proceeds	-	-	-
C Reserve Balance	-	-	-
D Other Funds	-	-	-
E Redevelopment Property Tax Trust Fund (RPTTF) (F+G)	\$ 1,854,506	\$ 1,854,505	\$ 3,709,011
F RPTTF	1,729,506	1,729,505	3,459,011
G Administrative RPTTF	125,000	125,000	250,000
H Current Period Enforceable Obligations (A+E)	\$ 1,854,506	\$ 1,854,505	\$ 3,709,011

Certification of Oversight Board Chairman:

Pursuant to Section 34177 (o) of the Health and Safety code, I hereby certify that the above is a true and accurate Recognized Obligation Payment Schedule for the above named successor agency.

Name Title

/s/ _____
Signature Date

Lakewood

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 23-24 Total	ROPS 23-24A (Jul - Dec)					ROPS 23-24B (Jan - Jun)					23-24B Total	
											Fund Sources					Fund Sources						
											Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF		
								\$19,039,428		\$3,709,011	\$-	\$-	\$-	\$1,729,506	\$125,000	\$1,854,506	\$-	\$-	\$-	\$-	\$125,000	\$1,854,506
7	County Deferral	Unfunded Liabilities	06/27/1989	06/30/2042	County of Los Angeles	County Deferral Loan	Project Area 2	756,943	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
9	Housing Fund Deficit	Unfunded Liabilities	06/30/1999	06/30/2022	Low and Moderate Income Housing Fund	Housing fund deficit repayments (HSC section 3334.6(d))	Project Area 1	1,085,310	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
17	Administrative Costs	Admin Costs	07/01/2020	06/30/2022	City of Lakewood	Administrative costs including staff, audit, payroll, legal, and other administrative costs.	All Project Areas	250,000	N	\$250,000	-	-	-	-	125,000	\$125,000	-	-	-	-	125,000	\$125,000
18	LMHF Loan (SERAF)	SERAF/ERAF	05/10/2010	06/30/2042	Low and Moderate Income Housing Fund	Loan for SERAF payment to County for FY 09/10 (HSC section 33690 (c)(1))	All Project Areas	779,459	N	\$779,459	-	-	-	389,730	-	\$389,730	-	-	-	389,729	-	\$389,729
19	LMHF Loan (SERAF)	SERAF/ERAF	05/04/2011	06/30/2042	Low and Moderate Income Housing Fund	Loan for SERAF payment to County for FY 10/11 (HSC section 33690 (c)(1))	All Project Areas	662,108	N	\$662,108	-	-	-	331,054	-	\$331,054	-	-	-	331,054	-	\$331,054
20	LMHF Loan (ERAF)	SERAF/ERAF	05/10/2005	06/30/2042	Low and Moderate Income Housing Fund	Loan for ERAF payment to County for FY 04/05 (HSC section 33681.12 (b))	All Project Areas	90,492	N	\$90,492	-	-	-	45,246	-	\$45,246	-	-	-	45,246	-	\$45,246
21	City Loans and Advances to Agency	City/County Loan (Prior 06/1985)	12/17/1985	06/30/2042	City of Lakewood	Loans for development and financial assistance of	All Project Areas	10,790,530	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W
Item #	Project Name	Obligation Type	Agreement Execution Date	Agreement Termination Date	Payee	Description	Project Area	Total Outstanding Obligation	Retired	ROPS 23-24 Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	23-24A Total	Bond Proceeds	Reserve Balance	Other Funds	RPTTF	Admin RPTTF	23-24B Total
		28/11), Cash exchange				Project Areas 1, 2, and 3 (80%)																
22	City Loans and Advances to Agency	City/County Loan (Prior 06/28/11), Cash exchange	12/17/1985	06/30/2042	Lakewood Housing Successor	Loans for development and financial assistance of Project Areas 1, 2, and 3 (20%)	All Project Areas	2,697,634	N	\$-	-	-	-	-	-	\$-	-	-	-	-	-	\$-
30	Proportional Share of Unfunded Pension Liabilities	Unfunded Liabilities	01/01/2020	06/30/2022	City of Lakewood	Obligation to Share in Payment of Unfunded Liabilities	All Project Areas	1,926,952	N	\$1,926,952	-	-	-	963,476	-	\$963,476	-	-	-	963,476	-	\$963,476

Pursuant to Health and Safety Code section 34177 (l), Redevelopment Property Tax Trust Fund (RPTTF) may be listed as a source of payment on the ROPS, but only to the extent no other funding source is available or when payment from property tax revenues is required by an enforceable obligation.						
A	B	C	D	E	F	G
	ROPS 20-21 Cash Balances (07/01/20 - 06/30/21)	Fund Sources				
		Bond Proceeds		Reserve Balance	Other Funds	RPTTF
		Bonds issued on or before 12/31/10	Bonds issued on or after 01/01/11	Prior ROPS RPTTF and Reserve Balances retained for future period(s)	Rent, grants, interest, etc.	Non-Admin and Admin
Comments						
1	Beginning Available Cash Balance (Actual 07/01/20) RPTTF amount should exclude "A" period distribution amount.				569,072	1,394,288
2	Revenue/Income (Actual 06/30/21) RPTTF amount should tie to the ROPS 20-21 total distribution from the County Auditor-Controller					462,425
3	Expenditures for ROPS 20-21 Enforceable Obligations (Actual 06/30/21)					633,501
4	Retention of Available Cash Balance (Actual 06/30/21) RPTTF amount retained should only include the amounts distributed as reserve for future period(s)				569,072	1,223,212
5	ROPS 20-21 RPTTF Prior Period Adjustment RPTTF amount should tie to the Agency's ROPS 20-21 PPA form submitted to the CAC			No entry required		
6	Ending Actual Available Cash Balance (06/30/21) C to F = (1 + 2 - 3 - 4), G = (1 + 2 - 3 - 4 - 5)	\$-	\$-	\$-	\$-	\$-

Lakewood
Recognized Obligation Payment Schedule (ROPS 23-24) - Notes
July 1, 2023 through June 30, 2024

Item #	Notes/Comments
7	
9	
17	
18	Per H&S Code 34191.4(b)(3)(A) the maximum repayment amount authorized each fiscal year for repayments shall be equal to one-half of the increase between the amount distributed to the taxing entities and the amount distributed to taxing entities 2012-13 base year. Listed is the estimated maximum RPTTF available for distribution to Lakewood Successor Agency to repay approved ERAF/ SERAF loans.
19	Per H&S Code 34191.4(b)(3)(A) the maximum repayment amount authorized each fiscal year for repayments shall be equal to one-half of the increase between the amount distributed to the taxing entities and the amount distributed to taxing entities 2012-13 base year. Listed is the estimated maximum RPTTF available for distribution to Lakewood Successor Agency to repay approved ERAF/ SERAF loans.
20	Per H&S Code 34191.4(b)(3)(A) the maximum repayment amount authorized each fiscal year for repayments shall be equal to one-half of the increase between the amount distributed to the taxing entities and the amount distributed to taxing entities 2012-13 base year. Listed is the estimated maximum RPTTF available for distribution to Lakewood Successor Agency to repay approved ERAF/ SERAF loans.
21	
22	
30	Per DOF letter dated December 17, 2015, the DOF approved the unfunded pension obligation but stated that liabilities calculation be based on the dissolution year 2012 and not 2013 as originally requested by the Agency. CalPERS recalculated pension liabilities in 2013 to reflect new factors such as mortality rate. The Agency's stance is that although the Successor Agency ceased to exist in January 2012, the liabilities continue to exist, therefore, calculation should be updated accordingly

D I V I D E R S H E E T

Housing Successor

**CITY OF LAKEWOOD SUCCESSOR AGENCY - HOUSING
FUND SUMMARY 11/10/2022**

In accordance with section 2521 of the Lakewood Municipal Code, presented herewith is a summary of obligations to be paid by the City of Lakewood. Each of the following demands has been audited by the Director of Finance and Administrative Services and approved by the City Manager.

3901	HOUSING SUCCESSOR AGENCY	18,000.00
		<hr/>
		18,000.00

Council Approval

Date

City Manager

Attest

City Clerk

Director of Finance and Administrative Services

**CITY OF LAKEWOOD SUCCESSOR AGENCY - HOUSING
SUMMARY CHECK REGISTER**

<u>CHECK DATE</u>	<u>VENDOR NAME</u>	<u>CHECK AMOUNT</u>
11/10/2022	ALPERIN, SARAH	18,000.00
	Totals:	<u>18,000.00</u>

**CITY OF LAKEWOOD SUCCESSOR AGENCY - HOUSING
FUND SUMMARY 11/17/2022**

In accordance with section 2521 of the Lakewood Municipal Code, presented herewith is a summary of obligations to be paid by the City of Lakewood. Each of the following demands has been audited by the Director of Finance and Administrative Services and approved by the City Manager.

3901	HOUSING SUCCESSOR AGENCY	50.00
		<hr/> 50.00

Council Approval

Date

City Manager

Attest

City Clerk

Director of Finance and Administrative Services

**CITY OF LAKEWOOD SUCCESSOR AGENCY - HOUSING
SUMMARY CHECK REGISTER**

CHECK DATE	VENDOR NAME	CHECK AMOUNT
11/17/2022	CHICAGO TITLE CO	50.00
	Totals:	50.00

**CITY OF LAKEWOOD SUCCESSOR AGENCY - HOUSING
FUND SUMMARY 11/23/2022**

In accordance with section 2521 of the Lakewood Municipal Code, presented herewith is a summary of obligations to be paid by the City of Lakewood. Each of the following demands has been audited by the Director of Finance and Administrative Services and approved by the City Manager.

3901	HOUSING SUCCESSOR AGENCY	3,050.00
		<hr/>
		3,050.00

Council Approval

Date

City Manager

Attest

City Clerk

Director of Finance and Administrative Services

**CITY OF LAKEWOOD SUCCESSOR AGENCY - HOUSING
SUMMARY CHECK REGISTER**

CHECK DATE	VENDOR NAME	CHECK AMOUNT
11/23/2022	CHICAGO TITLE CO	50.00
11/23/2022	SINDAHA SAMIR	3,000.00
	Totals:	3,050.00

**CITY OF LAKEWOOD SUCCESSOR AGENCY - HOUSING
FUND SUMMARY 12/08/2022**

In accordance with section 2521 of the Lakewood Municipal Code, presented herewith is a summary of obligations to be paid by the City of Lakewood. Each of the following demands has been audited by the Director of Finance and Administrative Services and approved by the City Manager.

3901	HOUSING SUCCESSOR AGENCY	18,050.00
		<hr/>
		18,050.00

Council Approval

Date

City Manager

Attest

City Clerk

Director of Finance and Administrative Services

**CITY OF LAKEWOOD SUCCESSOR AGENCY - HOUSING
SUMMARY CHECK REGISTER**

CHECK DATE	VENDOR NAME	CHECK AMOUNT
12/08/2022	CHICAGO TITLE CO	50.00
12/08/2022	CARIAS, ALFREDO AND ROSA	18,000.00
	Totals:	18,050.00